

SECURITIES AND EXCHANGE COMMISSION

FORM S-3/A

Registration statement for specified transactions by certain issuers [amend]

Filing Date: **2005-05-02**
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FILER

Citigroup Funding Inc.

CIK: **1318281** | IRS No.: **421658283** | State of Incorp.: **DE** | Fiscal Year End: **1231**
Type: **S-3/A** | Act: **33** | File No.: **333-122925-01** | Film No.: **05792091**

Mailing Address
399 PARK AVENUE
NEW YORK NY 10043

Business Address
399 PARK AVENUE
NEW YORK NY 10043
212-559-1000

CITIGROUP INC

CIK: **831001** | IRS No.: **521568099** | State of Incorp.: **DE** | Fiscal Year End: **1231**
Type: **S-3/A** | Act: **33** | File No.: **333-122925** | Film No.: **05792092**
SIC: **6021** National commercial banks

Mailing Address
399 PARK AVENUE
NEW YORK NY 10043

Business Address
399 PARK AVENUE
NEW YORK NY 10043
2125591000

REGISTRATION NO. 333-122925

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 1

TO

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

<Table>			
<S>	<C>	<C>	
CITIGROUP FUNDING INC.	DELAWARE		42-1658283
CITIGROUP INC.	DELAWARE		52-1568099
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)	(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)		(I.R.S. EMPLOYER IDENTIFICATION NUMBERS)
</Table>			

399 PARK AVENUE
NEW YORK, NY 10043
(212) 559-1000
(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING
AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

JOHN R. DYE, ESQ.
GENERAL COUNSEL-CAPITAL MARKETS
CITIGROUP INC.
399 PARK AVENUE
NEW YORK, NY 10043
(212) 559-1000
(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER,
INCLUDING AREA CODE, OF AGENT FOR SERVICE)

COPY TO:

JEFFREY D. KARPFF, ESQ.
CLEARY GOTTlieb STEEN & HAMILTON LLP
ONE LIBERTY PLAZA
NEW YORK, NEW YORK 10006
(212) 225-2000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE OF THE SECURITIES TO THE
PUBLIC: At such time (from time to time) after the effective date of this
Registration Statement as agreed upon by Citigroup Funding Inc. and the
Underwriters in light of market conditions.

If the only securities being registered on this form are being offered
pursuant to dividend or interest reinvestment plans, please check the following
box. []

If any of the securities being registered on this form are to be offered on
a delayed or continuous basis pursuant to Rule 415 under the Securities Act of
1933, other than securities offered only in connection with dividend or interest
reinvestment plans, check the following box. [X]

If this form is filed to register additional securities for an offering
pursuant to Rule 462(b) under the Securities Act, please check the following box
and list the Securities Act registration statement number of the earlier
effective registration statement for the same offering. []

If this form is a post-effective amendment filed pursuant to Rule 462(c)
under the Securities Act, check the following box and list the Securities Act
registration statement number of the earlier effective registration statement

for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. []

(continued on the following pages)

CALCULATION OF REGISTRATION FEE

<Table>

<Caption>

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED (1)	PROPOSED MAXIMUM OFFERING PRICE PER UNIT (2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE (3) (4)	AMOUNT OF REGISTRATION FEE
<S>	<C>	<C>	<C>	<C>
Debt Securities of Citigroup Funding Inc.(5).....				
Index Warrants of Citigroup Funding Inc.(6).....				
Debt Security and Index Warrant Units of Citigroup Funding Inc.(7).....				
Guarantees of Debt Securities, Index Warrants, and Debt Security and Index Warrant Units of Citigroup Funding Inc.(8).....	--	--	--	--
Total.....	\$10,000,000,000		\$10,000,000,000	\$1,176,882 (9)

</Table>

- (1) Includes an indeterminate number of guaranteed Debt Securities, Index Warrants, and Debt Security and Index Warrant Units that may be offered or sold by affiliates of the Registrants in market making transactions.
- (2) The proposed maximum offering price per unit of Debt Securities, Index Warrants, and Debt Security and Index Warrant Units will be determined from time to time by Citigroup Funding Inc. in connection with the issuance by it of the Debt Securities, Index Warrants, and Debt Security and Index Warrant Units registered hereunder.
- (3) The proposed maximum aggregate offering price has been estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended. The aggregate public offering price of the Debt Securities, Index Warrants, and Debt Security and Index Warrant Units of Citigroup Funding Inc. registered hereby will not exceed \$10,000,000,000 or the equivalent thereof in one or more foreign currencies, foreign currency units or composite currencies.
- (4) Exclusive of accrued interest, distributions and dividends, if any.
- (5) There is being registered hereunder an indeterminate principal amount of Debt Securities as may be sold from time to time. Includes Debt Securities which may be purchased by underwriters to cover over-allotments, if any.
- (6) There is being registered hereunder an indeterminate amount of Index Warrants representing rights to receive an amount of cash or number of securities that will be determined by reference to prices, yields, levels or other specified objective measures or changes in an index, indices, intangibles, articles, goods or other measures or instruments or differences between two or more such measures as may be sold from time to time. Includes Index Warrants that may be purchased by underwriters to cover over-allotments, if any.

(7) There is being registered hereunder an indeterminate amount of Debt Security and Index Warrant Units representing ownership of Debt Securities and Index Warrants. Includes Debt Security and Index Warrant Units that may be purchased by underwriters to cover over-allotments, if any.

(8) No separate consideration will be received for the Guarantees.

(9) A filing fee of \$118 was previously paid in connection with the initial filing of this Registration Statement on February 18, 2005.

THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

INTRODUCTORY NOTE

This Registration Statement contains:

- a form of base prospectus relating to debt securities, index warrants, and debt security and index warrant units of Citigroup Funding Inc.;
- a form of prospectus supplement to the base prospectus relating to the offering by Citigroup Funding of its Medium-Term Senior Notes, Series A, and Medium-Term Subordinated Notes, Series B, in registered form;
- a form of prospectus supplement to the base prospectus relating to the offering by Citigroup Funding of its Medium-Term Senior Notes, Series A, and Medium-Term Subordinated Notes, Series B, in bearer form; and
- a form of prospectus supplement to the base prospectus relating to the offering by Citigroup Funding of its Retail Medium-Term Notes, Series C in registered form.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. CITIGROUP FUNDING MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED MAY 2, 2005

PROSPECTUS

CITIGROUP FUNDING INC.

May Offer --

\$10,000,000,000

DEBT SECURITIES
INDEX WARRANTS

DEBT SECURITY AND INDEX WARRANT UNITS

FULLY AND UNCONDITIONALLY GUARANTEED BY
CITIGROUP INC.

Citigroup Funding will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and the accompanying prospectus supplement carefully before you invest.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus or any accompanying prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

These securities are not deposits or savings accounts but are unsecured obligations of Citigroup Funding Inc. These securities are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

CITIGROUP

, 2005

PROSPECTUS SUMMARY

This summary provides a brief overview of the key aspects of Citigroup, Citigroup Funding and all material terms of the offered securities that are known as of the date of this prospectus. For a more complete understanding of the terms of the offered securities, before making your investment decision, you should carefully read:

- this prospectus, which explains the general terms of the securities that Citigroup Funding may offer;
- the accompanying prospectus supplement, which (1) explains the specific terms of the securities being offered and (2) updates and changes information in this prospectus; and
- the documents referred to in "Where You Can Find More Information" on page 5 for information on Citigroup, including its financial statements.

CITIGROUP INC.

Citigroup is a diversified global financial services holding company whose businesses provide a broad range of financial services to consumer and corporate customers with some 200 million customer accounts doing business in more than 100 countries.

The principal executive offices of Citigroup are located at 399 Park Avenue, New York, New York 10043, and its telephone number is (212) 559-1000.

CITIGROUP FUNDING INC.

Citigroup Funding is a wholly-owned subsidiary of Citigroup whose business activities consist primarily of providing funds to affiliates of Citigroup for general corporate purposes.

The principal executive offices of Citigroup Funding are located at 399 Park Avenue, New York, New York 10043, and its telephone number is (212) 559-1000.

THE SECURITIES CITIGROUP FUNDING MAY OFFER

Citigroup Funding may use this prospectus to offer up to \$10,000,000,000 of:

- debt securities;
- index warrants; and
- debt security and index warrant units.

A prospectus supplement will describe the specific types, amounts, prices and detailed terms of any of these offered securities.

DEBT SECURITIES

Debt securities are guaranteed unsecured general obligations of Citigroup Funding in the form of senior or subordinated debt. Senior debt includes Citigroup Funding's notes, debt and any other debt for money borrowed that is not subordinated. Subordinated debt, so designated at the time it is issued,

would not be entitled to interest and principal payments if interest and principal payments on the senior debt were not made.

The senior and subordinated debt will be issued under separate indentures among Citigroup Funding, Citigroup, as guarantor, and a trustee. Below are summaries of the general features of the debt securities from these indentures. For a more detailed description of these features, see "Description of Debt Securities" below. You are also encouraged to read the indentures, which are included in Citigroup Funding's registration statement No. 333-122925.

General Indenture Provisions that Apply to Senior and Subordinated Debt

- None of the indentures limits the amount of debt that Citigroup Funding may issue or provides holders any protection should there be a highly leveraged transaction involving Citigroup Funding, although the senior debt indentures do limit Citigroup's ability to pledge the stock of any subsidiary that meets the financial thresholds in the indentures. These thresholds are described below under "Description of Debt Securities."
- The indentures allow for different types of debt securities, including indexed securities, to be issued in series and provides for the issuance of securities in book-entry, certificated and, in limited circumstances, bearer form.
- The indentures allow Citigroup and Citigroup Funding to merge or to consolidate with another company, or sell all or substantially all of their respective assets to another company. If any of these events occur, the other company would be required to assume Citigroup's and Citigroup Funding's respective obligations under the indentures. Unless the transaction resulted in an event of default, Citigroup and Citigroup Funding would be released from all liabilities and obligations under the debt securities when the other company assumed their respective obligations under the indentures.
- The indentures provide that holders of a majority of the principal amount of the senior debt securities and holders of a majority of the total principal amount of the subordinated debt securities outstanding in any series may vote to change Citigroup's and Citigroup Funding's obligations or your rights concerning those securities. However, changes to the financial terms of that security, including changes in the payment of principal or interest on that security or the currency of payment, cannot be made unless every holder of that security consents to the change.
- The indentures provide that Citigroup and Citigroup Funding may terminate and be fully discharged from their respective obligations under the debt securities or be released from their respective obligations to comply with the limitations discussed above at any time by depositing sufficient amounts of cash or U.S. government securities with the trustee to pay Citigroup Funding's obligations under the particular securities when due.
- The indentures govern the actions of the trustee with regard to the debt securities, including when the trustee is required to give notices to holders of the securities and when lost or stolen debt securities may be replaced.
- Citigroup provides a full and unconditional guarantee of the debt securities for the benefit of the holders, from time to time, of such debt securities.

Events of Default

The events of default specified in the indentures include:

- failure to pay principal or premium, if any, when due;
- failure to pay required interest for 30 days;
- failure to make a sinking fund payment for 30 days;
- failure to perform covenants for 90 days after notice;
- certain events of insolvency or bankruptcy, whether voluntary or not; and
- any additional events as may be set forth in the applicable prospectus supplement.

If there were an event of default, the trustee or holders of 25% of the principal amount of debt securities outstanding in a series could demand that the principal be paid immediately. However, holders of a majority in principal amount of the securities in that series may rescind that acceleration of the debt securities.

INDEX WARRANTS

Citigroup Funding may issue index warrants independently or together with debt securities (including as debt security and index warrant units). Citigroup Funding will issue any series of index warrants under a separate index warrant agreement among Citigroup Funding, Citigroup, as guarantor, and a bank or trust company. Citigroup will provide a full and unconditional guarantee of the index warrants for the benefit of the holders, from time to time, of such index warrants. You are encouraged to read the standard form of the index warrant agreement, which will be filed as an exhibit to one of Citigroup's future current reports and incorporated by reference in its registration statement No. 333-122925. You can receive copies of these documents by following the directions on page 5.

Index warrants are securities that, when properly exercised by the purchaser, entitle the purchaser to receive from Citigroup Funding an amount in cash or a number of securities that will be indexed to prices, yields, or other specified measures or changes in an index or differences between two or more indices.

The prospectus supplement for a series of index warrants will describe the formula for determining the amount in cash or number of securities, if any, that Citigroup Funding will pay you when you exercise an index warrant and will contain information about the relevant underlying assets and other specific terms of the index warrant.

Citigroup Funding will generally issue index warrants in book-entry form, which means that they will not be evidenced by physical certificates. Also, Citigroup Funding will generally list index warrants for trading on a national securities exchange, such as the New York Stock Exchange, the Nasdaq Stock Market's National Market, the American Stock Exchange or the Chicago Board Options Exchange.

The index warrant agreement for any series of index warrants will provide that holders of a majority of the total amount of the index warrants outstanding in any series may vote to change their rights concerning those index warrants. However, changes to fundamental terms such as the amount or manner of payment on an index warrant or changes to the exercise times cannot be made unless every holder affected consents to the change.

Any prospective purchasers of index warrants should be aware of special United States federal income tax considerations applicable to instruments such as the index warrants. The prospectus supplement relating to each series of index warrants will describe the important tax considerations.

DEBT SECURITY AND INDEX WARRANT UNITS

Citigroup Funding may issue debt security and index warrant units consisting of debt securities and index warrants. The applicable prospectus supplement will describe the terms of any debt security and index warrant units.

USE OF PROCEEDS

Citigroup Funding will use the net proceeds it receives from any offering of these securities for general corporate purposes, primarily to fund affiliates of Citigroup. Citigroup Funding may also use a portion of the proceeds to refinance or extend the maturity of existing debt obligations. Citigroup Funding may use a portion of the proceeds from the sale of index warrants and indexed notes to hedge its exposure to payments that it may have to make on such index warrants and indexed notes as described below under "Use of Proceeds and Hedging."

PLAN OF DISTRIBUTION

Citigroup Funding may sell the offered securities in any of the following ways:

- to or through underwriters or dealers;
- by itself directly;

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- through agents; or
- through a combination of any of these methods of sale.

The prospectus supplement will explain the ways Citigroup Funding sells specific securities, including the names of any underwriters and details of the pricing of the securities, as well as the commissions, concessions or discounts Citigroup Funding is granting the underwriters, dealers or agents.

If Citigroup Funding uses underwriters in any sale, the underwriters will buy the securities for their own account and may resell the securities from time to time in one or more transactions, at a fixed public offering price or at varying prices determined at the time of sale. In connection with an offering, underwriters and selling group members and their affiliates may engage in transactions to stabilize, maintain or otherwise affect the market price of the securities, in accordance with applicable law.

Citigroup Funding expects that the underwriters for any offering will include one or more of its broker-dealer affiliates, including Citigroup Global Markets Inc. These broker-dealer affiliates also expect to offer and sell previously issued offered securities as part of their business, and may act as a principal or agent in such transactions. Citigroup Funding or any of its affiliates may use this prospectus and the related prospectus supplements and pricing supplements in connection with these activities.

RATIO OF INCOME TO FIXED CHARGES AND
RATIO OF INCOME TO COMBINED FIXED CHARGES
INCLUDING PREFERRED STOCK DIVIDENDS

The following table shows (1) the consolidated ratio of income to fixed charges and (2) the consolidated ratio of income to combined fixed charges including preferred stock dividends of Citigroup for each of the five most recent fiscal years.

<Table>
<Caption>

	YEAR ENDED DECEMBER 31,				
	2004	2003	2002	2001	2000
<S>	<C>	<C>	<C>	<C>	<C>
Ratio of income to fixed charges (excluding interest on deposits).....	2.76x	3.43x	2.57x	2.00x	1.82x
Ratio of income to fixed charges (including interest on deposits).....	2.07x	2.48x	1.95x	1.64x	1.52x
Ratio of income to combined fixed charges including preferred stock dividends (excluding interest on deposits).....	2.74x	3.40x	2.54x	1.98x	1.81x
Ratio of income to combined fixed charges including preferred stock dividends (including interest on deposits).....	2.06x	2.47x	1.94x	1.63x	1.52x

</Table>

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WHERE YOU CAN FIND MORE INFORMATION

As required by the Securities Act of 1933, Citigroup Funding filed a registration statement (No. 333-122925) relating to the securities offered by this prospectus with the Securities and Exchange Commission. This prospectus is a part of that registration statement, which includes additional information.

Citigroup files annual, quarterly and current reports and other information with the SEC. Citigroup Funding currently does not file reports and other information with the SEC. You may read and copy any document Citigroup files at the SEC's public reference room in Washington, D.C. You can also request copies of the documents, upon payment of a duplicating fee, by writing the Public Reference Section of the SEC. Please call the SEC at 1-800-SEC-0330 for further

information on the public reference room. These SEC filings are also available to the public from the SEC's home page on the world wide web on the internet at "http://www.sec.gov".

The SEC allows Citigroup to "incorporate by reference" the information it files with the SEC, which means that it can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. Information that Citigroup files later with the SEC will automatically update information in this prospectus. In all cases, you should rely on the later information over different information included in this prospectus or the prospectus supplement. Citigroup incorporates by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934:

(a) Annual Report on Form 10-K for the year ended December 31, 2004; and

(b) Current Reports on Form 8-K filed on January 14, 2005, January 19, 2005, January 20, 2005, January 21, 2005, January 24, 2005, January 31, 2005, February 4, 2005, February 11, 2005, February 22, 2005, March 2, 2005, March 15, 2005, March 16, 2005, April 14, 2005, April 15, 2005, April 20, 2005 and May 2, 2005.

All documents Citigroup files pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and before the later of (1) the completion of the offering of the securities described in this prospectus and (2) the date the broker-dealer subsidiaries or affiliates of Citigroup stop offering securities pursuant to this prospectus shall be incorporated by reference in this prospectus from the date of filing of such documents.

You may request a copy of these filings, at no cost, by writing or telephoning Citigroup at the following address:

Citigroup Document Services
140 58th Street, Suite 8G
Brooklyn, NY 11220
(877) 936-2737 (toll free)
(718) 765-6514 (outside the U.S.)

You should rely only on the information provided in this prospectus and the prospectus supplement, as well as the information incorporated by reference. Neither Citigroup nor Citigroup Funding has authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Neither Citigroup nor Citigroup Funding is making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus, the prospectus supplement or any documents incorporated by reference is accurate as of any date other than the date on the front of the applicable document. Citigroup and Citigroup Funding's business, financial condition, results of operations and prospects may have changed since that date.

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FORWARD-LOOKING STATEMENTS

This prospectus, the accompanying prospectus supplement and the information incorporated by reference in this prospectus include forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These forward-looking statements are based on Citigroup Funding and Citigroup's respective management's beliefs and assumptions and on information currently available to Citigroup Funding and Citigroup's respective management. Forward-looking statements include information concerning Citigroup Funding and Citigroup's possible or assumed future results of operations and statements preceded by, followed by or that include the words "believes," "expects," "anticipates," "intends," "plans," "estimates" or similar expressions."

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. Factors that could cause actual results to differ from these forward-looking statements include, but are not limited to, those discussed elsewhere in this prospectus, the accompanying prospectus supplement and the documents incorporated by reference in this prospectus. You should not put undue reliance on any forward-looking statements. Neither Citigroup Funding nor Citigroup has any intention or obligation to update forward-looking statements after it distributes this prospectus.

CITIGROUP INC.

Citigroup Inc. is a diversified global financial services holding company whose businesses provide a broad range of financial services to consumer and corporate customers with some 200 million customer accounts doing business in more than 100 countries. Citigroup's activities are conducted through the Global Consumer, Corporate and Investment Banking, Global Wealth Management, Asset Management, and Alternative Investments business segments.

Citigroup is a holding company and services its obligations primarily with dividends and advances that it receives from subsidiaries. Citigroup's subsidiaries that operate in the banking, insurance and securities business can only pay dividends if they are in compliance with the applicable regulatory requirements imposed on them by federal and state bank regulatory authorities, state insurance departments and securities regulators. Citigroup's subsidiaries may be party to credit agreements that also may restrict their ability to pay dividends. Citigroup currently believes that none of these regulatory or contractual restrictions on the ability of its subsidiaries to pay dividends will affect Citigroup's ability to service its own debt. Citigroup must also maintain the required capital levels of a bank holding company before it may pay dividends on its stock. Each of Citigroup's major operating subsidiaries finances its operations on a stand-alone basis consistent with its capitalization and ratings.

Under longstanding policy of The Board of Governors of the Federal Reserve System, a bank holding company is expected to act as a source of financial strength for its subsidiary banks and to commit resources to support such banks. As a result of that policy, Citigroup may be required to commit resources to its subsidiary banks.

The principal office of Citigroup is located at 399 Park Avenue, New York, NY 10043, and its telephone number is (212) 559-1000.

CITIGROUP FUNDING INC.

Citigroup Funding Inc. is a wholly-owned subsidiary of Citigroup, incorporated on January 14, 2005, and organized under the laws of the State of Delaware. Its principal executive offices are located at 399 Park Avenue, New York, NY 10043, and its telephone number is (212) 559-1000. Its business activities consist primarily of providing funds to affiliates of Citigroup for general corporate purposes.

USE OF PROCEEDS AND HEDGING

General. Citigroup Funding will use the proceeds it receives from the sale of the offered securities for general corporate purposes, which may include:

- funding the business of Citigroup affiliates;
- funding investments in, or extensions of credit or capital contributions to, Citigroup affiliates; and
- lengthening the average maturity of liabilities, which means that it could reduce its short-term liabilities or refund maturing indebtedness.

Citigroup Funding expects to incur additional indebtedness in the future to fund its businesses. Citigroup Funding or one or more of its affiliates may enter into a swap agreement in connection with the sale of the offered securities and may earn additional income from that transaction.

Use of Proceeds Relating to Index Warrants and Indexed Notes. Citigroup Funding or one or more of its affiliates may use all or some of the proceeds received from the sale of index warrants or indexed notes to purchase or maintain positions in the underlying assets. Citigroup Funding or one or more of its affiliates may also purchase or maintain positions in options, futures contracts, forward contracts or swaps, or options on the foregoing, or other derivative or similar instruments relating to the relevant index or underlying assets. Citigroup Funding may also use the proceeds to pay the costs and expenses of hedging any currency, interest rate or other index-related risk relating to such index warrants and indexed notes.

Citigroup Funding expects that it or one or more of its affiliates will

increase or decrease their initial hedging position over time using techniques which help evaluate the size of any hedge based upon a variety of factors affecting the value of the underlying instrument. These factors may include the history of price changes in that underlying instrument and the time remaining to maturity. Citigroup Funding or one or more of its affiliates may take long or short positions in the index, the underlying assets, options, futures contracts, forward contracts, swaps, or options on the foregoing, or other derivative or similar instruments related to the index or the underlying assets. These other hedging activities may occur from time to time before the index warrants and indexed notes mature and will depend on market conditions and the value of the index and the underlying assets.

In addition, Citigroup Funding or one or more of its affiliates may purchase or otherwise acquire a long or short position in index warrants and indexed notes from time to time and may, in their sole discretion, hold, resell, exercise, cancel or retire such offered securities. Citigroup Funding or one or more of its affiliates may also take hedging positions in other types of appropriate financial instruments that may become available in the future.

If Citigroup Funding or one or more of its affiliates has a long hedge position in, or options, futures contracts, forward contracts or swaps, or options on the foregoing, or other derivative or similar instruments related to, the index or the underlying assets, Citigroup Funding or one or more of its affiliates may liquidate all or a portion of its holdings at or about the time of the maturity or earlier redemption or repurchase of, or the payment of any indexed interest on, the index warrants and indexed notes. The aggregate amount and type of such positions are likely to vary over time depending on future market conditions and other factors. Since the hedging activities described in this section involve risks and may be influenced by a number of factors, it is possible that Citigroup Funding or one or more of its affiliates may receive a profit from the hedging activities, even if the market value of the index warrants or indexed notes declines. Citigroup Funding is only able to determine profits or losses from any such position when the position is closed out and any offsetting position or positions are taken into account.

Citigroup Funding has no reason to believe that its hedging activities, as well as those of its affiliates, will have a material impact on the price of such options, futures contracts, forward contracts, swaps, options on the foregoing, or other derivative or similar instruments, or on the value of the index or the underlying assets. However, Citigroup Funding cannot guarantee you that its hedging activities, as well as those of its affiliates, will not affect such prices or value. Citigroup Funding or its affiliates will use the remainder of the proceeds from the sale of index warrants and indexed notes for the general corporate purposes described above.

DESCRIPTION OF DEBT SECURITIES

The debt securities offered by this prospectus will be guaranteed unsecured obligations of Citigroup Funding and will be either senior or subordinated debt. Senior debt will be issued under one of two senior debt indentures. Subordinated debt will be issued under a subordinated debt indenture. The senior debt indentures and the subordinated debt indenture are sometimes referred to in this prospectus individually as an "indenture" and collectively as the "indentures." Forms of the indentures have been or will be filed with the SEC as exhibits to the registration statement on Form S-3 (No. 333-122925) under the Securities Act of 1933 of which this prospectus forms a part.

The following briefly summarizes the material provisions of the indentures and the debt securities, other than pricing and related terms disclosed in the accompanying prospectus supplement. You should read the more detailed provisions of the applicable indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of a series of debt securities, which will be described in more detail in the applicable prospectus supplement. Copies of the indentures may be obtained from Citigroup, Citigroup Funding or the applicable trustee. So that you may easily locate the more detailed provisions, the numbers in parentheses below refer to sections in the applicable indenture or, if no indenture is specified, to sections in each of the indentures. Wherever particular sections or defined terms of the applicable indenture are referred to, such sections or defined terms are incorporated into this prospectus by reference, and the statements in this prospectus are qualified by that reference.

Unless otherwise provided in the applicable prospectus supplement, the trustee under the senior debt indenture will be The Bank of New York, and the trustee under the subordinated debt indenture will be Deutsche Bank Trust Company Americas. Citigroup Funding may, at its option, appoint others, including Citibank, N.A., to act as paying agent, transfer agent and/or registrar under each indenture.

GENERAL

Section numbers in The Bank of New York senior debt indenture take the form "1.01", "2.01" and so forth, rather than "101", "201" and so forth. Section references below should be read accordingly.

The indentures provide that unsecured senior or subordinated debt securities of Citigroup Funding, fully and unconditionally guaranteed by Citigroup, may be issued in one or more series, with different terms, in each case as authorized from time to time by Citigroup Funding. The indentures do not limit the amount of debt securities that may be issued under them (Section 301). Citigroup Funding also has the right to "reopen" a previous issue of a series of debt securities by issuing additional debt securities of such series.

United States federal income tax consequences and other special considerations applicable to any variable rate debt securities exchangeable for fixed rate debt securities or debt securities issued by Citigroup Funding at a discount will be described in the applicable prospectus supplement.

Because Citigroup is a holding company, the claims of creditors of Citigroup's subsidiaries will have a priority over Citigroup's equity rights and the rights of Citigroup's creditors, including the holders of debt securities, to participate in the assets of the subsidiary upon the subsidiary's liquidation.

The applicable prospectus supplement relating to any series of debt securities will describe the following terms, where applicable:

- the title of the debt securities;
 - whether the debt securities will be senior or subordinated debt;
 - the indenture under which such debt securities are being issued;
 - the total principal amount of the debt securities;
 - the percentage of the principal amount at which the debt securities will be sold and, if applicable, the method of determining the price;
 - the maturity date or dates;
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- the interest rate or the method of computing the interest rate;
 - the date or dates from which any interest will accrue, or how such date or dates will be determined, and the interest payment date or dates and any related record dates;
 - if other than in United States dollars, the currency or currency unit in which payment will be made;
 - if the amount of any payment may be determined with reference to an index or formula based on a currency or currency unit other than that in which the debt securities are payable, the manner in which the amount will be determined;
 - if the amount of any payment may be determined with reference to an index or formula based on securities, commodities, intangibles, articles or goods, or any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance, the manner in which the amount will be determined;
 - if any payments may be made at the election of Citigroup Funding or a holder of debt securities in a currency or currency unit other than that in which the debt securities are stated to be payable, the periods within which, and the terms upon which, such election may be made;
 - the location where payments on the debt securities will be made;
 - the terms and conditions on which the debt securities may be redeemed at the option of Citigroup Funding;
 - any obligation of Citigroup Funding to redeem, purchase or repay the debt securities at the option of a holder upon the happening of any event and the terms and conditions of redemption, purchase or repayment;
 - if other than the principal amount, the portion of the principal amount of the debt securities payable if the maturity is accelerated;
 - any provisions for the discharge of Citigroup Funding's obligations

relating to the debt securities by deposit of funds or United States government securities;

- whether the debt securities are to trade in book-entry form and the terms and any conditions for exchanging the global security in whole or in part for paper certificates;
- the date of any global security if other than the original issuance of the first debt security to be issued;
- any material provisions of the applicable indenture described in this prospectus that do not apply to the debt securities;
- whether the securities are to be issued in registered form, bearer form, or both; and
- any other specific terms of the debt securities (Section 301).

The terms on which a series of debt securities may be convertible into or exchangeable for common stock or other securities of any kind will be set forth in the prospectus supplement relating to such series. Such terms will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at the option of Citigroup Funding. The terms may include provisions pursuant to which the number of shares of common stock or other securities to be received by the holders of such series of debt securities may be adjusted.

The debt securities will be issued in registered form, bearer form, or both. If issued in bearer form, the debt securities may be issued with or without coupons attached. As currently anticipated, debt securities of a series will trade in book-entry form, and global notes will be issued in physical (paper) form, as described below under "Book-Entry Procedures and Settlement." Unless otherwise provided in the accompanying prospectus supplement, debt securities denominated in United States dollars will be issued only in denominations of \$1,000 and whole multiples of \$1,000. (Section 302). The prospectus

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supplement relating to offered securities denominated in a foreign or composite currency will specify the denomination of the offered securities.

Federal income tax consequences and other special considerations applicable to any debt securities issued by Citigroup Funding in bearer form will be described in the applicable prospectus supplement.

Unless otherwise provided in the applicable prospectus supplement, the debt securities may be presented for exchange, and debt securities other than a global security may be presented for registration of transfer, at the principal corporate trust office of the relevant trustee in New York City. Holders will not have to pay any service charge for any registration of transfer or exchange of debt securities, but Citigroup Funding may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with such registration of transfer. (Section 306). Debt securities in bearer form will be transferable by delivery. Provisions with respect to the exchange of debt securities in bearer form will be described in the applicable prospectus supplement.

PAYMENT AND PAYING AGENTS

Payments on the debt securities other than those represented by global notes will be made in the designated currency against surrender of the debt securities, in the case of registered notes, at the principal corporate trust office of the relevant trustee in New York City or, in the case of notes in bearer form, at the office of the relevant trustee in London. In the case of notes in registered form, payment will be made to the registered holder appearing in the register of note holders maintained by the registrar at the close of business on the record date for such payment. In the case of notes in registered form, interest payments may be made at the option of Citigroup Funding, by a check mailed to the holder at his registered address. (Section 308). Payments in any other manner will be specified in the prospectus supplement.

SENIOR DEBT

The senior debt securities will be issued under the senior debt indentures and will rank on an equal basis with all other unsecured debt of Citigroup Funding except subordinated debt (Subordinated Debt Indenture, Section 1601).

SUBORDINATED DEBT

The subordinated debt securities will be issued under the subordinated debt indenture and will rank subordinated and junior in right of payment, to the extent set forth in the subordinated debt indenture, to all "Senior Indebtedness" (as defined below).

If Citigroup Funding defaults in the payment of any principal of, or premium, if any, or interest on any Senior Indebtedness when it becomes due and payable after any applicable grace period, then, unless and until the default is cured or waived or ceases to exist, Citigroup Funding cannot make a payment on account of or redeem or otherwise acquire the subordinated debt securities. Nevertheless, holders of subordinated debt securities may still receive and retain:

- securities of Citigroup Funding or any other corporation provided for by a plan of reorganization or readjustment that are subordinate, at least to the same extent that the subordinated debt securities are subordinated to Senior Indebtedness; and
- payments made from a defeasance trust as described below.

If there is any insolvency, bankruptcy, liquidation or other similar proceeding relating to Citigroup Funding, its creditors or its property, then all Senior Indebtedness must be paid in full before any payment may be made to any holders of subordinated debt securities. Holders of subordinated debt securities must return and deliver any payments received by them, other than in a plan of reorganization or through a defeasance trust as described below, directly to the holders of Senior Indebtedness until all Senior Indebtedness is paid in full (Subordinated Debt Indenture, Section 1601).

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"Senior Indebtedness" means:

(1) the principal, premium, if any, and interest in respect of (A) indebtedness of Citigroup Funding or Citigroup for money borrowed and (B) indebtedness evidenced by securities, notes, debentures, bonds or other similar instruments issued by Citigroup Funding and Citigroup, including the senior debt securities;

(2) all capital lease obligations of Citigroup Funding and Citigroup;

(3) all obligations of Citigroup Funding and Citigroup issued or assumed as the deferred purchase price of property, all conditional sale obligations of Citigroup Funding and Citigroup and all obligations of Citigroup Funding and Citigroup under any conditional sale or title retention agreements (but excluding trade accounts payable in the ordinary course of business);

(4) all obligations, contingent or otherwise, of Citigroup Funding and Citigroup in respect of any letters of credit, bankers acceptance, security purchase facilities and similar credit transactions;

(5) all obligations of Citigroup Funding and Citigroup in respect of interest rate swap, cap or other agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other similar agreements;

(6) all obligations of the type referred to in clauses (1) through (5) above of other persons for the payment of which Citigroup Funding and/or Citigroup is responsible or liable as obligor, guarantor or otherwise; and

(7) all obligations of the type referred to in clauses (1) through (6) above of other persons secured by any lien on any property or asset of Citigroup Funding and/or Citigroup whether or not such obligation is assumed by Citigroup Funding or Citigroup;

but Senior Indebtedness does not include:

(A) any indebtedness issued prior to February 18, 2005 under that certain subordinated debt indenture with J.P. Morgan Trust Company, as trustee, dated as of April 12, 2001, as supplemented;

(B) any indebtedness issued by Citigroup under that certain

indenture with Bank One Trust Company, N.A., dated as of July 17, 1998, as supplemented;

(C) any indebtedness issued to a Citigroup Trust prior to May 31, 2004 under that certain indenture, dated as of October 7, 1996, between Citigroup (formerly known as Travelers Group Inc.) and JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank), as supplemented (the "1996 junior subordinated debt indenture");

(D) any guarantee entered into by Citigroup prior to May 31, 2004 in respect of any preferred securities, capital securities or preference stock of a Citigroup Trust to which Citigroup issued any indebtedness under the 1996 junior subordinated debt indenture;

(E) any indebtedness issued to a Citigroup Trust prior to February 18, 2005 under that certain indenture, dated as of July 23, 2004, between Citigroup and JPMorgan Chase Bank, N.A. (the "2004 junior subordinated debt indenture");

(F) any guarantee entered into by Citigroup prior to February 18, 2005 in respect of any preferred securities, capital securities or preference stock of a Citigroup Trust to which Citigroup issued any indebtedness under the 2004 junior subordinated debt indenture; and

(G) any indebtedness or any guarantee that is by its terms subordinated to, or ranks equally with the subordinated debt securities and the issuance of which, in the case of this clause only, (x) has received the concurrence or approval of the staff of the Federal Reserve Bank of New York or the staff of the Board of Governors of the Federal Reserve System or (y) does not at the time of issuance prevent the subordinated debt securities from qualifying for Tier 2 capital treatment (irrespective of any limits on the amount of Citigroup's Tier 2 capital) under the applicable capital adequacy guidelines, regulations, policies or published interpretations of the Board of Governors of the Federal Reserve System.

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"Citigroup Trust" means each of Citigroup Capital II, Citigroup Capital III, Citigroup Capital VII, Citigroup Capital VIII, Citigroup Capital IX, Citigroup Capital X and Citigroup Capital XI, each a Delaware statutory trust.

COVENANTS

Limitations on Liens. The senior debt indentures provide that Citigroup will not, and will not permit any subsidiary to, incur, issue, assume or guarantee any indebtedness for borrowed money if such indebtedness is secured by a pledge of, lien on, or security interest in any shares of Voting Stock (as defined below) of any Significant Subsidiary (as defined below), whether such Voting Stock is owned or later acquired, without effectively providing that the debt securities and, at Citigroup's option, any other senior indebtedness ranking equally and ratably with such debt securities, shall be secured equally and ratably with such indebtedness. This limitation shall not apply to indebtedness secured by a pledge of, lien on or security interest in any shares of Voting Stock of any corporation at the time it becomes a Significant Subsidiary, including any renewals or extensions of such secured indebtedness (Senior Debt Indenture, Section 15.04).

"Significant Subsidiary" means any Subsidiary (as defined below), including its Subsidiaries:

- that has investments of and advances from Citigroup and its other subsidiaries exceeding 10 percent of the total consolidated assets of Citigroup and such other subsidiaries as of the end of the most recently completed fiscal year;
- of which Citigroup's and its other subsidiaries' proportionate share of total assets (after inter-company elimination) exceeds 10 percent of the total consolidated assets of Citigroup and such other subsidiaries as of the end of the most recently completed fiscal year; or
- of which Citigroup's and its other subsidiaries' equity in the income from continuing operations exceeds 10 percent of such consolidated income of Citigroup and such other subsidiaries for the most recently completed fiscal year.

"Subsidiary" means any corporation of which securities entitled to elect at

least a majority of the corporation's directors shall at the time be owned, directly or indirectly, by Citigroup, and/or one or more Subsidiaries, except securities entitled to vote for directors only upon the happening of a contingency.

"Voting Stock" means capital stock, the holders of which have general voting power under ordinary circumstances to elect at least a majority of the board of directors of a corporation, except capital stock that carries only the right to vote conditioned on the happening of an event regardless of whether such event shall have happened (Senior Debt Indenture, Sections 1.01 and 15.04).

Limitations on Mergers and Sales of Assets. The indentures provide that neither Citigroup Funding nor Citigroup will merge or consolidate with another corporation or sell other than for cash or lease all or substantially all their assets to another corporation, or purchase all or substantially all the assets of another corporation unless:

- the successor corporation, if other than Citigroup Funding or Citigroup, as applicable, expressly assumes by supplemental indenture the obligations of Citigroup Funding or Citigroup, as applicable, under the indentures; and
- in the case of the senior debt indentures or if provided in the applicable prospectus supplement for a series of subordinated debt, immediately after the transaction, there would not be any default in the performance of any covenant or condition of the indentures (Sections 605 and 1505).

Limitations on Future Issuances of Subordinated Debt Securities under the Subordinated Debt Indenture. The subordinated debt indenture provides that any subordinated debt securities issued under the subordinated debt indenture shall either (x) be issued with the concurrence or approval of the staff of the Federal Reserve Bank of New York or the staff of the Board of Governors of the Federal Reserve System or (y) qualify at the time of issuance for Tier 2 capital treatment (irrespective of any limits on the amount of Citigroup's Tier 2 capital) under the applicable capital adequacy guidelines, regulations, policies or published interpretations of the Board of Governors of the Federal Reserve System.

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Other than the restrictions described above, the indentures do not contain any covenants or provisions that would protect holders of the debt securities in the event of a highly leveraged transaction.

MODIFICATION OF THE INDENTURES

Under the indentures, Citigroup Funding, Citigroup and the relevant trustee can enter into supplemental indentures to establish the form and terms of any series of debt securities without obtaining the consent of any holder of debt securities.

Citigroup Funding, Citigroup and the relevant trustee may, with the consent of the holders of a majority in aggregate principal amount of the senior debt securities of a series, or at least a majority in aggregate principal amount of the subordinated debt securities of a series, modify the applicable indenture or the rights of the holders of the securities of such series to be affected.

No such modification may, without the consent of the holder of each security so affected:

- change the fixed maturity of any such securities;
- reduce the rate or extend the time of payment of interest on such securities;
- reduce the principal amount of such securities or the premium, if any, on such securities;
- reduce the amount of the principal of any securities issued originally at a discount;
- change the currency in which any such securities are payable;
- impair the right to sue for the enforcement of any such payment on or after the maturity of such securities;
- limit Citigroup Funding's responsibility to maintain a paying agent

outside the U.S. for debt securities in bearer form;

- limit Citigroup Funding's obligations to redeem certain debt securities in bearer form if certain events involving U.S. information reporting requirements occur;
- reduce the percentage of securities referred to above whose holders need to consent to the modification without the consent of such holders; or
- change, without the written consent of the trustee, the rights, duties or immunities of the trustee (Senior Debt Indenture, Section 14.02).

In addition, the subordinated debt indenture may not be amended without the consent of each holder of subordinated debt securities affected thereby to modify the subordination of the subordinated debt securities issued under that indenture in a manner adverse to the holders of the subordinated debt securities (Subordinated Debt Indenture, Section 14.02).

EVENTS OF DEFAULT AND DEFAULTS

Events of default under the senior debt indentures and defaults under the subordinated debt indenture are:

- failure to pay required interest on any debt security of such series for 30 days;
- failure to pay principal, other than a scheduled installment payment to a sinking fund or premium, if any, on any debt security of such series when due;
- failure to make any required scheduled installment payment to a sinking fund for 30 days on debt securities of such series;
- failure to perform for 90 days after notice any other covenant in the relevant indenture other than a covenant included in the relevant indenture solely for the benefit of a series of debt securities other than such series; and
- certain events of bankruptcy or insolvency, whether voluntary or not (Section 701).

If an event of default regarding debt securities of any series issued under the indentures should occur and be continuing, either the trustee or the holders of 25% in the principal amount of outstanding debt securities of that series may declare each debt security of that series due and payable (Section 702). Citigroup Funding and Citigroup are required to file annually with the trustee a statement of an officer as

to the fulfillment by Citigroup Funding and Citigroup of their respective obligations under the indenture during the preceding year (Section 606 and 1002).

No event of default regarding one series of debt securities issued under an indenture is necessarily an event of default regarding any other series of debt securities (Section 702).

Holders of a majority in principal amount of the outstanding debt securities of any series will be entitled to control certain actions of the trustee under the indentures and to waive past events of default regarding that series (Section 702). The trustee generally will not be under an obligation to act at the request, order or direction of any of the holders of debt securities, unless one or more of such holders shall have offered to the trustee reasonable security or indemnity (Section 707).

If an event of default occurs and is continuing regarding a series of debt

securities, the trustee may use any sums that it holds under the relevant indenture for its own reasonable compensation and expenses incurred prior to paying the holders of debt securities of that series (Section 705).

Before any holder of any series of debt securities may institute action for any remedy, except payment on the holder's debt security when due, the holders of not less than 25% in principal amount of the debt securities of that series outstanding must request the trustee to take action. Holders must also offer and give the satisfactory security and indemnity against liabilities incurred by the trustee for taking such action. (Section 707).

DEFEASANCE

If so specified when the debt securities of a particular series are created, after Citigroup Funding has deposited with the trustee cash or U.S. government securities in trust for the benefit of the holders sufficient to pay the principal of, premium, if any, and interest on the debt securities of that series when due, then Citigroup Funding, at its option:

- will be deemed to have paid and satisfied its obligations on all outstanding debt securities of that series on the 91st day after the applicable conditions described below are satisfied, which is known as "defeasance and discharge;" or
- will cease to be under any of the obligations described above under "Covenants -- Limitation on Liens" and "Covenants -- Limitations on Mergers and Sales of Assets" relating to the debt securities of the series, other than to pay when due the principal of, premium, if any, and interest on those debt securities, which is known as "covenant defeasance."

Citigroup Funding must deliver to the trustee an opinion of counsel accompanied by a ruling received or published by the Internal Revenue Service to the effect that the holders of the debt securities of the series will have no United States federal income tax consequences as a result of Citigroup Funding's exercise of its defeasance option. In the case of a defeasance and discharge, such opinion must be based upon a ruling or administrative pronouncement of the Internal Revenue Service. If the debt securities are listed on the New York Stock Exchange, Citigroup Funding must also deliver the trustee an opinion of counsel stating that defeasance would not cause the debt securities to be delisted.

When there is a defeasance and discharge, (1) the indentures will no longer govern the debt securities of that series, (2) Citigroup Funding will no longer be liable for payment and (3) the holders of those debt securities will be entitled only to the deposited funds. When there is a covenant defeasance, however, Citigroup Funding will continue to be obligated to make payments when due if the deposited funds are not sufficient.

The obligations and rights under the debt indentures regarding compensation, reimbursement and indemnification of the trustee, optional redemption, mandatory and optional scheduled installment payments, if any, registration of transfer and exchange of the debt securities of such series, replacement of mutilated, destroyed, lost or stolen debt securities and certain other administrative provisions will continue even if Citigroup Funding exercises its defeasance and discharge or covenant defeasance options (Article 12).

Under current United States federal income tax law, defeasance and discharge should probably be treated as a taxable exchange of the debt securities for an interest in the trust. As a consequence, each holder of the debt securities would recognize gain or loss equal to the difference between the value of the holder's interest in the trust and the holder's adjusted tax basis for the debt securities deemed exchanged. Each holder would then be required to include in income its share of any income, gain and loss recognized by the trust. Even though United States federal income tax on the deemed exchange would be imposed on a holder, the holder would not receive any cash until the maturity or an earlier redemption of the debt securities, except for any current interest payments.

Under current United States federal income tax law, a covenant defeasance would not be treated as a taxable exchange of debt securities. Prospective investors are urged to consult their tax advisors as to the specific consequences of a defeasance and discharge, including the applicability and effect of tax laws other than the United States federal income tax law.

CITIGROUP GUARANTEES

Debt securities issued by Citigroup Funding will be fully and unconditionally guaranteed by Citigroup. If for any reason Citigroup Funding does not make any required payment in respect of its debt securities when due, Citigroup will cause the payment to be made at the same address at which Citigroup Funding is obligated to make such payment. The holder of a guaranteed debt security will be entitled to payment under the relevant guarantee of Citigroup without taking any action whatsoever against Citigroup Funding. Citigroup's obligations under its guarantee contained in each indenture are unconditional, irrespective of any (i) extension, amendment, modification or renewal of any required payment; (ii) any waiver of any event of default, extension of time or failure to enforce any required payment; or (iii) any extension, moratorium or other relief granted to Citigroup Funding pursuant to any applicable law or statute.

Citigroup's guarantee of the subordinated debt securities will be an unsecured subordinated obligation. As a result, Citigroup's obligations to make payments under its guarantee of the subordinated debt securities will be subordinated and junior in right of payment, to the extent and in the manner set forth in the subordinated debt indenture, to all of Citigroup's existing and future Senior Indebtedness, including any guarantee of senior debt securities (as described above under "-- Subordinated Debt").

CONCERNING THE TRUSTEES

Citigroup, Citigroup Funding and certain of their affiliates have had and may continue to have banking relationships with the trustees in the ordinary course of business.

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DESCRIPTION OF INDEX WARRANTS

The following briefly summarizes the material terms and provisions of the index warrants, other than pricing and related terms disclosed in the accompanying prospectus supplement. You should read the particular terms of the index warrants that are offered by Citigroup Funding, which will be described in more detail in a prospectus supplement. The prospectus supplement will also state whether any of the general provisions summarized below do not apply to the index warrants being offered.

Index warrants may be issued independently or together with debt securities and may be attached to or separate from any such offered securities. Each series of index warrants will be issued under a separate index warrant agreement to be entered into among Citigroup Funding, Citigroup and a bank or trust company, as index warrant agent, and will be fully and unconditionally guaranteed by Citigroup. A single bank or trust company may act as index warrant agent for more than one series of index warrants. The index warrant agent will act solely as the agent of Citigroup Funding under the applicable index warrant agreement and will not assume any obligation or relationship of agency or trust for or with any owners of the index warrants. A copy of the form of index warrant agreement, including the form of certificate or global certificate that will represent the index warrant certificate, will be filed as an exhibit to a document incorporated by reference in the registration statement of which this prospectus forms a part. You should read the more detailed provisions of the index warrant agreement and the index warrant certificate or index warrant global certificate for provisions that may be important to you.

GENERAL

The index warrant agreement does not limit the number of index warrants that may be issued. Citigroup Funding will have the right to "reopen" a previous series of index warrants by issuing additional index warrants of the series.

Each index warrant will entitle the warrant holder to receive from Citigroup Funding, upon exercise, cash or securities. The amount in cash or number of securities will be determined by referring to an index or formula calculated on the basis of prices, yields, levels or other specified objective measures in respect of:

- specified securities or securities indices;
- specified foreign currencies or currency indices;
- intangibles;
- articles or goods;
- any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance;

- a combination thereof; or
- changes in such measure or differences between two or more such measures.

The prospectus supplement for a series of index warrants will describe the formula or methodology to be applied to the relevant index, indices, intangibles, articles, goods or other measures or instruments to determine the amount payable or distributable on the index warrants.

If so specified in the prospectus supplement, the index warrants will entitle the warrant holder to receive from Citigroup Funding a minimum or maximum amount upon automatic exercise at expiration or the happening of any other event described in the prospectus supplement.

Unless otherwise specified in the applicable prospectus supplement, the index warrants will be deemed to be automatically exercised upon expiration. Upon an automatic exercise, warrant holders will be entitled to receive the cash amount or number of securities due, if any, on an exercise of the index warrants.

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You should read the prospectus supplement applicable to any series of index warrants for any circumstances in which the payment or distribution or the determination of the payment or distribution on the index warrants may be postponed or exercised early or cancelled. The amount due after any such delay or postponement, or early exercise or cancellation, will be described in the applicable prospectus supplement.

Unless otherwise specified in the applicable prospectus supplement, Citigroup Funding will not purchase or take delivery of or sell or deliver any securities or currencies, including the underlying assets, other than the payment of any cash or distribution of any securities due on the index warrants, from or to warrant holders pursuant to the index warrants.

The applicable prospectus supplement relating to any series of index warrants will describe the following:

- the aggregate number of index warrants;
- the offering price of the index warrants;
- the measure or measures by which payment or distribution on the index warrants will be determined;
- certain information regarding the underlying securities, foreign currencies, indices, intangibles, articles or goods or other measure or instrument;
- the amount of cash or number of securities due, or the means by which the amount of cash or number of securities due may be calculated, on exercise of the index warrants, including automatic exercise, or upon cancellation;
- the date on which the index warrants may first be exercised and the date on which they expire;
- any minimum number of index warrants exercisable at any one time;
- any maximum number of index warrants that may, at Citigroup Funding's election, be exercised by all warrant holders or by any person or entity on any day;
- any provisions permitting a warrant holder to condition an exercise of index warrants;
- the method by which the index warrants may be exercised;
- the currency in which the index warrants will be denominated and in which payments on the index warrants will be made or the securities that may be distributed in respect of the index warrants;
- the method of making any foreign currency translation applicable to payments or distributions on the index warrants;
- the method of providing for a substitute index or indices or otherwise determining the amount payable in connection with the exercise of index warrants if an index changes or is no longer available;
- the time or times at which amounts will be payable or distributable in respect of the index warrants following exercise or automatic exercise;

- any national securities exchange on which, or self-regulatory organization with which, the index warrants will be listed;
- any provisions for issuing the index warrants in certificated form;
- if the index warrants are not issued in book-entry form, the place or places at, and the procedures by which, payments or distributions on the index warrants will be made; and
- any other terms of such index warrants.

Prospective purchasers of index warrants should be aware of special United States federal income tax considerations applicable to instruments such as the index warrants. The prospectus supplement relating to

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each series of index warrants will describe these tax considerations. The summary of United States federal income tax considerations contained in the prospectus supplement will be presented for informational purposes only, however, and will not be intended as legal or tax advice to prospective purchasers. You are urged to consult your tax advisors before purchasing any index warrants.

LISTING

Unless otherwise indicated in the prospectus supplement, the index warrants will be listed on a national securities exchange or with a self-regulatory organization, in each case as specified in the prospectus supplement. It is expected that such organization will stop trading a series of index warrants as of the close of business on the related expiration date of those index warrants.

MODIFICATION

The index warrant agreement and the terms of the related index warrants may be amended by Citigroup, Citigroup Funding and the index warrant agent, without the consent of the holders of any index warrants, for any of the following purposes:

- curing any ambiguity or curing, correcting or supplementing any defective or inconsistent provision;
- maintaining the listing of the index warrants on any national securities exchange or with any other self-regulatory organization;
- registering the index warrants under the Exchange Act;
- permitting the issuance of individual index warrant certificates to warrant holders;
- reflecting the issuance by Citigroup Funding of additional index warrants of the same series or reflecting the appointment of a successor depository; or
- for any other purpose which Citigroup Funding may deem necessary or desirable and which will not materially and adversely affect the interests of the warrant holders.

Citigroup, Citigroup Funding and the index warrant agent also may modify or amend the index warrant agreement and the terms of the related index warrants, with the consent of the holders of not less than a majority of the then outstanding warrants of each series affected by such modification or amendment, for any purpose. However, no such modification or amendment may be made without the consent of each holder affected thereby if such modification or amendment:

- changes the amount to be paid to the warrant holder or the manner in which that amount is to be determined;
- shortens the period of time during which the index warrants may be exercised;
- otherwise materially and adversely affects the exercise rights of the holders of the index warrants; or
- reduces the percentage of the number of outstanding index warrants the consent of whose holders is required for modification or amendment of the index warrant agreement or the terms of the related index warrants.

MERGER, CONSOLIDATION, SALE OR OTHER DISPOSITION

If at any time there is a merger or consolidation involving Citigroup

Funding or Citigroup or a sale, transfer, conveyance, other than lease, or other disposition of all or substantially all of the assets of Citigroup Funding or Citigroup, then the assuming corporation will succeed to the obligations of Citigroup Funding or Citigroup, as applicable, under the index warrant agreement and the related index warrants. Citigroup will then be relieved of any further obligation under the index warrant agreement and index warrants and may then be dissolved, wound up or liquidated.

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ENFORCEABILITY OF RIGHTS BY WARRANT HOLDERS

Any warrant holder may, without the consent of the index warrant agent or any other warrant holder, enforce by appropriate legal action on its own behalf its right to exercise, and to receive payment for, its index warrants.

CITIGROUP GUARANTEE

Index warrants issued by Citigroup Funding will be fully and unconditionally guaranteed by Citigroup. If for any reason Citigroup Funding does not make any required payment in respect of its index warrants when due, Citigroup will cause the payment to be made at the same address at which Citigroup Funding is obligated to make such payment. The holder of a guaranteed index warrant will be entitled to payment under the Citigroup guarantee without taking any action whatsoever against Citigroup Funding. Citigroup's obligations under its guarantee are unconditional, irrespective of any (i) extension, amendment, modification or renewal of any required payment; (ii) any waiver of any event of default, extension of time or failure to enforce any required payment; or (iii) any extension, moratorium or other relief granted to Citigroup Funding pursuant to any applicable law or statute.

DESCRIPTION OF DEBT SECURITY AND INDEX WARRANT UNITS

Citigroup Funding may issue debt security and index warrant units consisting of debt securities and index warrants. The applicable prospectus supplement will describe the terms of any debt security and index warrant units.

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BOOK-ENTRY PROCEDURES AND SETTLEMENT

Most series of debt securities and index warrants will be book-entry securities. Upon issuance, all book-entry securities of the same issue will be represented by one or more fully registered global securities, without interest coupons. Each global security will be deposited with, or on behalf of, The Depository Trust Company, as securities depository, and will be registered in the name of DTC or a nominee of DTC. DTC will thus be the only registered holder of these debt securities or index warrants and will be considered the sole owner of the securities for purposes of the indenture or index warrant agreement.

Purchasers may only hold interests in the global notes or index warrants through DTC if they are participants in the DTC system. Purchasers may also hold interests through a securities intermediary -- banks, brokerage houses and other institutions that maintain securities accounts for customers -- that has an account with DTC or its nominee. DTC will maintain accounts showing the securities holdings of its participants, and these participants will in turn maintain accounts showing the securities holdings of their customers. Some of these customers may themselves be securities intermediaries holding debt securities or index warrants for their customers. Thus, each beneficial owner of a book-entry security will hold that security indirectly through a hierarchy of intermediaries, with DTC at the "top" and the beneficial owner's own securities intermediary at the "bottom."

The securities of each beneficial owner of a book-entry security will be evidenced solely by entries on the books of the beneficial owner's securities intermediary. The actual purchaser of the securities will generally not be entitled to have the securities represented by the global securities registered in its name and will not be considered the owner under the indenture or index warrant agreement. In most cases, a beneficial owner will also not be able to obtain a paper certificate evidencing the holder's ownership of securities. The book-entry system for holding securities eliminates the need for physical movement of certificates and is the system through which most publicly traded common stock is held in the United States. However, the laws of some jurisdictions require some purchasers of securities to take physical delivery of their securities in definitive form. These laws may impair the ability to transfer or pledge book-entry securities.

A beneficial owner of book-entry securities represented by a global security may exchange the securities for definitive (paper) securities only if:

- DTC is unwilling or unable to continue as depositary for such global security and Citigroup Funding is unable to find a qualified replacement for DTC within 90 days;
- at any time DTC ceases to be a clearing agency registered under the Securities Exchange Act of 1934; or
- Citigroup Funding in its sole discretion decides to allow some or all book-entry securities to be exchangeable for definitive securities in registered form.

Unless we indicate otherwise in the applicable prospectus supplement, any global security that is exchangeable will be exchangeable in whole for definitive securities in registered form, with the same terms and of an equal aggregate principal amount, in denominations of \$1,000 and whole multiples of \$1,000. Definitive notes or index warrants will be registered in the name or names of the person or persons specified by DTC in a written instruction to the registrar of the securities. DTC may base its written instruction upon directions it receives from its participants.

In this prospectus and the accompanying prospectus supplement, for book-entry securities, references to actions taken by security holders will mean actions taken by DTC upon instructions from its participants, and references to payments and notices of redemption to security holders will mean payments and notices of redemption to DTC as the registered holder of the securities for distribution to participants in accordance with DTC's procedures.

DTC is a limited purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York banking law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial

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Code and a "clearing agency" registered under section 17A of the Securities Exchange Act of 1934. The rules applicable to DTC and its participants are on file with the SEC.

Neither Citigroup Funding nor Citigroup will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the book-entry securities or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

The information in this section about DTC has been provided by DTC for information purposes only. Neither Citigroup Funding nor Citigroup takes any responsibility for the accuracy of this information, and this information is not intended to serve as a representation, warranty or contract modification of any kind.

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LIMITATIONS ON ISSUANCES IN BEARER FORM

In compliance with United States federal income tax laws and regulations, Citigroup Funding and any underwriter, agent or dealer participating in the offering of any debt security or index warrant in bearer form will agree that, in connection with the original issuance of such debt security or index warrant in bearer form and during the period ending 40 days after the issue date of such debt security or index warrant in bearer form, they will not offer, sell or deliver such debt security or index warrant in bearer form, directly or indirectly, to a U.S. person or to any person within the United States, except to the extent permitted under United States Treasury regulations.

Debt securities or index warrants in bearer form will bear a legend to the following effect: "Any United States Person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code." The sections referred to in the legend provide that, with certain exceptions, a U.S. person who holds debt securities or index warrants in bearer form will not be allowed to deduct any loss with respect to, and will not be eligible for capital gain treatment with respect to any gain realized on a sale, exchange, redemption or other disposition of, such debt securities or index warrants in bearer form.

As used herein, "U.S. person" means a person who is a citizen or resident

of the United States, or that is a corporation, partnership or other entity created or organized in or under the laws of the United States or any political subdivision thereof, an estate the income of which is subject to United States federal income taxation regardless of its source or a trust if (1) a United States court is able to exercise primary supervision over the trust's administration and (2) one or more United States persons have the authority to control all of the trust's substantial decisions.

Pending the availability of a definitive global security or individual debt securities or index warrants in bearer form, as the case may be, debt securities that are issuable in bearer form may initially be represented by a single temporary global security, without interest coupons, to be deposited with a common depository in London for Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream International, for credit to the accounts designated by or on behalf of the purchasers thereof. Following the availability of a definitive global security in bearer form, without coupons attached, or individual debt securities in bearer form and subject to any further limitations described in the applicable prospectus supplement, the temporary global security will be exchangeable for interests in such definitive global security or for such individual debt securities, respectively, only upon receipt of a Certificate of Non-U.S. Beneficial Ownership. A Certificate of Non-U.S. Beneficial Ownership is a certificate to the effect that a beneficial interest in a temporary global security or warrant in bearer form is owned by a person that is not a U.S. Person or is owned by or through a financial institution in compliance with applicable U.S. Treasury regulations. In no event will a definitive debt security or index warrant in bearer form be delivered to a purchaser without the receipt of a Certificate of Non-U.S. Beneficial Ownership. No debt security or index warrant in bearer form will be delivered in or to the United States. If so specified in the applicable prospectus supplement, interest on a temporary global security will be paid to each of Euroclear and Clearstream with respect to that portion of such temporary global security held for its account, but only upon receipt as of the relevant interest payment date of a Certificate of Non-U.S. Beneficial Ownership.

Limitations on the offer, sale, delivery and exercise of warrants in bearer form (including a requirement that a Certificate of Non-U.S. Beneficial Ownership be delivered upon exercise of a warrant in bearer form) will be described in the prospectus supplement relating to such warrants in bearer form.

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PLAN OF DISTRIBUTION

Citigroup Funding may offer the offered securities in one or more of the following ways from time to time:

- to or through underwriters or dealers;
- by itself directly;
- through agents; or
- through a combination of any of these methods of sale.

Any such underwriters, dealers or agents may include any broker-dealer affiliate of Citigroup Funding.

The prospectus supplement relating to an offering of offered securities will set forth the terms of the offering, including:

- the name or names of any underwriters, dealers or agents;
- the purchase price of the offered securities and the proceeds to Citigroup Funding from such sales;
- any underwriting discounts and commissions or agency fees and other items constituting underwriters' or agents' compensation;
- the initial public offering price;
- any discounts or concessions to be allowed or reallocated or paid to dealers; and
- any securities exchanges on which the offered securities may be listed.

Any initial public offering prices, discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

In compliance with the guidelines of the National Association of Securities Dealers, Inc., the maximum discount or commission to be received by any NASD member or independent broker-dealer may not exceed 8% of the aggregate amount of the securities offered pursuant to this prospectus and any applicable prospectus

supplement; however, it is anticipated that the maximum commission or discount to be received in any particular offering of securities will be significantly less than this amount.

If underwriters are used in an offering of offered securities, the offered securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The securities may be offered either to the public through underwriting syndicates represented by one or more managing underwriters or by one or more underwriters without a syndicate. Unless otherwise set forth in the prospectus supplement, the underwriters will not be obligated to purchase offered securities unless specified conditions are satisfied, and if the underwriters do purchase any offered securities, they will purchase all offered securities.

In connection with underwritten offerings of the offered securities and in accordance with applicable law and industry practice, underwriters may over-allot or effect transactions that stabilize, maintain or otherwise affect the market price of the offered securities at levels above those that might otherwise prevail in the open market, including by entering stabilizing bids, effecting syndicate covering transactions or imposing penalty bids, each of which is described below.

- A stabilizing bid means the placing of any bid, or the effecting of any purchase, for the purpose of pegging, fixing or maintaining the price of a security.
- A syndicate covering transaction means the placing of any bid on behalf of the underwriting syndicate or the effecting of any purchase to reduce a short position created in connection with the offering.

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- A penalty bid means an arrangement that permits the managing underwriter to reclaim a selling concession from a syndicate member in connection with the offering when offered securities originally sold by the syndicate member are purchased in syndicate covering transactions.

These transactions may be effected on the New York Stock Exchange or any other securities exchange, in the over-the-counter market, or otherwise. Underwriters are not required to engage in any of these activities, or to continue such activities if commenced.

If dealers are utilized in the sale of offered securities, Citigroup Funding will sell the offered securities to the dealers as principals. The dealers may then resell the offered securities to the public at varying prices to be determined by those dealers at the time of resale. The names of the dealers and the terms of the transaction will be set forth in the prospectus supplement relating to that transaction.

Offered securities may be sold directly by Citigroup Funding to one or more institutional purchasers, or through agents designated by Citigroup Funding from time to time, at a fixed price or prices, which may be changed, or at varying prices determined at the time of sale. Any agent involved in the offer or sale of the offered securities in respect of which this prospectus is delivered will be named, and any commissions payable by Citigroup Funding to that agent will be set forth, in the prospectus supplement relating to that offering. Unless otherwise indicated in the prospectus supplement, any such agent will be acting on a best efforts basis for the period of its appointment.

As one of the means of direct issuance of offered securities, Citigroup Funding may utilize the services of an entity through which it may conduct an electronic "dutch auction" or similar offering of the offered securities among potential purchasers who are eligible to participate in the auction or offering of the offered securities, if so described in the applicable prospectus supplement.

If so indicated in the applicable prospectus supplement, Citigroup Funding will authorize agents, underwriters or dealers to solicit offers from certain types of institutions to purchase offered securities from Citigroup Funding at the public offering price set forth in that prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. Such contracts will be subject only to those conditions set forth in the prospectus supplement and the prospectus supplement will set forth the commission payable for solicitation of such contracts.

The broker-dealer affiliates of Citigroup Funding are members of the NASD and may participate in distributions of the offered securities. Accordingly, offerings of offered securities in which Citigroup Funding's broker-dealer affiliates participate will conform with the requirements set forth in Rule 2720 of the Conduct Rules of the NASD.

This prospectus, together with any applicable prospectus supplement, may also be used by any broker-dealer affiliate of Citigroup Funding in connection with offers and sales of the offered securities in market-making transactions, including block positioning and block trades, at negotiated prices related to prevailing market prices at the time of sale. Any of Citigroup Funding's broker-dealer affiliates, including Citigroup Global Markets Inc., may act as principal or agent in such transactions. None of Citigroup Funding's broker-dealer affiliates have any obligation to make a market in any of the offered securities and may discontinue any market-making activities at any time without notice, at its sole discretion.

One or more dealers, referred to as "remarketing firms," may also offer or sell the securities, if the prospectus supplement so indicates, in connection with a remarketing arrangement contemplated by the terms of the securities. Remarketing firms will act as principals for their own accounts or as agents. The prospectus supplement will identify any remarketing firm and the terms of its agreement, if any, with Citigroup Funding and Citigroup and will describe the remarketing firm's compensation. Remarketing firms may be deemed to be underwriters in connection with the remarketing of the securities.

A prospectus in electronic format may be made available on the websites maintained by one or more of the underwriters, dealers or agents. The underwriters, dealers or agents may agree to allocate a number of notes to underwriters, dealers or agents for sale to their online brokerage account holders. The underwriters, dealers or agents will allocate notes to underwriters, dealers or agents that may make

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Internet distributions on the same basis as other allocations. In addition, notes may be sold by the underwriters, dealers or agents to securities dealers who resell notes to online brokerage account holders.

Underwriters, dealers and agents may be entitled, under agreements with Citigroup Funding and Citigroup, to indemnification by Citigroup Funding and Citigroup relating to material misstatements and omissions. Underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, Citigroup Funding and affiliates of Citigroup Funding in the ordinary course of business.

Except for securities issued upon a reopening of a previous series, each series of offered securities will be a new issue of securities and will have no established trading market. Any underwriters to whom offered securities are sold for public offering and sale may make a market in such offered securities, but those underwriters will not be obligated to do so and may discontinue any market making at any time without notice. The offered securities may or may not be listed on a securities exchange. No assurance can be given that there will be a market for the offered securities.

In order to hedge its obligations under the offered securities, Citigroup Funding or one or more of its affiliates may enter into one or more swaps or other derivatives transactions with one or more of its affiliates. You should refer to "Use of Proceeds and Hedging" in this prospectus for more information.

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ERISA MATTERS

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain restrictions on employee benefit plans that are subject to ERISA and on persons who are fiduciaries with respect to those plans. In accordance with ERISA's general fiduciary requirements, a fiduciary with respect to any such plan who is considering the purchase of the debt securities or index warrants of Citigroup Funding on behalf of the plan should determine whether the purchase is permitted under the governing plan documents and is prudent and appropriate for the plan in view of its overall investment policy and the composition and diversification of its portfolio.

Citigroup Funding has affiliates, including broker-dealer affiliates, that provide services to many employee benefit plans. Citigroup Funding and any direct or indirect affiliate of Citigroup Funding may each be considered a "party in interest" within the meaning of ERISA and a "disqualified person" under corresponding provisions of the Internal Revenue Code of 1986, as amended (the "Code"), to many employee benefit plans and retirement accounts.

"Prohibited transactions" within the meaning of ERISA and the Code may result if any offered securities are acquired by an employee benefit plan as to which Citigroup Funding or any direct or indirect affiliate of Citigroup Funding is a party in interest, unless the offered securities are acquired pursuant to an applicable statutory or administrative exemption. Any employee benefit plan or other entity to which such provisions of ERISA or the Code apply proposing to acquire the offered securities should consult with its legal counsel.

Please consult the applicable prospectus supplement for further information with respect to a particular offering of securities.

LEGAL MATTERS

John R. Dye, Esq., General Counsel-Capital Markets of Citigroup Inc., 399 Park Avenue, New York, New York 10043, or counsel to be identified in the applicable prospectus supplement, will act as legal counsel to Citigroup Funding. Mr. Dye beneficially owns, or has rights to acquire under employee benefit plans, an aggregate of less than one percent of the common stock of Citigroup. Cleary Gottlieb Steen & Hamilton LLP, New York, New York, or other counsel identified in the applicable prospectus supplement, will act as legal counsel to the underwriters. Cleary Gottlieb Steen & Hamilton LLP has from time to time acted as counsel for Citigroup Funding and its affiliates and may do so in the future.

EXPERTS

The consolidated financial statements of Citigroup Inc. as of December 31, 2004 and 2003, and for each of the years in the three-year period ended December 31, 2004, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2004, have been incorporated by reference herein in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing. The report of KPMG LLP refers to changes, in 2003, in Citigroup's methods of accounting for variable interest entities and stock-based compensation, and, in 2002, in Citigroup's methods of accounting for goodwill and intangible assets and accounting for the impairment or disposal of long-lived assets.

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THE INFORMATION IN THIS PROSPECTUS SUPPLEMENT IS NOT COMPLETE AND MAY BE CHANGED. CITIGROUP FUNDING MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS SUPPLEMENT IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED MAY 2, 2005

PROSPECTUS SUPPLEMENT
(To prospectus dated , 2005)

\$10,000,000,000

CITIGROUP FUNDING INC.

MEDIUM-TERM SENIOR NOTES, SERIES A
MEDIUM-TERM SUBORDINATED NOTES, SERIES B
FULLY AND UNCONDITIONALLY GUARANTEED BY CITIGROUP INC.

GENERAL TERMS OF SALE

The following terms will generally apply to the medium-term senior and subordinated notes that we will sell from time to time using this prospectus supplement and the attached prospectus. Citigroup Funding will include information on the specific terms for each note in a pricing supplement to this prospectus supplement that Citigroup Funding will deliver to prospective buyers of any note. The maximum amount that Citigroup Funding expects to receive from the sale of the notes is between \$9,998,000,000 and \$9,500,000,000 after paying the agents commissions of between \$2,000,000 and \$500,000,000.

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MATURITY:	Generally, 9 months or more from the date of issue, except in the case of indexed notes, for which the maturity may be shorter.
INDEXED NOTES:	Payments of interest or principal may be linked to the price of one or more securities, currencies, commodities, goods, measures or events.
REDEMPTION:	Terms of specific notes may permit or require redemption at our option or repayment at your option.
RISKS:	Index and currency risks may exist.
CURRENCIES:	U.S. dollars and other currencies.

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INTEREST RATES:	Fixed, floating or zero coupon.
RANKING:	The Series A notes are senior notes which are part of our senior indebtedness, and the Series B notes are subordinated notes which are part of our subordinated indebtedness.
OTHER TERMS:	You should review "Description of the Notes" and the pricing supplement for features that apply to your notes.

</Table>

 CONSIDER CAREFULLY THE INFORMATION UNDER "RISK FACTORS" BEGINNING ON PAGE S-3 OF THIS PROSPECTUS SUPPLEMENT.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or any accompanying prospectus or pricing supplement is truthful or complete. Any representation to the contrary is a criminal offense.

These notes are not deposits or savings accounts but are unsecured debt obligations of Citigroup Funding Inc. The notes are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

CITIGROUP
 , 2005

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RISK FACTORS

CHANGES IN EXCHANGE RATES AND EXCHANGE CONTROLS COULD RESULT IN A SUBSTANTIAL LOSS TO YOU.

An investment in foreign currency notes, which are notes denominated in a specified currency other than U.S. dollars, entails significant risks that are not associated with a similar investment in a security denominated in U.S. dollars. Similarly, an investment in an indexed note, on which all or a part of any payment due is based on a currency other than U.S. dollars, has significant risks that are not associated with a similar investment in non-indexed notes. These risks include, but are not limited to:

- the possibility of significant market changes in rates of exchange between U.S. dollars and the specified currency;
- the possibility of significant changes in rates of exchange between U.S. dollars and the specified currency resulting from the official redenomination or revaluation of the specified currency; and
- the possibility of the imposition or modification of foreign exchange controls by either the United States or foreign governments.

These risks generally depend on factors over which Citigroup Funding has no control and which cannot be readily foreseen, such as:

- economic events;
- political events; and
- the supply of, and demand for, the relevant currencies.

In recent years, rates of exchange between U.S. dollars and some foreign currencies in which Citigroup Funding's notes may be denominated, and between these foreign currencies and other foreign currencies, have been volatile. This volatility may be expected in the future. Fluctuations that have occurred in any particular exchange rate in the past are not necessarily indicative, however, of fluctuations that may occur in the rate during the term of any foreign currency note. Depreciation of the specified currency of a foreign currency note against U.S. dollars would result in a decrease in the effective yield of such foreign currency note below its coupon rate and could result in a substantial loss to the investor on a U.S. dollar basis.

Governments have imposed from time to time, and may in the future impose, exchange controls that could affect exchange rates as well as the availability of a specified currency other than U.S. dollars at the time of payment of principal, any premium, or interest on a foreign currency note. There can be no assurance that exchange controls will not restrict or prohibit payments of principal, any premium, or interest denominated in any such specified currency.

Even if there are no actual exchange controls, it is possible that a specified currency would not be available to Citigroup Funding when payments on a note are due because of circumstances beyond the control of Citigroup Funding. In this event, Citigroup Funding will make required payments in U.S. dollars on the basis described in this prospectus supplement. You should consult your own financial and legal advisors as to the risks of an investment in notes denominated in a currency other than U.S. dollars. See "-- The Unavailability of Currencies Could Result in a Substantial Loss to You" and "Description of the Notes -- Payment of Principal and Interest" below.

The information set forth in this prospectus supplement is directed to prospective purchasers of notes who are United States residents, except where otherwise expressly noted. Citigroup Funding disclaims any responsibility to advise prospective purchasers who are residents of countries other than the United States regarding any matters that may affect the purchase or holding of, or receipt of payments of principal, premium or interest on, notes. Such persons

should consult their advisors with regard to these matters. Any pricing supplement relating to notes having a specified currency other than U.S. dollars will contain a description of any material exchange controls affecting that currency and any other required information concerning the currency.

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THE UNAVAILABILITY OF CURRENCIES COULD RESULT IN A SUBSTANTIAL LOSS TO YOU.

Except as set forth below, if payment on a note is required to be made in a specified currency other than U.S. dollars and that currency is --

- unavailable due to the imposition of exchange controls or other circumstances beyond Citigroup Funding's control;
- no longer used by the government of the country issuing the currency; or
- no longer used for the settlement of transactions by public institutions of the international banking community --

then all payments on the note will be made in U.S. dollars until the currency is again available or so used. The amounts so payable on any date in the currency will be converted into U.S. dollars on the basis of the most recently available market exchange rate for the currency or as otherwise indicated in the applicable pricing supplement. Any payment on a note made under these circumstances in U.S. dollars will not constitute a default or an event of default under the indenture under which the note was issued.

If the specified currency of a note is officially redenominated, other than as a result of European Monetary Union, such as by an official redenomination of any specified currency that is a composite currency, then the payment obligations of Citigroup Funding on the note will be the amount of redenominated currency that represents the amount of Citigroup Funding's obligations immediately before the redenomination. The notes will not provide for any adjustment to any amount payable as a result of:

- any change in the value of the specified currency of those notes relative to any other currency due solely to fluctuations in exchange rates; or
- any redenomination of any component currency of any composite currency, unless that composite currency is itself officially redenominated.

Currently, there are limited facilities in the United States for conversion of U.S. dollars into foreign currencies, and vice versa. In addition, banks do not generally offer non-U.S. dollar-denominated checking or savings account facilities in the United States. Accordingly, payments on notes made in a currency other than U.S. dollars will be made from an account at a bank located outside the United States, unless otherwise specified in the applicable pricing supplement.

JUDGMENTS IN A FOREIGN CURRENCY COULD RESULT IN A SUBSTANTIAL LOSS TO YOU.

The notes will be governed by, and construed in accordance with, the laws of New York State. Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than the U.S. dollar. A 1987 amendment to the Judiciary Law of New York State provides, however, that an action based upon an obligation denominated in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation. Any judgment awarded in such an action will be converted into U.S. dollars at the rate of exchange prevailing on the date of the entry of the judgment or decree.

CHANGES IN THE VALUE OF UNDERLYING ASSETS OF INDEXED NOTES COULD RESULT IN A SUBSTANTIAL LOSS TO YOU.

An investment in indexed notes may have significant risks that are not associated with a similar investment in a debt instrument that:

- has a fixed principal amount;
- is denominated in U.S. dollars; and
- bears interest at either a fixed rate or a floating rate based on nationally published interest rate references.

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The risks of a particular indexed note will depend on the terms of that indexed note. Such risks may include, but are not limited to, the possibility of significant changes in the prices of:

- the underlying assets;
- another objective price; and
- economic or other measures making up the relevant index.

Underlying assets could include:

- one or more securities or securities indices;
- one or more specified foreign currency or currency indices;
- a combination thereof;
- intangibles;
- goods;
- articles;
- commodities; and
- any other financial, economic or other measure or instrument.

The risks associated with a particular indexed note generally depend on factors over which Citigroup Funding has no control and which cannot readily be foreseen. These risks include:

- economic events;
- political events; and
- the supply of, and demand for, the underlying assets.

In recent years, currency exchange rates and prices for various underlying assets have been highly volatile. Such volatility may be expected in the future. Fluctuations in rates or prices that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any indexed note.

In considering whether to purchase indexed notes, you should be aware that the calculation of amounts payable on indexed notes may involve reference to:

- an index determined by an affiliate of Citigroup Funding; or
- prices that are published solely by third parties or entities which are not regulated by the laws of the United States.

The risk of loss as a result of linking principal or interest payments on indexed notes to an index and to the underlying assets can be substantial. You should consult your own financial and legal advisors as to the risks of an investment in indexed notes.

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IMPORTANT CURRENCY INFORMATION

Purchasers are required to pay for each note in a currency specified by Citigroup Funding for that note. If requested by a prospective purchaser of a note having a specified currency other than U.S. dollars, an agent may at its discretion arrange for the exchange of U.S. dollars into the specified currency to enable the purchaser to pay for the note. Each such exchange will be made by such agent. The terms, conditions, limitations and charges that such agent may from time to time establish in accordance with its regular foreign exchange practice shall control the exchange. The purchaser must pay all costs of exchange.

References in this prospectus supplement to "U.S. dollars," "U.S.\$," "dollar" or "\$" are to the lawful currency of the United States.

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DESCRIPTION OF THE NOTES

The following description of the particular terms of the Medium-Term Senior Notes, Series A and Medium-Term Subordinated Notes, Series B supplements the description of the general terms and provisions of the debt securities set forth in the prospectus. If any specific information regarding the notes in this prospectus supplement is inconsistent with the more general terms of the debt securities described in the prospectus, you should rely on the information in this prospectus supplement.

The pricing supplement for each offering of notes will contain the specific information and terms for that offering. If any information in the pricing supplement, including any changes in the method of calculating interest on any note, is inconsistent with this prospectus supplement, you should rely on the information in the pricing supplement. The pricing supplement may also add, update or change information contained in the prospectus and this prospectus supplement. It is important for you to consider the information contained in the prospectus, this prospectus supplement and the pricing supplement in making your investment decision.

GENERAL

Introduction. The senior notes are a series of senior debt securities issued under Citigroup Funding's senior debt indenture to be entered into among Citigroup Funding, Citigroup, as guarantor, and JPMorgan Chase Bank, N.A., as trustee, and fully and unconditionally guaranteed by Citigroup. The subordinated notes are a series of subordinated debt securities issued under Citigroup Funding's subordinated debt indenture to be entered into among Citigroup Funding, Citigroup, as guarantor, and Deutsche Bank Trust Company Americas, as trustee, and fully and unconditionally guaranteed by Citigroup. At the date of this prospectus supplement, the notes offered pursuant to this prospectus supplement are limited to an aggregate initial public offering price or purchase price of up to \$10,000,000,000 or its equivalent in one or more foreign or composite currencies. This amount is subject to reduction as a result of the sale of other securities under the registration statement of which this prospectus supplement and the accompanying prospectus form a part, or under a registration statement to which this prospectus supplement and the accompanying prospectus also relate.

The amount of notes sold of either series will reduce the amount of notes of the other series that may be sold. Citigroup Funding reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement without notice. The aggregate amount of notes may be increased from time to time to such larger amount as may be authorized by Citigroup Funding.

The U.S. dollar equivalent of the public offering price or purchase price of a note having a specified currency other than U.S. dollars will be determined on the basis of the market exchange rate. Unless otherwise specified in the pricing supplement, this market exchange rate will be the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York for that specified currency on the applicable issue date. Such determination will be made by Citigroup Funding or its agent, as the exchange rate agent for the applicable series of notes.

Ranking. The senior notes will constitute part of the senior indebtedness of Citigroup Funding and will rank on an equal basis with all other unsecured debt of Citigroup Funding other than subordinated debt. The subordinated notes will be subordinate and junior in the right of payment, to the extent and in the manner set forth in the subordinated debt indenture, to all senior indebtedness of Citigroup Funding. See "Description of Debt Securities -- Subordinated Debt" in the prospectus.

If there were an event of default with respect to any senior indebtedness, the trustee or holders of 25% of the principal amount of senior debt securities outstanding in a series could demand that the principal be repaid immediately. If there were an event of default with respect to any subordinated indebtedness involving certain events of insolvency or bankruptcy, the trustee or holders of 25% of the principal amount of subordinated debt securities outstanding in a series could demand that the principal be paid immediately. In the absence of certain events of insolvency or bankruptcy, failure to pay amounts due with respect to subordinated indebtedness would not permit the trustee or such holders to demand that the

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principal of such subordinated debt securities be paid immediately. See "Description of Debt Securities -- Events of Default and Defaults" in the prospectus.

Citigroup Funding had no senior indebtedness outstanding as of May 2, 2005.

Forms of Notes. The notes will be issued in fully registered form only, without coupons. In addition, Citigroup Funding may offer notes in bearer form in a concurrent offering outside the United States. The notes in registered form may not be exchanged for notes in bearer form. Each note will be issued initially as a book-entry note, which will be a global security registered in the name of a nominee of DTC, as depositary, or another depositary named in the

pricing supplement. Alternatively, if specified in the applicable pricing supplement, each note will be issued initially as a certificated note, which will be a certificate issued in temporary or definitive form. Except as set forth in the accompanying prospectus under "Book-Entry Procedures and Settlement," book-entry notes will not be issuable as certificated notes. See "Book-Entry System" below.

Denominations. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of notes denominated in U.S. dollars will be \$1,000 and any larger amount that is a whole multiple of \$1,000. The authorized denominations of notes that have a specified currency other than U.S. dollars will be the approximate equivalents in the specified currency.

Maturity. Unless otherwise specified in the applicable pricing supplement, each note will mature on a stated maturity date. Generally, the stated maturity date will be a business day more than nine months from its date of issue, except in the case of indexed notes, for which the maturity may be shorter, as selected by the purchaser and agreed to by Citigroup Funding. If so specified in the applicable pricing supplement, the stated maturity date may be extended at the option of Citigroup Funding, and each note may also be redeemed at the option of Citigroup Funding, or repaid at the option of the holder, prior to its stated maturity. Each note that has a specified currency of pounds sterling will mature in compliance with the regulations the Bank of England may promulgate from time to time.

Additional Information. The pricing supplement relating to a note will describe the following terms:

- the specified currency for such note;
 - whether such note
 - (1) is a fixed rate note;
 - (2) is a floating rate note;
 - (3) is an amortizing note, meaning that a portion or all the principal amount is payable prior to stated maturity in accordance with a schedule, by application of a formula, or based on an index; and/or
 - (4) is an indexed note on which payments of interest or principal, or both, may be linked to the price of one or more securities, currencies, intangibles, articles, commodities or goods or any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance;
 - the price at which such note will be issued, which will be expressed as a percentage of the aggregate principal amount or face amount;
 - the original issue date on which such note will be issued;
 - the date of the stated maturity;
 - if the note is a fixed rate note, the rate per annum at which the note will bear any interest, and whether and how that rate may be changed prior to its stated maturity;
 - if the note is a floating rate note, relevant terms such as:
 - (1) the base rate;
 - (2) the initial interest rate;
 - (3) the interest reset period or the interest reset dates;
 - (4) the interest payment dates;
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- (5) any index maturity;
 - (6) any maximum interest rate;
 - (7) any minimum interest rate;
 - (8) any spread or spread multiplier; and
 - (9) any other terms relating to the particular method of calculating the interest rate for the note and whether and how the spread or spread multiplier may be changed prior to stated maturity;

- whether the note is a note issued originally at a discount;
- if the note is an amortizing note, the terms for repayment prior to stated maturity;
- if the note is an indexed note, in the case of an indexed rate note, the manner in which the amount of any interest payment will be determined or, in the case of an indexed principal note, its face amount and the manner in which the principal amount payable at stated maturity will be determined;
- whether the note may be redeemed at the option of Citigroup Funding, or repaid at the option of the holder, prior to stated maturity as described under "Optional Redemption, Repayment and Repurchase" below and the terms of its redemption or repayment;
- whether the note may have an optional extension beyond its stated maturity as described under "Extension of Maturity" below;
- whether the note will be represented by a global security or a certificate issued in definitive form;
- any special United States federal income tax consequences of the purchase, ownership and disposition of a particular issuance of notes;
- whether the note is a renewable note, and, if so, its specific terms;
- the use of proceeds, if materially different than that disclosed in the accompanying prospectus;
- whether the holder of the note has a survivor's option, as described below under "Repayment Upon Death;" and
- any other terms of the note provided in the accompanying prospectus, to be set forth in a pricing supplement, or that are otherwise consistent with the provisions of the indenture under which the note will be issued.

As used in this prospectus supplement, business day means:

- for any note, any day that is not a Saturday or Sunday and that, in New York City, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close;
- for LIBOR notes only, a London business day, which shall be any day on which dealings in deposits in the specified currency are transacted in the London interbank market;
- for any determination by the exchange rate agent of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, an exchange rate business day, which shall be any day on which banking institutions and foreign exchange markets settle payments in New York City and London;
- for notes having a specified currency other than U.S. dollars only, other than notes denominated in euros, any day that, in the principal financial center (as defined below) of the country of the specified currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and
- for EURIBOR notes and notes denominated in euros, a TARGET business day, which will be any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System is open.

As used above, a principal financial center means the capital city of the country issuing the specified currency. However, for Australian dollars, Canadian dollars and Swiss francs, the principal financial center will be Sydney, Toronto and Zurich, respectively.

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PAYMENT OF PRINCIPAL AND INTEREST

Citigroup Funding will pay the principal of, and any premium and interest on, each note in the specified currency for the note. If the specified currency for a note is other than U.S. dollars, Citigroup Funding will, unless otherwise specified in the applicable pricing supplement, arrange to convert all payments in respect of the note into U.S. dollars in the manner described in the following paragraph. The holder of a note having a specified currency other than U.S. dollars may, if stated in the applicable pricing supplement and such note, elect to receive all payments on the note in the specified currency by delivering a written notice to the trustee for such note not later than fifteen

calendar days prior to the applicable payment date, except under the circumstances described under "Risk Factors -- The Unavailability of Currencies Could Result in a Substantial Loss to You" above. Such election will remain in effect until revoked by a written notice to the trustee that is received not later than fifteen calendar days prior to the applicable payment date. If an event of default has occurred or Citigroup Funding has given notice of redemption of a note, no such change of election may be made.

Unless otherwise specified in the pricing supplement, the amount of any U.S. dollar payment on a note having a specified currency other than U.S. dollars will be determined by the exchange rate agent:

- based on the specified currency/U.S. dollar exchange rate prevailing at 11:00 a.m., London time, on the second exchange rate business day prior to the applicable payment date, or
- if an exchange rate bid quotation is not so available, the exchange rate agent will obtain a bid quotation from a leading foreign exchange bank in London selected by the exchange rate agent after consultation with Citigroup Funding.

The exchange rate agent will also determine prior to settlement the aggregate amount of the specified currency payable on a payment date for all notes denominated in the specified currency. All currency exchange costs will be deducted from payments to the holders of the notes. If no such bid quotations are available, the payments will be made in the specified currency, unless the specified currency is unavailable due to the imposition of exchange controls or due to other circumstances beyond Citigroup Funding's control. In that case, payments will be made as described under "Risk Factors -- The Unavailability of Currencies Could Result in a Substantial Loss to You" above.

Unless otherwise specified in the applicable pricing supplement, U.S. dollar payments of interest on notes, other than interest payable at stated maturity, will be made, except as provided below, by check mailed to the registered holders of the notes. In the case of global securities representing book-entry notes, payments of interest on notes will be made to a nominee of the depository.

A holder of \$10,000,000, or its equivalent in a specified currency other than U.S. dollars, or more in aggregate principal amount of notes of like tenor and term, will be entitled to receive U.S. dollar payments by wire transfer of immediately available funds. However, such a holder is entitled to receive the payments only if the trustee receives written appropriate wire transfer instructions for the notes not later than fifteen calendar days prior to the applicable interest payment date. Unless otherwise specified in the applicable pricing supplement, principal and any premium and interest payable at the stated maturity of a note will be paid in immediately available funds upon surrender of the note at the corporate trust office or agency of the trustee for the note in New York City.

Unless otherwise specified in this prospectus supplement or the applicable pricing supplement, any payment required to be made on a note on a date, including the stated maturity date, that is not a business day for the note need not be made on that date. A payment may be made on the next succeeding business day with the same force and effect as if made on the specified date. No additional interest will accrue as a result of delayed payment.

Unless otherwise specified in the applicable pricing supplement, if the principal of any original issue discount note, or OID note, other than an indexed note, is declared to be due and payable immediately as a result of the acceleration of stated maturity, the amount of principal due and payable relating to the note will be limited to the aggregate principal amount of the note multiplied by the sum of (1) its issue price,

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expressed as a percentage of the aggregate principal amount, plus (2) the original issue discount amortized from the date of issue to the date of declaration. Amortization will be calculated using the interest method, computed in accordance with U.S. generally accepted accounting principles in effect on the date of declaration.

Unless otherwise set forth in the applicable pricing supplement, the regular record date for any interest payment date for a floating rate note, fixed rate note or an indexed rate note will be the date, whether or not a business day, fifteen calendar days immediately preceding an interest payment date.

REPAYMENT UPON DEATH

The pricing supplement relating to any senior note will indicate if the holder of that note will have the survivor's option, which is an option to elect

repayment of the note prior to its stated maturity in the event of the death of the beneficial owner of the note. Citigroup Funding will not issue any subordinated notes with a survivor's option.

Pursuant to exercise of the survivor's option, Citigroup Funding will repay any note (or applicable portion of any note) properly tendered for repayment by the person, or on behalf of the person by a representative of that person, who has authority to act on behalf of the deceased beneficial owner of the note under the laws of the appropriate jurisdiction (including, without limitation, the personal representative, executor, surviving joint tenant or surviving tenant by the entirety of such deceased beneficial owner) at a price equal to the amortized face amount thereof, subject to the following limitations.

Citigroup Funding may, in its sole discretion, limit to \$2,500,000 (or the approximate equivalent in other currencies) the aggregate principal amount of all notes for which exercises of the survivor's option will be accepted in any calendar year. In the event that such limitation is applied, Citigroup Funding may limit to \$250,000 (or the approximate equivalent in other currencies) the aggregate principal amount of notes (or portions of notes) for which exercise of the survivor's option will be accepted during a calendar year for any individual deceased beneficial owner of notes. Moreover, Citigroup Funding will not make principal repayments due to exercise of the survivor's option in amounts that are less than \$5,000 (or the approximate equivalent in other currencies). In the event that the limitations described in the preceding sentences would result in the partial repayment of any note, the principal amount of such note remaining outstanding after repayment must be at least \$5,000. Any note tendered due to exercise of the survivor's option may be withdrawn by a written request of its holder received by the paying agent prior to its repayment.

The amortized face amount of a note on any date shall be the amount equal to

- the issue price set forth on the face of the applicable pricing supplement plus
- that portion of the difference between the issue price and the stated principal amount of the note that has accrued by such date at
 - (1) the bond yield to maturity set forth on the face of the applicable pricing supplement or
 - (2) if so specified in the applicable pricing supplement, the bond yield to call printed on its face. Such yield will be computed in each case in accordance with generally accepted United States bond yield computation principles. However, the amortized face amount of a note shall never exceed its stated principal amount. The bond yield to call listed on the face of a pricing supplement shall be computed on the basis of the first occurring optional redemption date for that note and the amount payable on the optional redemption date. If any note is not redeemed on its first optional redemption date, the bond yield to call for that note will be recomputed on the optional redemption date on the basis of the next occurring optional redemption date and the amount payable on that optional redemption date, and will continue to be so recomputed on each succeeding optional redemption date until the note is redeemed.

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Each note that is tendered pursuant to valid exercise of the survivor's option will be accepted promptly in the order all such notes are tendered, except for any note (or portion thereof) the acceptance of which, in the event Citigroup Funding imposed either of the limits described in the preceding paragraph, would

- contravene the annual limitation or
- result in the acceptance during the then current calendar year of an aggregate principal amount of notes (or portions thereof) exceeding \$250,000 (or the approximate equivalent in other currencies) for the relevant individual deceased beneficial owner.

If at the end of any calendar year Citigroup Funding has not imposed the annual limit, or if the aggregate principal amount of notes that have been accepted during that year due to exercise of the survivor's option has not exceeded the annual limitation, Citigroup Funding may accept notes from individual deceased owners in amounts that exceed the normal \$250,000 per-person limit. In this case, Citigroup Funding will accept notes or portions of notes exceeding the \$250,000 limit in the order they were received, up to the annual limitation for that calendar year. Any note or portion of a note accepted for repayment due to the exercise of the survivor's option will be repaid on the first interest payment due date that occurs 20 or more calendar days after the date of such acceptance. Each note (or any portion thereof) tendered for

repayment that is not accepted in any calendar year due to the application of such annual limitation will be deemed to be tendered in the following calendar year in the order in which all such notes were originally tendered, unless any such note is withdrawn by its holder. If a note (or any portion thereof) that is tendered for repayment due to the valid exercise of the survivor's option is not accepted, the paying agent will deliver to any affected representative a notice that states the reasons the note (or portion thereof) has not been accepted for repayment. The notice will be sent by first-class mail to the broker or other entity that represents the deceased beneficial owner of the note or, in the case of a certificated note, to the registered holder thereof at its last known address as indicated on the records of the security registrar.

Subject to the foregoing, in order for a survivor's option to be validly exercised, the paying agent must receive:

- a written request for repayment signed by the representative. Such signature must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or correspondent in the United States;
- tender of the note to be repaid;
- appropriate evidence satisfactory to Citigroup Funding and the paying agent that (1) the representative has authority to act on behalf of the deceased beneficial owner; (2) the death of such beneficial owner has occurred; and (3) the deceased was the beneficial owner of such note at the time of death;
- if applicable, a properly executed assignment or endorsement; and
- if the note is held by a nominee of the deceased beneficial owner, a certificate satisfactory to the trustee from that nominee attesting to the beneficial ownership of the note. All questions as to the eligibility or validity of any exercise of the survivor's option will be determined by Citigroup Funding, in its sole discretion, and those determinations will be final and binding on all parties.

If a note is represented by a global certificate, the depositary's nominee will be the holder of that note and therefore will be the only entity that can exercise the survivor's option for the note. To obtain repayment upon exercise of the survivor's option for such a note, the representative must provide to the broker or other entity through which the deceased beneficial owner holds an interest in the note:

- the documents described in the first and third bullet points of the preceding paragraph; and

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- instructions to the broker or other entity to notify the depositary of the representative's desire to obtain repayment pursuant to exercise of the survivor's option.

The broker or other entity will provide to the paying agent:

- the documents received from the representative referred to in the first bullet point of the preceding paragraph;
- its tender of such note pursuant to exercise of the survivor's option; and
- a certificate satisfactory to the paying agent from the broker or other entity stating that it represents the deceased beneficial owner.

The broker or other entity will be responsible for disbursing to the appropriate representative any payments it receives due to exercise of the survivor's option.

A representative may obtain more information regarding the survivor's option from Citibank, N.A., the paying agent, at 111 Wall Street, 15th Floor, New York, New York 10005 (telephone 1-800-422-2066), during normal business hours.

FIXED RATE NOTES

Each fixed rate note will bear interest from its original issue date, or from the last interest payment date to which interest has been paid or duly provided for, at the rate per annum stated in the applicable pricing supplement until its principal amount is paid or made available for payment. However, as

described below under "Subsequent Interest Periods" and "Extension of Maturity," or as otherwise may be described in the applicable pricing supplement, the rate of interest payable on fixed rate notes may be adjusted from time to time.

Unless otherwise set forth in the applicable pricing supplement, interest on each fixed rate note will be payable semiannually in arrears on the dates set forth in the applicable pricing supplement, with each such day being an interest payment date, and at stated maturity. Unless "accrue to pay" is specified in the applicable pricing supplement or unless otherwise specified in the applicable pricing supplement, if an interest payment date for any fixed rate note would otherwise be a day that is not a business day, any payment required to be made on the note on that date, including the stated maturity date, may be made on the next succeeding business day with the same force and effect as if made on the specified date. No additional interest will accrue as a result of such delayed payment.

If in connection with any fixed rate note, "accrue to pay" is specified in the applicable pricing supplement, and any interest payment date for the fixed rate note would otherwise be a day that is not a business day, the interest payment date will be postponed to the next succeeding business day. Any payment of interest on an interest payment date will include interest accrued through the day before the interest payment date. Unless otherwise specified in the applicable pricing supplement, interest on fixed rate notes will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

FLOATING RATE NOTES

Each floating rate note will bear interest at the initial interest rate set forth, or otherwise described, in the applicable pricing supplement. The initial interest period is the period from the original issue date to, but not including, the first interest reset date. The interest reset period is the period from each interest reset date to, but not including, the following interest reset date. The initial interest period, and any interest reset period, is an interest period. The interest rate for each floating rate note will be determined based on an interest rate basis, the base rate, plus or minus any spread, or multiplied by any spread multiplier. A basis point, or bp, equals one-hundredth of a percentage point. The spread is the number of basis points that may be specified in the applicable pricing supplement as applicable to the note. The spread multiplier is the percentage that may be specified in the applicable pricing supplement as applicable to the note. As described below under "Subsequent Interest Periods" and "Extension of Maturity," or as

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may otherwise be specified in the applicable pricing supplement, the spread or spread multiplier on floating rate notes may be adjusted from time to time.

The applicable pricing supplement will designate one of the following base rates as applicable to a floating rate note:

- the CD Rate;
- the Commercial Paper Rate;
- the Federal Funds Rate;
- LIBOR;
- the Treasury Rate;
- the Prime Rate;
- the Eleventh District Cost of Funds Rate;
- EURIBOR; or
- such other base rate as is set forth in the applicable pricing supplement and in the note.

The following terms are used in describing the various base rates.

The "index maturity" is the period of maturity of the instrument or obligation from which the base rate is calculated.

"H.15(519)" means the publication entitled "Statistical Release H.15(519), Selected Interest Rates," or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update/> or any successor site or publication.

"Calculation date" means the date on which the calculation agent is to calculate the interest rate which will be the earlier of (1) the tenth calendar day after the related rate determination date, or if any such day is not a business day, the next succeeding business day or (2) the business day preceding the applicable interest payment date or the stated maturity.

As specified in the applicable pricing supplement, a floating rate note may also have either or both of the following, which will be expressed as a rate per annum on a simple interest basis:

- maximum interest rate, which will be a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period; and/or
- minimum interest rate, which will be a minimum limitation, or floor, on the rate at which interest may accrue during any interest period.

In addition to any maximum interest rate that may be applicable to any floating rate note, the interest rate on a floating rate note will in no event be higher than the maximum rate permitted by applicable law. The notes will be governed by the law of New York State. As of the date of this prospectus supplement, the maximum rate of interest under provisions of the New York penal law, with a few exceptions, is 25% per annum on a simple interest basis. Such maximum rate of interest only applies to obligations that are less than \$2,500,000.

Citigroup Funding will appoint and enter into agreements with calculation agents to calculate interest rates on floating rate notes. Unless otherwise specified in the applicable pricing supplement, JPMorgan Chase Bank, N.A. will be the calculation agent for each senior note that is a floating rate note, and Deutsche Bank Trust Company Americas will be the calculation agent for each subordinated note that is a floating rate note. All determinations of interest by the calculation agents will, in the absence of manifest error, be conclusive for all purposes and binding on the holders of the floating rate notes.

The interest rate on each floating rate note will be reset on an interest reset date, which means that the interest rate is reset daily, weekly, monthly, quarterly, semiannually or annually, as specified in the applicable pricing supplement.

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Unless otherwise specified in the applicable pricing supplement, the interest reset dates will be as follows:

- in the case of floating rate notes that reset daily, each business day;
- in the case of floating rate notes that reset weekly, other than Treasury Rate notes, the Wednesday of each week;
- in the case of Treasury Rate notes that reset weekly and except as provided below under "Treasury Rate Notes," the Tuesday of each week;
- in the case of floating rate notes that reset monthly, other than Eleventh District Cost of Funds Rate notes, the third Wednesday of each month;
- in the case of floating rate notes that are Eleventh District Cost of Funds Rate notes, the first calendar day of each month;
- in the case of floating rate notes that reset quarterly, the third Wednesday of March, June, September and December of each year;
- in the case of floating rate notes that reset semiannually, the third Wednesday of each of two months of each year specified in the applicable pricing supplement; and
- in the case of floating rate notes that reset annually, the third Wednesday of one month of each year specified in the applicable pricing supplement.

If an interest reset date for any floating rate note would fall on a day that is not a business day, that interest reset date will be postponed to the next succeeding business day. In the case of a LIBOR note or a EURIBOR note, if postponement to the next business day would cause the interest reset date to be in the next succeeding calendar month, the interest reset date will instead be the immediately preceding business day. If an auction of direct obligations of United States Treasury bills falls on a day that is an interest reset date for Treasury Rate notes, the interest reset date will be the succeeding business day.

Unless otherwise specified in the applicable pricing supplement and except as set forth below, the rate of interest that goes into effect on any interest reset date will be determined on a rate determination date preceding such interest reset date, as further described below.

Unless otherwise specified in the applicable pricing supplement, interest payable on floating rate notes will be the interest accrued from and including the original issue date or the last date to which interest has been paid, as the case may be, to but excluding the applicable interest payment date.

Accrued interest on a floating rate note with more than one interest reset date will be calculated by multiplying the principal amount of the note by an accrued interest factor. If the floating rate note is an indexed principal note, the face amount of the note will be multiplied by the accrued interest factor. The accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. Unless otherwise specified in the applicable pricing supplement, the interest factor for each such day will be computed by dividing the interest rate in effect on such day by 360, in the case of CD Rate notes, Commercial Paper Rate notes, Federal Funds Rate notes, LIBOR notes, Prime Rate notes, Eleventh District Cost of Funds Rate notes and EURIBOR notes. In the case of Treasury Rate notes, the interest factor for each such day will be computed by dividing the interest rate by the actual number of days in the year. The interest factor will be expressed as a decimal calculated to seven decimal places without rounding. For purposes of making the foregoing calculation, the interest rate in effect on any interest reset date will be the applicable rate as reset on that date.

For all other floating rate notes, accrued interest will be calculated by multiplying the principal amount of the note by the interest rate in effect during the period for which accrued interest is being calculated. That product is then multiplied by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by 360, in the case of CD Rate notes, Commercial Paper Rate notes, Federal Funds Rate notes, LIBOR notes, Prime Rate notes, Eleventh District Cost of

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Funds Rate notes and EURIBOR notes. In the case of Treasury Rate notes, the product is multiplied by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by the actual number of days in the year.

Unless otherwise specified in the applicable pricing supplement, all percentages resulting from any calculation of the rate of interest on a floating rate note will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward. All currency amounts used in, or resulting from, the calculation on floating rate notes will be rounded to the nearest one-hundredth of a unit. For purposes of rounding, .005 of a unit shall be rounded upward.

Unless otherwise indicated in the applicable pricing supplement and except as provided below, interest will be payable as follows.

- In the case of floating rate notes that reset daily, weekly or monthly, other than Eleventh District Cost of Funds Rate notes, interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified in the applicable pricing supplement.
- In the case of Eleventh District Cost of Funds Rate notes, interest will be payable on the first calendar day of each March, June, September and December.
- In the case of floating rate notes that reset quarterly, interest will be payable on the third Wednesday of March, June, September and December of each year.
- In the case of floating rate notes that reset semiannually, interest will be payable on the third Wednesday of each of two months of each year specified in the applicable pricing supplement.
- In the case of floating rate notes that reset annually, interest will be payable on the third Wednesday of one month of each year specified in the applicable pricing supplement.

In each of these cases, interest will also be payable at maturity.

If an interest payment date for any floating rate note would fall on a day that is not a business day, that interest payment date will be postponed to the next succeeding business day, except as described in the next paragraph. In the case of a LIBOR note or a EURIBOR note, if postponement to the next business day

would cause the interest payment date to be in the next succeeding calendar month, the interest payment date will instead be the immediately preceding business day.

If for any floating rate note, the applicable pricing supplement provides that the note does not accrue to pay, and if an interest payment date for that floating rate note would otherwise be a day that is not a business day, the interest payment date will not be postponed. Any payment required to be made on the floating rate note, however, may be made on the next succeeding business day with the same force and effect as if made on the due date. No additional interest will accrue as a result of such delayed payment.

Upon the request of the holder of any floating rate note, the calculation agent for that note will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next interest reset date for the note.

CD Rate Notes. Each CD Rate note will bear interest for each interest reset period at an interest rate equal to the CD Rate and any spread or spread multiplier specified in the note and in the applicable pricing supplement.

The calculation agent will determine the CD Rate on each CD Rate determination date. The CD Rate determination date is the second business day prior to the interest reset date for each interest reset period for negotiable U.S. dollar certificates of deposit having the index maturity designated in the applicable pricing supplement as published in H.15(519) under the heading "CDs (Secondary Market)."

The following procedures will be followed if the CD Rate cannot be determined as described above.

- If the above rate is not published prior to 3:00 p.m., New York City time, on the calculation date pertaining to the CD Rate determination date, then the CD Rate for the interest reset period will be the rate on that date for negotiable U.S. dollar certificates of deposit of the index maturity designated in the applicable pricing supplement as published in the H.15 Daily Update, or other

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recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)."

- If by 3:00 p.m., New York City time, on the calculation date, the above rate is not yet published, then the CD Rate will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on that CD Rate determination date of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in New York City selected by the calculation agent for negotiable U.S. dollar certificates of deposit of major United States money center banks of the highest credit standing, in the market for negotiable U.S. dollar certificates of deposit, with a remaining maturity closest to the index maturity designated in the pricing supplement in a denomination of \$5,000,000.
- If the dealers selected by the calculation agent, however, are not quoting offered rates as mentioned in the preceding sentence, the CD Rate for that interest reset period will be the same as the CD Rate for the immediately preceding interest reset period. If there was no such interest reset period, the CD Rate will be the initial interest rate.

CD Rate notes, like other notes, are not deposit obligations of a bank and are not insured by the Federal Deposit Insurance Corporation.

Commercial Paper Rate Notes. Each Commercial Paper Rate note will bear interest for each interest reset period at an interest rate equal to the Commercial Paper Rate and any spread or spread multiplier, specified in the note and the applicable pricing supplement.

The calculation agent will determine the Commercial Paper Rate on each Commercial Paper Rate determination date. The Commercial Paper Rate determination date is the business day immediately preceding the interest reset date for each interest reset period. The Commercial Paper Rate will be the money market yield on that date of the rate for commercial paper having the index maturity specified in the applicable pricing supplement, as published in H.15(519) under the heading "Commercial Paper -- Nonfinancial."

The following procedures will be followed if the Commercial Paper Rate cannot be determined as described above.

- If the rate is not published prior to 3:00 p.m., New York City time, on the calculation date pertaining to the Commercial Paper Rate determination date, then the Commercial Paper Rate for the interest reset

period will be the money market yield on that date of the rate for commercial paper of the specified index maturity as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper -- Nonfinancial."

- If by 3:00 p.m., New York City time, on such calculation date, the above rate is not yet published, then the Commercial Paper Rate for the interest reset period will be the money market yield of the arithmetic mean of the offered rates, as of 11:00 a.m., New York City time, on that date, of three leading dealers of U.S. dollar commercial paper in New York City selected by the calculation agent for such Commercial Paper Rate note for commercial paper of the specified index maturity placed for an industrial issuer whose bonds are rated "AA" or the equivalent by a nationally recognized rating agency.
- If the dealers selected by the calculation agent, however, are not quoting offered rates as mentioned in the preceding sentence, the Commercial Paper Rate for the interest reset period will be the same as the Commercial Paper Rate for the immediately preceding interest reset period. If there was no such interest reset period, the Commercial Paper Rate will be the initial interest rate.

Money market yield will be calculated as follows:

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<S>	<C>	<C>	<C>
		D X 360	
money market yield	=	-----	X 100
		360 - (D X M)	
</Table>			

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where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the applicable interest reset period.

Federal Funds Rate Notes. Each Federal Funds Rate note will bear interest for each interest reset period at an interest rate equal to the Federal Funds Rate and any spread or spread multiplier specified in the note and the applicable pricing supplement.

The calculation agent will determine the Federal Funds Rate on each Federal Funds Rate determination date. The Federal Funds Rate determination date is the business day immediately preceding the interest reset date for that interest reset period. The Federal Funds Rate will be the rate for U.S. dollar federal funds as published in H.15(519) under the heading "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service).

The following procedures will be followed if the Federal Funds Rate cannot be determined as described above.

- If the above rate does not appear on Moneyline Telerate on Page 120 or is not published prior to 3:00 p.m., New York City time, on the calculation date pertaining to the Federal Funds Rate determination date, the Federal Funds Rate for the interest reset period will be the rate on that date as published in the H.15 Daily Update under the heading "Federal Funds/Effective Rate," or other recognized electronic source used for the purpose of displaying the applicable rate.
- If by 3:00 p.m., New York City time, on the calculation date the above rate is not yet published, then the Federal Funds Rate for the interest reset period will be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar federal funds transactions in New York City, selected by the calculation agent prior to 9:00 a.m., New York City time, on that Federal Funds Rate determination date.
- If the brokers so selected by the calculation agent are not quoting as mentioned above, the Federal Funds Rate for the interest reset period will be the Federal Funds Rate in effect for the particular Federal Funds Rate determination date. If there was no Federal Funds Rate in effect for the interest reset period, the Federal Funds Rate will be the initial interest rate.

LIBOR Notes. Each LIBOR note will bear interest for each interest reset period at an interest rate equal to LIBOR and any spread or spread multiplier specified in the note and the applicable pricing supplement.

The calculation agent will determine LIBOR on each LIBOR determination

date. The LIBOR determination date is the second London business day prior to the interest reset date for each interest reset period.

On a LIBOR determination date, the calculation agent will determine LIBOR for each interest reset period as follows.

The calculation agent will determine the offered rates for deposits in the specified currency for the period of the index maturity specified in the applicable pricing supplement commencing on the interest reset date, which appear on the "designated LIBOR page" at approximately 11:00 a.m., London time, on that date.

- If "LIBOR Moneyline Telerate" is designated in the applicable pricing supplement, or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement as the method for calculating LIBOR, "designated LIBOR page" means the display designated as page "3750" on the Moneyline Telerate Service, and LIBOR will be the relevant offered rate determined by the calculation agent. If page "3750" on the Moneyline Telerate Service is replaced by another page, or if the Moneyline Telerate Service is replaced by a successor service, then "LIBOR Moneyline Telerate" means the replacement page or service selected to display the London interbank offered rates of major banks.

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- If "LIBOR Reuters" is designated in the applicable pricing supplement, "designated LIBOR page" means the display designated as page "LIBO" on the Reuters Monitor Money Rates Service and LIBOR will be the arithmetic means of the offered rates, calculated by the calculation agent, or the offered rate, if the designated LIBOR page by its terms provides only for a single rate. If the LIBO page on that service is replaced by another page, or if the Reuters Monitor Money Rates Service is replaced by a successor service, then "LIBOR Reuters" means the replacement page or service selected to display the London interbank offered rates of major banks.

If LIBOR cannot be determined on a LIBOR determination date as described above, then the calculation agent will determine LIBOR as follows.

- The calculation agent will select four major banks in the London interbank market.
 - The calculation agent will request that the principal London offices of those four selected banks provide their offered quotations to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the LIBOR determination date. These quotations shall be for deposits in the specified currency for the period of the specified index maturity, commencing on the interest reset date. Offered quotations must be based on a principal amount equal to at least \$1,000,000 or the approximate equivalent in the specified currency that is representative of a single transaction in such market at that time.
- (1) If two or more quotations are provided, LIBOR for the interest reset period will be the arithmetic mean of those quotations.
 - (2) If less than two quotations are provided, the calculation agent will select three major banks in New York City and follow the steps in the two bullet points below.
- The calculation agent will then determine LIBOR for the interest reset period as the arithmetic mean of rates quoted by those three major banks in New York City to leading European banks at approximately 11:00 a.m., New York City time, on the LIBOR determination date. The rates quoted will be for loans in the specified currency, for the period of the specified index maturity, commencing on the interest reset date. Rates quoted must be based on a principal amount of at least \$1,000,000 or the approximate equivalent in the specified currency that is representative of a single transaction in such market at that time.
 - If fewer than three New York City banks selected by the calculation agent are quoting rates, LIBOR for the interest reset period will be the same as for the immediately preceding interest reset period. If there was no preceding interest reset period, the LIBOR Rate will be the initial interest rate.

Treasury Rate Notes. Each Treasury Rate note will bear interest for each interest reset period at an interest rate equal to the Treasury Rate and any spread or spread multiplier, specified in the note and the applicable pricing supplement.

Unless "Constant Maturity" is specified in the applicable pricing supplement, the Treasury Rate for each interest reset period will be the rate for the auction held on the Treasury Rate determination date for the interest reset period of treasury securities as that rate appears on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace the page on that service) or on page 57 (or any other page as may replace that page on that service) under the heading "INVESTMENT RATE." Treasury securities are direct obligations of the United States that have the index maturity specified in the applicable pricing supplement.

If the Treasury Rate cannot be determined as described above, the following procedures will be followed in the order set forth below.

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- (1) If the Treasury rate is not published prior to 3:00 P.M., New York City time on the related calculation date, then the Treasury Rate will be the Bond Equivalent Yield (as defined below) of the rate for the applicable treasury securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Auction High."
- (2) If the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable treasury securities as announced by the United States Department of the Treasury.
- (3) If the rate referred to in clause (2) above is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the Treasury Rate determination date of the applicable treasury securities published in H.15(519) under the heading "U.S. Government Securities/Treasury Bills/ Secondary Market."
- (4) If the rate referred to in clause (3) is not so published by 3:00 p.m., New York City time, on the related calculation date, then the Treasury Rate will be the rate on the Treasury Rate determination date of the applicable treasury securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Secondary Market."
- (5) If the rate referred to in clause (4) is not so published by 3:00 p.m., New York City time, on the related calculation date, then the Treasury Rate will be the rate on the Treasury Rate determination date calculated by the calculation agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the Treasury Rate determination date, of three primary United States government securities dealers selected by the calculation agent, for the issue of treasury securities with a remaining maturity closest to the index maturity specified in the applicable pricing supplement.
- (6) If the dealers selected by the calculation agent are not quoting bid rates as mentioned in (5) above, then the Treasury Rate for such interest reset period will be the same as the Treasury Rate for the immediately preceding interest reset period. If there was no preceding interest reset period, the Treasury Rate will be the initial interest rate.

The Treasury Rate determination date for each interest reset period will be the day of the week in which the interest reset date for that interest reset period falls on which treasury securities would normally be auctioned.

Treasury securities are normally sold at auction on Monday of each week unless that day is a legal holiday. In that case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is held on the preceding Friday, that Friday will be the Treasury Rate determination date pertaining to the interest reset period commencing in the next succeeding week. If an auction date falls on any day that would otherwise be an interest reset date for a Treasury Rate note, then that interest reset date will instead be the business day immediately following the auction date.

Bond Equivalent: Yield will be calculated as follows:

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$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

</Table>

where "D" refers to the applicable per annum rate for treasury securities quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

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Constant Maturity Treasury Rate Notes

If "Constant Maturity" is specified in the applicable pricing supplement, the Treasury Rate for each interest reset period will be the rate displayed on the designated CMT Telerate page under the caption "Treasury Constant Maturities" under the column for the designated CMT maturity index in the following manner.

- If the designated CMT Moneyline Telerate page is 7051, the Treasury Rate will be the rate on the Constant Maturity Treasury Rate determination date.
- If the rate referred to above does not appear on Moneyline Telerate Page 7051, then the Treasury Rate will be the treasury constant maturity rate for the designated CMT maturity index as published in the relevant H.15(519) under the caption "Treasury Constant Maturities."
- If the rate referred to above does not so appear in H.15(519), then the Treasury Rate will be the constant treasury maturity rate on the Constant Maturity Treasury Rate determination date for the designated CMT maturity index as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would have otherwise been published in H.15(519).
- If the designated CMT Moneyline Telerate page is 7052, the Treasury Rate will be the average for the week or for the month, as specified in the applicable pricing supplement, ended immediately preceding the week or month, as applicable, in which the related Constant Maturity Treasury Rate determination date occurs.
- If the rate referred to above does not appear on Moneyline Telerate Page 7052, then the Treasury Rate will be the one-week or one-month, as specified in the applicable pricing supplement, average of the treasury constant maturity rate for the designated CMT maturity index for the week or month as applicable, preceding the Constant Maturity Treasury determination date as published in the relevant H.15(519) under the caption "Treasury Constant Maturities."
- If the rate referred to above does not so appear in H.15(519), then the Treasury Rate will be the one-week or one-month, as specified in the applicable pricing supplement, average of the constant treasury maturity rate for the designated CMT maturity index as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the Constant Maturity Treasury Rate determination date falls.

If the Treasury Rate cannot be determined as indicated above, the following procedures will be followed in the order set forth below:

- (1) If the above information, as applicable, is not so published, then the calculation agent will calculate the Treasury Rate on the Constant Maturity Treasury Rate determination date as follows:
 - The Treasury Rate will be a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate determination date of three leading U.S. government securities dealers in New York City, for Treasury notes. The Treasury notes will be United States treasury securities, with an original maturity of approximately the designated CMT maturity index and a remaining term to maturity of not less than such designated CMT maturity index minus one year and in a principal amount that is representative for a single transaction in the securities in that market at that time.

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- The three government securities dealers referenced above will be identified from five such dealers who are selected by the calculation agent, one of which may be the agent, by eliminating the dealers with the highest and lowest quotations, or in the event of equality, one of the highest and/or lowest quotation, as the case may require.
- (2) If three or four, but not five, of such dealers provide quotations as described above, then the Treasury Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotes will be eliminated.
- (3) If the calculation agent is unable to obtain three such Treasury note quotations as described in (1) above, the Treasury Rate on such Constant Maturity Treasury Rate determination date will be calculated by the calculation agent as follows.
- The rate will be a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate determination date reported, according to their written records, by three leading U.S. government securities dealers in New York City, for Treasury notes with an original maturity of the number of years that is the next highest to the designated CMT maturity index and a remaining maturity closest to the index maturity specified in the applicable pricing supplement, and in an amount that is representative for a single transaction in that market at that time.
 - If two Treasury notes with an original maturity, as described above, have remaining terms to maturity equally close to the designated CMT maturity index, the calculation agent will obtain quotations for the Treasury note with the shorter remaining term to maturity and will use such quotations to calculate the Treasury Rate as set forth above.
 - The three government securities dealers referenced above will be identified from five such dealers who are selected by the calculation agent, one of which may be the agent, by eliminating the dealers with the highest and lowest quotations, or in the event of equality, one of the highest and/or lowest quotation, as the case may require.
- (4) If three or four, but not five, of such dealers provide quotations as described above, then the Treasury Rate will be based on the arithmetic mean of the offer prices obtained and neither the highest nor the lowest of such quotes will be eliminated.
- (5) If fewer than three dealers selected by the calculation agent provide quotations as described in (3) above, the Treasury Rate determined as of the Constant Maturity Treasury Rate determination date will be the Treasury Rate in effect on such Constant Maturity Treasury Rate determination date.

"Designated CMT Moneyline Telerate page" means the display on the Telerate Service, or any successor service on the page specified in the applicable pricing supplement, or any other page as may replace such page on that service, or any successor service, for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable pricing supplement, the designated CMT Telerate page will be 7052 for the most recent week.

"Designated CMT maturity index" means the original period to maturity of the U.S. Treasury securities, either one, two, three, five, seven, ten, twenty or thirty years, specified in the applicable pricing supplement for which the Treasury Rate will be calculated. If no such maturity is specified in the applicable pricing supplement, the designated CMT maturity index will be two years.

The "Constant Maturity Treasury Rate determination date" will be the second business day prior to the interest reset date for the applicable interest reset period.

The CMT Rate for a Treasury security maturity as published as of any business day is intended to be indicative of the yield of a U.S. Treasury security having as of that business day a remaining term to maturity equivalent to its maturity. The CMT Rate as of any business day is based upon an interpolation by the U.S. Treasury of the daily yield curve of outstanding Treasury securities. This yield curve, which

relates the yield on a security to its time to maturity, is based on the over-the-counter market bid yields on actively traded Treasury securities. Such yields are calculated from composites of quotations reported by leading U.S.

government securities dealers, which may include one or more of the calculation agents or other affiliates of Citigroup Funding. Certain constant maturity yield values are read from the yield curve. Interpolation from the yield curve provides a theoretical yield for a Treasury security having ten years to maturity, for example, even if no outstanding Treasury security has as of that date exactly ten years remaining to maturity.

Prime Rate Notes. Prime Rate notes will bear interest at a rate equal to the Prime Rate and any spread or spread multiplier specified in the Prime Rate notes and the applicable pricing supplement.

The calculation agent will determine the Prime Rate for each interest reset period on each Prime Rate determination date. The Prime Rate determination date is the second business day prior to the interest reset date for each interest reset period. The Prime Rate will be the rate made available and subsequently published on that date in H.15(519) under the heading "Bank Prime Loan."

The following procedures will be followed if the Prime Rate cannot be determined as described above.

- If the rate is not published prior to 3:00 P.M., New York City time, on the related calculation date, then the Prime Rate will be the rate on the Prime Rate determination date that is published in the H.15 Daily Update under the heading "Bank Prime Loan."
- If the rate referred to above is not published prior to 3:00 P.M., New York City time, on the related calculation date, then the Prime Rate will be the arithmetic mean of the rates of interest that appear on the Reuters Screen USPRIME1 page as such bank's prime rate or base lending rate on the Prime Rate determination date.
- If fewer than four such rates appear on the Reuters Screen USPRIME1 page, then the calculation agent will select three major banks in New York City. The Prime Rate will be the arithmetic mean of the prime rates quoted by those three banks on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on the Prime Rate determination date.
- If the banks that the calculation agent selects do not provide quotations as described above, then the Prime Rate will remain the same as the Prime Rate in effect on the Prime Rate determination date.

"Reuters Screen USPRIME1 page" means the display designated as page "USPRIME1" on the Reuters Monitor Money Rates Service, or any successor service or page, for the purpose of displaying prime rates or base lending rates of major United States banks.

Eleventh District Cost of Funds Rate Notes. Eleventh District Cost of Funds Rate notes will bear interest at the interest rates, calculated based on the Eleventh District Cost of Funds Rate and any spread and/or spread multiplier, specified in the Eleventh District Cost of Funds Rate notes and the applicable pricing supplement.

The calculation agent will determine the Eleventh District Cost of Funds Rate on each Eleventh District Cost of Funds Rate determination date. The Eleventh District Cost of Funds Rate determination date is the last working day of the month immediately prior to each interest reset date for each interest reset period on which the Federal Home Loan Bank of San Francisco publishes the Eleventh District Cost of Funds Index.

The Eleventh District Cost of Funds Rate will be the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate determination date as set forth under the caption "Eleventh District" on Moneyline Telerate (or any successor service) on page 7058. Such page will be deemed to include any successor page, determined by the calculation agent, as of 11:00 A.M., San Francisco time, on the Eleventh District Cost of Funds Rate determination date.

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The following procedures will be followed if the Eleventh District Cost of Funds Rate cannot be determined as described above.

- If the rate does not appear on Telerate page 7058 on any related Eleventh District Cost of Funds Rate determination date, the Eleventh District Cost of Funds Rate for the Eleventh District Cost of Funds Rate determination date will be the Eleventh District Cost of Funds Rate Index.
- If the FHLB of San Francisco fails to announce the Eleventh District Cost of Funds Rate Index on or prior to the Eleventh District Cost of Funds Rate determination date for the calendar month immediately preceding the

date, then the Eleventh District Cost of Funds Rate for such date will be the Eleventh District Cost of Funds Rate in effect on the Eleventh District Cost of Funds Rate determination date.

The "Eleventh District Cost of Funds Rate Index" will be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that the FHLB of San Francisco most recently announced as the cost of funds for the calendar month preceding the date of such announcement.

EURIBOR Notes. Each EURIBOR note will bear interest for each interest reset period at an interest rate equal to EURIBOR and any spread or spread multiplier specified in the note and the applicable pricing supplement.

The calculation agent will determine EURIBOR on each EURIBOR determination date. The EURIBOR determination date is the second TARGET business day prior to the interest reset date for each interest reset period.

On a EURIBOR determination date, the calculation agent will determine EURIBOR for each interest reset period as follows.

The calculation agent will determine the offered rates for deposits in euros for the period of the index maturity specified in the applicable pricing supplement, commencing on the interest reset date, which appears on page 248 on the Telerate Service or any successor service or any page that may replace page 248 on that service which is commonly referred to as "Telerate Page 248" as of 11:00 a.m., Brussels time, on that date.

If EURIBOR cannot be determined on a EURIBOR determination date as described above, then the calculation agent will determine EURIBOR as follows.

- The calculation agent will select four major banks in the Euro-zone interbank market.
 - The calculation agent will request that the principal Euro-zone offices of those four selected banks provide their offered quotations to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on the EURIBOR determination date. These quotations shall be for deposits in euros for the period of the specified index maturity, commencing on the interest reset date. Offered quotations must be based on a principal amount equal to at least \$1,000,000 or the approximate equivalent in euros that is representative of a single transaction in such market at that time.
- (1) If two or more quotations are provided, EURIBOR for the interest reset period will be the arithmetic mean of those quotations.
 - (2) If less than two quotations are provided, the calculation agent will select four major banks in the Euro-zone and follow the steps in the two bullet points below.
- The calculation agent will then determine EURIBOR for the interest reset period as the arithmetic mean of rates quoted by those four major banks in the Euro-zone to leading European banks at approximately 11:00 a.m., Brussels time, on the EURIBOR determination date. The rates quoted will be for loans in euros, for the period of the specified index maturity, commencing on the interest reset date. Rates quoted must be based on a principal amount of

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at least \$1,000,000 or the approximate equivalent in euros that is representative of a single transaction in such market at that time.

- If the banks so selected by the calculation agent are not quoting rates as described above, EURIBOR for the interest reset period will be the same as for the immediately preceding interest reset period. If there was no preceding interest reset period, EURIBOR will be the initial interest rate.

"Euro-zone" means the region comprised of member states of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

Inverse Floating Rate Notes. Any floating rate note may be designated in the applicable pricing supplement as an inverse floating rate note. In such an event, unless otherwise specified in the applicable pricing supplement, the interest rate on the floating rate note will be equal to:

- in the case of the period, if any, commencing on the issue date, or the date on which the note otherwise begins to accrue interest if different from the issue date, up to the first interest reset date, a fixed rate of

interest established by Citigroup Funding as described in the applicable pricing supplement; and

- in the case of each period commencing on an interest reset date, a fixed rate of interest specified in the pricing supplement minus the interest rate determined based on the base rate as adjusted by any spread and/or spread multiplier.

However, on any inverse floating rate note, the interest rate will not be less than zero.

Floating/Fixed Rate Notes. The applicable pricing supplement may provide that a note will be a floating rate note for a specified portion of its term and a fixed rate note for the remainder of its term. In such an event, the interest rate on the note will be determined as if it were a floating rate note and a fixed rate note for each respective period, all as specified in the applicable pricing supplement.

SUBSEQUENT INTEREST PERIODS

The pricing supplement relating to each note will indicate whether Citigroup Funding has the option to reset the interest rate, spread, spread multiplier or method of calculation, as the case may be, for the note. If Citigroup Funding has the option to reset, the pricing supplement will also indicate the optional reset date or dates on which the interest rate, spread, spread multiplier or method of calculation, as the case may be, may be reset.

Citigroup Funding shall notify the trustee whether or not it intends to exercise this option relating to a note at least 45 but not more than 60 days prior to an optional reset date for the note. Not later than 40 days prior to the optional reset date, the trustee will mail to the holder of the note a reset notice first class, postage prepaid, indicating whether Citigroup Funding has elected to reset the interest rate, spread, spread multiplier or method of calculation, as the case may be.

If Citigroup Funding elects to reset the interest rate, spread, spread multiplier or method of calculation, as the case may be, the trustee will mail to the holder in the manner described above a notice indicating the new interest rate, new spread, spread multiplier or method of calculation, as the case may be. The notice will also indicate any provisions for redemption during the subsequent interest period. The subsequent interest period is the period from the optional reset date to the next optional reset date or, if there is no next optional reset date, to the stated maturity of the note, including the date or dates on which the period or periods during which, and the price or prices at which, a redemption may occur during a subsequent interest period.

Upon the transmittal by the trustee of a reset notice to the holder of a note, the new interest rate or such new spread, spread multiplier and/or method of calculation, as the case may be, will take effect

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automatically. Except as modified by the reset notice and as described below, the note will have the same terms as prior to the transmittal of the reset notice.

Despite the foregoing, not later than 20 days prior to an optional reset date for a note, Citigroup Funding may, at its option, revoke the interest rate, or the spread or spread multiplier, provided for in the reset notice relating to the optional reset date, and establish a higher interest rate, or a higher spread or spread multiplier, as applicable, for the subsequent interest period commencing on the optional reset date.

Citigroup Funding can make such revocations by causing the trustee for the note to mail notice of the higher interest rate or higher spread or spread multiplier, as the case may be, first class, postage prepaid, to the holder of the note. The notice shall be irrevocable. All notes for which the interest rate or spread or spread multiplier is reset on an optional reset date will bear such higher interest rate, or higher spread or spread multiplier, as the case may be, whether or not tendered for repayment.

The holder of a note will have the option to elect repayment of that note by Citigroup Funding on each optional reset date at a price equal to the principal amount of the note plus interest accrued to the optional reset date. In order for a note to be repaid on an optional reset date, the holder of the note must follow the procedures set forth below under "Optional Redemption, Repayment and Repurchase" for optional repayment. However, the period for delivery of the note or notification to the trustee for the note will be at least 25 but not more than 35 days prior to the optional reset date. Further, a holder who has tendered a note for repayment pursuant to a reset notice may, by written notice to the trustee for the note, revoke any tender for repayment until the close of business on the tenth day prior to the optional reset date.

AMORTIZING NOTES

Citigroup Funding may from time to time offer amortizing notes on which a portion or all of the principal amount is payable prior to stated maturity:

- in accordance with a schedule;
- by application of a formula; or
- based on an index.

Further information concerning additional terms and conditions of any amortizing notes, including terms for repayment of such notes, will be set forth in the applicable pricing supplement.

INDEXED NOTES

Citigroup Funding may from time to time offer indexed notes on which some or all interest payments, in the case of an indexed rate note, and/or the principal amount payable at stated maturity or earlier redemption or retirement, in the case of an indexed principal note, is determined based on:

- the principal amount of the notes or, in the case of an indexed principal note, the amount designated in the applicable pricing supplement as the "face amount" of the indexed note; and
- an index, which may be based on:
 - (1) prices, changes in prices, or differences between prices, of one or more securities, currencies, intangibles, goods, articles or commodities;
 - (2) the application of a formula; or
 - (3) an index which shall be such other objective price, economic or other measures as are described in the applicable pricing supplement.

A description of the index used in any determination of an interest or principal payment, and the method or formula by which interest or principal payments will be determined based on such index, will be set forth in the applicable pricing supplement.

If a fixed rate note, floating rate note or indexed rate note is also an indexed principal note, the amount of any interest payment will be determined based on the face amount of that indexed note unless

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specified otherwise in the applicable pricing supplement. If an indexed note is also an indexed principal note, the principal amount payable at stated maturity or any earlier redemption or repayment of the indexed note may be different from the face amount.

If a third party is appointed to calculate or announce the index for a particular indexed note, and the third party either (1) suspends the calculation or announcement of that index or (2) changes the basis upon which the index is calculated in a manner that is inconsistent with the applicable pricing supplement, then Citigroup Funding will select another third party to calculate or announce the index. Citigroup Global Markets Inc. or another affiliate of Citigroup Funding may be either the original or successor third party selected by Citigroup Funding.

If for any reason the index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then any indexed interest payments or any indexed principal amount of the indexed note will be calculated in the manner set forth in the applicable pricing supplement. Any determination by the selected third party will be binding on all parties, except in the case of an obvious error.

Unless otherwise specified in the applicable pricing supplement, for the purpose of determining whether holders of the requisite principal amount of notes outstanding under the applicable indenture have made a demand or given a notice or waiver or taken any other action, the outstanding principal amount of indexed notes will be deemed to be the face amount stated on the notes. Unless otherwise specified in the applicable pricing supplement, in the event of an acceleration of the stated maturity of an indexed note, the principal amount payable to the holder of the note upon acceleration will be the principal amount determined based on the formula used to determine the principal amount of the note on the stated maturity of the note, as if the date of acceleration were the stated maturity.

An investment in indexed notes has significant risks, including wide fluctuations in market value as well as in the amounts of payments due, that are not associated with a similar investment in a conventional debt security. These risks depend on a number of factors including supply and demand for the particular security, currency, commodity or other good or article to which the note is indexed and economic and political events over which Citigroup Funding has no control. See "Risk Factors -- Changes in the Value of Underlying Assets of Indexed Notes Could Result in a Substantial Loss to You" above for a discussion of these considerations.

Fluctuations in the price of any particular security or commodity, in the rates of exchange between particular currencies or in particular indices that have occurred in the past are not necessarily indicative, however, of fluctuations in the price or rates of exchange that may occur during the term of any indexed notes. Accordingly, prospective investors should consult their own financial and legal advisors as to the risks of an investment in indexed notes.

DUAL CURRENCY NOTES

Citigroup Funding may from time to time offer dual currency notes on which Citigroup Funding has a one time option of making all payments of principal, any premium and interest on such notes which are issued on the same day and have the same terms, the payments on which would otherwise be made in the specified currency of those notes, in the optional payment currency specified in the applicable pricing supplement. This option will be exercisable in whole but not in part on an option election date, which will be any one of the dates specified in the applicable pricing supplement. Information as to the relative value of the specified currency compared to the optional payment currency will be set forth in the applicable pricing supplement.

The pricing supplement for each issuance of dual currency notes will specify, among other things:

- the specified currency;
- the optional payment currency; and
- the designated exchange rate.

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The designated exchange rate will be a fixed exchange rate used for converting amounts denominated in the specified currency into amounts denominated in the optional payment currency. The pricing supplement will also specify the option election dates and interest payment dates for the related issuance of dual currency notes. Each option election date will be a particular number of days before an interest payment date or stated maturity, as set forth in the applicable pricing supplement. Each option election date will be the date on which Citigroup Funding may select whether to make all scheduled payments due thereafter in the optional payment currency rather than in the specified currency.

If Citigroup Funding makes such an election, the amount payable in the optional payment currency will be determined using the designated exchange rate specified in the applicable pricing supplement. If such election is made, notice of the election will be mailed in accordance with the terms of the applicable tranche of dual currency notes within two business days of the option election date. The notice will state (1) the first date, whether an interest payment date and/or stated maturity, on which scheduled payments in the optional payment currency will be made and (2) the designated exchange rate. Any such notice by Citigroup Funding, once given, may not be withdrawn. The equivalent value in the specified currency of payments made after such an election may be less, at the then current exchange rate, than if Citigroup Funding had made the payment in the specified currency.

For United States federal income tax purposes, holders of dual currency notes may need to comply with rules which differ from the general rules applicable to holders of other types of notes offered by this prospectus supplement. The United States federal income tax consequences of the purchase, ownership and disposition of dual currency notes will be set forth in the applicable pricing supplement.

RENEWABLE NOTES

Citigroup Funding may from time to time offer renewable notes, which will mature on an initial maturity date. Such initial maturity date will be an interest payment date specified in the applicable pricing supplement occurring in, or prior to, the twelfth month following the original issue date of the notes, unless the term of all or any portion of any of the notes is renewed in accordance with the procedures described below.

The term of a renewable note may be extended to the interest payment date occurring in the twelfth month, or, if a special election interval is specified in the applicable pricing supplement, the last month in a period equal to twice the special election interval elected by the holder after the renewal date. Such an extension may be made on the initial renewal date. That date will be the interest payment date occurring in the sixth month, unless a special election interval is specified in the applicable pricing supplement, prior to the initial maturity date of a renewable note and on the interest payment date occurring in each sixth month, or in the last month of each special election interval, after the initial renewal date which, together with the initial renewal date, constitutes a renewal date.

If a holder does not elect to extend the term of any portion of the principal amount of a renewable note during the specified period prior to any renewal date, that portion will become due and payable on the new maturity date. Such new maturity date will be the interest payment date occurring in the sixth month, or the last month in the special election interval, after the renewal date.

A holder of a renewable note may elect to renew the term of such renewable note, or if so specified in the applicable pricing supplement, any portion of the renewable note, by delivering a notice to that effect to the trustee or any duly appointed paying agent at the corporate trust office of the trustee or agency of the trustee in New York City. This notice will be delivered not less than 15 nor more than 30 days prior to the renewal date, unless another period is specified in the applicable pricing supplement as the special election period. This election will be irrevocable and will be binding upon each subsequent holder of the renewable note.

An election to renew the term of a renewable note may be exercised for less than the entire principal amount of the renewable note only if so specified in the applicable pricing supplement and only in the principal amount, or any integral multiple in excess of that amount, as is specified in the applicable pricing

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supplement. Despite the foregoing, the term of the renewable notes may not be extended beyond the stated maturity specified for renewable notes in the applicable pricing supplement.

If the holder does not elect to renew the term, a renewable note must be presented to the trustee, or any duly appointed paying agent. If the renewable note is a certificate issued in definitive form, it must be presented to the trustee as soon as practicable following receipt of the renewable note. The trustee, or any duly appointed paying agent, will issue in exchange for the note, in the name of the holder, a note. The note will be in a principal amount equal to the principal amount of the exchanged renewable note for which no election to renew such term was exercised, with terms identical to those specified on the renewable note. However, the note will have a fixed, nonrenewable stated maturity on the new maturity date.

If an election to renew is made for less than the full principal amount of a holder's renewable note, the trustee, or any duly appointed paying agent, will issue a replacement renewable note in exchange for the note in the name of the holder. The replacement renewable note will be in a principal amount equal to the principal amount elected to be renewed of the exchanged renewable note, with terms otherwise identical to the exchanged renewable note.

EXTENSION OF MATURITY

The pricing supplement relating to each note will indicate whether Citigroup Funding has the option to extend the stated maturity of that note for an extension period. Such an extension period is one or more periods of one to five whole years, up to but not beyond the final maturity date set forth in the pricing supplement.

Citigroup Funding may exercise such option for a note by notifying the trustee for that note at least 45 but not more than 60 days prior to the original stated maturity of the note. Not later than 40 days prior to the original stated maturity of the note, the trustee for the note will mail to the holder of the note an extension notice, first class, postage prepaid. The extension notice will set forth:

- the election of Citigroup Funding to extend the stated maturity of the note;
- the new stated maturity;
- in the case of a fixed rate note, the interest rate applicable to the extension period;

- in the case of a floating rate note, the spread, spread multiplier or method of calculation applicable to the extension period; and
- any provisions for redemption during the extension period, including the date or dates on which, or the period or periods during which, and the price or prices at which, a redemption may occur during the extension period.

Upon the mailing by such trustee of an extension notice to the holder of a note, the stated maturity of the note will be extended automatically, and, except as modified by the extension notice and as described in the next paragraph, the note will have the same terms as prior to the mailing of the extension notice. Despite the foregoing, not later than 20 days prior to the original stated maturity of the note, Citigroup Funding may, at its option, revoke the interest rate, or the spread or spread multiplier, as the case may be, provided for in the extension notice for the note and establish for the extension period a higher interest rate, in the case of a fixed rate note, or a higher spread or spread multiplier, in the case of a floating rate note.

Citigroup Funding may so act by causing the trustee for the note to mail notice of the higher interest rate or higher spread or spread multiplier, as the case may be, first class, postage prepaid, to the holder of the note. The notice will be irrevocable. All notes for which the stated maturity is extended will bear the higher interest rate, in the case of fixed rate notes, or higher spread or spread multiplier, in the case of floating rate notes, for the extension period, whether or not tendered for repayment.

If Citigroup Funding extends the stated maturity of a note, the holder of the note will have the option to elect repayment of the note by Citigroup Funding on the original stated maturity at a price equal to the principal amount of the note, plus interest accrued to that date. In order for a note to be repaid on the old stated maturity once Citigroup Funding has extended its stated maturity, the holder of the note must

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follow the procedures set forth below under "Optional Redemption, Repayment and Repurchase" for optional repayment. The period for delivery of the note or notification to the trustee for the note will be at least 25 but not more than 35 days prior to the old stated maturity. A holder who has tendered a note for repayment after an extension notice may give written notice to the trustee for the note to revoke any tender for repayment until the close of business on the tenth day before the original stated maturity.

COMBINATION OF PROVISIONS

If so specified in the applicable pricing supplement, any note may be required to comply with all of the provisions, or any combination of the provisions, described above under "Subsequent Interest Periods," "Extension of Maturity" and "Renewable Notes."

BOOK-ENTRY SYSTEM

Upon issuance, and unless the rules of DTC state otherwise, all book-entry notes having the same original issue date and otherwise identical terms will be represented by a single global security. Each global security representing book-entry notes will be deposited with, or on behalf of, DTC and registered in the name of a nominee of DTC. Book-entry notes will not be exchangeable for certificated notes and, except under the circumstances described in the prospectus under "Book-Entry Procedures and Settlement," will not otherwise be issuable as certificated notes.

If an issue of notes is denominated in a currency other than the U.S. dollar, Citigroup Funding will make payments of principal and any interest in the foreign currency in which the notes are denominated or in U.S. dollars. DTC has elected to have all payments of principal and interest paid in U.S. dollars unless notified by any of its participants through which an interest in the notes is held that it elects, in accordance with, and to the extent permitted by, the applicable pricing supplement and the relevant note, to receive payment of principal or interest in the foreign currency. On or prior to the third business day after the record date for payment of interest and twelve days prior to the date for payment of principal, the participant will notify DTC of (1) its election to receive all, or the specified portion, of payment in the foreign currency and (2) its instructions for wire transfer of payment to a foreign currency account.

A further description of DTC's procedures regarding global securities representing book-entry notes is set forth in the prospectus under "Book-Entry Procedures and Settlement." DTC has confirmed to Citigroup Funding, the agents and the trustee that it intends to follow such procedures.

OPTIONAL REDEMPTION, REPAYMENT AND REPURCHASE

The pricing supplement relating to each note will indicate whether the note can be redeemed at the option of Citigroup Funding, in whole or in part prior to its stated maturity. The applicable pricing supplement will also indicate (1) the optional redemption date or dates on which the note may be redeemed and (2) the redemption price at which, together with accrued interest to such optional redemption date, the note may be redeemed on each optional redemption date.

Unless otherwise specified in the applicable pricing supplement, at least 30 days prior to the date of redemption, the trustee will mail notice of redemption, first class, postage prepaid, to the holder of the note. Unless otherwise specified in the applicable pricing supplement, Citigroup Funding may exercise the option relating to a redemption of a note in part only by notifying the trustee for such note at least 45 days prior to any optional redemption date. In the event of redemption of a note in part only, a new note or notes for the unredeemed portion of the note or notes will be issued to the holder of that note or notes upon the cancellation of the note or notes. The notes, other than amortizing notes, may not be redeemed. The redemption of any subordinated note that is included in Citigroup Inc.'s capital may be subject to consultation with the Federal Reserve, which may not acquiesce in the redemption of such note unless it is satisfied that the capital position of Citigroup Inc. will be adequate after the proposed redemption.

The pricing supplement relating to each note will also indicate whether the holder of that note will have the option to elect repayment of the note by Citigroup Funding prior to its stated maturity. If so, the

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pricing supplement will specify (1) the optional repayment date or dates on which the note may be repaid and (2) the optional repayment price. The optional repayment price is the price at which, together with accrued interest to such optional repayment date, the note may be repaid on each optional repayment date.

In order for a note to be repaid, the trustee for the note must receive, at least 30 but not more than 45 days prior to an optional repayment date:

- (1) the note with the form entitled "Option to Elect Repayment" on the reverse of the note duly completed; or
- (2) a telegram, telex, facsimile transmission or letter from a member of a national securities exchange or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States setting forth:
 - the name of the holder of the note;
 - the principal amount of the note to be repaid;
 - the certificate number or a description of the tenor and terms of the note;
 - a statement that the option to elect repayment is being exercised; and
 - a guarantee that the note to be repaid with the form entitled "Option to Elect Repayment" on the reverse of the note duly completed will be received by the trustee not later than five business days after the date of the telegram, telex, facsimile transmission or letter.

If the guarantee procedure described in clause (2) above is followed, then the note and form duly completed must be received by the trustee by the fifth business day. Any tender of a note by the holder for repayment, except pursuant to a reset notice or an extension notice, will be irrevocable. The repayment option may be exercised by the holder of a note for less than the entire principal amount of the note, provided, that the principal amount of the note remaining outstanding after repayment is an authorized denomination. Upon partial repayment, the note will be canceled and a new note or notes for the remaining principal amount will be issued in the name of the holder of the repaid note.

If a note is represented by a global security, DTC's nominee will be the holder of the note and, therefore, will be the only entity that can exercise a right to repayment. In order to ensure that DTC's nominee will timely exercise a right to repayment relating to a particular note, the beneficial owner of that note must instruct the broker or other direct or indirect participant through which it holds an interest in the note to notify DTC of its desire to exercise a right to repayment. Different firms have different cut-off times for accepting instructions from their customers. Accordingly, each beneficial owner should consult the broker or other direct or indirect participant through which it holds an interest in a note in order to ascertain the cut-off time by which such an instruction must be given in order for timely notice to be delivered to DTC.

Except in the case of an optional redemption by Citigroup Funding at a stated redemption price provided for in the applicable pricing supplement, if Citigroup Funding redeems or repays a note that is an original issue discount note other than an indexed note prior to its stated maturity, then Citigroup Funding will pay the amortized face amount of the note as of the date of redemption or repayment regardless of anything else stated in this prospectus supplement.

The amortized face amount of a note on any date means the amount equal to:

- the issue price set forth in the applicable pricing supplement plus
- that portion of the difference between the issue price and the stated principal amount of the note that has accrued by that date at
 - (1) the bond yield to maturity set forth on the face of the applicable pricing supplement, or
 - (2) if so specified in the applicable pricing supplement, the bond yield to call set forth on the face of the note.

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These computations will be made in accordance with generally accepted United States bond yield computation principles. However, the amortized face amount of a note will never exceed its stated principal amount. The bond yield to call listed in a pricing supplement will be computed on the basis of:

- the first occurring optional redemption date with respect to the note;
and
- the amount payable on the optional redemption date.

In the event that any note is not redeemed on the first occurring optional redemption date, the bond yield to call that applies to the note will be recomputed on the optional redemption date on the basis of (1) the next occurring optional redemption date and (2) the amount payable on the optional redemption date. The bond yield to call will continue to be so recomputed on each succeeding optional redemption date until the note is so redeemed.

Citigroup Funding may at any time purchase notes at any price in the open market or otherwise. Notes so purchased by Citigroup Funding may, at the discretion of Citigroup Funding, be held, resold or surrendered to the trustee for those notes for cancellation.

OTHER PROVISIONS

The terms in the applicable pricing supplement may modify any provisions relating to:

- the determination of an interest rate basis;
- the specification of an interest rate basis;
- calculation of the interest rate applicable to, or the principal payable at maturity on, any note;
- interest payment dates; or
- any other related matters.

DEFEASANCE

The defeasance provisions described in the prospectus will not be applicable to the notes except as set forth in the applicable pricing supplement.

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CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

INTRODUCTION

The following is a summary of the material United States federal income tax considerations that may be relevant to a holder of a note. The summary is based on:

- laws;
- regulations;

- rulings; and
- decisions now in effect,

all of which may change, possibly with retroactive effect. This summary deals only with holders that will hold notes as capital assets. This summary does not address all of the United States federal income tax considerations that may be relevant to a beneficial owner of notes. For example, this summary does not address tax considerations applicable to investors to whom special tax rules may apply, including, without limitation:

- banks or other financial institutions;
- tax-exempt entities;
- insurance companies;
- regulated investment companies;
- common trust funds;
- entities that are treated for United States federal income tax purposes as partnerships or other pass-through entities;
- controlled foreign corporations;
- dealers in securities or currencies;
- traders in securities that elect mark to market;
- persons that will hold notes as a part of an integrated investment, including a straddle, a synthetic security or hedge or a conversion transaction, comprised of a note and one or more other positions; or
- United States holders (as defined below) that have a functional currency other than the U.S. dollar.

Any special United States federal income tax considerations relevant to a particular issue of notes, including any indexed notes, dual currency notes or notes providing for contingent payments, will be provided in the applicable pricing supplement. Purchasers of such notes should carefully examine the applicable pricing supplement and should consult with their tax advisors with respect to those notes.

Prospective investors should consult their tax advisors in determining the tax consequences to them of purchasing, holding and disposing of the notes, including the application to their particular situation of the United States federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

As used in this prospectus supplement, the term United States holder means:

- a citizen or resident of the United States;
- a corporation or other entity treated as a corporation created or organized in or under the laws of the United States or any political subdivision thereof;

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- an estate, if United States federal income taxation is applicable to the income of such estate regardless of its source; or
- a trust, if a United States court is able to exercise primary supervision over the trust's administration and one or more United States persons have the authority to control all of the trust's substantial decisions.

As used in this summary, the term "non-United States holder" means a holder who is not a United States holder and the term "United States" means the United States of America, including the fifty states and the District of Columbia, but excluding its territories and possessions.

UNITED STATES HOLDERS

Payments of Interest

Payments of qualified stated interest, as defined below under "Original Issue Discount," on a note will be taxable to a United States holder as ordinary interest income at the time that such payments are accrued or are received, in accordance with the United States holder's method of tax accounting.

If such payments of interest are made relating to a note that is

denominated in a foreign currency, the amount of interest income realized by a United States holder that uses the cash method of tax accounting will be the U.S. dollar value of the specified currency payment based on the spot rate of exchange on the date of receipt regardless of whether the payment in fact is converted into U.S. dollars. No exchange gain or loss will be recognized with respect to the receipt of such payment (other than exchange gain or loss realized on the disposition of the foreign currency so received). A United States holder that uses the accrual method of tax accounting will accrue interest income on the foreign currency note in the relevant foreign currency and translate the amount accrued into U.S. dollars based on:

- the average exchange rate in effect during the interest accrual period, or portion thereof within the holder's taxable year; or
- at the holder's election, at the spot rate of exchange on (1) the last day of the accrual period, or the last day of the taxable year within the accrual period if the accrual period spans more than one taxable year, or (2) the date of receipt, if that date is within five business days of the last day of the accrual period.

Such an election must be applied consistently by the United States holder to all debt instruments from year to year and can be changed only with the consent of the IRS. A United States holder that uses the accrual method of tax accounting will recognize foreign currency gain or loss, which will be treated as ordinary income or loss, on the receipt of an interest payment made relating to a foreign currency note if the spot rate of exchange on the date the payment is received differs from the rate applicable to a previous accrual of that interest income. Such foreign currency gain or loss will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income received on the notes.

Purchase, Sale and Retirement of Notes

A United States holder's tax basis in a note generally will equal the cost of that note to such holder

- (1) increased by any amounts includible in income by the holder as original issue discount ("OID") and market discount (each as described below) and
- (2) reduced by any amortized premium and any payments other than payments of qualified stated interest (each as described below) made on the note.

In the case of a foreign currency note, the cost of the note to a United States holder will generally be the U.S. dollar value of the foreign currency purchase price on the date of purchase. In the case of a foreign currency note that is traded on an established securities market, a United States holder generally should determine the U.S. dollar value of the cost of the note by translating the amount paid in foreign currency into its U.S. dollar value at the spot rate of exchange (1) on the settlement date of the purchase in the case of a United States holder using the cash method of tax accounting and (2) on the trade date, in the case of a United States holder using the accrual method of tax accounting, unless the holder elects

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to use the spot rate applicable to cash method United States holders. The amount of any subsequent adjustments to a United States holder's tax basis in a foreign currency note in respect of OID, market discount and premium will be determined in the manner described under "Original Issue Discount," "Market Discount" and "Notes Purchased at a Premium" below. The conversion of U.S. dollars to another specified currency and the immediate use of the specified currency to purchase a foreign currency note generally will not result in taxable gain or loss for a United States holder.

Upon the sale, exchange, retirement or other taxable disposition (collectively, a "disposition") of a note, a United States holder generally will recognize gain or loss equal to the difference between (1) the amount realized on the disposition, less any accrued qualified stated interest, which will be taxable as ordinary income in the manner described above under "Payments of Interest," and (2) the United States holder's adjusted tax basis in the note. If a United States holder receives a specified currency other than the U.S. dollar in respect of the disposition of a note, the amount realized will be the U.S. dollar value of the specified currency received calculated at the spot rate of exchange on the date of disposition of the note.

In the case of a foreign currency note that is traded on an established securities market, a United States holder that receives a specified currency other than the U.S. dollar in respect of that disposition generally should determine the amount realized (as determined on the trade date) by translating that specified currency into its U.S. dollar value at the spot rate of exchange

(1) on the settlement date of the disposition in the case of a United States holder using the cash method of tax accounting and (2) on the trade date, in the case of a United States holder using the accrual method of tax accounting, unless the holder elects to use the spot rate applicable to cash method United States holders. The election available to accrual basis United States holders in respect of the purchase and sale of foreign currency notes traded on an established securities market, discussed above, must be applied consistently by the United States holder to all debt instruments from year to year and can be changed only with the consent of the IRS.

Except as discussed below in connection with foreign currency gain or loss, market discount and short-term notes, gain or loss recognized by a United States holder on the sale, exchange, retirement or other taxable disposition of a note will generally be long term capital gain or loss if the United States holder's holding period for the note exceeded one year at the time of such disposition.

Gain or loss recognized by a United States holder on the sale, exchange, retirement or other taxable disposition of a foreign currency note generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which the holder held the note.

Original Issue Discount

In General. Notes with a term greater than one year may be issued with OID for United States federal income tax purposes. Such notes are called OID notes in this prospectus supplement. United States holders generally must accrue OID in gross income over the term of the OID notes on a constant yield basis, regardless of their regular method of tax accounting. As a result, United States holders generally will recognize taxable income in respect of an OID note in advance of the receipt of cash attributable to such income.

OID generally will arise if the stated redemption price at maturity of the note exceeds its issue price by more than a de minimis amount equal to 0.25% of the note's stated redemption price at maturity multiplied by the number of complete years to maturity. OID may also arise if a note has particular interest payment characteristics, such as interest holidays, interest payable in additional securities or stepped interest. For this purpose, the issue price of a note is the first price at which a substantial amount of notes is sold for cash, other than to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers. The stated redemption price at maturity of a note is the sum of all payments due under the note, other than payments of qualified stated interest. The term qualified stated interest generally means stated interest that is unconditionally payable in cash or

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property, other than debt instruments of the issuer, at least annually during the entire term of the OID note at a single fixed rate of interest or, under particular conditions, based on one or more interest indices.

For each taxable year of a United States holder, the amount of OID that must be included in gross income in respect of an OID note will be the sum of the daily portions of OID for each day during that taxable year or any portion of the taxable year in which such a United States holder held the OID note. Such daily portions are determined by allocating to each day in an accrual period a pro rata portion of the OID allocable to that accrual period. Accrual periods may be of any length and may vary in length over the term of an OID note. However, accrual periods may not be longer than one year and each scheduled payment of principal or interest must occur on the first day or the final day of a period.

The amount of OID allocable to any accrual period generally will equal (1) the product of the OID note's adjusted issue price at the beginning of the accrual period multiplied by its yield to maturity (as adjusted to take into account the length of the accrual period), less (2) the amount, if any, of qualified stated interest allocable to that accrual period. The adjusted issue price of an OID note at the beginning of any accrual period will equal the issue price of the OID note, as defined above, (1) increased by previously accrued OID from prior accrual periods, and (2) reduced by any payment made on the note, other than payments of qualified stated interest, on or before the first day of the accrual period.

Foreign Currency Notes. In the case of an OID note that is also a foreign currency note, a United States holder should determine the U.S. dollar amount includible in income as OID for each accrual period by

- calculating the amount of OID allocable to each accrual period in the specified currency using the constant-yield method described above and
- translating the amount of the specified currency so derived at the

average exchange rate in effect during that accrual period, or portion of the accrual period within a United States holder's taxable year, or, at the United States holder's election (as described above under "Payments of Interest"), at the spot rate of exchange on (1) the last day of the accrual period, or the last day of the taxable year within the accrual period if the accrual period spans more than one taxable year, or (2) on the date of receipt, if that date is within five business days of the last day of the accrual period.

All payments on an OID note, other than payments of qualified stated interest, will generally be viewed first as payments of previously accrued OID, to the extent thereof, with payments attributed first to the earliest accrued OID, and then as payments of principal. Upon the receipt of an amount attributable to OID, whether in connection with a payment of an amount that is not qualified stated interest or the disposition of the OID note, a United States holder will recognize ordinary income or loss measured by the difference between (1) the amount received and (2) the amount accrued. The amount received will be translated into U.S. dollars at the spot rate of exchange on the date of receipt or on the date of disposition of the OID note. The amount accrued will be determined by using the rate of exchange applicable to such previous accrual.

Acquisition Premium. A United States holder that purchases an OID note for an amount less than or equal to the remaining redemption amount, but in excess of the OID note's adjusted issue price, generally is permitted to reduce the daily portions of OID by a fraction. The numerator of this fraction is the excess of the United States holder's adjusted tax basis in the OID note immediately after its purchase over the OID note's adjusted issue price. The denominator of the fraction is the excess of the remaining redemption amount over the OID note's adjusted issue price. For purposes of this prospectus supplement,

- "acquisition premium" means the excess of the purchase price paid by a United States holder for an OID note over the OID note's adjusted issue price; and
- "remaining redemption amount" means the sum of all amounts payable on an OID note after the purchase date other than payments of qualified stated interest.

The notes may have special redemption, repayment or interest rate reset features, as indicated in the applicable pricing supplement. Notes containing such features, in particular OID notes, may be subject to

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special rules that differ from the general rules discussed above. Accordingly, purchasers of notes with such features should carefully examine the applicable pricing supplement and should consult their tax advisors relating to such notes.

Market Discount

If a United States holder purchases a note, other than a short-term note, for an amount that is less than the note's stated redemption price at maturity or, in the case of an OID note, for an amount that is less than the note's revised issue price, i.e., the note's issue price increased by the amount of accrued OID, the note will be considered to have market discount. The market discount rules are subject to a de minimis rule similar to the rule relating to de minimis OID, described above (in the second paragraph under "Original Issue Discount"). Any gain recognized by the United States holder on the sale, exchange, retirement or other taxable disposition of notes having market discount generally will be treated as ordinary income to the extent of the market discount that accrued on the note while held by such United States holder.

Alternatively, the United States holder may elect to include market discount in income currently over the life of the note. Such an election will apply to market discount notes acquired by the United States holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS. Market discount will accrue on a straight-line basis unless the United States holder elects to accrue the market discount on a constant-yield method. Unless the United States holder elects to include market discount in income on a current basis, as described above, the United States holder could be required to defer the deduction of a portion of the interest paid on any indebtedness incurred or maintained to purchase or carry the note.

Market discount on a foreign currency note will be accrued by a United States holder in the foreign currency. The amount includible in income by a United States holder in respect of such accrued market discount will be the U.S. dollar value of the amount accrued. This is generally calculated at the spot rate of exchange on the date that the note is disposed of by the United States holder. Any accrued market discount on a foreign currency note that is currently

includible in income will be translated into U.S. dollars at the average exchange rate for the accrual period or portion of such accrual period within the United States holder's taxable year.

Short-Term Notes

The rules set forth above also will generally apply to notes having maturities of not more than one year from the date of issuance. Those notes are called short-term notes in this prospectus supplement. Certain modifications apply to these general rules.

First, none of the interest on a short-term note is treated as qualified stated interest. Instead, interest on a short-term note is treated as part of the short-term note's stated redemption price at maturity, thereby giving rise to OID. Thus, all short-term notes will be OID notes. OID will be treated as accruing on a short-term note ratably, or at the election of a United States holder, under a constant yield method.

Second, a United States holder of a short-term note that uses the cash method of tax accounting will generally not be required to include OID in respect of the short-term note in income on a current basis. Such a United States holder may not be allowed to deduct all of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry such note until the maturity of the note or its earlier disposition in a taxable transaction. In addition, such a United States holder will be required to treat any gain realized on a disposition of the note as ordinary income to the extent of the holder's accrued OID on the note, and as short-term capital gain to the extent the gain exceeds accrued OID. A United States holder of a short-term note using the cash method of tax accounting may, however, elect to accrue OID into income on a current basis. In such case, the limitation on the deductibility of interest described above will not apply. A United States holder using the accrual method of tax accounting generally will be required to include OID on a short-term note in income on a current basis.

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Third, any United States holder of a short-term note, whether using the cash or accrual method of tax accounting, can elect to accrue the acquisition discount, if any, on the note on a current basis. If such an election is made, the OID rules will not apply to the note. Acquisition discount is the excess of the note's stated redemption price at maturity over the holder's purchase price for the note. Acquisition discount will be treated as accruing ratably or, at the election of the United States holder, under a constant-yield method based on daily compounding.

As described above, the notes may have special redemption features. These features may affect the determination of whether a note has a maturity of not more than one year and thus is a short-term note. Purchasers of notes with such features should carefully examine the applicable pricing supplement and should consult their tax advisors in relation to such features.

Notes Purchased at a Premium

A United States holder that purchases a note for an amount in excess of the remaining redemption amount will be considered to have purchased the note at a premium and the OID rules will not apply to such holder. Such holder may elect to amortize such premium, as an offset to interest income, using a constant-yield method, over the remaining term of the note. Such election, once made, generally applies to all debt instruments held or subsequently acquired by the United States holder on or after the beginning of the first taxable year to which the election applies. Such election may be revoked only with the consent of the IRS. A United States holder that elects to amortize such premium must reduce its tax basis in a note by the amount of the premium amortized during its holding period. For a United States holder that does not elect to amortize bond premium, the amount of such premium will be included in the United States holder's tax basis when the note matures or is disposed of by the United States holder. Therefore, a United States holder that does not elect to amortize premium and holds the note to maturity will generally be required to treat the premium as capital loss when the note matures.

Amortizable bond premium in respect of a foreign currency note will be computed in the specified currency and will reduce interest income in the foreign currency. At the time amortized bond premium offsets interest income, exchange gain or loss, which will be taxable as ordinary income or loss, will be realized on the amortized bond premium on such note based on the difference between (1) the spot rate of exchange on the date or dates such premium is recovered through interest payments on the note and (2) the spot rate of exchange on the date on which the United States holder acquired the note. See "Original Issue Discount -- Acquisition Premium" above for a discussion of the treatment of a note purchased for an amount less than or equal to the remaining redemption amount but in excess of the note's adjusted issue price.

Information returns may be required to be filed with the IRS relating to payments made to particular United States holders of notes. In addition, United States holders may be subject to a backup withholding tax on such payments if they do not provide their taxpayer identification numbers to the trustee in the manner required, fail to certify that they are not subject to backup withholding tax, or otherwise fail to comply with applicable backup withholding tax rules. United States holders may also be subject to information reporting and backup withholding tax with respect to the proceeds from a sale, exchange, retirement or other taxable disposition of the notes. Any amounts withheld under the backup withholding rules will be allowed as a credit against the United States holder's United States federal income tax liability provided the required information is timely furnished to the IRS.

NON-UNITED STATES HOLDERS

Under current United States federal income tax law:

- withholding of United States federal income tax will not apply to a payment on a note to a non-United States holder, provided that,

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- (1) the holder does not actually or constructively own 10% or more of the total combined voting power of all classes of stock of Citigroup Funding entitled to vote and is not a controlled foreign corporation related to Citigroup Funding through stock ownership;
- (2) the beneficial owner provides a statement signed under penalties of perjury that includes its name and address and certifies that it is a non-United States holder in compliance with applicable requirements; and
- (3) neither Citigroup Funding nor its paying agent has actual knowledge or reason to know that the beneficial owner of the note is a United States holder.

- withholding of United States federal income tax will generally not apply to any gain realized on the disposition of a note.

Despite the above, if a non-United States holder is engaged in a trade or business in the United States (or, if certain tax treaties apply, if the non-United States holder maintains a permanent establishment within the United States) and the interest on the notes is effectively connected with the conduct of that trade or business (or, if certain tax treaties apply, attributable to that permanent establishment), such non-United States holder will be subject to United States federal income tax on the interest on a net income basis in the same manner as if such non-United States holder were a United States holder. In addition, a non-United States holder that is a foreign corporation engaged in a trade or business in the United States may be subject to a 30% (or, if certain tax treaties apply, such lower rates as provided) branch profits tax.

Any gain realized on the disposition of a note generally will not be subject to United States federal income tax unless:

- that gain is effectively connected with the non-United States holder's conduct of a trade or business in the United States (or, if certain tax treaties apply, is attributable to a permanent establishment maintained by the non-United States holder within the United States); or
- the non-United States holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

In general, backup withholding and information reporting will not apply to a payment of interest on a note to a non-United States holder, or to proceeds from the disposition of a note by a non-United States holder, in each case, if the holder certifies under penalties of perjury that it is a non-United States holder and neither Citigroup Funding nor its paying agent has actual knowledge or reason to know to the contrary. Any amounts withheld under the backup withholding rules will be refunded or credited against the non-United States holder's United States federal income tax liability provided the required information is timely furnished to the IRS. In certain circumstances, the amounts of payments made on a note, the name and address of the beneficial owner and the amount, if any, of tax withheld may be reported to the IRS.

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PLAN OF DISTRIBUTION

The notes are being offered on a continuous basis by Citigroup Funding through Citigroup Global Markets Inc., or other broker-dealer affiliates of Citigroup Funding, as agents. The agents have agreed to use their reasonable efforts to solicit orders to purchase notes. The agents, Citigroup Funding and Citigroup will sign an agency agreement. A form of agency agreement is being filed as an exhibit to the registration statement of which this prospectus supplement forms a part. Citigroup Funding will have the sole right to accept orders to purchase notes and may reject proposed purchases in whole or in part. An agent will have the right to reject any proposed purchase in whole or in part. Citigroup Funding reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement, the accompanying prospectus or any pricing supplement without notice.

The following table summarizes the aggregate commissions or discounts payable in connection with offerings of the notes. Commissions and discounts will vary depending upon the stated maturity of the notes.

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	PUBLIC OFFERING PRICE -----	AGENTS' DISCOUNTS AND COMMISSIONS -----	PROCEEDS, BEFORE EXPENSES, TO CITIGROUP FUNDING -----
<S>	<C>	<C>	<C>
Principal Amount.....	\$10,000,000,000	\$2,000,000-\$500,000,000	\$9,998,000,000-\$9,500,000,000
Total.....	100%	0.02%-5%	99.98%-95%

</Table>

Citigroup Funding may also sell notes at a discount to the agents for their own account or for resale to one or more purchasers at varying prices related to prevailing market prices or at a fixed public offering price. After any initial public offering of notes to be resold to purchasers at a fixed public offering price, the public offering price and any concession or discount may be changed. In addition, the agents may offer and sell notes purchased by it as principal to other dealers. These notes may be sold at a discount which, unless otherwise specified in the applicable pricing supplement, will not exceed the discount to be received by the agents from Citigroup Funding.

Unless otherwise specified in the applicable pricing supplement, any note purchased by an agent as principal will be purchased at 100% of the principal amount or face amount less a percentage equal to the commission applicable to an agency sale of a note of identical maturity. Citigroup Funding reserves the right to sell notes directly to investors on its own behalf and to enter into agreements similar to the agency agreement with other parties. No commission will be payable nor will a discount be allowed on any sales made directly by Citigroup Funding.

Unless notes are issued upon the reopening of a prior series, no note will have an established trading market when issued. Unless otherwise specified in the applicable pricing supplement, the notes will not be listed on any securities exchange. An agent may make a market in the notes, but no agent is obligated to do so. An agent may discontinue any market-making at any time without notice, at its sole discretion. There can be no assurance of the existence or liquidity of a secondary market for any notes, or that the maximum amount of notes will be sold.

In addition to the notes being offered through the agents as described herein, securities in bearer form that may have terms identical or similar to the terms of the notes may be concurrently offered by Citigroup Funding on a continuous basis outside the United States by one or more broker-dealer affiliates of Citigroup Funding. Such affiliates may also purchase the securities in bearer form as principal for their own account or for resale. Any securities so offered and sold will reduce correspondingly the maximum aggregate principal amount of notes that may be offered by this prospectus supplement and the accompanying prospectus.

Citigroup Funding estimates that its total expenses for the offering, excluding underwriting commissions or discounts, will be approximately \$5,420,500.

An agent, whether acting as agent or principal, may be deemed to be an underwriter within the meaning of the Securities Act of 1933. Citigroup Funding and Citigroup have agreed to indemnify the agents against liabilities relating to material misstatements and omissions, or to contribute to payments

that the agents may be required to make relating to these liabilities. Citigroup Funding and Citigroup will reimburse the agents for customary legal and other expenses incurred by them in connection with the offer and sale of the notes.

Unless otherwise specified in the applicable pricing supplement, payment of the purchase price of the notes will be required to be made in immediately available funds in New York City on the date of settlement.

Concurrently with the offering of notes through the agent as described in this prospectus supplement, Citigroup Funding may issue other securities under the indentures referred to in the prospectus.

The broker-dealer affiliates of Citigroup Funding, including Citigroup Global Markets Inc., are members of the NASD and may participate in offerings of the notes. Accordingly, offerings of the notes in which Citigroup Funding's broker-dealer affiliates participate will conform with the requirements set forth in Rule 2720 of the Conduct Rules of the NASD.

This prospectus supplement, the accompanying prospectus and the related pricing supplement may be used by an agent or other affiliates of Citigroup Funding in connection with offers and sales of the notes offered by this prospectus supplement in market-making transactions at negotiated prices related to prevailing market prices at the time of sale. An agent or these other affiliates may act as principal or agent in such transactions.

ERISA MATTERS

Certain provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Internal Revenue Code of 1986, as amended (the "Code"), prohibit employee benefit plans (as defined in Section 3(3) of ERISA) that are subject to Title I of ERISA, plans described in Section 4975(e)(1) of the Code (including, without limitation, retirement accounts and Keogh plans), and entities whose underlying assets include plan assets by reason of a plan's investment in such entities (including, without limitation, as applicable, insurance company general accounts), from engaging in certain transactions involving "plan assets" with parties that are "parties in interest" under ERISA or "disqualified persons" under the Code with respect to the plan or entity. Governmental and other plans that are not subject to ERISA or to the Code may be subject to similar restrictions under state, federal or local law.

The notes may not be purchased, held or disposed of by any plan or any other person investing "plan assets" of any plan that is subject to the prohibited transaction rules of ERISA or Section 4975 of the Code or other similar law, unless one of the following Prohibited Transaction Class Exemptions ("PTCE") issued by the Department of Labor or a similar exemption or exception applies to such purchase, holding and disposition:

- PTCE 96-23 for transactions determined by in-house asset managers,
- PTCE 95-60 for transactions involving insurance company general accounts,
- PTCE 91-38 for transactions involving bank collective investment funds,
- PTCE 90-1 for transactions involving insurance company separate accounts, or
- PTCE 84-14 for transactions determined by independent qualified professional asset managers.

Any purchaser of the notes or any interest therein will be deemed to have represented and warranted to Citigroup Funding on each day including the date of its purchase of the notes through and including the date of disposition of such notes that either:

- (a) it is not a plan subject to Title I of ERISA or Section 4975 of the Code and is not purchasing such notes or interest therein on behalf of, or with "plan assets" of, any such plan;

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- (b) its purchase, holding and disposition of such notes are not and will not be prohibited because they are exempted by one or more of the following prohibited transaction exemptions: PTCE 96-23, 95-60, 91-38, 90-1 or 84-14; or

- (c) it is a governmental plan (as defined in section 3 of ERISA) or other

plan that is not subject to the provisions of Title I of ERISA or Section 4975 of the Code and its purchase, holding and disposition of such notes are not otherwise prohibited.

Due to the complexity of these rules and the penalties imposed upon persons involved in prohibited transactions, it is important that any person considering the purchase of the notes with plan assets consult with its counsel regarding the consequences under ERISA and the Code, or other similar law, of the acquisition and ownership of the notes and the availability of exemptive relief under the class exemptions listed above.

LEGAL MATTERS

John R. Dye, Esq., General Counsel-Capital Markets of Citigroup Inc., 399 Park Avenue, New York, New York 10043, will act as legal counsel to Citigroup Funding. Mr. Dye beneficially owns, or has rights to acquire under employee benefit plans, an aggregate of less than one percent of the common stock of Citigroup. Cleary Gottlieb Steen & Hamilton LLP, New York, New York, will act as legal counsel for the agents. Cleary Gottlieb Steen & Hamilton LLP has from time to time acted as counsel for Citigroup Funding and its affiliates and may do so in the future.

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\$10,000,000,000

CITIGROUP FUNDING INC.

MEDIUM-TERM SENIOR NOTES, SERIES A
MEDIUM-TERM SUBORDINATED NOTES, SERIES B
FULLY AND UNCONDITIONALLY GUARANTEED BY CITIGROUP INC.

PROSPECTUS SUPPLEMENT
, 2005

(INCLUDING PROSPECTUS
DATED , 2005)

CITIGROUP

THE INFORMATION IN THIS PROSPECTUS SUPPLEMENT IS NOT COMPLETE AND MAY BE CHANGED. CITIGROUP FUNDING MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS SUPPLEMENT IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED MAY 2, 2005

PROSPECTUS SUPPLEMENT
(To prospectus dated , 2005)

\$10,000,000,000

CITIGROUP FUNDING INC.

MEDIUM-TERM SENIOR NOTES, SERIES A
MEDIUM-TERM SUBORDINATED NOTES, SERIES B
FULLY AND UNCONDITIONALLY GUARANTEED BY CITIGROUP INC.

GENERAL TERMS OF SALE

The following terms will generally apply to the medium-term senior and subordinated notes that we will sell from time to time using this prospectus supplement and the attached prospectus. Citigroup Funding will include information on the specific terms for each note in a pricing supplement to this

prospectus supplement that Citigroup Funding will deliver to prospective buyers of any note. The maximum amount that Citigroup Funding expects to receive from the sale of the notes is between \$9,998,000,000 and \$9,500,000,000 after paying the agents commissions of between \$2,000,000 and \$500,000,000.

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MATURITY:	Generally, 9 months or more from the date of issue except in the case of indexed notes, for which the maturity may be shorter.
INDEXED NOTES:	Payments of interest or principal may be linked to the price of one or more securities, currencies, commodities, goods, measures or events.
REDEMPTION:	Terms of specific notes may permit or require redemption at our option or repayment at your option.
RISKS:	Index and currency risks may exist.
CURRENCIES:	U.S. dollars and other currencies.
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INTEREST RATES:	Fixed, floating or zero coupon.
RANKING:	The Series A notes are senior notes which are part of our senior indebtedness, and the Series B notes are subordinated notes which are part of our subordinated indebtedness.
OTHER TERMS:	Notes will be issued in bearer form and will not be offered, sold or delivered to any U.S. person, except as permitted under U.S. Treasury regulations. You should review "Description of the Notes" and the pricing supplement for features that apply to your notes.
</Table>	

CONSIDER CAREFULLY THE INFORMATION UNDER "RISK FACTORS" BEGINNING ON PAGE S-3 OF THIS PROSPECTUS SUPPLEMENT.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or any accompanying prospectus or pricing supplement is truthful or complete. Any representation to the contrary is a criminal offense.

These securities are not deposits or savings accounts but are unsecured obligations of Citigroup Funding Inc. These securities are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

CITIGROUP GLOBAL MARKETS LIMITED
, 2005

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RISK FACTORS

CHANGES IN EXCHANGE RATES AND EXCHANGE CONTROLS COULD RESULT IN A SUBSTANTIAL LOSS TO YOU.

An investment in foreign currency notes, which are notes denominated in a specified currency other than your home currency, which is the currency of the country in which you are resident or the currency (including any composite currency) in which you conduct your business or activities, entails significant risks that are not associated with a similar investment in a security denominated in your home currency. Similarly, an investment in an indexed note, on which all or a part of any payment due is based on a currency other than your home currency, has significant risks that are not associated with a similar investment in non-indexed notes. These risks include, but are not limited to:

- the possibility of significant market changes in rates of exchange between your home currency and the specified currency;
- the possibility of significant changes in rates of exchange between your home currency and the specified currency resulting from the official redenomination or revaluation of the specified currency; and
- the possibility of the imposition or modification of foreign exchange controls by either your government or foreign governments.

These risks generally depend on factors over which Citigroup Funding has no control and which cannot be readily foreseen, such as:

- economic events;
- political events; and
- the supply of, and demand for, the relevant currencies.

In recent years, rates of exchange for certain currencies in which Citigroup Funding's notes may be denominated have been highly volatile. This volatility may be expected in the future. Fluctuations that have occurred in any particular exchange rate in the past are not necessarily indicative, however, of fluctuations that may occur in the rate during the term of any foreign currency note. Depreciation of the specified currency of a foreign currency note against your home currency would result in a decrease in the effective yield of such foreign currency note below its coupon rate and could result in a substantial loss to the investor on a home currency basis.

Governments have imposed from time to time, and may in the future impose, exchange controls that could affect exchange rates as well as the availability

of a specified currency at the time of payment of principal, any premium, or interest on a foreign currency note. There can be no assurance that exchange controls will not restrict or prohibit payments of principal, any premium, or interest denominated in any such specified currency.

Even if there are no actual exchange controls, it is possible that such specified currency would not be available to Citigroup Funding when payments on the note are due because of circumstances beyond the control of Citigroup Funding. In this event, Citigroup Funding will make required payments in U.S. dollars on the basis described in this prospectus supplement. You should consult your own financial and legal advisors as to the risks of an investment in notes denominated in a currency other than your home currency. See "-- The Unavailability of Currencies Could Result in a Substantial Loss to You" and "Description of the Notes -- Payment of Principal and Interest" below.

Any pricing supplement relating to notes having a specified currency other than U.S. dollars will contain a description of any material exchange controls affecting that currency and any other required information concerning the currency.

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THE UNAVAILABILITY OF CURRENCIES COULD RESULT IN A SUBSTANTIAL LOSS TO YOU.

Except as set forth below, if payment on a note is required to be made in a specified currency other than U.S. dollars and that currency is --

- unavailable due to the imposition of exchange controls or other circumstances beyond Citigroup Funding's control;
- no longer used by the government of the country issuing the currency; or
- no longer used for the settlement of transactions by public institutions of the international banking community --

then all payments on the note will be made in U.S. dollars until the currency is again available or so used. The amounts so payable on any date in the currency will be converted into U.S. dollars on the basis of the most recently available market exchange rate for the currency or as otherwise indicated in the applicable pricing supplement. Any payment on a note made under these circumstances in U.S. dollars will not constitute a default or an event of default under the indenture under which the note was issued.

If the specified currency of a note is officially redenominated, other than as a result of European Monetary Union, such as by an official redenomination of any specified currency that is a composite currency, then the payment obligations of Citigroup Funding on the note will be the amount of redenominated currency that represents the amount of Citigroup Funding's obligations immediately before the redenomination. The notes will not provide for any adjustment to any amount payable as a result of:

- any change in the value of the specified currency of those notes relative to any other currency due solely to fluctuations in exchange rates; or
- any redenomination of any component currency of any composite currency, unless that composite currency is itself officially redenominated.

JUDGMENTS IN A FOREIGN CURRENCY COULD RESULT IN A SUBSTANTIAL LOSS TO YOU.

The notes will be governed by, and construed in accordance with, the laws of New York State. Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than the U.S. dollar. A 1987 amendment to the Judiciary Law of New York State provides, however, that an action based upon an obligation denominated in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation. Any judgment awarded in such an action will be converted into U.S. dollars at the rate of exchange prevailing on the date of the entry of the judgment or decree.

CHANGES IN THE VALUE OF UNDERLYING ASSETS OF INDEXED NOTES COULD RESULT IN A SUBSTANTIAL LOSS TO YOU.

An investment in indexed notes may have significant risks that are not associated with a similar investment in a debt instrument that:

- has a fixed principal amount;
- is denominated in U.S. dollars; and
- bears interest at either a fixed rate or a floating rate based on nationally published interest rate references.

The risks of a particular indexed note will depend on the terms of that indexed note. Such risks may include, but are not limited to, the possibility of significant changes in the prices of:

- the underlying assets;
- another objective price; and
- economic or other measures making up the relevant index.

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Underlying assets could include:

- one or more securities or securities indices;
- one or more specified foreign currency or currency indices;
- a combination thereof;
- intangibles;
- goods;
- articles;
- commodities; and
- any other financial, economic or other measure or instrument.

The risks associated with a particular indexed note generally depend on factors over which Citigroup Funding has no control and which cannot readily be foreseen. These risks include:

- economic events;
- political events; and
- the supply of, and demand for, the underlying assets.

In recent years, currency exchange rates and prices for various underlying assets have been highly volatile. Such volatility may be expected in the future. Fluctuations in rates or prices that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any indexed note.

In considering whether to purchase indexed notes, you should be aware that the calculation of amounts payable on indexed notes may involve reference to:

- an index determined by an affiliate of Citigroup Funding; or
- prices that are published solely by third parties or entities which are not regulated by the laws of the United States.

The risk of loss as a result of linking principal or interest payments on indexed notes to an index and to the underlying assets can be substantial. You should consult your own financial and legal advisors as to the risks of an investment in indexed notes.

GOVERNING LAW

The notes and the related indenture will be governed by the laws of New York State.

IMPORTANT CURRENCY INFORMATION

Purchasers are required to pay for each note in a currency specified by Citigroup Funding for that note. If requested by a prospective purchaser of a note having a specified currency other than U.S. dollars, an agent may at its discretion arrange for the exchange of U.S. dollars into the specified currency to enable the purchaser to pay for the note. Each such exchange will be made by such agent. The terms, conditions, limitations and charges that such agent may from time to time establish in accordance with its regular foreign exchange practice shall control the exchange. The purchaser must pay all costs of exchange.

References in this prospectus supplement to "U.S. dollars," "U.S.\$," "dollar" or "\$" are to the lawful currency of the United States.

DESCRIPTION OF THE NOTES

The following description of the particular terms of the Medium-Term Senior Notes, Series A and Medium-Term Subordinated Notes, Series B supplements the description of the general terms and provisions of the debt securities set forth in the prospectus. If any specific information regarding the notes

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in this prospectus supplement is inconsistent with the more general terms of the debt securities described in the prospectus, you should rely on the information in this prospectus supplement.

The pricing supplement for each offering of notes will contain the specific information and terms for that offering. If any information in the pricing supplement, including any changes in the method of calculating interest on any note, is inconsistent with this prospectus supplement, you should rely on the information in the pricing supplement. The pricing supplement may also add, update or change information contained in the prospectus and this prospectus supplement. It is important for you to consider the information contained in the prospectus, this prospectus supplement and the pricing supplement in making your investment decision.

GENERAL

Introduction. The senior notes are a series of senior debt securities issued under Citigroup Funding's senior debt indenture to be entered into among Citigroup Funding, Citigroup, as guarantor, and JPMorgan Chase Bank, N.A., as trustee, and fully and unconditionally guaranteed by Citigroup. The subordinated notes are a series of subordinated debt securities issued under Citigroup Funding's subordinated debt indenture to be entered into among Citigroup Funding, Citigroup, as guarantor, and Deutsche Bank Trust Company Americas, as trustee, and fully and unconditionally guaranteed by Citigroup. At the date of this prospectus supplement, the notes offered pursuant to this prospectus supplement are limited to an aggregate initial public offering price or purchase price of up to U.S.\$10,000,000,000 or its equivalent in one or more other currencies. This amount is subject to reduction as a result of the sale of other securities under the registration statement of which this prospectus supplement and the accompanying prospectus form a part, or under a registration statement to which this prospectus supplement and the accompanying prospectus also relate.

The amount of notes sold of either series will reduce the amount of notes of the other series that may be sold. Citigroup Funding reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement without notice. The aggregate amount of notes may be increased from time to time to such larger amount as may be authorized by Citigroup Funding.

The U.S. dollar equivalent of the public offering price or purchase price of a note having a specified currency other than U.S. dollars will be determined on the basis of the market exchange rate. Unless otherwise specified in the pricing supplement, this market exchange rate will be the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York for that specified currency on the applicable issue date. Such determination will be made by Citigroup Funding or its agent, as the exchange rate agent for the applicable series of notes.

Ranking. The senior notes will constitute part of the senior indebtedness of Citigroup Funding and will rank on an equal basis with all other unsecured debt of Citigroup Funding other than subordinated debt. The subordinated notes will be subordinate and junior in the right of payment, to the extent and in the manner set forth in the subordinated debt indenture, to all senior indebtedness of Citigroup Funding. See "Description of Debt Securities -- Subordinated Debt" in the prospectus.

If there were an event of default with respect to any senior indebtedness, the trustee or holders of 25% of the principal amount of senior debt securities outstanding in a series could demand that the principal be repaid immediately. If there were an event of default with respect to any subordinated indebtedness involving certain events of insolvency or bankruptcy, the trustee or holders of 25% of the principal amount of subordinated debt securities outstanding in a series could demand that the principal be paid immediately. In the absence of certain events of insolvency or bankruptcy, failure to pay amounts due with respect to subordinated indebtedness would not permit the trustee or such holders to demand that the principal of such subordinated debt securities be paid immediately. See "Description of Debt Securities -- Events of Default and Defaults" in the prospectus.

Citigroup Funding had no senior indebtedness outstanding as of May 2, 2005.

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Forms of Notes. The notes will be issued in bearer form only. In addition, Citigroup Funding may offer notes in registered form in a concurrent offering in the United States. The notes in bearer form may not be exchanged for notes in registered form. When originally issued and for the period of 40 days after the original issuance date, the notes will not be offered, sold or delivered, directly or indirectly, to a U.S. person or to any person within the United States, except to the extent permitted under U.S. Treasury regulations, as more fully set forth under "Plan of Distribution." As used in this prospectus supplement, a "U.S. person" means a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States, or an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

All notes that are originally issued on the same date and that otherwise have identical terms will be represented initially by interests in a single temporary global security in bearer form, without coupons, to be deposited with a common depositary in London, England for Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream International, for credit to the accounts designated by or on behalf of the purchasers. On or after the fortieth day following the issuance of a temporary global security, and subject to the receipt of a certificate of non-U.S. beneficial ownership, beneficial interests in that temporary global security will be exchangeable for interests in a definitive global security in bearer form, without coupons, in a denomination equal to the aggregate principal amount of all interests in the temporary global security so exchanged. A "certificate of non-U.S. beneficial ownership" is a certificate to the effect that a beneficial interest in a temporary global security is owned by a person that is not a U.S. person or is owned by or through a financial institution in compliance with applicable U.S. Treasury regulations. Each such definitive global security will be deposited with the common depositary for credit to the account or accounts designated by or on behalf of the beneficial owner or owners. Interests in a definitive global security may be exchanged in whole, or if permitted by the procedures of Euroclear or Clearstream may prescribe from time to time, in part, for one or more individual notes, with appropriate coupons attached, in any authorized denomination or denominations. No notes will be delivered in or to the United States and its possessions. References in this prospectus supplement to "notes" shall, except where otherwise indicated, include interests in a temporary or definitive global security as well as individual notes and any appurtenant coupons.

Transfers of interests in a temporary or definitive global security will be made by Euroclear or Clearstream in accordance with their customary operating procedures. Title to individual notes and coupons will pass by physical delivery. The bearer of each coupon, whether or not the coupon is attached to an individual note, shall be subject to and bound by all the provisions contained in the individual note to which such coupon relates. The bearer of any individual note and any coupon may, to the fullest extent permitted by applicable law, be treated at all times by all persons and for all purposes as the absolute owner of such note or coupon, regardless of any notice of ownership, theft or loss or of any writing thereon.

The following legend will appear on each global security and on all individual notes and any coupons: "Any United States Person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code." The sections referred to in the legend provide that, with certain exceptions, a United States taxpayer who holds an interest in a global security or an individual note or coupon will not be permitted to deduct any loss with respect to, and will not be eligible for capital gain treatment with respect to any gain realized on a sale, exchange, redemption or other disposition of, an interest in such global security or such individual note or coupon. See "Limitations on Issuances In Bearer Form" in the accompanying prospectus.

Denominations. Unless otherwise provided in the applicable pricing supplement, the minimum aggregate principal amount of notes that may be purchased is U.S.\$25,000 or the approximate equivalent in other currencies. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of notes denominated in U.S. dollars will be \$10,000 and any larger amount that is a whole multiple of \$1,000. The authorized denominations of notes that have a specified currency other than U.S. dollars will be the approximate equivalents in the specified currency.

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Maturity. Unless otherwise specified in the applicable pricing supplement, each note will mature on a stated maturity date. Generally, the stated maturity date will be a business day more than nine months from its date of issue, except in the case of indexed notes, for which the maturity may be shorter, as selected by the purchaser and agreed to by Citigroup Funding. If so specified in the applicable pricing supplement, the stated maturity date may be extended at the

option of Citigroup Funding, and each note may also be redeemed at the option of Citigroup Funding, or repaid at the option of the holder, at a price specified in the applicable pricing supplement prior to its stated maturity. Each note that has a specified currency of pounds sterling will mature in compliance with the regulations the Bank of England may promulgate from time to time.

Additional Information. The pricing supplement relating to a note will describe the following terms:

- the specified currency for the note;
 - whether the note
 - (1) is a fixed rate note;
 - (2) is a floating rate note;
 - (3) is an amortizing note, meaning that a portion or all the principal amount is payable prior to stated maturity in accordance with a schedule, by application of a formula, or based on an index; and/or
 - (4) is an indexed note on which payments of interest or principal, or both, may be linked to the price of one or more securities, currencies, intangibles, articles, commodities or goods or any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance;
 - the price at which the note will be issued, which will be expressed as a percentage of the aggregate principal amount or face amount;
 - the original issue date on which the note will be issued;
 - the date of the stated maturity;
 - if the note is a fixed rate note, the rate per annum at which the note will bear any interest, and whether and how the rate may be changed prior to its stated maturity;
 - if the note is a floating rate note, relevant terms such as:
 - (1) the base rate;
 - (2) the initial interest rate;
 - (3) the interest reset period or the interest reset dates;
 - (4) the interest payment dates;
 - (5) any index maturity;
 - (6) any maximum interest rate;
 - (7) any minimum interest rate;
 - (8) any spread or spread multiplier; and
 - (9) any other terms relating to the particular method of calculating the interest rate for the note and whether and how the spread or spread multiplier may be changed prior to stated maturity;
 - whether the note is a note issued originally at a discount;
 - if the note is an amortizing note, the terms for repayment prior to stated maturity;
 - if the note is an indexed note, in the case of an indexed rate note, the manner in which the amount of any interest payment will be determined or, in the case of an indexed principal note, its face amount and the manner in which the principal amount payable at stated maturity will be determined;
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- whether the note may be redeemed at the option of Citigroup Funding, or repaid at the option of the holder, prior to stated maturity as described under "Optional Redemption, Repayment and Repurchase" below and the terms of its redemption or repayment;
 - whether the note may have an optional extension beyond its stated maturity as described under "Extension of Maturity" below;

- whether the note will be represented by a global security or a certificate issued in definitive form;
- any special United States federal income tax consequences of the purchase, ownership and disposition of a particular issuance of notes;
- whether the note is a renewable note, and, if so, its specific terms;
- the use of proceeds, if materially different than that disclosed in the accompanying prospectus; and
- any other terms of the note provided in the accompanying prospectus to be set forth in a pricing supplement or that are otherwise consistent with the provisions of the indenture under which the note will be issued.

As used in this prospectus supplement, business day means:

- for any note, any day that is not a Saturday or Sunday and that, in New York City, London, England or the place in which the note or its coupon is to be presented for payment, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close;
- for LIBOR notes only, a London business day, which shall be any day on which dealings in deposits in the specified currency are transacted in the London interbank market;
- for any determination by the exchange rate agent of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, an exchange rate business day, which shall be any day on which banking institutions and foreign exchange markets settle payments in New York City and London;
- for notes having a specified currency other than U.S. dollars only, other than notes denominated in euros, any day that, in the principal financial center (as defined below) of the country of the specified currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and
- for EURIBOR notes and notes denominated in euros, a TARGET business day, which will be any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System is open.

As used above, a principal financial center means the capital city of the country issuing the specified currency. However, for Australian dollars, Canadian dollars and Swiss francs, the principal financial center will be Sydney, Toronto and Zurich, respectively.

PAYMENT OF PRINCIPAL AND INTEREST

Unless otherwise specified in the applicable pricing supplement and except, under certain circumstances, for notes having specified currencies other than U.S. dollars, Citigroup Funding will pay the principal of, and any premium and interest on, each note in the specified currency for such note.

Payments on the notes will be made without deduction for United States withholding taxes to the extent described under "Payment of Additional Interest" below. Each note may be redeemed at the redemption price applicable to it, if certain events occur involving United States withholding taxes or information reporting requirements. See "Tax Redemption" and "Special Tax Redemption" below. Other than in such event, the notes may not be redeemed by Citigroup Funding prior to its stated maturity date unless otherwise specified in the applicable pricing supplement. See "Optional Redemption, Repayment and Repurchase" below. The notes will not be subject to any sinking fund.

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Interest on each temporary global security will be paid to each of Euroclear and Clearstream with respect to that portion of such temporary global security held for its account, but only upon receipt as of the relevant interest payment date of a certificate of Non-U.S. beneficial ownership and upon notation thereon of such payment. Each of Euroclear and Clearstream will undertake in such circumstances to credit such interest received by it to the respective accounts having an interest in such temporary global security.

The principal of, and any premium or interest on, each definitive global security will be paid to each of Euroclear and Clearstream with respect to that portion of such definitive global security held for its account upon notation thereon of such payment. Each of Euroclear and Clearstream will undertake in such circumstances to credit such principal, premium and interest received by it to the respective accounts having an interest in such definitive global security. All such payments will be made to Euroclear and Clearstream in

immediately available funds.

A payment in respect of an individual note or any coupon will be made only against surrender of such note or coupon at the offices of such paying agents outside the United States and its possessions as Citigroup Funding may from time to time appoint. At the direction of the holder of a note or coupon, and subject to applicable laws and regulations, these payments will be made by check drawn on a bank in the City of New York (in the case of a U.S. dollar payment) or outside the United States (in the case of a payment in a currency other than U.S. dollars) mailed to an address outside the United States and its possessions furnished by such holder or, at his or her option, by wire transfer (pursuant to written instructions supplied by such holder) to an account maintained by the payee with a bank located outside the United States and its possessions. No payment in respect of an individual note or coupon will be made upon presentation of such note or coupon at any office or agency of either trustee or any other paying agent maintained by Citigroup Funding in the United States and its possessions, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States and its possessions. However, if U.S. dollar payments in respect of notes or any coupons at the offices of all paying agents outside the United States and its possessions become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. dollars, Citigroup Funding will appoint an office or agency (which may be a trustee) in the United States at which such payments may be made.

The specified offices of the trustees and the names and offices of the initial paying agents are set forth at the end of this prospectus supplement. Citigroup Funding reserves the right at any time to vary or terminate the appointment of any paying agent and to appoint additional or other paying agents and to approve any change in the office through which any paying agent acts, provided that there will at all times be a paying agent (which may be a trustee) in at least one city in Europe, which, so long as the notes are listed on the Luxembourg Stock Exchange and the rules of that exchange shall so require, shall include Luxembourg. Notice of any such termination or appointment and of any changes in the specified offices of a trustee or any paying agent will be given to the holders of notes in accordance with "Notices" below.

Any payment required to be made in respect of a note on a date (including at maturity) that is not a business day for such note need not be made on such date, but may be made on the next succeeding business day with the same force and effect as if made on such date, and no additional interest will accrue as a result of such delayed payment.

Unless otherwise specified in the applicable pricing supplement, if the principal of any note is declared to be due and payable immediately as described under "Description of Debt Securities -- Defaults" in the accompanying prospectus, the amount of principal due and payable with respect to such note will be limited to the aggregate principal amount (or face amount, in the case of an indexed principal note) of such note multiplied by the sum of its issue price (expressed as a percentage of the aggregate principal amount) plus the original issue discount amortized from the date of issue to the date of declaration, which amortization shall be calculated using the "interest method" (computed in accordance with generally accepted accounting principles in effect on the date of declaration).

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FIXED RATE NOTES

Each fixed rate note will bear interest from its original issue date, or from the last interest payment date to which interest has been paid or duly provided for, at the rate per annum stated in the applicable pricing supplement until its principal amount is paid or made available for payment. However, as described below under "Subsequent Interest Periods" and "Extension of Maturity," or as otherwise may be described in the applicable pricing supplement, the rate of interest payable on fixed rate notes may be adjusted from time to time.

Unless otherwise set forth in the applicable pricing supplement, interest on each fixed rate note will be payable annually in arrears on such dates as set forth in the applicable pricing supplement, with each such day being an interest payment date, and at stated maturity. Unless "accrue to pay" is specified in the applicable pricing supplement or unless otherwise specified in the applicable pricing supplement, if an interest payment date for any fixed rate note would otherwise be a day that is not a business day, any payment required to be made on the note on that date, including the stated maturity date, may be made on the next succeeding business day with the same force and effect as if made on the specified date. No additional interest will accrue as a result of such delayed payment.

If in connection with any fixed rate note, "accrue to pay" is specified in the applicable pricing supplement, and any interest payment date for the fixed rate note would otherwise be a day that is not a business day, the interest

payment date will be postponed to the next succeeding business day. Any payment of interest on an interest payment date will include interest accrued through the day before the interest payment date. Unless otherwise specified in the applicable pricing supplement, interest on fixed rate notes will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

FLOATING RATE NOTES

Each floating rate note will bear interest at the initial interest rate set forth, or otherwise described, in the applicable pricing supplement. The initial interest period is the period from the original issue date to, but not including, the first interest reset date. The interest reset period is the period from each interest reset date to, but not including, the following interest reset date. The initial interest period, and any interest reset period, is an interest period. The interest rate for each floating rate note will be determined based on an interest rate basis, the base rate, plus or minus any spread, or multiplied by any spread multiplier. A basis point, or bp, equals one-hundredth of a percentage point. The spread is the number of basis points that may be specified in the applicable pricing supplement as applicable to the note. The spread multiplier is the percentage that may be specified in the applicable pricing supplement as applicable to the note. As described below under "Subsequent Interest Periods" and "Extension of Maturity," or as may otherwise be specified in the applicable pricing supplement, the spread or spread multiplier on floating rate notes may be adjusted from time to time.

The applicable pricing supplement will designate one of the following base rates as applicable to a floating rate note:

- the CD Rate;
- the Commercial Paper Rate;
- the Federal Funds Rate;
- LIBOR;
- the Treasury Rate;
- the Prime Rate;
- the Eleventh District Cost of Funds Rate;
- EURIBOR; or
- such other base rate as is set forth in the applicable pricing supplement and in the note.

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The following terms are used in describing the various base rates.

The "index maturity" is the period of maturity of the instrument or obligation from which the base rate is calculated.

"H.15(519)" means the publication entitled "Statistical Release H.15(519), Selected Interest Rates," or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update/> or any successor site or publication.

"Calculation date" means the date on which the calculation agent is to calculate the interest rate which will be the earlier of (1) the tenth calendar day after the related rate determination date, or if any such day is not a business day, the next succeeding business day or (2) the business day preceding the applicable interest payment date or the stated maturity.

As specified in the applicable pricing supplement, a floating rate note may also have either or both of the following, which will be expressed as a rate per annum on a simple interest basis:

- maximum interest rate, which will be a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period; and/or
- minimum interest rate, which will be a minimum limitation, or floor, on the rate at which interest may accrue during any interest period.

In addition to any maximum interest rate that may be applicable to any

floating rate note, the interest rate on a floating rate note will in no event be higher than the maximum rate permitted by applicable law. The notes will be governed by the law of New York State. As of the date of this prospectus supplement, the maximum rate of interest under provisions of the New York penal law, with a few exceptions, is 25% per annum on a simple interest basis. Such maximum rate of interest only applies to obligations that are less than U.S.\$2,500,000.

Citigroup Funding will appoint and enter into agreements with calculation agents to calculate interest rates on floating rate notes. Unless otherwise specified in the applicable pricing supplement, JPMorgan Chase Bank, N.A. will be the calculation agent for each senior note that is a floating rate note, and Deutsche Bank Trust Company Americas will be the calculation agent for each subordinated note that is a floating rate note. All determinations of interest by the calculation agents will, in the absence of manifest error, be conclusive for all purposes and binding on the holders of the floating rate notes.

The interest rate on each floating rate note will be reset on an interest reset date, which means that the interest rate is reset daily, weekly, monthly, quarterly, semiannually or annually, as specified in the applicable pricing supplement.

Unless otherwise specified in the applicable pricing supplement, the interest reset dates will be as follows:

- in the case of floating rate notes that reset daily, each business day;
- in the case of floating rate notes that reset weekly, other than Treasury Rate notes, the Wednesday of each week;
- in the case of Treasury Rate notes that reset weekly and except as provided below under "Treasury Rate Notes," the Tuesday of each week;
- in the case of floating rate notes that reset monthly, other than Eleventh District Cost of Funds Rate notes, the third Wednesday of each month;
- in the case of floating rate notes that are Eleventh District Cost of Funds Rate notes, the first calendar day of each month;
- in the case of floating rate notes that reset quarterly, the third Wednesday of March, June, September and December of each year;

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- in the case of floating rate notes that reset semiannually, the third Wednesday of each of two months of each year specified in the applicable pricing supplement; and
- in the case of floating rate notes that reset annually, the third Wednesday of one month of each year specified in the applicable pricing supplement.

If an interest reset date for any floating rate note would fall on a day that is not a business day, that interest reset date will be postponed to the next succeeding business day. In the case of a LIBOR note or a EURIBOR note, if postponement to the next business day would cause the interest reset date to be in the next succeeding calendar month, the interest reset date will instead be the immediately preceding business day. If an auction of direct obligations of United States Treasury bills falls on a day that is an interest reset date for Treasury Rate notes, the interest reset date will be the succeeding business day.

Unless otherwise specified in the applicable pricing supplement and except as set forth below, the rate of interest that goes into effect on any interest reset date will be determined on a rate determination date preceding such interest reset date, as further described below.

Unless otherwise specified in the applicable pricing supplement, interest payable on floating rate notes will be the interest accrued from and including the original issue date or the last date to which interest has been paid, as the case may be, to but excluding the applicable interest payment date.

Accrued interest on a floating rate note with more than one interest reset date will be calculated by multiplying the principal amount of the note by an accrued interest factor. If the floating rate note is an indexed principal note, the face amount of the note will be multiplied by the accrued interest factor. The accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. Unless otherwise specified in the applicable pricing supplement, the interest factor for each such day will be computed by dividing the interest rate in effect on such day by 360, in the case of CD Rate notes, Commercial Paper

Rate notes, Federal Funds Rate notes, LIBOR notes, Prime Rate notes, Eleventh District Cost of Funds Rate notes and EURIBOR notes. In the case of Treasury Rate notes, the interest factor for each such day will be computed by dividing the interest rate by the actual number of days in the year. The interest factor will be expressed as a decimal calculated to seven decimal places without rounding. For purposes of making the foregoing calculation, the interest rate in effect on any interest reset date will be the applicable rate as reset on that date.

For all other floating rate notes, accrued interest will be calculated by multiplying the principal amount of the note by the interest rate in effect during the period for which accrued interest is being calculated. That product is then multiplied by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by 360, in the case of CD Rate notes, Commercial Paper Rate notes, Federal Funds Rate notes, LIBOR notes, Prime Rate notes, Eleventh District Cost of Funds Rate notes and EURIBOR notes. In the case of Treasury Rate notes, the product is multiplied by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by the actual number of days in the year.

Unless otherwise specified in the applicable pricing supplement, all percentages resulting from any calculation of the rate of interest on a floating rate note will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward. All currency amounts used in, or resulting from, the calculation on floating rate notes will be rounded to the nearest one-hundredth of a unit. For purposes of rounding, .005 of a unit shall be rounded upward.

Unless otherwise indicated in the applicable pricing supplement and except as provided below, interest will be payable as follows.

- In the case of floating rate notes that reset daily, weekly or monthly, other than Eleventh District Cost of Funds Rate notes, interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified in the applicable pricing supplement.

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- In the case of Eleventh District Cost of Funds Rate notes, interest will be payable on the first calendar day of each March, June, September and December.
- In the case of floating rate notes that reset quarterly, interest will be payable on the third Wednesday of March, June, September and December of each year.
- In the case of floating rate notes that reset semiannually, interest will be payable on the third Wednesday of each of two months of each year specified in the applicable pricing supplement.
- In the case of floating rate notes that reset annually, interest will be payable on the third Wednesday of one month of each year specified in the applicable pricing supplement.

In each of these cases, interest will also be payable at maturity.

If an interest payment date for any floating rate note would fall on a day that is not a business day, that interest payment date will be postponed to the next succeeding business day, except as described in the next paragraph. In the case of a LIBOR note or a EURIBOR note, if postponement to the next business day would cause the interest payment date to be in the next succeeding calendar month, the interest payment date will instead be the immediately preceding business day.

If for any floating rate note, the applicable pricing supplement provides that the note does not accrue to pay, and if an interest payment date for that floating rate note would otherwise be a day that is not a business day, the interest payment date will not be postponed. Any payment required to be made on the floating rate note, however, may be made on the next succeeding business day with the same force and effect as if made on the due date. No additional interest will accrue as a result of such delayed payment.

Upon the request of the holder of any floating rate note, the calculation agent for the note will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next interest reset date for the floating rate note. In addition, the calculation agent for any note listed on the Luxembourg Stock Exchange will provide such information to the Luxembourg Stock Exchange and it will be made available at the offices of the paying agents in Luxembourg and at the Luxembourg Stock Exchange as soon as possible after the determination of the interest rate.

CD Rate Notes. Each CD Rate note will bear interest for each interest reset period at an interest rate equal to the CD Rate and any spread or spread multiplier specified in the note and in the applicable pricing supplement.

The calculation agent will determine the CD Rate on each CD Rate determination date. The CD Rate determination date is the second business day prior to the interest reset date for each interest reset period for negotiable U.S. dollar certificates of deposit having the index maturity designated in the applicable pricing supplement as published in H.15(519) under the heading "CDs (Secondary Market)."

The following procedures will be followed if the CD Rate cannot be determined as described above.

- If the above rate is not published prior to 3:00 p.m., New York City time, on the calculation date pertaining to the CD Rate determination date, then the CD Rate for the interest reset period will be the rate on that date for negotiable U.S. dollar certificates of deposit of the index maturity designated in the applicable pricing supplement as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)."
- If by 3:00 p.m., New York City time, on the calculation date, the above rate is not yet published, then the CD Rate will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on that CD Rate determination date of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in New York City selected by the calculation agent for negotiable U.S. dollar certificates of deposit of major United States money center banks of the highest credit standing, in the market for negotiable U.S. dollar certificates of deposit, with a remaining maturity closest to the index maturity designated in the pricing supplement in a denomination of U.S.\$5,000,000.
- If the dealers selected by the calculation agent, however, are not quoting offered rates as mentioned in the preceding sentence, the CD Rate for that interest reset period will be the same as the CD

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Rate for the immediately preceding interest reset period. If there was no such interest reset period, the CD Rate will be the initial interest rate.

CD Rate notes, like other notes, are not deposit obligations of a bank and are not insured by the Federal Deposit Insurance Corporation.

Commercial Paper Rate Notes. Each Commercial Paper Rate note will bear interest for each interest reset period at an interest rate equal to the Commercial Paper Rate and any spread or spread multiplier, specified in the note and the applicable pricing supplement.

The calculation agent will determine the Commercial Paper Rate on each Commercial Paper Rate determination date. The Commercial Paper Rate determination date is the business day immediately preceding the interest reset date for each interest reset period. The Commercial Paper Rate will be the money market yield on that date of the rate for commercial paper having the index maturity specified in the applicable pricing supplement, as published in H.15(519) under the heading "Commercial Paper -- Nonfinancial."

The following procedures will be followed if the Commercial Paper Rate cannot be determined as described above.

- If the rate is not published prior to 3:00 p.m., New York City time, on the calculation date pertaining to the Commercial Paper Rate determination date, then the Commercial Paper Rate for the interest reset period will be the money market yield on that date of the rate for commercial paper of the specified index maturity as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper -- Nonfinancial."
- If by 3:00 p.m., New York City time, on such calculation date, the above rate is not yet published, then the Commercial Paper Rate for the interest reset period will be the money market yield of the arithmetic mean of the offered rates, as of 11:00 a.m., New York City time, on that date, of three leading dealers of U.S. dollar commercial paper in New York City selected by the calculation agent for such Commercial Paper Rate note for commercial paper of the specified index maturity placed for an industrial issuer whose bonds are rated "AA" or the equivalent by a nationally recognized rating agency.

- If the dealers selected by the calculation agent, however, are not quoting offered rates as mentioned in the preceding sentence, the Commercial Paper Rate for the interest reset period will be the same as the Commercial Paper Rate for the immediately preceding interest reset period. If there was no such interest reset period, the Commercial Paper Rate will be the initial interest rate.

Money market yield will be calculated as follows:

<Table>			
<S>			
	<C>	<C>	<C>
		D X 360	
money market yield	=	-----	X 100
		360 - (D X M)	
</Table>			

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the applicable interest reset period.

Federal Funds Rate Notes. Each Federal Funds Rate note will bear interest for each interest reset period at an interest rate equal to the Federal Funds Rate and any spread or spread multiplier specified in the note and the applicable pricing supplement.

The calculation agent will determine the Federal Funds Rate on each Federal Funds Rate determination date. The Federal Funds Rate determination date is the business day immediately preceding the interest reset date for the interest reset period. The Federal Funds Rate will be the rate for U.S. dollar federal funds as published in H.15(519) under the heading "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service).

The following procedures will be followed if the Federal Funds Rate cannot be determined as described above.

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- If the above rate does not appear on Moneyline Telerate on Page 120 or is not published prior to 3:00 p.m., New York City time, on the calculation date pertaining to the Federal Funds Rate determination date, the Federal Funds Rate for the interest reset period will be the rate on that date as published in the H.15 Daily Update under the heading "Federal Funds/Effective Rate" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service).
- If by 3:00 p.m., New York City time, on the calculation date the above rate is not yet published, then the Federal Funds Rate for the interest reset period will be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar federal funds transactions in New York City, selected by the calculation agent prior to 9:00 a.m., New York City time, on that Federal Funds Rate determination date.
- If the brokers so selected by the calculation agent are not quoting as mentioned above, the Federal Funds Rate for the interest reset period will be the Federal Funds Rate in effect for the particular Federal Funds Rate determination date. If there was no Federal Funds Rate in effect for the interest reset period, the Federal Funds Rate will be the initial interest rate.

LIBOR Notes. Each LIBOR note will bear interest for each interest reset period at an interest rate equal to LIBOR and any spread or spread multiplier specified in the note and the applicable pricing supplement.

The calculation agent will determine LIBOR on each LIBOR determination date. The LIBOR determination date is the second London business day prior to the interest reset date for each interest reset period.

On a LIBOR determination date, the calculation agent will determine LIBOR for each interest reset period as follows.

The calculation agent will determine the offered rates for deposits in the specified currency for the period of the index maturity specified in the applicable pricing supplement commencing on the interest reset date, which appear on the "designated LIBOR page" at approximately 11:00 a.m., London time, on that date.

- If "LIBOR Moneyline Telerate" is designated in the applicable pricing supplement, or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement as the method for

calculating LIBOR, "designated LIBOR page" means the display designated as page "3750" on the Moneyline Telerate Service, and LIBOR will be the relevant offered rate determined by the calculation agent. If page "3750" on the Moneyline Telerate Service is replaced by another page, or if the Moneyline Telerate Service is replaced by a successor service, then "LIBOR Moneyline Telerate" means the replacement page or service selected to display the London interbank offered rates of major banks.

- If "LIBOR Reuters" is designated in the applicable pricing supplement, "designated LIBOR page" means the display designated as page "LIBO" on the Reuters Monitor Money Rates Service and LIBOR will be the arithmetic means of the offered rates, calculated by the calculation agent, or the offered rate, if the designated LIBOR page by its terms provides only for a single rate. If the LIBO page on that service is replaced by another page, or if the Reuters Monitor Money Rates Service is replaced by a successor service, then "LIBOR Reuters" means the replacement page or service selected to display the London interbank offered rates of major banks.

If LIBOR cannot be determined on a LIBOR determination date as described above, then the calculation agent will determine LIBOR as follows.

- The calculation agent will select four major banks in the London interbank market.
- The calculation agent will request that the principal London offices of those four selected banks provide their offered quotations to prime banks in the London interbank market at

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approximately 11:00 a.m., London time, on the LIBOR determination date. These quotations shall be for deposits in the specified currency for the period of the specified index maturity, commencing on the interest reset date. Offered quotations must be based on a principal amount equal to at least U.S.\$1,000,000 or the approximate equivalent in the specified currency that is representative of a single transaction in such market at that time.

- (1) If two or more quotations are provided, LIBOR for such interest reset period will be the arithmetic mean of those quotations.
- (2) If less than two quotations are provided, the calculation agent will select three major banks in New York City and follow the steps in the two bullet points below.
 - The calculation agent will then determine LIBOR for the interest reset period as the arithmetic mean of rates quoted by those three major banks in New York City to leading European banks at approximately 11:00 a.m., New York City time, on the LIBOR determination date. The rates quoted will be for loans in the specified currency, for the period of the specified index maturity, commencing on the interest reset date. Rates quoted must be based on a principal amount of at least U.S.\$1,000,000 or the approximate equivalent in the specified currency that is representative of a single transaction in such market at that time.
 - If fewer than three New York City banks selected by the calculation agent are quoting rates, LIBOR for the interest reset period will be the same as for the immediately preceding interest reset period. If there was no preceding interest reset period, the LIBOR Rate will be the initial interest rate.

Treasury Rate Notes. Each Treasury Rate note will bear interest for each interest reset period at an interest rate equal to the Treasury Rate and any spread or spread multiplier, specified in the note and the applicable pricing supplement.

Treasury Rate Notes other than Constant Maturity Treasury Rate Notes

Unless "Constant Maturity" is specified in the applicable pricing supplement, the Treasury Rate for each interest reset period will be the rate for the auction held on the Treasury Rate determination date for the interest reset period of treasury securities as the rate appears on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) or on page 57 (or any other page as may replace that page on that service) under the heading "INVESTMENT RATE." Treasury securities are direct obligations of the United States that have the index maturity specified in the applicable pricing supplement.

If the Treasury Rate cannot be determined as described above, the following procedures will be followed in the order set forth below.

- (1) If the Treasury rate is not published prior to 3:00 P.M., New York City time on the related calculation date, then the Treasury Rate will be the Bond Equivalent Yield (as defined below) of the rate for the applicable treasury securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Auction High."
- (2) If the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable treasury securities as announced by the United States Department of the Treasury.
- (3) If the rate referred to in clause (2) above is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the Treasury Rate determination date of the applicable treasury securities published in H.15(519) under the heading "U.S. Government Securities/Treasury Bills/Secondary Market."

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- (4) If the rate referred to in clause (3) is not so published by 3:00 p.m., New York City time, on the related calculation date, then the Treasury Rate will be the rate on the Treasury Rate determination date of the applicable treasury securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Secondary Market."
- (5) If the rate referred to in clause (4) is not so published by 3:00 p.m., New York City time, on the related calculation date, then the Treasury Rate will be the rate on the Treasury Rate determination date calculated by the calculation agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the Treasury Rate determination date, of three primary United States government securities dealers selected by the calculation agent, for the issue of treasury securities with a remaining maturity closest to the index maturity specified in the applicable pricing supplement.
- (6) If the dealers selected by the calculation agent are not quoting bid rates as mentioned in (5) above, then the Treasury Rate for such interest reset period will be the same as the Treasury Rate for the immediately preceding interest reset period. If there was no preceding interest reset period, the Treasury Rate will be the initial interest rate.

The Treasury Rate determination date for each interest reset period will be the day of the week in which the interest reset date for that interest reset period falls on which treasury securities would normally be auctioned.

Treasury securities are normally sold at auction on Monday of each week unless that day is a legal holiday. In that case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is held on the preceding Friday, the Friday will be the Treasury Rate determination date pertaining to the interest reset period commencing in the next succeeding week. If an auction date falls on any day that would otherwise be an interest reset date for a Treasury Rate note, then that interest reset date will instead be the business day immediately following the auction date.

Bond Equivalent: Yield will be calculated as follows:

<Table>				
<S>	<C>	<C>	<C>	
			D X N	
Bond Equivalent Yield	=	-----	X 100	
		360 - (D X M)		
</Table>				

where "D" refers to the applicable per annum rate for treasury securities quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

Constant Maturity Treasury Rate Notes

If "Constant Maturity" is specified in the applicable pricing supplement, the Treasury Rate for each interest reset period will be the rate displayed on

the designated CMT Telerate page under the caption "Treasury Constant Maturities," under the column for the designated CMT maturity index in the following manner.

- If the designated CMT Moneyline Telerate page is 7051, the Treasury Rate will be the rate on the Constant Maturity Treasury Rate determination date.
- If the rate referred to above does not appear on Moneyline Telerate Page 7051, then the Treasury Rate will be the treasury constant maturity rate for the designated CMT maturity index as published in the relevant H.15(519) under the caption "Treasury Constant Maturities."
- If the rate referred to above does not so appear in H.15(519), then the Treasury Rate will be the constant treasury maturity rate on the Constant Maturity Treasury Rate determination date for the designated CMT maturity index as may then be published by either the Federal

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Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would have otherwise been published in H.15(519).

- If the designated CMT Moneyline Telerate page is 7052, the Treasury Rate will be the average for the week or for the month, as specified in the applicable pricing supplement, ended immediately preceding the week or month, as applicable, in which the related Constant Maturity Treasury Rate determination date occurs.
 - If the rate referred to above does not appear on Moneyline Telerate Page 7052, then the Treasury Rate will be the one-week or one-month, as specified in the applicable pricing supplement, average of the treasury constant maturity rate for the designated CMT maturity index for the week or month as applicable, preceding the Constant Maturity Treasury determination date as published in the relevant H.15(519) under the caption "Treasury Constant Maturities."
 - If the rate referred to above does not so appear in H.15(519), then the Treasury Rate will be the one-week or one-month, as specified in the applicable pricing supplement, average of the constant treasury maturity rate for the designated CMT maturity index as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the Constant Maturity Treasury Rate determination date falls.
- (5) If fewer than three dealers selected by the calculation agent provide quotations as described in (3) above, the Treasury Rate determined as of the Constant Maturity Treasury Rate determination date will be the Treasury Rate in effect on such Constant Maturity Treasury Rate determination date.

"Designated CMT Moneyline Telerate page" means the display on the Telerate Service, or any successor service on the page specified in the applicable pricing supplement, or any other page as may replace such page on that service, or any successor service, for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable pricing supplement, the designated CMT Telerate page will be 7052, for the most recent week.

"Designated CMT maturity index" means the original period to maturity of the U.S. Treasury securities, either one, two, three, five, seven, ten, twenty or thirty years, specified in the applicable pricing supplement for which the Treasury Rate will be calculated. If no such maturity is specified in the applicable pricing supplement, the designated CMT maturity index will be two years.

The "Constant Maturity Treasury Rate determination date" will be the second business day prior to the interest reset date for the applicable interest reset period.

The CMT Rate for a Treasury security maturity as published as of any business day is intended to be indicative of the yield of a U.S. Treasury security having as of that business day a remaining term to maturity equivalent to its maturity. The CMT Rate as of any business day is based upon an interpolation by the U.S. Treasury of the daily yield curve of outstanding Treasury securities. This yield curve, which relates the yield on a security to its time to maturity, is based on the over-the-counter market bid yields on actively traded Treasury securities. Such yields are calculated from composites of quotations reported by leading U.S. government securities dealers, which may

include one or more of the calculation agents or other affiliates of Citigroup Funding. Certain constant maturity yield values are read from the yield curve. Interpolation from the yield curve provides a theoretical yield for a Treasury security having ten years to maturity, for example, even if no outstanding Treasury security has as of that date exactly ten years remaining to maturity.

Prime Rate Notes. Prime Rate notes will bear interest at a rate equal to the Prime Rate and any spread or spread multiplier specified in the Prime Rate notes and the applicable pricing supplement.

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The calculation agent will determine the Prime Rate for each interest reset period on each Prime Rate determination date. The Prime Rate determination date is the second business day prior to the interest reset date for each interest reset period. The Prime Rate will be the rate made available and subsequently published on that date in H.15(519) under the heading "Bank Prime Loan."

The following procedures will be followed if the Prime Rate cannot be determined as described above.

- If the rate is not published prior to 3:00 P.M., New York City time, on the related calculation date, then the Prime Rate will be the rate on the Prime Rate determination date that is published in the H.15 Daily Update under the heading "Bank Prime Loan."
- If the rate referred to above is not published prior to 3:00 P.M., New York City time, on the related calculation date, then the Prime Rate will be the arithmetic mean of the rates of interest that appear on the Reuters Screen USPRIME1 page as such bank's prime rate or base lending rate on the Prime Rate determination date.
- If fewer than four such rates appear on the Reuters Screen USPRIME1 page, then the calculation agent will select three major banks in New York City. The Prime Rate will be the arithmetic mean of the prime rates quoted by those three banks on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on the Prime Rate determination date.
- If the banks that the calculation agent selects do not provide quotations as described above, then the Prime Rate will remain the same as the Prime Rate in effect on the Prime Rate determination date.

"Reuters Screen USPRIME1 page" means the display designated as page "USPRIME1" on the Reuters Monitor Money Rates Service, or any successor service or page, for the purpose of displaying prime rates or base lending rates of major United States banks.

Eleventh District Cost of Funds Rate Notes. Eleventh District Cost of Funds Rate notes will bear interest at the interest rates, calculated based on the Eleventh District Cost of Funds Rate and any spread and/or spread multiplier, specified in the Eleventh District Cost of Funds Rate notes and the applicable pricing supplement.

The calculation agent will determine the Eleventh District Cost of Funds Rate on each Eleventh District Cost of Funds Rate determination date. The Eleventh District Cost of Funds Rate determination date is the last working day of the month immediately prior to each interest reset date for each interest reset period on which the Federal Home Loan Bank of San Francisco publishes the Eleventh District Cost of Funds Index.

The Eleventh District Cost of Funds Rate will be the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate determination date as set forth under the caption "Eleventh District" on Moneyline Telerate (or any successor service) on page 7058. Such page will be deemed to include any successor page, determined by the calculation agent, as of 11:00 A.M., San Francisco time, on the Eleventh District Cost of Funds Rate determination date.

The following procedures will be followed if the Eleventh District Cost of Funds Rate cannot be determined as described above.

- If the rate does not appear on Telerate page 7058 on any related Eleventh District Cost of Funds Rate determination date, the Eleventh District Cost of Funds Rate for the Eleventh District Cost of Funds Rate determination date will be the Eleventh District Cost of Funds Rate Index.
- If the FHLB of San Francisco fails to announce the Eleventh District Cost of Funds Rule Index on or prior to the Eleventh District Cost of Funds Rate determination date for the calendar month immediately preceding the date, then the Eleventh District Cost of Funds Rate for such date will be

The "Eleventh District Cost of Funds Rate Index" will be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that the FHLB of San Francisco most recently announced as the cost of funds for the calendar month preceding the date of such announcement.

EURIBOR Notes. Each EURIBOR note will bear interest for each interest reset period at an interest rate equal to EURIBOR and any spread or spread multiplier specified in the note and the applicable pricing supplement.

The calculation agent will determine EURIBOR on each EURIBOR determination date. The EURIBOR determination date is the second TARGET business day prior to the interest reset date for each interest reset period.

On a EURIBOR determination date, the calculation agent will determine EURIBOR for each interest reset period as follows.

The calculation agent will determine the offered rates for deposits in euros for the period of the index maturity specified in the applicable pricing supplement, commencing on the interest reset date, which appears on page 248 on the Telerate Service or any successor service or any page that may replace page 248 on that service which is commonly referred to as "Telerate Page 248" as of 11:00 a.m., Brussels time, on that date.

If EURIBOR cannot be determined on a EURIBOR determination date as described above, then the calculation agent will determine EURIBOR as follows.

- The calculation agent will select four major banks in the Euro-zone interbank market.
 - The calculation agent will request that the principal Euro-zone offices of those four selected banks provide their offered quotations to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on the EURIBOR determination date. These quotations shall be for deposits in euros for the period of the specified index maturity, commencing on the interest reset date. Offered quotations must be based on a principal amount equal to at least U.S.\$1,000,000 or the approximate equivalent in euros that is representative of a single transaction in such market at that time.
- (1) If two or more quotations are provided, EURIBOR for the interest reset period will be the arithmetic mean of those quotations.
 - (2) If less than two quotations are provided, the calculation agent will select four major banks in the Euro-zone and follow the steps in the two bullet points below.
- The calculation agent will then determine EURIBOR for the interest reset period as the arithmetic mean of rates quoted by those four major banks in the Euro-zone to leading European banks at approximately 11:00 a.m., Brussels time, on the EURIBOR determination date. The rates quoted will be for loans in euros, for the period of the specified index maturity, commencing on the interest reset date. Rates quoted must be based on a principal amount of at least U.S.\$1,000,000 or the approximate equivalent in euros that is representative of a single transaction in the market at that time.
 - If the banks so selected by the calculation agent are not quoting rates as described above, EURIBOR for the interest reset period will be the same as for the immediately preceding interest reset period. If there was no preceding interest reset period, EURIBOR will be the initial interest rate.

"Euro-zone" means the region comprised of member states of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

Inverse Floating Rate Notes. Any floating rate note may be designated in the applicable pricing supplement as an inverse floating rate note. In such an event, unless otherwise specified in the applicable pricing supplement, the interest rate on the floating rate note will be equal to:

- in the case of the period, if any, commencing on the issue date, or the date on which the note otherwise begins to accrue interest if different

from the issue date, up to the first interest reset date, a fixed rate of interest established by Citigroup Funding as described in the applicable pricing supplement; and

- in the case of each period commencing on an interest reset date, a fixed rate of interest specified in the pricing supplement minus the interest rate determined based on the base rate as adjusted by any spread and/or spread multiplier.

However, on any inverse floating rate note, the interest rate will not be less than zero.

Floating/Fixed Rate Notes. The applicable pricing supplement may provide that a note will be a floating rate note for a specified portion of its term and a fixed rate note for the remainder of its term. In such an event, the interest rate on the note will be determined as if it were a floating rate note and a fixed rate note for each respective period, all as specified in the applicable pricing supplement.

SUBSEQUENT INTEREST PERIODS

The pricing supplement relating to each note will indicate whether Citigroup Funding has the option to reset the interest rate, spread, spread multiplier or method of calculation, as the case may be, for the note. If Citigroup Funding has the option to reset, the pricing supplement will also indicate the optional reset date or dates on which the interest rate, spread, spread multiplier or method of calculation, as the case may be, may be reset.

Citigroup Funding shall notify the trustee whether or not it intends to exercise this option relating to a note at least 45 but not more than 60 days prior to an optional reset date for the note. Not later than 40 days prior to the optional reset date, the trustee will provide notice to the holder of the note, in accordance with "Notices" below, indicating whether Citigroup Funding has elected to reset the interest rate, spread, spread multiplier or method of calculation, as the case may be.

If Citigroup Funding elects to reset the interest rate, spread, spread multiplier or method of calculation, as the case may be, the trustee will provide notice to the holder, in accordance with "Notices" below, indicating such new interest rate, spread, spread multiplier or method of calculation, as the case may be. The notice will also indicate any provisions for redemption during the subsequent interest period. The subsequent interest period is the period from the optional reset date to the next optional reset date or, if there is no next optional reset date, to the stated maturity of the note, including the date or dates on which or the period or periods during which, and the price or prices at which, a redemption may occur during a subsequent interest period.

Upon the transmittal by the trustee of a reset notice to the holder of a note, the new interest rate or new spread or spread multiplier, and/or method of calculation, as the case may be, will take effect automatically. Except as modified by the reset notice and as described below, the note will have the same terms as prior to the transmittal of the reset notice.

Despite the foregoing, not later than 20 days prior to an optional reset date for a note, Citigroup Funding may, at its option, revoke the interest rate, or the spread or spread multiplier, provided for in the reset notice relating to the optional reset date, and establish a higher interest rate, or a higher spread or spread multiplier, as applicable, for the subsequent interest period commencing on the optional reset date.

Citigroup Funding can make such revocations by causing the trustee for such note to provide notice of the higher interest rate or higher spread or spread multiplier, as the case may be, in accordance with "Notices" below, to the holder of the note. The notice shall be irrevocable. All notes for which the interest rate or spread or spread multiplier is reset on an optional reset date will bear such higher interest rate, or higher spread or spread multiplier, as the case may be, whether or not tendered for repayment.

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The holder of a note will have the option to elect repayment of that note by Citigroup Funding on each optional reset date at a price equal to the principal amount of the note plus interest accrued to the optional reset date. In order for a note to be repaid on an optional reset date, the holder of the note must follow the procedures set forth below under "Optional Redemption, Repayment and Repurchase" for optional repayment. However, the period for delivery of the note or notification to the trustee for the note will be at least 25 but not more than 35 days prior to the optional reset date. Further, a holder who has tendered a note for repayment pursuant to a reset notice may, by written notice to the trustee for the note, revoke any tender for repayment until the close of business on the tenth day prior to the optional reset date.

AMORTIZING NOTES

Citigroup Funding may from time to time offer amortizing notes on which a portion or all of the principal amount is payable prior to stated maturity:

- in accordance with a schedule;
- by application of a formula; or
- based on an index.

Further information concerning additional terms and conditions of any amortizing notes, including terms for repayment of such notes, will be set forth in the applicable pricing supplement.

INDEXED NOTES

Citigroup Funding may from time to time offer indexed notes on which some or all interest payments, in the case of an indexed rate note, and/or the principal amount payable at stated maturity or earlier redemption or retirement, in the case of an indexed principal note, is determined based on:

- the principal amount of the notes or, in the case of an indexed principal note, the amount designated in the applicable pricing supplement as the "face amount" of the indexed note; and
- an index, which may be based on:
 - (1) prices, changes in prices, or differences between prices, of one or more securities, currencies, intangibles, goods, articles or commodities;
 - (2) the application of a formula; or
 - (3) an index which shall be such other objective price, economic or other measures as are described in the applicable pricing supplement.

A description of the index used in any determination of an interest or principal payment, and the method or formula by which interest or principal payments will be determined based on such index, will be set forth in the applicable pricing supplement.

If a fixed rate note, floating rate note or indexed rate note is also an indexed principal note, the amount of any interest payment will be determined based on the face amount of that indexed note unless specified otherwise in the applicable pricing supplement. If an indexed note is also an indexed principal note, the principal amount payable at stated maturity or any earlier redemption or repayment of the indexed note may be different from the face amount.

If a third party is appointed to calculate or announce the index for a particular indexed note, and the third party either (1) suspends the calculation or announcement of that index or (2) changes the basis upon which the index is calculated in a manner that is inconsistent with the applicable pricing supplement, then Citigroup Funding will select another third party to calculate or announce the index. Citigroup Global Markets Limited or another affiliate of Citigroup Funding may be either the original or successor third party selected by Citigroup Funding.

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If for any reason the index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then any indexed interest payments or any indexed principal amount of the indexed note will be calculated in the manner set forth in the applicable pricing supplement. Any determination by the selected third party will be binding on all parties, except in the case of an obvious error.

Unless otherwise specified in the applicable pricing supplement, for the purpose of determining whether holders of the requisite principal amount of notes outstanding under the applicable indenture have made a demand or given a notice or waiver or taken any other action, the outstanding principal amount of indexed notes will be deemed to be the face amount stated on the notes. Unless otherwise specified in the applicable pricing supplement, in the event of an acceleration of the stated maturity of an indexed note, the principal amount payable to the holder of the note upon acceleration will be the principal amount determined based on the formula used to determine the principal amount of the note on the stated maturity of the note, as if the date of acceleration were the stated maturity.

An investment in indexed notes has significant risks, including wide fluctuations in market value as well as in the amounts of payments due, that are

not associated with a similar investment in a conventional debt security. These risks depend on a number of factors including supply and demand for the particular security, currency, commodity or other good or article to which the note is indexed and economic and political events over which Citigroup Funding has no control. See "Risk Factors -- Changes in the Value of Underlying Assets of Indexed Notes Could Result in a Substantial Loss to You" above for a discussion of these considerations.

Fluctuations in the price of any particular security or commodity, in the rates of exchange between particular currencies or in particular indices that have occurred in the past are not necessarily indicative, however, of fluctuations in the price or rates of exchange that may occur during the term of any indexed notes. Accordingly, prospective investors should consult their own financial and legal advisors as to the risks of an investment in indexed notes.

DUAL CURRENCY NOTES

Citigroup Funding may from time to time offer dual currency notes on which Citigroup Funding has a one time option of making all payments of principal, any premium and interest on such notes which are issued on the same day and have the same terms, the payments on which would otherwise be made in the specified currency of those notes, in the optional payment currency specified in the applicable pricing supplement. This option will be exercisable in whole but not in part on an option election date, which will be any one of the dates specified in the applicable pricing supplement. Information as to the relative value of the specified currency compared to the optional payment currency will be set forth in the applicable pricing supplement.

The pricing supplement for each issuance of dual currency notes will specify, among other things:

- the specified currency;
- the optional payment currency; and
- the designated exchange rate.

The designated exchange rate will be a fixed exchange rate used for converting amounts denominated in the specified currency into amounts denominated in the optional payment currency. The pricing supplement will also specify the option election dates and interest payment dates for the related issuance of dual currency notes. Each option election date will be a particular number of days before an interest payment date or stated maturity, as set forth in the applicable pricing supplement. Each option election date will be the date on which Citigroup Funding may select whether to make all scheduled payments due thereafter in the optional payment currency rather than in the specified currency.

If Citigroup Funding makes such an election, the amount payable in the optional payment currency will be determined using the designated exchange rate specified in the applicable pricing supplement. If

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such an election is made, notice of the election will be provided in accordance with the terms of the applicable tranche of dual currency notes within two business days of the option election date. The notice will state (1) the first date, whether an interest payment date and/or stated maturity, on which scheduled payments in the optional payment currency will be made and (2) the designated exchange rate. Any such notice by Citigroup Funding, once given, may not be withdrawn. The equivalent value in the specified currency of payments made after such an election may be less, at the then current exchange rate, than if Citigroup Funding had made the payment in the specified currency.

For United States federal income tax purposes, holders of dual currency notes may need to comply with rules which differ from the general rules applicable to holders of other types of notes offered by this prospectus supplement. The United States federal income tax consequences of the purchase, ownership and disposition of dual currency notes will be set forth in the applicable pricing supplement.

RENEWABLE NOTES

Citigroup Funding may from time to time offer renewable notes, which will mature on an initial maturity date. Such initial maturity date will be an interest payment date specified in the applicable pricing supplement occurring in, or prior to, the twelfth month following the original issue date of the notes, unless the term of all or any portion of any of the notes is renewed in accordance with the procedures described below.

The term of a renewable note may be extended to the interest payment date occurring in the twelfth month, or, if a special election interval is specified

in the applicable pricing supplement, the last month in a period equal to twice the special election interval elected by the holder after the renewal date. Such an extension may be made on the initial renewal date. That date will be the interest payment date occurring in the sixth month, unless a special election interval is specified in the applicable pricing supplement, prior to the initial maturity date of a renewable note and on the interest payment date occurring in each sixth month, or in the last month of each special election interval, after the initial renewal date which, together with the initial renewal date, constitutes a renewal date.

If a holder does not elect to extend the term of any portion of the principal amount of a renewable note during the specified period prior to any renewal date, that portion will become due and payable on the new maturity date. Such new maturity date will be the interest payment date occurring in the sixth month, or the last month in the special election interval, after the renewal date.

A holder of a renewable note may elect to renew the term of such renewable note, or if so specified in the applicable pricing supplement, any portion of the renewable note, by delivering a notice to that effect to the trustee or any duly appointed paying agent. This notice will be delivered not less than 15 nor more than 30 days prior to the renewal date, unless another period is specified in the applicable pricing supplement as the special election period. This election will be irrevocable and will be binding upon each subsequent holder of the renewable note.

An election to renew the term of a renewable note may be exercised for less than the entire principal amount of the renewable note only if so specified in the applicable pricing supplement and only in such principal amount, or any integral multiple in excess of that amount, as is specified in the applicable pricing supplement. Despite the foregoing, the term of the renewable notes may not be extended beyond the stated maturity specified for the renewable notes in the applicable pricing supplement.

If the holder does not elect to renew the term, a renewable note must be presented to any duly appointed paying agent. If the renewable note is a certificate issued in definitive form, it must be presented to the trustee as soon as practicable following receipt of the renewable note. Such duly appointed paying agent will issue in exchange for the note, in the name of the holder, a note. The note will be in a principal amount equal to the principal amount of the exchanged renewable note for which no election to renew such term was exercised, with terms identical to those specified on the renewable note. However, the note will have a fixed, nonrenewable stated maturity on the new maturity date.

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If an election to renew is made for less than the full principal amount of a holder's renewable note, such duly appointed paying agent will issue a replacement renewable note in exchange for that note in the name of the holder. The replacement renewable note will be in a principal amount equal to the principal amount elected to be renewed of the exchanged renewable note, with terms otherwise identical to the exchanged renewable note.

EXTENSION OF MATURITY

The pricing supplement relating to each note will indicate whether Citigroup Funding has the option to extend the stated maturity of that note for an extension period. Such an extension period is one or more periods of one to five whole years, up to but not beyond the final maturity date set forth in the pricing supplement.

Citigroup Funding may exercise its option for a note by notifying the trustee for that note at least 45 but not more than 60 days prior to the original stated maturity of the note. Not later than 40 days prior to the original stated maturity of the note, the trustee for the note will provide notice of the extension to the holder of the note, in accordance with "Notices" below. The extension notice will set forth:

- the election of Citigroup Funding to extend the stated maturity of the note;
- the new stated maturity;
- in the case of a fixed rate note, the interest rate applicable to the extension period;
- in the case of a floating rate note, the spread, spread multiplier or method of calculation applicable to the extension period; and
- any provisions for redemption during the extension period, including the date or dates on which, or the period or periods during which, and the

price or prices at which, a redemption may occur during the extension period.

Upon the provision by such trustee of an extension notice in accordance with "Notices" below, the stated maturity of the note will be extended automatically, and, except as modified by the extension notice and as described in the next paragraph, the note will have the same terms as prior to the extension notice. Despite the foregoing, not later than 20 days prior to the original stated maturity of the note, Citigroup Funding may, at its option, revoke the interest rate, or the spread or spread multiplier, as the case may be, provided for in the extension notice for the note and establish for the extension period a higher interest rate, in the case of a fixed rate note, or a higher spread or spread multiplier, in the case of a floating rate note.

Citigroup Funding may so act by causing the trustee for the note to provide notice of the higher interest rate or higher spread or spread multiplier, as the case may be, in accordance with "Notices" below, to the holder of the note. The notice will be irrevocable. All notes for which the stated maturity is extended will bear the higher interest rate, in the case of fixed rate notes, or higher spread or spread multiplier, in the case of floating rate notes, for the extension period, whether or not tendered for repayment.

If Citigroup Funding extends the stated maturity of a note, the holder of the note will have the option to elect repayment of the note by Citigroup Funding on the original stated maturity at a price equal to the principal amount of the note, plus interest accrued to that date. In order for a note to be repaid on the old stated maturity once Citigroup Funding has extended its stated maturity, the holder of such note must follow the procedures set forth below under "Optional Redemption, Repayment and Repurchase" for optional repayment. The period for delivery of such note or notification to the trustee for the note will be at least 25 but not more than 35 days prior to the old stated maturity. A holder who has tendered a note for repayment after an extension notice may give written notice to the trustee for the note to revoke any tender for repayment until the close of business on the tenth day before the original stated maturity.

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COMBINATION OF PROVISIONS

If so specified in the applicable pricing supplement, any note may be required to comply with all of the provisions, or any combination of the provisions, described above under "Subsequent Interest Periods," "Extension of Maturity" and "Renewable Notes."

OPTIONAL REDEMPTION, REPAYMENT AND REPURCHASE

The pricing supplement relating to each note will indicate whether the note can be redeemed at the option of Citigroup Funding, in whole or in part prior to its stated maturity (other than as provided under "Tax Redemption" and "Special Tax Redemption" below). The applicable pricing supplement will also indicate (1) the optional redemption date or dates on which the note may be redeemed and (2) the redemption price at which, together with accrued interest to such optional redemption date, the note may be redeemed on each optional redemption date.

Unless otherwise specified in the applicable pricing supplement, at least 30 days prior to the date of redemption, the trustee will provide notice of redemption to the holder of the note, in accordance with "Notices" below. Unless otherwise specified in the applicable pricing supplement, Citigroup Funding may exercise this option relating to a redemption of a note in part only by notifying the trustee for the note at least 45 days prior to any optional redemption date. In the event of redemption of a note in part only, a new note or notes for the unredeemed portion of the note or notes will be issued to the holder of the note or notes upon the cancellation of such note or notes. The notes, other than amortizing notes, may not be redeemed. The redemption of any subordinated note that is included in Citigroup Inc.'s capital may be subject to consultation with the Federal Reserve, which may not acquiesce in the redemption of such note unless it is satisfied that the capital position of Citigroup Inc. will be adequate after the proposed redemption.

The pricing supplement relating to each note will also indicate whether the holder of that note will have the option to elect repayment of the note by Citigroup Funding prior to its stated maturity. If so, the pricing supplement will specify (1) the optional repayment date or dates on which the note may be repaid and (2) the optional repayment price. The optional repayment price is the price at which, together with accrued interest to such optional repayment date, the note may be repaid on each optional repayment date. Notes that are to be repaid prior to the stated maturity date must be presented for payment together with all unmatured coupons, if any, appertaining thereto, failing which the amount of any missing unmatured coupons will be reduced from the sum due for payment.

In order for a note to be repaid, the principal paying agent for the note must receive the note at least 30 but not more than 45 days prior to an optional repayment date. Any tender of a note by the holder for repayment will be irrevocable. The repayment option may be exercised by the holder of a note for less than the entire principal amount of the note, provided, that the principal amount of the note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, the note will be canceled and a new note or notes for the remaining principal amount will be issued in the name of the holder of the repaid note.

If a note is represented by a global security, the applicable depository will be the holder of the note and, therefore, will be the only entity that can exercise a right to repayment. In order to ensure that the applicable depository will timely exercise a right to repayment relating to a particular note, the beneficial owner of the note must instruct the broker or other direct or indirect participant through which it holds an interest in the note to notify the applicable depository of its desire to exercise a right to repayment. Different firms have different cut-off times for accepting instructions from their customers. Accordingly, each beneficial owner should consult the broker or other direct or indirect participant through which it holds an interest in a note in order to ascertain the cut-off time by which such an instruction must be given in order for timely notice to be delivered to the applicable depository.

Except in the case of an optional redemption by Citigroup Funding at a stated redemption price provided for in the applicable pricing supplement, if Citigroup Funding redeems or repays a note that is an original issue discount note other than an indexed note prior to its stated maturity, then Citigroup Funding

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will pay the amortized face amount of the note as of the date of redemption or repayment regardless of anything else stated in this prospectus supplement.

The amortized face amount of a note on any date means the amount equal to:

- the issue price set forth in the applicable pricing supplement plus
- that portion of the difference between the issue price and the stated principal amount of the note that has accrued by that date at
 - (1) the bond yield to maturity set forth on the face of the applicable pricing supplement, or
 - (2) if so specified in the applicable pricing supplement, the bond yield to call set forth on the face of the note.

These computations will be made in accordance with generally accepted United States bond yield computation principles. However, the amortized face amount of a note will never exceed its stated principal amount. The bond yield to call listed in a pricing supplement will be computed on the basis of:

- the first occurring optional redemption date with respect to the note; and
- the amount payable on the optional redemption date.

In the event that any note is not redeemed on the first occurring optional redemption date, the bond yield to call that applies to the note will be recomputed on the optional redemption date on the basis of (1) the next occurring optional redemption date and (2) the amount payable on such optional redemption date. The bond yield to call will continue to be so recomputed on each succeeding optional redemption date until the note is so redeemed.

Citigroup Funding may at any time purchase notes at any price in the open market or otherwise. Notes so purchased by Citigroup Funding may, at the discretion of Citigroup Funding, be held, resold (in which case Citigroup Funding will comply with applicable selling restrictions contained in the applicable United States Treasury regulations as described herein) or surrendered to the trustee for those notes for cancellation (together with any unmatured coupons attached or otherwise purchased).

OTHER PROVISIONS

The terms in the applicable pricing supplement may modify any provisions relating to:

- the determination of an interest rate basis;
- the specification of an interest rate basis;
- calculation of the interest rate applicable to, or the principal payable

- at maturity on, any note;
- interest payment dates; or
- any other related matters.

TAX REDEMPTION

Citigroup Funding, at its option, may redeem the notes in whole, but not in part, at any time on giving at least 30 but not more than 60 days' notice in accordance with "Notices" below (which notice shall be irrevocable), at the respective redemption prices of the notes, if Citigroup Funding has or will become obligated to pay additional interest on the notes as described under "Payment of Additional Interest" below as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the respective original issuance dates of the notes, and such obligation cannot be avoided by Citigroup Funding taking reasonable measures available to it; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date

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on which Citigroup Funding would be obligated to pay additional interest were a payment in respect of the notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, Citigroup Funding shall deliver to the trustee for the notes to be redeemed a certificate stating that Citigroup Funding is entitled to effect redemption and setting forth a statement of facts showing that the conditions precedent to the right of Citigroup Funding so to redeem have occurred, and an opinion of independent counsel to the effect that Citigroup Funding has or will become obligated to pay additional interest as a result of the change or amendment.

PAYMENT OF ADDITIONAL INTEREST

Citigroup Funding will, subject to the exceptions and limitations set forth below, pay as additional interest to the holder of a note or coupon that is a United States Alien (as defined below) any amounts as may be necessary so that every net payment on such note or coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided in the note or coupon to be then due and payable. However, Citigroup Funding will not be required to make any payment of additional interest to the holder for or on account of:

- any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such holder (or between a fiduciary, settlor or beneficiary of, or a person holding a power over, such holder, if such holder is an estate or a trust, or a member or shareholder of such holder, if such holder is a partnership or a corporation) and the United States, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such holder's past or present status as a passive foreign investment company, a personal holding company, a foreign personal holding company, a controlled foreign corporation for United States tax purposes or a private foundation or other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;
- any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;
- any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of a note or coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later;
- any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on a note or coupon;
- any tax, assessment or other governmental charge required to be deducted or withheld by any paying agent from a payment on a note or coupon, if such payment can be made without such deduction or withholding by any

other paying agent; or

- any tax, assessment or other governmental charge imposed on a holder that actually constructively owns ten percent or more of the combined voting power of all classes of stock of Citigroup Funding (taking into account applicable attribution of ownership rules under Section 871(h)(3) of the Internal Revenue Code of 1986, as amended, or is a controlled foreign corporation related to Citigroup Funding through stock ownership; nor shall such additional interest be paid with respect to a payment on a note or coupon to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the

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additional interest had such beneficiary, settlor, member or beneficial owner been the holder of such note or coupon.

"United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

SPECIAL TAX REDEMPTION

If Citigroup Funding shall determine that any payment made outside the United States by Citigroup Funding or any of its paying agents in respect of any note that is not a floating rate note or coupon appertaining thereto would, under any present or future laws or regulations of the United States, be subject to any certification, documentation, information or other reporting requirement of any kind, the effect of which requirement is the disclosure to Citigroup Funding, any paying agent or any governmental authority of the nationality, residence or identity of a beneficial owner that is a United States Alien (other than such a requirement (a) that would not be applicable to a payment made by Citigroup Funding or any one of its paying agents (i) directly to the beneficial owner or (ii) to a custodian, nominee or other agent of the beneficial owner or (b) that can be satisfied by such custodian, nominee or other agent certifying to the effect that the beneficial owner is a United States Alien; provided that, in any case referred to in clause (a)(ii) or (b), payment by the custodian, nominee, or agent to the beneficial owner is not otherwise subject to any such requirement), then Citigroup Funding shall elect either (x) to redeem such note in whole, but not in part, at its redemption price, or (y) if the conditions described in the next succeeding paragraph are satisfied, to pay the additional interest specified in such paragraph. Citigroup Funding shall make such determination as soon as practicable and publish prompt notice thereof stating the effective date of such certification, documentation, information or other reporting requirement, whether Citigroup Funding elects to redeem the notes or to pay the additional interest specified in the next succeeding paragraph and (if applicable) the last date by which the redemption of the notes must take place.

If the notes are to be redeemed as described in this paragraph, the redemption shall take place on such date, not later than one year after the publication of the determination notice, as Citigroup Funding shall specify by notice given to the trustee for the notes to be redeemed at least 60 days before the redemption date. Notice of such redemption shall be given to the holders of the notes at least 30 but not more than 60 days prior to the redemption date. Notwithstanding the foregoing, Citigroup Funding shall not so redeem the notes if Citigroup Funding shall subsequently determine, at least 30 days prior to the redemption date, that subsequent payments on the notes would not be subject to any such certification, documentation, information or other reporting requirement, in which case Citigroup Funding shall publish prompt notice of such subsequent determination and any earlier redemption notice given shall be revoked and of no further effect.

Prior to the publication of any determination notice, Citigroup Funding shall deliver to the trustee for the notes to be redeemed a certificate stating that Citigroup Funding is obligated to make such determination and setting forth a statement of facts showing that the conditions precedent to the obligation of Citigroup Funding to redeem the notes or to pay the additional interest specified in the next succeeding paragraph have occurred, and an opinion of independent counsel to the effect that such conditions have occurred.

If and so long as the certification, documentation, information or other reporting requirement referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, Citigroup Funding may elect to pay as additional interest such amounts as may be necessary so that every net payment made outside the United States following the effective date of such requirement by Citigroup Funding or any of its paying agents in

respect of any such notes of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to Citigroup Funding, any paying agent or any governmental authority), after

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deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge that (i) would not be applicable in the circumstances referred to in the parenthetical clause of the first sentence of the third preceding paragraph or (ii) is imposed as a result of presentation of such notes for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount provided in such notes to be then due and payable.

If Citigroup Funding elects to pay additional interest, then Citigroup Funding shall have the right thereafter to redeem the notes at any time in whole, but not in part, at the redemption price, subject to the provisions described above. If Citigroup Funding elects to pay additional interest and the condition specified above should no longer be satisfied, then Citigroup Funding shall redeem such notes in whole, but not in part, at the redemption price thereof, subject to the provisions of this section. Any such redemption payments made by Citigroup Funding shall be subject to the continuing obligation of Citigroup Funding to pay additional interest as described above.

DEFEASANCE

The defeasance provisions described in the prospectus will not be applicable to the notes except as set forth in the applicable pricing supplement.

REPLACEMENT OF NOTES AND COUPONS

If an individual note or coupon is mutilated, destroyed, stolen or lost it may be replaced at the specified office of the principal paying agent for such note in London or, with respect to any notes listed on the Luxembourg Stock Exchange, at the specified office of the paying agent in Luxembourg, upon payment by the claimant of such expenses as may be incurred in connection therewith and, in the case of destruction, theft or loss, on such terms as to evidence and indemnity as Citigroup Funding or the trustee for such note may reasonably require. Mutilated or defaced notes or coupons must be surrendered before replacements will be issued.

NOTICES

All notices to holders of notes will be deemed to have been duly given if published on two separate Business Days in a leading London daily newspaper, which is expected to be the Financial Times, and, with respect to any notes listed on the Luxembourg Stock Exchange, if the rules of such exchange so require, in Luxembourg in an authorized newspaper in Luxembourg, which is expected to be the Luxemburger Wort. Any notice shall be deemed to have been given on the date of first publication.

UNCLAIMED MONIES

All monies paid by Citigroup Funding to a trustee or a paying agent for the payment of principal of or any premium or interest on any note or for the payment of any coupon which remain unclaimed at the end of two years after such payments shall have become due and payable will be repaid to Citigroup Funding, at its written request, and the holder of such note or coupon will thereafter look only to Citigroup Funding for payment, such payment to be made only outside the United States.

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CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the material United States federal income tax considerations that may be relevant to a holder of a note. The summary does not address all of the tax consideration which might be relevant to such holders. Therefore, holders should consult their tax advisors in determining the tax consequences to them in holding notes, including the application to their particular situation of the United States federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax law.

Under current United States federal income tax law:

- payment on a note or coupon by Citigroup Funding or any paying agent to a holder that is a United States Alien will not be subject to withholding

of United States federal income tax provided that, with respect to payments of interest, including original issue discount, the holder does not actually or constructively own 10 percent or more of the combined voting power of all classes of stock of Citigroup Funding (taking into account the applicable attribution of ownership rules under Section 871(h)(3) of the Internal Revenue Code) and is not a controlled foreign corporation related to Citigroup Funding through stock ownership;

- a holder of a note or coupon that is a United States Alien will not be subject to United States federal income tax on gain realized on the sale, exchange or redemption of such note or coupon, provided that such holder does not have a connection with or status with respect to the United States described under "Payment of Additional Interest"; and
- a beneficial owner of a note or coupon that is a United States Alien will not be required to disclose its nationality, residence or identity to Citigroup Funding, a paying agent (acting in its capacity as such) or any United States governmental authority in order to receive payment on such note or coupon from Citigroup Funding or a paying agent outside the United States (although a beneficial owner of an interest in a temporary global security will be required to provide a certificate of non-U.S. beneficial ownership to Euroclear or Clearstream in order to exchange such interest or to receive interest payments with respect thereto, as described in "Description of Notes -- Payment of Principal and Interest" above).

Special tax considerations may apply to certain indexed notes. Any such considerations will be described in the applicable pricing supplement.

United States information reporting requirements and backup withholding tax will not apply to payments on a note or coupon made outside the United States by Citigroup Funding or any paying agent (acting in its capacity as such) to a holder that is a United States Alien. Information reporting requirements and backup withholding tax also will not apply to any payment on a note or coupon outside the United States by a foreign office of a custodian, nominee or other agent of the beneficial owner of such note or coupon, provided that such custodian, nominee or agent (i) is not a U.S. Person, (ii) derives less than 50% of its gross income for certain periods from the conduct of a trade or business in the United States, (iii) is not a controlled foreign corporation as to the United States and (iv) is not a foreign partnership that at any time during its taxable year is 50% or more (by income or capital interest) owned by U.S. persons or is engaged in the conduct of a U.S. trade or business (a person described in (i), (ii), (iii) and (iv) being hereinafter referred to as a "foreign controlled person"). Payment in respect of a note or coupon outside the United States to the beneficial owner thereof by a foreign office of any custodian, nominee or agent that is not a foreign controlled person will not be subject to backup withholding tax, but will be subject to information reporting requirements unless such custodian, nominee or agent has documentary evidence in its records that the beneficial owner that is a United States Alien or the beneficial owner otherwise establishes an exemption.

Information reporting requirements and backup withholding tax will not apply to any payment of the proceeds of the sale of a note or coupon effected outside the United States by a foreign office of a "broker" (as defined in applicable Treasury regulations), provided that such broker is a foreign controlled person. Payment of the proceeds of the sale of a note or coupon effected outside the United States by a

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foreign office of any broker that is not a foreign controlled person will not be subject to backup withholding tax, but will be subject to information reporting requirements unless such broker has documentary evidence in its records that the beneficial owner is a United States Alien and certain other conditions are met, or the beneficial owner otherwise establishes an exemption.

For purposes of applying the rules set forth under this heading "CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS" to an entity that is treated as fiscally transparent (e.g., a partnership) for U.S. federal income tax purposes, the beneficial owner means each of the ultimate beneficial owners of the entity.

EUROPEAN UNION SAVINGS DIRECTIVE

The European Union has adopted a directive regarding the taxation of savings income. Subject to a number of important conditions being met, it is proposed that member states will be required from July 1, 2005 to provide to the tax authorities of other member states details of payments of interest and other similar income paid by a person to an individual in another member state, except that Austria, Belgium and Luxembourg will instead impose a withholding system for a transitional period unless during such period they elect otherwise.

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PLAN OF DISTRIBUTION

The notes are being offered on a continuous basis by Citigroup Funding through Citigroup Global Markets Limited, and/or other broker-dealer affiliates of Citigroup Funding, as agents. The agents have agreed to use their reasonable efforts to solicit orders to purchase notes. The agents, Citigroup Funding and Citigroup will sign an agency agreement. A form of agency agreement is being filed as an exhibit to the registration statement of which this prospectus supplement forms a part. Citigroup Funding will have the sole right to accept orders to purchase notes and may reject proposed purchases in whole or in part. The agents will have the right to reject any proposed purchase in whole or in part. Citigroup Funding reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement, the accompanying prospectus or any pricing supplement without notice.

The following table summarizes the aggregate commissions or discounts payable in connection with offerings of the notes. Commissions and discounts will vary depending upon the stated maturity of the notes.

<Table>
<Caption>

	PUBLIC OFFERING PRICE	AGENTS' DISCOUNTS AND COMMISSIONS	PROCEEDS, BEFORE EXPENSES, TO CITIGROUP FUNDING
	-----	-----	-----
<S>	<C>	<C>	<C>
Principal Amount.....	\$10,000,000,000	\$2,000,000-\$500,000,000	\$9,998,000,000-\$9,500,000,000
Total.....	100%	0.02%-5%	99.98%-95%

</Table>

Citigroup Funding may also sell notes at a discount to the agents for their own account or for resale to one or more purchasers at varying prices related to prevailing market prices or at a fixed public offering price. After any initial public offering of notes to be resold to purchasers at a fixed public offering price, the public offering price and any concession or discount may be changed. In addition, the agents may offer and sell notes purchased by them as principal to other dealers. These notes may be sold at a discount which, unless otherwise specified in the applicable pricing supplement, will not exceed the discount to be received by the agents from Citigroup Funding.

Unless otherwise specified in the applicable pricing supplement, any note purchased by an agent as principal will be purchased at 100% of the principal amount or face amount less a percentage equal to the commission applicable to an agency sale of a note of identical maturity. Citigroup Funding reserves the right to sell notes directly to investors on its own behalf and to enter into agreements similar to the distribution agreement with other parties. No commission will be payable nor will a discount be allowed on any sales made directly by Citigroup Funding.

In compliance with United States Federal income tax laws and regulations, Citigroup Funding and the agents have agreed that in connection with the original issuance of any note and during the period ending 40 days after the original issue date of such note they will not offer, sell or deliver such note, directly or indirectly, to a U.S. person or to any person within the United States and its possessions, except to the extent permitted under U.S. Treasury regulations. Under those regulations, notes may be offered and sold during that period to international organizations, to foreign central banks and to foreign branches of U.S. financial institutions that satisfy requirements prescribed by the regulations. Confirmations sent by the agent in connection with sales of notes need not contain certain purchaser representations.

Each agent will agree that:

- it has not offered or sold and, prior to the expiration of the period of six months from the date of issue of any notes having a maturity of one year or greater, will not offer or sell any notes to persons in the United Kingdom, except to those persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments, as principal or agent, for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom for purposes of the Public Offers of Securities Regulations 1995;

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- it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 ("FSMA") with respect to anything

done by it in relation to the notes in, from or otherwise involving the United Kingdom;

- it has only communicated or caused to be communicated and it will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of FSMA does not apply to Citigroup Funding;
- it will not offer or sell any notes directly or indirectly in Japan or to, or for the benefit of, any Japanese person or to others, for re-offering or re-sale directly or indirectly in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant governmental and regulatory authorities in effect at the relevant time. For purposes of this paragraph, "Japanese person" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Unless notes are issued upon the reopening of a prior series, no note will have an established trading market when issued. Unless otherwise specified in the applicable pricing supplement, the notes will not be listed on any securities exchange. The agents may make a market in the notes, but the agents are not obligated to do so. The agents may discontinue any market-making at any time without notice, at their sole discretion. There can be no assurance of the existence or liquidity of a secondary market for any notes, or that the maximum amount of notes will be sold.

In addition to the notes being offered through the agents as described herein, securities in registered form that may have terms identical or similar to the terms of the notes may be concurrently offered by Citigroup Funding on a continuous basis in the United States by one or more broker-dealer affiliates of Citigroup Funding. Such affiliates may also purchase the securities in registered form as principal for their own account or for resale. Any securities so offered and sold will reduce correspondingly the maximum aggregate principal amount of notes that may be offered by this prospectus supplement and the accompanying prospectus.

Citigroup Funding estimates that its total expenses for the offering, excluding underwriting commissions or discounts, will be approximately \$5,420,500.

An agent, whether acting as agent or principal, may be deemed to be an underwriter within the meaning of the U.S. Securities Act of 1933. Citigroup Funding and Citigroup have agreed to indemnify the agents against liabilities relating to material misstatements and omissions, or to contribute to payments that the agents may be required to make relating to these liabilities. Citigroup Funding and Citigroup will reimburse the agents for customary legal and other expenses incurred by them in connection with the offer and sale of the notes.

Unless otherwise specified in the applicable pricing supplement, payment of the purchase price of the notes will be required to be made in immediately available funds in New York City on the date of settlement.

Concurrently with the offering of notes through the agents as described in this prospectus supplement, Citigroup Funding may issue other securities under the indentures referred to in the prospectus.

Each of the agents is an affiliate of Citigroup Funding. The participation of each agent in the offerings of the notes will conform with the requirements set forth in Rule 2720 of the Conduct Rules of the NASD.

This prospectus supplement, the accompanying prospectus and the related pricing supplement may be used by the agents or other affiliates of Citigroup Funding in connection with offers and sales of the notes offered by this prospectus supplement in market-making transactions at negotiated prices related to

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prevailing market prices at the time of sale. The agents or these other affiliates may act as principal or agent in such transactions.

ERISA MATTERS

Certain provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Internal Revenue Code of 1986, as amended (the

"Code"), prohibit employee benefit plans (as defined in Section 3(3) of ERISA) that are subject to Title I of ERISA, plans described in Section 4975(e)(1) of the Code (including, without limitation, retirement accounts and Keogh plans), and entities whose underlying assets include plan assets by reason of a plan's investment in such entities (including, without limitation, as applicable, insurance company general accounts), from engaging in certain transactions involving "plan assets" with parties that are "parties in interest" under ERISA or "disqualified persons" under the Code with respect to the plan or entity. Governmental and other plans that are not subject to ERISA or to the Code may be subject to similar restrictions under state, federal or local law.

The notes may not be purchased, held or disposed of by any plan or any other person investing "plan assets" of any plan that is subject to the prohibited transaction rules of ERISA or Section 4975 of the Code or other similar law, unless one of the following Prohibited Transaction Class Exemptions ("PTCE") issued by the Department of Labor or a similar exemption or exception applies to such purchase, holding and disposition:

- PTCE 96-23 for transactions determined by in-house asset managers,
- PTCE 95-60 for transactions involving insurance company general accounts,
- PTCE 91-38 for transactions involving bank collective investment funds,
- PTCE 90-1 for transactions involving insurance company separate accounts, or
- PTCE 84-14 for transactions determined by independent qualified professional asset managers.

Any purchaser of the notes or any interest therein will be deemed to have represented and warranted to Citigroup Funding on each day including the date of its purchase of the notes through and including the date of disposition of such notes that either:

- (a) it is not a plan subject to Title I of ERISA or Section 4975 of the Code and is not purchasing such notes or interest therein on behalf of, or with "plan assets" of, any such plan;
- (b) its purchase, holding and disposition of such notes are not and will not be prohibited because they are exempted by one or more of the following prohibited transaction exemptions: PTCE 96-23, 95-60, 91-38, 90-1 or 84-14; or
- (c) it is a governmental plan (as defined in section 3 of ERISA) or other plan that is not subject to the provisions of Title I of ERISA or Section 4975 of the Code and its purchase, holding and disposition of such notes are not otherwise prohibited.

Due to the complexity of these rules and the penalties imposed upon persons involved in prohibited transactions, it is important that any person considering the purchase of the notes with plan assets consult with its counsel regarding the consequences under ERISA and the Code, or other similar law, of the acquisition and ownership of the notes and the availability of exemptive relief under the class exemptions listed above.

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LEGAL MATTERS

John R. Dye, Esq., General Counsel-Capital Markets of Citigroup Inc., 399 Park Avenue, New York, New York 10043, will act as legal counsel to Citigroup Funding. Mr. Dye beneficially owns, or has rights to acquire under employee benefit plans, an aggregate of less than one percent of the common stock of Citigroup. Cleary Gottlieb Steen & Hamilton LLP, New York, New York, will act as legal counsel for the agents. Cleary Gottlieb Steen & Hamilton LLP has from time to time acted as counsel for Citigroup Funding and its affiliates and may do so in the future.

GENERAL INFORMATION

Application may be made to list certain series of the notes on the Luxembourg Stock Exchange. In connection with such listing, the certificate of incorporation and the by-laws of Citigroup Funding and a legal notice relating to the issuance of the notes will be deposited prior to listing with Registre de Commerce et des Societes a Luxembourg where copies thereof may be obtained. You may request copies of these documents together with the pricing supplements for such series of notes, this prospectus supplement, the accompanying prospectus, the underwriting agreement, the indenture for such series of notes, the selling agency agreement and Citigroup's current annual and quarterly reports, as well as all other documents incorporated by reference in this prospectus supplement, including future annual and quarterly reports, so long as any such series of

notes is outstanding.

You can also request copies (free of charge) of (1) this prospectus supplement, the accompanying prospectus and the indenture, and (2) Citigroup's annual, quarterly and current reports, as well as other documents incorporated by reference in this prospectus supplement, including future annual, quarterly and current reports, by following the directions under "Where You Can Find More Information" on page 5 of the accompanying prospectus. These documents, including Citigroup's annual, quarterly and current reports for the most recent two years and the documents mentioned on page 5 of the accompanying prospectus, will also be made available (free of charge) at the main office of Dexia Banque Internationale a Luxembourg in Luxembourg.

As of the date of this prospectus supplement, there has been no material adverse change in the financial condition of Citigroup since the date of the latest audited financial statements contained or incorporated by reference in the accompanying prospectus.

Except as otherwise disclosed or incorporated by reference herein, none of Citigroup, its subsidiaries and Citigroup Funding is involved in litigation, arbitration or administrative proceedings relating to claims or amounts that are material in the context of the issue of the notes. Neither Citigroup nor Citigroup Funding is aware of any such litigation, arbitration or administrative proceedings pending or threatened.

Each of Citigroup and Citigroup Funding accepts responsibility for the information contained in this prospectus supplement and the accompanying pricing supplement and prospectus.

Resolutions relating to the issue and sale of the notes and the related guarantees were adopted by the board of directors of Citigroup Funding on January 21, 2005 and by the board of directors of Citigroup on October 19, 2004 and March 15, 2005.

The notes have been accepted for clearance through Euroclear and Clearstream.

Each pricing supplement will contain the following information in respect of the issue of the notes to which it relates:

- (i) Principal Amount or Face Amount
- (ii) Issue Price
- (iii) Proceeds to Citigroup Funding on original issuance
- (iv) Commission or Discount on original issuance
- (v) Citigroup Global Markets Limited's capacity on original issuance

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- (vi) Original Issue Date
- (vii) Stated Maturity
- (viii) Specified Currency (If other than U.S. Dollars)
- (ix) Authorized Denominations (If other than as set forth in the Prospectus Supplement)
- (x) Interest Payment Dates:

Accrue to pay: ☐ Yes ☐ No

- (xi) Indexed Principal Note: ☐ Yes ☐ No
- (xii) Type of Interest on Note (Fixed Rate, Floating Rate or Indexed Rate)
- (xiii) Interest Rate (Fixed Rate Notes)
- (xiv) Initial Interest Rate (Floating Rate Notes)
- (xv) Base Rate
- (xvi) Calculation Agent (If other than Citibank)
- (xvii) Computation of Interest
- (xviii) Interest Reset Dates

(xix) Rate Determination Dates
(xx) Index Maturity
(xxi) Spread (+/-)
(xxii) Spread Multiplier
(xxiii) Change in Spread, Spread Multiplier or Fixed Interest Rate prior to Stated Maturity:

[] Yes [] No

(xxiv) Maximum Interest Rate

(xxv) Minimum Interest Rate

(xxvi) Amortizing Note: [] Yes [] No

(xxvii) Optional Redemption: [] Yes [] No

Option Redemption Dates

Redemption Prices

Redemption: [] In whole only and not in part
[] May be in whole or in part

(xxviii) Option Repayment: [] Yes [] No

Optional Repayment Dates

Optional Repayment Prices

(xxix) Discount Note: [] Yes [] No

Total Amount of OID Yield to Maturity

(xxx) Listed on Luxembourg Stock Exchange: [] Yes [] No

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REGISTERED OFFICE
OF
CITIGROUP FUNDING INC.

CITIGROUP INC.

399 Park Avenue
New York, New York 10043

<Table>

<S>

TRUSTEE FOR SERIES A NOTES
JPMorgan Chase Bank, N.A.
4 New York Plaza, 6th Floor
New York, New York 10004

PRINCIPAL PAYING AGENT FOR
SERIES A NOTES
Citibank, N.A.
5 Carmelite Street
London, England
EC4Y 0PA

PAYING AGENT FOR SERIES A NOTES
Kredietbank S.A. Luxembourg
43 Boulevard Royal
L-2955 Luxembourg

<C>

TRUSTEE FOR SERIES B NOTES
Deutsche Bank Trust Company Americas
60 Wall Street
New York, New York 10005

PRINCIPAL PAYING AGENT FOR
SERIES B NOTES
Deutsche Bank U.K.
Winchester House
1 Great Winchester Street
London, England
EC2 N2DB

PAYING AGENT FOR SERIES B NOTES
Deutsche Bank Luxembourg
P.O. Box 586
L-2015 Luxembourg

</Table>

LEGAL ADVISOR TO THE AGENTS
Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006

AUDITOR TO CITIGROUP INC.
KPMG LLP
757 Third Avenue
New York, NY 10017

LISTING AGENT
Kredietbank S.A. Luxembourgeoise
43 Boulevard Royal
L-2955 Luxembourg

\$10,000,000,000

CITIGROUP FUNDING INC.

MEDIUM-TERM SENIOR NOTES, SERIES A
MEDIUM-TERM SUBORDINATED NOTES, SERIES B
FULLY AND UNCONDITIONALLY GUARANTEED BY CITIGROUP INC.

PROSPECTUS SUPPLEMENT
, 2005

(INCLUDING PROSPECTUS
DATED , 2005)

CITIGROUP GLOBAL MARKETS LIMITED

THE INFORMATION IN THIS PROSPECTUS SUPPLEMENT IS NOT COMPLETE AND MAY BE
CHANGED. CITIGROUP FUNDING MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION
STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS
PROSPECTUS SUPPLEMENT IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT
SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE
IS PERMITTED.

SUBJECT TO COMPLETION, DATED MAY 2, 2005

PROSPECTUS SUPPLEMENT
(To prospectus dated , 2005)

\$5,000,000,000

CITIGROUP FUNDING INC.

RETAIL MEDIUM-TERM NOTES, SERIES C
FULLY AND UNCONDITIONALLY GUARANTEED BY
CITIGROUP INC.

GENERAL TERMS OF SALE

The following terms will generally apply to the Retail Medium-Term Notes,
Series C that we will sell from time to time using this prospectus supplement
and the attached prospectus. Citigroup Funding will include information on the
specific terms for each note in a pricing supplement to this prospectus
supplement that Citigroup Funding will deliver to prospective buyers of any
note. We may offer the notes to or through agents for resale. The maximum amount
that Citigroup Funding expects to receive from the sale of the notes is between
\$4,999,000,000 and \$4,750,000,000 after paying the purchasing agent commissions
of between \$1,000,000 and \$250,000,000. We also may offer the notes directly. We
have not set a date for termination of our offering.

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MATURITY:	Generally, 9 months or more from the date of issue, except in the case of indexed notes, for which the maturity may be shorter.
INDEXED NOTES:	Payments of interest or principal may be linked to the price of one or more securities, currencies, commodities, goods, measures or events.

REDEMPTION: Terms of specific notes may permit or require redemption at our option or repayment at your option.

SURVIVOR'S OPTION: Terms of specific notes may require us, upon request, to repay those notes prior to stated maturity following the death of the beneficial owner of the notes, subject to certain conditions.

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INTEREST RATES:	Fixed or floating, payable monthly, quarterly, semiannually or annually.
RISKS:	Index risks may exist.
RANKING:	The Retail Medium-Term Notes, Series C are senior notes which are part of our senior indebtedness.
OTHER TERMS:	You should review "Description of the Notes" and the pricing supplement for features that apply to your notes.

</Table>

CONSIDER CAREFULLY THE INFORMATION UNDER "RISK FACTORS" BEGINNING ON PAGE S-5 OF THIS PROSPECTUS SUPPLEMENT.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or any accompanying prospectus or pricing supplement is truthful or complete. Any representation to the contrary is a criminal offense.

These notes are not deposits or savings accounts but are unsecured debt obligations of Citigroup Funding Inc. The notes are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

CITIGROUP

, 2005

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SUMMARY

This section summarizes the legal and financial terms of the notes that are described in more detail in "Description of the Notes" beginning on page S-7. Final terms of any particular notes will be determined at the time of sale and will be contained in the pricing supplement relating to those notes. The terms in that pricing supplement may vary from and supersede the terms contained in this summary and in "Description of the Notes." In addition, you should read the more detailed information appearing elsewhere in this prospectus supplement, the accompanying prospectus and in that pricing supplement.

Issuer.....	Citigroup Funding Inc.
Purchasing Agent.....	Citigroup Global Markets Inc.
Title of Notes.....	Retail Medium-Term Notes, Series C
Amount.....	We may issue up to \$5,000,000,000 of notes in connection with this series. The notes will not contain any limitations on our ability to issue additional indebtedness with terms similar to the notes or otherwise.
Denominations.....	Unless otherwise stated in the applicable pricing supplement, the minimum denomination of the notes will be \$1,000 and any larger amount that is a whole multiple of \$1,000.
Ranking.....	The notes will constitute part of our senior indebtedness and will rank on an equal basis with all of our other unsecured debt other than subordinated debt.
Maturity.....	Unless otherwise specified in the applicable pricing supplement, each note will mature on a stated maturity date nine months or more from its date of issue, except in the case of indexed notes, for which the maturity may be shorter.
Interest.....	Each note will bear interest from its issue date at a fixed rate per year or at a floating rate, or interest may be linked to the price of one or more securities, currencies, intangibles, articles, commodities or goods or any other financial or economic measure or instrument, including the occurrence or non-occurrence of any event. Interest on each note will be payable either monthly, quarterly, semiannually or annually on each interest payment date and on the stated maturity date. Accrued interest will also be paid on the date of redemption or repayment if a note is redeemed or repurchased prior to its stated maturity in accordance with its terms.
Principal.....	The principal amount of each note will be payable on its stated maturity date or upon earlier redemption or repayment at the corporate trust office of the paying agent or at any other place we may designate.
Redemption and Repayment.....	Unless otherwise specified in the applicable pricing supplement, a note will not be redeemable at our option or repayable at the option of the holder prior to its stated maturity date. The notes will not be subject to any sinking fund.
Survivor's Option.....	The pricing supplement relating to any note will indicate if the holder of that note will

have the survivor's option, which is an

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option to elect repayment of the note prior to stated maturity in the event of the death of the beneficial owner of the note. We will repay such note if requested by the authorized representative of the beneficial owner of the note so long as the note was owned by that beneficial owner or the estate of that beneficial owner at least one year prior to the exercise of the survivor's option. The right to exercise the survivor's option is subject to limits set by us on (1) the permitted dollar amount of total exercises by all holders of notes of this series in any calendar year, and (2) the permitted dollar amount of an individual exercise by a holder of a note in any calendar year. Additional details on the survivor's option are described in the section entitled "Description of the Notes -- Repayment Upon Death" on page S-23.

Sale and Clearance..... We will sell the notes in the United States only. Notes will be issued in book-entry form only and will clear through The Depository Trust Company. We do not intend to issue notes in certificated form.

Paying Agent..... The paying agent for the notes is Citibank, N.A., 388 Greenwich Street, 14th Floor, New York, New York 10013.

Selling Group..... The selling group for the notes is comprised of agents and selected dealers. The agents, including the purchasing agent, will enter into a Global Selling Agency Agreement with Citigroup Funding and Citigroup. Dealers who are members of the selling group have executed a Master Selected Dealer Agreement. The agents and dealers have agreed to market and sell the notes in accordance with the terms of those respective agreements and all other applicable laws and regulations.

Risk Factors..... For information about risks relating to the notes, see "Risk Factors" beginning on page S-5.

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RISK FACTORS

Your investment in the notes will involve certain risks. This prospectus supplement and the accompanying prospectus do not describe all of those risks.

In addition to the information relating to the business of Citigroup Funding, which is incorporated by reference in the accompanying prospectus, you should, in consultation with your own financial and legal advisors, carefully consider the following discussion of risks before deciding whether an investment in the notes is suitable for you. The notes will not be an appropriate investment for you if you are not knowledgeable about significant features of the notes or financial matters in general. You should not purchase the notes unless you understand, and know that you can bear, these investment risks.

WE MAY CHOOSE TO REDEEM THE NOTES WHEN PREVAILING INTEREST RATES ARE RELATIVELY LOW

If your notes are redeemable at our option, we may choose to redeem your notes from time to time, especially when prevailing interest rates are lower than the rate borne by the notes. If prevailing rates are lower at the time of redemption, you would not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the notes being redeemed. Our redemption right also may adversely impact your ability to sell your notes as the optional redemption date or period approaches.

THE SURVIVOR'S OPTION MAY BE LIMITED

We will have a discretionary right to limit the aggregate principal amount of notes subject to the survivor's option that may be exercised in any calendar year to an amount equal to the greater of \$2,500,000 or 1% of the outstanding principal amount of all the notes of this series outstanding as of the end of the most recent calendar year. We also have the discretionary right to limit to \$250,000 in any calendar year the aggregate principal amount of notes of this series subject to the survivor's option that may be exercised in such calendar year on behalf of any individual deceased beneficial owner of notes. Accordingly, no assurance can be given that exercise of the survivor's option for the desired amount will be permitted in any single calendar year.

YOU MAY NOT BE ABLE TO SELL YOUR NOTES IF AN ACTIVE TRADING MARKET FOR THE NOTES DOES NOT DEVELOP

There is currently no secondary market for the notes. The agents currently intend, but are not obligated, to make a market in the notes. Even if a secondary market does develop, it may not be liquid and may not continue for the term of the notes. If the secondary market for the notes is limited, there may be few buyers should you choose to sell your notes prior to maturity and this may reduce the price you receive.

THE PRICE AT WHICH YOU WILL BE ABLE TO SELL YOUR NOTES PRIOR TO MATURITY WILL DEPEND ON A NUMBER OF FACTORS AND MAY BE SUBSTANTIALLY LESS THAN THE AMOUNT YOU ORIGINALLY INVEST

We believe that the value of the notes in the secondary market will be affected by supply and demand for the notes and a number of other factors. Some of these factors are interrelated in complex ways; as a result, the effect of any one factor may be offset or magnified by the effect of another factor. The following paragraphs describe what we expect to be the impact on the market value of the notes of a change in a specific factor, assuming all other conditions remain constant.

INTEREST RATES

We expect that the market value of the notes will be affected by changes in U.S. interest rates. In general, if U.S. interest rates increase, the market value of the notes may decrease, and if U.S. interest rates decrease, the market value of the notes may increase.

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TIME PREMIUM OR DISCOUNT

As a result of a "time premium or discount," the notes may trade at a value above or below that which would be expected based on the level of interest rates the longer the time remaining to maturity. A "time premium or discount" results from expectations concerning interest rates during the period prior to the maturity of the notes. However, as the time remaining to maturity decreases, this time premium or discount may diminish, increasing or decreasing the market value of the notes.

CITIGROUP FUNDING'S CREDIT RATINGS, FINANCIAL CONDITION AND RESULTS

Actual or anticipated changes in our credit ratings, financial condition or results may affect the market value of the notes.

CHANGES IN THE VALUE OF UNDERLYING ASSETS OF INDEXED NOTES COULD RESULT IN A SUBSTANTIAL LOSS TO YOU

An investment in indexed notes may have significant risks that are not associated with a similar investment in a debt instrument that:

- has a fixed principal amount; and
- bears interest at either a fixed rate or a floating rate based on nationally published interest rate references.

The risks of a particular indexed note will depend on the terms of that indexed note. Such risks may include, but are not limited to, the possibility of significant changes in the prices of:

- the underlying assets;
- another objective price; and
- economic or other measures making up the relevant index.

Underlying assets could include:

- one or more securities or securities indices;

- one or more specified foreign currency or currency indices;
- a combination thereof;
- intangibles;
- goods;
- articles;
- commodities; and
- any other financial, economic or other measure or instrument.

The risks associated with a particular indexed note generally depend on factors over which Citigroup Funding has no control and which cannot readily be foreseen. These risks include:

- economic events;
- political events; and
- the supply of, and demand for, the underlying assets.

In recent years, currency exchange rates and prices for various underlying assets have been highly volatile. Such volatility may be expected in the future. Fluctuations in rates or prices that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any indexed note.

In considering whether to purchase indexed notes, you should be aware that the calculation of amounts payable on indexed notes may involve reference to:

- an index determined by an affiliate of Citigroup Funding; or
- prices that are published solely by third parties or entities which are not regulated by the laws of the United States.

The risk of loss as a result of linking principal or interest payments on indexed notes to an index and to the underlying assets can be substantial. You should consult your own financial and legal advisors as to the risks of an investment in indexed notes.

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DESCRIPTION OF THE NOTES

The following description of the particular terms of the notes being offered supplements the description of the general terms and provisions of the debt securities set forth in the prospectus. If any specific information regarding the notes in this prospectus supplement is inconsistent with the more general terms of the debt securities described in the prospectus, you should rely on the information in this prospectus supplement.

The pricing supplement for each offering of notes will contain the specific information and terms for that offering. If any information in the pricing supplement is inconsistent with this prospectus supplement, you should rely on the information in the pricing supplement. The pricing supplement may also add, update or change information contained in the prospectus and this prospectus supplement. It is important for you to consider the information contained in the prospectus, this prospectus supplement and the applicable pricing supplement in making your investment decision.

GENERAL

Introduction. The notes are a single series of senior debt securities issued under Citigroup Funding's senior debt indenture to be entered into among Citigroup Funding, Citigroup, as guarantor, and JPMorgan Chase Bank, N.A., as trustee, and fully and unconditionally guaranteed by Citigroup. At the date of this prospectus supplement, the notes offered pursuant to this prospectus supplement are limited to an aggregate initial public offering price or purchase price of up to \$5,000,000,000. This amount is subject to reduction as a result of the sale of other securities under the registration statement of which this prospectus supplement and the accompanying prospectus form a part, or under a registration statement to which this prospectus supplement and the accompanying prospectus also relate.

Citigroup Funding reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement without notice. The aggregate amount of notes may be increased from time to time to such larger amount as may be

authorized by Citigroup Funding. In addition, Citigroup Funding reserves the right to issue additional series of Retail Medium-Term Notes with terms similar to the notes.

Ranking. The notes will constitute part of the senior indebtedness of Citigroup Funding and will rank on an equal basis with all other unsecured debt of Citigroup Funding other than subordinated debt.

If there were an event of default with respect to any senior indebtedness, the trustee or holders of 25% of the principal amount of senior debt securities outstanding in a series could demand that the principal be repaid immediately. See "Description of Debt Securities -- Events of Default and Defaults" in the prospectus.

Citigroup Funding had no senior indebtedness outstanding as of May 2, 2005.

Form of Notes. The notes will be represented initially by a single master global note in fully registered form, without coupons. The master global note will be registered in the name of a nominee of DTC, as depositary, or another depositary named in the pricing supplement. Except as set forth in the accompanying prospectus under "Book-Entry Procedures and Settlement," the notes will not be issuable as certificated notes. See "Book-Entry System" below.

Denominations. Unless otherwise specified in the applicable pricing supplement, the minimum denomination of the notes will be \$1,000 and any larger amount that is a whole multiple of \$1,000.

Maturity. Unless otherwise specified in the applicable pricing supplement, each note will mature on a stated maturity date. Generally, the stated maturity date will be a business day nine months or more from its date of issue, except in the case of indexed notes, for which the maturity may be shorter, as selected by the purchaser and agreed to by Citigroup Funding.

Interest. Each note will bear interest from its issue date at a fixed rate per year or at a floating rate, or interest may be linked to the price of one or more securities, currencies, intangibles, articles,

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commodities or goods or any other financial or economic measure or instrument, including the occurrence or non-occurrence of any event.

Sinking Fund. The notes will not be subject to any sinking fund.

Additional Information. The pricing supplement relating to each offering of notes will describe the following terms:

- the aggregate principal amount of the relevant notes;
- whether such note
 - (1) is a fixed rate note;
 - (2) is a floating rate note; or
 - (3) is an indexed note on which payments of interest or principal, or both, may be linked to the price of one or more securities, currencies, intangibles, articles, commodities or goods or any other financial or economic measure or instrument, including the occurrence or non-occurrence of any event.
- the price at which such note will be issued, which will be expressed as a percentage of the aggregate principal amount;
- the purchasing agent's discount and net proceeds to us;
- the original issue date on which such note will be issued;
- the date of the stated maturity;
- if the note is a fixed rate note, the rate per annum at which the note will bear interest, and whether and how that rate may be changed prior to its stated maturity;
- if the note is a floating rate note, relevant terms such as:
 - (1) the base rate;

- (2) the initial interest rate;
 - (3) the interest reset period or the interest reset dates;
 - (4) the interest payment dates;
 - (5) the index maturity;
 - (6) any maximum interest rate;
 - (7) any minimum interest rate;
 - (8) any spread or spread multiplier; and
 - (9) any other terms relating to the particular method of calculating the interest rate for the note and whether and how the spread or spread multiplier may be changed prior to stated maturity;
- whether the note is a note issued originally at a discount;
 - if the note is an indexed note, in the case of an indexed rate note, the manner in which the amount of any interest payment will be determined or, in the case of an indexed principal note, its face amount and the manner in which the principal amount payable at stated maturity will be determined;
 - whether the note may be redeemed at the option of Citigroup Funding, or repaid at the option of the holder, prior to stated maturity as described under "Optional Redemption, Repayment and Repurchase" below and the terms of its redemption or repayment;
 - the use of proceeds, if materially different than that disclosed in the accompanying prospectus;
 - any special United States federal income tax consequences of the purchase, ownership and disposition of a particular issuance of notes;
 - whether the holder of the note has a survivor's option, as described below under "Repayment Upon Death;" and

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- any other terms of the note provided in the accompanying prospectus, to be set forth in a pricing supplement, or that are otherwise consistent with the provisions of the indenture under which the note will be issued.

As used in this prospectus supplement, business day means:

- for any note, any day that is not a Saturday or Sunday and that, in New York City, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; and
- for LIBOR notes only, a London business day, which shall be any day on which dealings in deposits in the specified currency are transacted in the London interbank market.

PAYMENT OF PRINCIPAL AND INTEREST

Citigroup Funding will pay the principal of, and any premium and interest on, each note in accordance with the procedures of DTC in effect from time to time. Principal, premium, if any, and interest payable at stated maturity or on a date of redemption or repurchase will be paid by wire transfer in immediately available funds to an account specified by DTC or its nominee. Interest payments on a date other than the stated maturity will be made in accordance with existing arrangements between the paying agent and DTC. Citigroup Funding and the paying agent will treat DTC or its nominee as the owner of each book-entry security for all purposes. Accordingly, Citigroup Funding and the paying agent will have no direct responsibility or liability to pay amounts due on the book-entry securities to you or any other beneficial owners in the book-entry securities. For information about DTC procedures, see "Book-Entry System" beginning on page S-24 and "Book-Entry Procedures and Settlement" in the accompanying prospectus.

Unless otherwise specified in the applicable pricing supplement, payments of interest on notes in certificated form, other than interest payable at stated maturity or upon redemption or repurchase, will be made by check mailed to the registered holders entitled thereto as described below. Unless otherwise specified in the applicable pricing supplement, principal, premium, if any, and interest payable at the stated maturity or upon redemption or repurchase of a note in certificated form will be paid in immediately available funds upon surrender of the note at the corporate trust office or agency of the paying agent in New York City.

Unless otherwise specified in this prospectus supplement or the applicable pricing supplement, any payment required to be made on a note on a date, including the stated maturity date, that is not a business day for the note need not be made on that date. A payment may be made on the next succeeding business day with the same force and effect as if made on the specified date.

Unless otherwise specified in the applicable pricing supplement, if the principal of any original issue discount note, or OID note, other than an indexed note, is declared to be due and payable immediately as a result of the acceleration of stated maturity, the amount of principal due and payable relating to the note will be limited to the aggregate principal amount of the note multiplied by the sum of (1) its issue price, expressed as a percentage of the aggregate principal amount, plus (2) the original issue discount amortized from the date of issue to the date of declaration. Amortization will be calculated using the interest method, computed in accordance with U.S. generally accepted accounting principles in effect on the date of declaration.

FIXED RATE NOTES

Each fixed rate note will bear interest from its original issue date, or from the last interest payment date to which interest has been paid or duly provided for, at the rate per annum stated in the applicable pricing supplement until its principal amount is paid or made available for payment.

Unless otherwise specified in the applicable pricing supplement, the interest payment dates for a fixed rate note that provides for monthly interest payments shall be the fifteenth day of each calendar month,

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commencing in the calendar month that next succeeds the month in which the note is issued. In the case of a fixed rate note that provides for quarterly interest payments, the interest payment dates shall be the fifteenth day of each third month, commencing in the third succeeding calendar month following the month in which the note is issued. In the case of a fixed rate note that provides for semi-annual interest payments, the interest payment dates shall be the fifteenth day of each sixth month, commencing in the sixth succeeding calendar month following the month in which the note is issued. In the case of a fixed rate note that provides for annual interest payments, the interest payment date shall be the fifteenth day of every twelfth month, commencing in the twelfth succeeding calendar month following the month in which the note is issued.

Unless "accrue to pay" is specified in the applicable pricing supplement or unless otherwise specified in the applicable pricing supplement, if an interest payment date for any fixed rate note would otherwise be a day that is not a business day, any payment required to be made on the note on that date, including the stated maturity date, may be made on the next succeeding business day with the same force and effect as if made on the specified date. No additional interest will accrue as a result of such delayed payment.

If in connection with any fixed rate note, "accrue to pay" is specified in the applicable pricing supplement, and any interest payment date for the fixed rate note would otherwise be a day that is not a business day, the interest payment date will be postponed to the next succeeding business day. Any payment of interest on an interest payment date will include interest accrued through the day before the interest payment date. Unless otherwise specified in the applicable pricing supplement, interest on fixed rate notes will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

Unless otherwise set forth in the applicable pricing supplement, the regular record date for any note will be the date, whether or not a business day, fifteen calendar days immediately preceding an interest payment date.

Interest on a note will be payable beginning on the first interest payment date after its date of original issuance to holders of record on the corresponding regular record date. However, if the date of original issuance is between a regular record date and the corresponding interest payment date, the first interest payment will be made on the next succeeding interest payment date.

FLOATING RATE NOTES

Each floating rate note will bear interest at the initial interest rate set forth, or otherwise described, in the applicable pricing supplement. The interest payment dates for each floating rate note will be the dates specified in the applicable pricing supplement. The initial interest period is the period from the original issue date to, but not including, the first interest reset date. The interest reset period is the period from each interest reset date to, but not including, the following interest reset date. The initial interest period, and any interest reset period, is an interest period. The interest rate

for each floating rate note will be determined based on an interest rate basis, the base rate, plus or minus any spread, or multiplied by any spread multiplier. A basis point, or bp, equals one-hundredth of a percentage point. The spread is the number of basis points that may be specified in the applicable pricing supplement as applicable to the note. The spread multiplier is the percentage that may be specified in the applicable pricing supplement as applicable to the note.

The applicable pricing supplement will designate one of the following base rates as applicable to a floating rate note:

- the CD Rate;
- the Commercial Paper Rate;
- the Federal Funds Rate;
- LIBOR;

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- the Treasury Rate;
- the Prime Rate; or
- such other base rate as is set forth in the applicable pricing supplement.

The following terms are used in describing the various base rates.

The "index maturity" is the period of maturity of the instrument or obligation from which the base rate is calculated.

"H.15(519)" means the publication entitled "Statistical Release H.15(519), Selected Interest Rates," or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update/> or any successor site or publication.

"Calculation date" means the date on which the calculation agent is to calculate the interest rate which will be the earlier of (1) the tenth calendar day after the related rate determination date, or if any such day is not a business day, the next succeeding business day or (2) the business day preceding the applicable interest payment date or the stated maturity.

As specified in the applicable pricing supplement, a floating rate note may also have either or both of the following, which will be expressed as a rate per annum on a simple interest basis:

- maximum interest rate, which will be a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period; and/or
- minimum interest rate, which will be a minimum limitation, or floor, on the rate at which interest may accrue during any interest period.

In addition to any maximum interest rate that may be applicable to any floating rate note, the interest rate on a floating rate note will in no event be higher than the maximum rate permitted by applicable law. The notes will be governed by the law of New York State. As of the date of this prospectus supplement, the maximum rate of interest under provisions of the New York penal law, with a few exceptions, is 25% per annum on a simple interest basis. Such maximum rate of interest only applies to obligations that are less than \$2,500,000.

Citigroup Funding will appoint and enter into agreements with calculation agents to calculate interest rates on floating rate notes. Unless otherwise specified in the applicable pricing supplement, Citibank, N.A. will be the calculation agent for each floating rate note. All determinations of interest by the calculation agents will, in the absence of manifest error, be conclusive for all purposes and binding on the holders of the floating rate notes.

The interest rate on each floating rate note will be reset on an interest reset date, which means that the interest rate is reset daily, weekly, monthly, quarterly, semiannually or annually, as specified in the applicable pricing supplement.

Unless otherwise specified in the applicable pricing supplement, the interest reset dates will be as follows:

- in the case of floating rate notes that reset daily, each business day;
- in the case of floating rate notes that reset weekly, other than Treasury Rate notes, the Wednesday of each week;
- in the case of Treasury Rate notes that reset weekly and except as provided below under "Treasury Rate Notes," the Tuesday of each week;
- in the case of floating rate notes that reset monthly, the third Wednesday of each month;
- in the case of floating rate notes that reset quarterly, the third Wednesday of March, June, September and December of each year;
- in the case of floating rate notes that reset semiannually, the third Wednesday of each of two months of each year specified in the applicable pricing supplement; and

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- in the case of floating rate notes that reset annually, the third Wednesday of one month of each year specified in the applicable pricing supplement.

If an interest reset date for any floating rate note would fall on a day that is not a business day, that interest reset date will be postponed to the next succeeding business day. In the case of a LIBOR note, if postponement to the next business day would cause the interest reset date to be in the next succeeding calendar month, the interest reset date will instead be the immediately preceding business day.

Unless otherwise specified in the applicable pricing supplement and except as set forth below, the rate of interest that goes into effect on any interest reset date will be determined on a rate determination date preceding such interest reset date, as further described below.

Unless otherwise specified in the applicable pricing supplement, interest payable on floating rate notes will be the interest accrued from and including the original issue date or the last date to which interest has been paid, as the case may be, to but excluding the applicable interest payment date.

Accrued interest on a floating rate note with more than one interest reset date will be calculated by multiplying the principal amount of the note by an accrued interest factor. If the floating rate note is an indexed principal note, the face amount of the note will be multiplied by the accrued interest factor. The accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. Unless otherwise specified in the applicable pricing supplement, the interest factor for each such day will be computed by dividing the interest rate in effect on such day by 360, in the case of CD Rate notes, Commercial Paper Rate notes, Federal Funds Rate notes, LIBOR notes and Prime Rate notes. In the case of Treasury Rate notes, the interest factor for each such day will be computed by dividing the interest rate by the actual number of days in the year. The interest factor will be expressed as a decimal calculated to seven decimal places without rounding. For purposes of making the foregoing calculation, the interest rate in effect on any interest reset date will be the applicable rate as reset on that date.

For all other floating rate notes, accrued interest will be calculated by multiplying the principal amount of the note by the interest rate in effect during the period for which accrued interest is being calculated. That product is then multiplied by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by 360, in the case of CD Rate notes, Commercial Paper Rate notes, Federal Funds Rate notes, LIBOR notes and Prime Rate notes. In the case of Treasury Rate notes, the product is multiplied by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by the actual number of days in the year.

Unless otherwise specified in the applicable pricing supplement, all percentages resulting from any calculation of the rate of interest on a floating rate note will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward. All currency amounts used in, or resulting from, the calculation on floating rate notes will be rounded to the nearest one-hundredth of a unit. For purposes of rounding, .005 of a unit shall be rounded upward.

Unless otherwise indicated in the applicable pricing supplement and except as provided below, interest will be payable as follows.

- In the case of floating rate notes that reset daily, weekly or monthly, interest will be payable on the third Wednesday of each month or on the

third Wednesday of March, June, September and December of each year, as specified in the applicable pricing supplement.

- In the case of floating rate notes that reset quarterly, interest will be payable on the third Wednesday of March, June, September and December of each year.
- In the case of floating rate notes that reset semiannually, interest will be payable on the third Wednesday of each of two months of each year specified in the applicable pricing supplement.
- In the case of floating rate notes that reset annually, interest will be payable on the third Wednesday of one month of each year specified in the applicable pricing supplement.

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In each of these cases, interest will also be payable at maturity.

If an interest payment date for any floating rate note would fall on a day that is not a business day, that interest payment date will be postponed to the next succeeding business day, except as described in the next paragraph. In the case of a LIBOR note, if postponement to the next business day would cause the interest payment date to be in the next succeeding calendar month, the interest payment date will instead be the immediately preceding business day.

If for any floating rate note, the applicable pricing supplement provides that the note does not accrue to pay, and if an interest payment date for that floating rate note would otherwise be a day that is not a business day, the interest payment date will not be postponed. Any payment required to be made on the floating rate note, however, may be made on the next succeeding business day with the same force and effect as if made on the due date. No additional interest will accrue as a result of such delayed payment.

Upon the request of the holder of any floating rate note, the calculation agent for that note will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next interest reset date for the note.

CD Rate Notes. Each CD Rate note will bear interest for each interest reset period at an interest rate equal to the CD Rate and any spread or spread multiplier specified in the note and in the applicable pricing supplement.

The calculation agent will determine the CD Rate on each CD Rate determination date. The CD Rate determination date is the second business day prior to the interest reset date for each interest reset period for negotiable U.S. dollar certificates of deposit having the index maturity designated in the applicable pricing supplement as published in H.15(519) under the heading "CDs (Secondary Market)."

The following procedures will be followed if the CD Rate cannot be determined as described above.

- If the above rate is not published prior to 3:00 p.m., New York City time, on the calculation date pertaining to the CD Rate determination date, then the CD Rate for the interest reset period will be the rate on that date for negotiable U.S. dollar certificates of deposit of the index maturity designated in the applicable pricing supplement as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)."
- If by 3:00 p.m., New York City time, on the calculation date, the above rate is not yet published in either H.15(519) or in the H.15 Daily Update, then the CD Rate will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on that CD Rate Determination date of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in New York City selected by the calculation agent for negotiable U.S. dollar certificates of deposit of major United States money center banks of the highest credit standing, in the market for negotiable U.S. dollar certificates of deposit, with a remaining maturity closest to the index maturity designated in the pricing supplement in a denomination of \$5,000,000.
- If the dealers selected by the calculation agent, however, are not quoting offered rates as mentioned in the preceding sentence, the CD Rate for that interest reset period will be the same as the CD Rate for the immediately preceding interest reset period. If there was no such interest reset period, the CD Rate will be the initial interest rate.

CD Rate notes, like other notes, are not deposit obligations of a bank and are not insured by the Federal Deposit Insurance Corporation.

Commercial Paper Rate Notes. Each Commercial Paper Rate note will bear interest for each interest reset period at an interest rate equal to the Commercial Paper Rate and any spread or spread multiplier, specified in the note and the applicable pricing supplement.

The calculation agent will determine the Commercial Paper Rate on each Commercial Paper Rate determination date. The Commercial Paper Rate determination date is the business day immediately

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preceding the interest reset date for each interest reset period. The Commercial Paper Rate will be the money market yield on that date of the rate for commercial paper having the index maturity specified in the applicable pricing supplement, as published in H.15(519) under the heading "Commercial Paper -- Nonfinancial."

The following procedures will be followed if the Commercial Paper Rate cannot be determined as described above.

- If the rate is not published prior to 3:00 p.m., New York City time, on the calculation date pertaining to the Commercial Paper Rate determination date, then the Commercial Paper Rate for the interest reset period will be the money market yield on that date of the rate for commercial paper of the specified index maturity as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper -- Nonfinancial."
- If by 3:00 p.m., New York City time, on such calculation date, the above rate is not yet published, then the Commercial Paper Rate for the interest reset period will be the money market yield of the arithmetic mean of the offered rates, as of 11:00 a.m., New York City time, on that date, of three leading dealers of U.S. dollar commercial paper in New York City selected by the calculation agent for such Commercial Paper Rate note for commercial paper of the specified index maturity placed for an industrial issuer whose bonds are rated "AA" or the equivalent by a nationally recognized rating agency.
- If the dealers selected by the calculation agent, however, are not quoting offered rates as mentioned in the preceding sentence, the Commercial Paper Rate for the interest reset period will be the same as the Commercial Paper Rate for the immediately preceding interest reset period. If there was no such interest reset period, the Commercial Paper Rate will be the initial interest rate.

Money market yield will be calculated as follows:

<Table>			
<S>			
	<C>	<C>	<C>
		D X 360	
money market yield	=	-----	X 100
		360 - (D X M)	
</Table>			

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the applicable interest reset period.

Federal Funds Rate Notes. Each Federal Funds Rate note will bear interest for each interest reset period at an interest rate equal to the Federal Funds Rate and any spread or spread multiplier specified in the note and the applicable pricing supplement.

The calculation agent will determine the Federal Funds Rate on each Federal Funds Rate determination date. The Federal Funds Rate determination date is the business day immediately preceding interest reset date for that interest reset period. The Federal Funds Rate will be the rate for U.S. dollar federal funds as published in H.15(519) under the heading "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service).

The following procedures will be followed if the Federal Funds Rate cannot be determined as described above.

- If the above rate does not appear on Moneyline Telerate on Page 120 or is not published prior to 3:00 p.m., New York City time, on the calculation date pertaining to the Federal Funds Rate determination date, the Federal Funds Rate for the interest reset period will be the rate on that date as published in the H.15 Daily Update under the heading "Federal Funds/Effective Rate," or other recognized electronic source used for the

purpose of displaying the applicable rate.

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- If by 3:00 p.m., New York City time, on the calculation date the above rate is not yet published, then the Federal Funds Rate for the interest reset period will be the arithmetic mean of rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar federal funds transactions in New York City, selected by the calculation agent prior to 9:00 a.m., New York City time, on that Federal Funds Rate determination date.
- If the brokers so selected by the calculation agent are not quoting as mentioned above, the Federal Funds Rate for the interest reset period will be the Federal Funds Rate in effect for the particular Federal Funds Rate determination date. If there was no Federal Funds Rate in effect for the interest reset period, the Federal Funds Rate will be the initial interest rate.

In the case of a Federal Funds Rate note that resets daily, the interest rate on the note for the period from and including a Monday to but excluding the succeeding Monday will be reset by the calculation agent for the note on the second Monday, or, if not a business day, on the next succeeding business day, to a rate equal to the average of the Federal Funds Rates in effect for each day in that week.

LIBOR Notes. Each LIBOR note will bear interest for each interest reset period at an interest rate equal to LIBOR and any spread or spread multiplier specified in the note and the applicable pricing supplement.

The calculation agent will determine LIBOR on each LIBOR determination date. The LIBOR determination date is the second London business day prior to the interest reset date for each interest reset period.

On a LIBOR determination date, the calculation agent will determine LIBOR for each interest reset period as follows.

The calculation agent will determine the offered rates for deposits in the specified currency for the period of the index maturity specified in the applicable pricing supplement commencing on the interest reset date, which appear on the "designated LIBOR page" at approximately 11:00 a.m., London time, on that date.

- If "LIBOR Moneyline Telerate" is designated in the applicable pricing supplement, or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement as the method for calculating LIBOR, "designated LIBOR page" means the display designated as page "3750" on the Moneyline Telerate Service, and LIBOR will be the relevant offered rate determined by the calculation agent. If page "3750" on the Moneyline Telerate Service is replaced by another page, or if the Moneyline Telerate Service is replaced by a successor service, then "LIBOR Moneyline Telerate" means the replacement page or service selected to display the London interbank offered rates of major banks.
- If "LIBOR Reuters" is designated in the applicable pricing supplement, "designated LIBOR page" means the display designated as page "LIBO" on the Reuters Monitor Money Rates Service and LIBOR will be the arithmetic means of the offered rates, calculated by the calculation agent, or the offered rate, if the designated LIBOR page by its terms provides only for a single rate. If the LIBO page on that service is replaced by another page, or if the Reuters Monitor Money Rates Service is replaced by a successor service, then "LIBOR Reuters" means the replacement page or service selected to display the London interbank offered rates of major banks.

If LIBOR cannot be determined on a LIBOR determination date as described above, then the calculation agent will determine LIBOR as follows.

- The calculation agent will select four major banks in the London interbank market.
- The calculation agent will request that the principal London offices of those four selected banks provide their offered quotations to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the LIBOR determination date. These quotations shall be for deposits in the specified currency for the period of the specified index maturity,

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commencing on the interest reset date. Offered quotations must be

based on a principal amount equal to at least \$1,000,000 or the approximate equivalent in the specified currency that is representative of a single transaction in such market at that time.

- (1) If two or more quotations are provided, LIBOR for the interest reset period will be the arithmetic mean of those quotations.
- (2) If less than two quotations are provided, the calculation agent will select three major banks in New York City and follow the steps in the two bullet points below.
 - The calculation agent will then determine LIBOR for the interest reset period as the arithmetic mean of rates quoted by those three major banks in New York City to leading European banks at approximately 11:00 a.m., New York City time, on the LIBOR determination date. The rates quoted will be for loans in the specified currency, for the period of the specified index maturity, commencing on the interest reset date. Rates quoted must be based on a principal amount of at least \$1,000,000 or the approximate equivalent in the specified currency that is representative of a single transaction in such market at that time.
 - If fewer than three New York City banks selected by the calculation agent are quoting rates, LIBOR for the interest reset period will be the same as for the immediately preceding interest reset period. If there was no preceding interest reset period, the LIBOR Rate will be the initial interest rate.

Treasury Rate Notes. Each Treasury Rate note will bear interest for each interest reset period at an interest rate equal to the Treasury Rate and any spread or spread multiplier specified in the note and the applicable pricing supplement.

Treasury Rate Notes other than Constant Maturity Treasury Rate Notes

Unless "Constant Maturity" is specified in the applicable pricing supplement, the Treasury Rate for each interest reset period will be the rate for the auction held on the Treasury Rate determination date for the interest reset period of treasury securities as that rate appears on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace the page on that service) or on page 57 (or any other page as may replace that page on that service) under the heading "INVESTMENT RATE." Treasury securities are direct obligations of the United States that have the index maturity specified in the applicable pricing supplement.

If the Treasury Rate cannot be determined as described above, the following procedures will be followed in the order set forth below.

- (1) If the Treasury rate is not published prior to 3:00 P.M., New York City time on the related calculation date, then the Treasury Rate will be the Bond Equivalent Yield (as defined below) of the rate for the applicable treasury securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Auction High."
- (2) If the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable treasury securities as announced by the United States Department of the Treasury.
- (3) If the rate referred to in clause (2) above is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the Treasury Rate determination date of the applicable treasury securities published in H.15(519) under the heading "U.S. Government Securities/Treasury Bills/Secondary Market."

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- (4) If the rate referred to in clause (3) is not so published by 3:00 p.m., New York City time, on the related calculation date, then the Treasury Rate will be the rate on the Treasury Rate determination date of the applicable treasury securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Secondary Market."
- (5) If the rate referred to in clause (4) is not so published by 3:00 p.m., New York City time, on the related calculation date, then the Treasury Rate will be the rate on the Treasury Rate determination date

calculated by the calculation agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the Treasury Rate determination date, of three primary United States government securities dealers selected by the calculation agent, for the issue of treasury securities with a remaining maturity closest to the index maturity specified in the applicable pricing supplement.

- (6) If the dealers selected by the calculation agent are not quoting bid rates as mentioned in (5) above, then the Treasury Rate for such interest reset period will be the same as the Treasury Rate for the immediately preceding interest reset period. If there was no preceding interest reset period, the Treasury Rate will be the initial interest rate.

The Treasury Rate determination date for each interest reset period will be the day of the week in which the interest reset date for that interest reset period falls on which treasury securities would normally be auctioned.

Treasury securities are normally sold at auction on Monday of each week unless that day is a legal holiday. In that case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is held on the preceding Friday, that Friday will be the Treasury Rate determination date pertaining to the interest reset period commencing in the next succeeding week. If an auction date falls on any day that would otherwise be an interest reset date for a Treasury Rate note, then that interest reset date will instead be the business day immediately following the auction date.

Bond Equivalent: Yield will be calculated as follows:

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Bond Equivalent Yield	=	D X N	X	100	

		360 - (D X M)			
</Table>					

where "D" refers to the applicable per annum rate for treasury securities quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

Constant Maturity Treasury Rate Notes

If "Constant Maturity" is specified in the applicable pricing supplement, the Treasury Rate for each interest reset period will be the rate displayed on the designated CMT Telerate page under the caption "Treasury Constant Maturities" under the column for the designated CMT maturity index in the following manner.

- If the designated CMT Moneyline Telerate page is 7051, the Treasury Rate will be the rate on the Constant Maturity Treasury Rate determination date.
- If the rate referred to above does not appear on Moneyline Telerate Page 7051, then the Treasury Rate will be the treasury constant maturity rate for the designated CMT maturity index as published in the relevant H.15(519) under the caption "Treasury Constant Maturities."
- If the rate referred to above does not so appear in H.15(519), then the Treasury Rate will be the constant treasury maturity rate on the Constant Maturity Treasury Rate determination date for the designated CMT maturity index as may then be published by either the Federal

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Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would have otherwise been published in H.15(519).

- If the designated CMT Moneyline Telerate page is 7052, the Treasury Rate will be the average for the week or for the month, as specified in the applicable pricing supplement, ended immediately preceding the week or month, as applicable, in which the related Constant Maturity Treasury Rate determination date occurs.
- If the rate referred to above does not appear on Moneyline Telerate Page 7052, then the Treasury Rate will be the one-week or one-month, as specified in the applicable pricing supplement, average of the treasury constant maturity rate for the designated CMT maturity index

for the week or month as applicable, preceding the Constant Maturity Treasury determination date as published in the relevant H.15(519) under the caption "Treasury Constant Maturities."

- If the rate referred to above does not so appear in H.15(519), then the Treasury Rate will be the one-week or one-month, as specified in the applicable pricing supplement, average of the constant treasury maturity rate for the designated CMT maturity index as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the Constant Maturity Treasury Rate determination date falls.

If the Treasury Rate cannot be determined as indicated above, the following procedures will be followed in the order set forth below:

- (1) If the above information, as applicable, is not so published, then the calculation agent will calculate the Treasury Rate on the Constant Maturity Treasury Rate determination date as follows:
 - The Treasury Rate will be a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate determination date of three leading U.S. government securities dealers in New York City, for Treasury notes. The Treasury notes will be United States treasury securities, with an original maturity of approximately the designated CMT maturity index and a remaining term to maturity of not less than such designated CMT maturity index minus one year and in a principal amount that is representative for a single transaction in the securities in that market at that time.
 - The three government securities dealers referenced above will be identified from five such dealers who are selected by the calculation agent, one of which may be the agent, by eliminating the dealers with the highest and lowest quotations, or in the event of equality, one of the highest and/or lowest quotation, as the case may require.
- (2) If three or four, but not five, of such dealers provide quotations as described above, then the Treasury Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotes will be eliminated.
- (3) If the calculation agent is unable to obtain three such Treasury note quotations as described in (1) above, the Treasury Rate on such Constant Maturity Treasury Rate determination date will be calculated by the calculation agent as follows.
 - The rate will be a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate determination date reported, according to their written records, by three leading U.S. government securities dealers in New York City, for Treasury notes with an original maturity of the number of years that is the next highest to the designated CMT maturity index and a remaining maturity closest to the index maturity specified in the applicable pricing

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supplement, and in an amount that is representative for a single transaction in that market at that time.

- If two Treasury notes with an original maturity, as described above, have remaining terms to maturity equally close to the designated CMT maturity index, the calculation agent will obtain quotations for the Treasury note with the shorter remaining term to maturity and will use such quotations to calculate the Treasury Rate as set forth above.
 - The three government securities dealers referenced above will be identified from five such dealers who are selected by the calculation agent, one of which may be the agent, by eliminating the dealers with the highest and lowest quotations, or in the event of equality, one of the highest and/or lowest quotation, as the case may require.
- (4) If three or four, but not five, of such dealers provide quotations as described above, then the Treasury Rate will be based on the arithmetic mean of the offer prices obtained and neither the highest nor the lowest of such quotes will be eliminated.
 - (5) If fewer than three dealers selected by the calculation agent provide quotations as described in (3) above, the Treasury Rate determined as of the Constant Maturity Treasury Rate determination date will be the

Treasury Rate in effect on such Constant Maturity Treasury Rate determination date.

"Designated CMT Moneyline Telerate page" means the display on the Telerate Service, or any successor service on the page specified in the applicable pricing supplement, or any other page as may replace such page on that service, or any successor service, for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable pricing supplement, the designated CMT Telerate page will be 7052 for the most recent week.

"Designated CMT maturity index" means the original period to maturity of the U.S. Treasury securities, either one, two, three, five, seven, ten, twenty or thirty years, specified in the applicable pricing supplement for which the Treasury Rate will be calculated. If no such maturity is specified in the applicable pricing supplement, the designated CMT maturity index will be two years.

The "Constant Maturity Treasury Rate determination date" will be the second business day prior to the interest reset date for the applicable interest reset period.

The CMT Rate for a Treasury security maturity as published as of any business day is intended to be indicative of the yield of a U.S. Treasury security having as of that business day a remaining term to maturity equivalent to its maturity. The CMT Rate as of any business day is based upon an interpolation by the U.S. Treasury of the daily yield curve of outstanding Treasury securities. This yield curve, which relates the yield on a security to its time to maturity, is based on the over-the-counter market bid yields on actively traded Treasury securities. Such yields are calculated from composites of quotations reported by leading U.S. government securities dealers, which may include one or more of the calculation agents or other affiliates of Citigroup Funding. Certain constant maturity yield values are read from the yield curve. Interpolation from the yield curve provides a theoretical yield for a Treasury security having ten years to maturity, for example, even if no outstanding Treasury security has as of that date exactly ten years remaining to maturity.

Prime Rate Notes. Prime Rate notes will bear interest at a rate equal to the Prime Rate and any spread or spread multiplier specified in the Prime Rate notes and the applicable pricing supplement.

The calculation agent will determine the Prime Rate for each interest reset period on each Prime Rate determination date. The Prime Rate determination date is the second business day prior to the interest reset date for each interest reset period. The Prime Rate will be the rate made available and subsequently published on that date in H.15(519) under the heading "Bank Prime Loan."

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The following procedures will be followed if the Prime Rate cannot be determined as described above.

- If the rate is not published prior to 3:00 P.M., New York City time, on the related calculation date, then the Prime Rate will be the rate on the Prime Rate determination date that is published in the H.15 Daily Update under the heading "Bank Prime Loan."
- If the rate referred to above is not published prior to 3:00 P.M., New York City time, on the related calculation date, then the Prime Rate will be the arithmetic mean of the rates of interest that appear on the Reuters Screen USPRIME1 page as such bank's prime rate or base lending rate on the Prime Rate determination date.
- If fewer than four such rates appear on the Reuters Screen USPRIME1 page, then the calculation agent will select three major banks in New York City. The Prime Rate will be the arithmetic mean of the prime rates quoted by those three banks on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on the Prime Rate determination date.
- If the banks that the calculation agent selects do not provide quotations as described above, then the Prime Rate will remain the same as the Prime Rate in effect on the Prime Rate determination date.

"Reuters Screen USPRIME1 page" means the display designated as page "USPRIME1" on the Reuters Monitor Money Rates Service, or any successor service or page, for the purpose of displaying prime rates or base lending rates of major United States banks.

Inverse Floating Rate Notes. Any floating rate note may be designated in the applicable pricing supplement as an inverse floating rate note. In such an event, unless otherwise specified in the applicable pricing supplement, the

interest rate on the floating rate note will be equal to:

- in the case of the period, if any, commencing on the issue date, or the date on which the note otherwise begins to accrue interest if different from the issue date, up to the first interest reset date, a fixed rate of interest established by Citigroup Funding as described in the applicable pricing supplement; and
- in the case of each period commencing on an interest reset date, a fixed rate of interest specified in the pricing supplement minus the interest rate determined based on the base rate as adjusted by any spread and/or spread multiplier.

However, on any inverse floating rate note, the interest rate will not be less than zero.

Floating/Fixed Rate Notes. The applicable pricing supplement may provide that a note will be a floating rate note for a specified portion of its term and a fixed rate note for the remainder of its term. In such an event, the interest rate on the note will be determined as if it were a floating rate note and a fixed rate note for each respective period, all as specified in the applicable pricing supplement.

INDEXED NOTES

Citigroup Funding may from time to time offer indexed notes on which some or all interest payments, in the case of an indexed rate note, and/or the principal amount payable at stated maturity or earlier redemption or retirement, in the case of an indexed principal note, is determined based on:

- the principal amount of the notes or, in the case of an indexed principal note, the amount designated in the applicable pricing supplement as the "face amount" of the indexed note; and
- an index, which may be based on:
 - (1) prices, changes in prices, or differences between prices, of one or more securities, currencies, intangibles, goods, articles or commodities;

- (2) the application of a formula; or

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- (3) an index which shall be such other objective price, economic or other measures as are described in the applicable pricing supplement.

A description of the index used in any determination of an interest or principal payment, and the method or formula by which interest or principal payments will be determined based on such index, will be set forth in the applicable pricing supplement.

If a fixed rate note, floating rate note or indexed rate note is also an indexed principal note, the amount of any interest payment will be determined based on the face amount of that indexed note unless specified otherwise in the applicable pricing supplement. If an indexed note is also an indexed principal note, the principal amount payable at stated maturity or any earlier redemption or repayment of the indexed note may be different from the face amount.

If a third party is appointed to calculate or announce the index for a particular indexed note, and the third party either (1) suspends the calculation or announcement of that index or (2) changes the basis upon which the index is calculated in a manner that is inconsistent with the applicable pricing supplement, then Citigroup Funding will select another third party to calculate or announce the index. Citigroup Global Markets Inc. or another affiliate of Citigroup Funding may be either the original or successor third party selected by Citigroup Funding.

If for any reason the index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then any indexed interest payments or any indexed principal amount of the indexed note will be calculated in the manner set forth in the applicable pricing supplement. Any determination by the selected third party will be binding on all parties, except in the case of an obvious error.

Unless otherwise specified in the applicable pricing supplement, for the purpose of determining whether holders of the requisite principal amount of notes outstanding under the applicable indenture have made a demand or given a notice or waiver or taken any other action, the outstanding principal amount of indexed notes will be deemed to be the face amount stated on the notes. Unless otherwise specified in the applicable pricing supplement, in the event of an

acceleration of the stated maturity of an indexed note, the principal amount payable to the holder of the note upon acceleration will be the principal amount determined based on the formula used to determine the principal amount of the note on the stated maturity of the note, as if the date of acceleration were the stated maturity.

An investment in indexed notes has significant risks, including wide fluctuations in market value as well as in the amounts of payments due, that are not associated with a similar investment in a conventional debt security. These risks depend on a number of factors including supply and demand for the particular security, currency, commodity or other good or article to which the note is indexed and economic and political events over which Citigroup Funding has no control. See "Risk Factors -- Changes in the Value of Underlying Assets of Indexed Notes Could Result in a Substantial Loss to You" above for a discussion of these considerations.

Fluctuations in the price of any particular security or commodity, in the rates of exchange between particular currencies or in particular indices that have occurred in the past are not necessarily indicative, however, of fluctuations in the price or rates of exchange that may occur during the term of any indexed notes. Accordingly, prospective investors should consult their own financial and legal advisors as to the risks of an investment in indexed notes.

OPTIONAL REDEMPTION, REPAYMENT AND REPURCHASE

The pricing supplement relating to each note will indicate whether the note can be redeemed at the option of Citigroup Funding, in whole or in part prior to its stated maturity. The applicable pricing supplement will also indicate (1) the optional redemption date or dates on which the note may be redeemed and (2) the redemption price at which, together with accrued interest to such optional redemption date, the note may be redeemed on each optional redemption date.

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Unless otherwise specified in the applicable pricing supplement, at least 30 days prior to the date of redemption, the paying agent will mail notice of redemption, first class, postage prepaid, to the holder of the note and to the trustee. Unless otherwise specified in the applicable pricing supplement, Citigroup Funding may exercise the option relating to a redemption of a note in part only by notifying the paying agent and the trustee for such note at least 60 days prior to any optional redemption date. In the event of redemption of a note in part only, a new note or notes for the unredeemed portion of the note or notes will be issued to the holder of that note or notes upon the cancellation of the note or notes. Unless otherwise specified in the applicable pricing supplement, the notes may not be redeemed.

The pricing supplement relating to each note will also indicate whether the holder of that note will have the option to elect repayment of the note by Citigroup Funding prior to its stated maturity. If so, the pricing supplement will specify (1) the optional repayment date or dates on which the note may be repaid and (2) the optional repayment price. The optional repayment price is the price at which, together with accrued interest to such optional repayment date, the note may be repaid on each optional repayment date.

In order for a note to be repaid, the paying agent and the trustee must receive, at least 30 but not more than 60 days prior to an optional repayment date:

- (1) the form entitled "Option to Elect Repayment" on the reverse of the note duly completed; or
- (2) a telex, facsimile transmission or letter from a member of a national securities exchange or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States setting forth:
 - the name of the holder of the note;
 - the principal amount of the note to be repaid;
 - the certificate number or a description of the tenor and terms of the note;
 - a statement that the option to elect repayment is being exercised; and
 - a guarantee that the form entitled "Option to Elect Repayment" on the reverse of the note duly completed will be received by the trustee not later than five business days after the date of the telex, facsimile transmission or letter.

If the guarantee procedure described in clause (2) above is followed, then the repayment form duly completed must be received by the trustee by the fifth

business day. Exercise of the repayment option by the holder is irrevocable. The repayment option may be exercised by the holder of a note for less than the entire principal amount of the note, provided, that the principal amount of the note remaining outstanding after repayment is an authorized denomination.

Because the notes will be issued in book-entry form (except in very limited circumstances), DTC's nominee will be the holder of the note and, therefore, will be the only entity that can exercise a right to repayment. In order to ensure that DTC's nominee will timely exercise a right to repayment relating to a particular note, the beneficial owner of that note must instruct the broker or other direct or indirect participant through which it holds an interest in the note to notify DTC of its desire to exercise a right to repayment. Different firms have different cut-off times for accepting instructions from their customers. Accordingly, each beneficial owner should consult the broker or other direct or indirect participant through which it holds an interest in a note in order to ascertain the cut-off time by which such an instruction must be given in order for timely notice to be delivered to DTC.

Except in the case of an optional redemption by Citigroup Funding at a stated redemption price provided for in the applicable pricing supplement, if Citigroup Funding redeems or repays a note that is an original issue discount note prior to its stated maturity, then Citigroup Funding will pay the amortized face amount of the note as of the date of redemption or repayment regardless of anything else stated in this prospectus supplement.

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The amortized face amount of a note on any date means the amount equal to:

- the issue price set forth in the applicable pricing supplement plus
- that portion of the difference between the issue price and the stated principal amount of the note that has accrued by that date at
 - (1) the bond yield to maturity set forth on the face of the applicable pricing supplement, or
 - (2) if so specified in the applicable pricing supplement, the bond yield to call set forth on the face of the note.

These computations will be made in accordance with generally accepted United States bond yield computation principles. However, the amortized face amount of a note will never exceed its stated principal amount. The bond yield to call listed in a pricing supplement will be computed on the basis of:

- the first occurring optional redemption date with respect to the note; and
- the amount payable on the optional redemption date.

In the event that any note is not redeemed on the first occurring optional redemption date, the bond yield to call that applies to the note will be recomputed on the optional redemption date on the basis of (1) the next occurring optional redemption date and (2) the amount payable on the optional redemption date. The bond yield to call will continue to be so recomputed on each succeeding optional redemption date until the note is so redeemed.

Citigroup Funding may at any time purchase notes at any price in the open market or otherwise. Notes so purchased by Citigroup Funding may, at the discretion of Citigroup Funding, be held, resold or surrendered to the trustee for cancellation.

REPAYMENT UPON DEATH

The pricing supplement relating to any note will indicate if the holder of that note will have the survivor's option, which is an option to elect repayment of the note prior to its stated maturity in the event of the death of the beneficial owner of the note. Such note must have been owned by that beneficial owner or the estate of that beneficial owner at least one year prior to the exercise of the survivor's option.

Pursuant to exercise of the survivor's option, Citigroup Funding will repay any note (or applicable portion of any note) properly tendered for repayment by a representative of that person who has authority to act on behalf of the deceased beneficial owner of the note under the laws of the appropriate jurisdiction (including, without limitation, the personal representative, executor, surviving joint tenant or surviving tenant by the entirety of such deceased beneficial owner), at a price equal to the amortized face amount thereof plus accrued interest to the date of such repayment, subject to the following limitations.

Citigroup Funding may, in its sole discretion, limit the aggregate

principal amount of all notes of this series for which exercises of the survivor's option will be accepted in any calendar year to an amount equal to the greater of \$2,500,000 or 1% of the principal amount of all of the notes of this series outstanding as of the end of the most recent calendar year. In the event that such limitation is applied, Citigroup Funding may limit to \$250,000 the aggregate principal amount of notes (or portions of notes) of this series for which exercise of the survivor's option will be accepted during a calendar year for any individual deceased beneficial owner of notes. Moreover, Citigroup Funding will not make principal repayments due to exercise of the survivor's option in amounts that are less than \$1,000. In the event that the limitations described in the preceding sentences would result in the partial repayment of any note, the principal amount of such note remaining outstanding after repayment must be at least \$1,000. A valid exercise of the survivor's option may not be withdrawn.

The death of a person holding a beneficial ownership interest in a note as a joint tenant with right of survivorship or tenant by the entirety with another person, or as a tenant in common with the deceased holder's spouse, will be deemed the death of a beneficial owner of that note, and the entire principal

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amount of the note so held, plus accrued interest to the date of repayment, will be subject to repayment upon exercise of the survivor's option. However, the death of a person holding a beneficial ownership interest in a note as tenant in common with a person other than such deceased holder's spouse will be deemed the death of a beneficial owner only with respect to such deceased person's interest in the note.

The death of a person who, during his or her lifetime, was entitled to substantially all of the beneficial ownership interests in a note, will be deemed the death of the beneficial owner of that note for purposes of the survivor's option, regardless of whether that beneficial owner was the registered holder of that note, if entitlement to those interests can be established to the satisfaction of Citigroup Funding and the paying agent. Such beneficial ownership interest will be deemed to exist in typical cases of nominee ownership, ownership under the Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, community property or other joint ownership arrangements between a husband and wife. In addition, a beneficial ownership interest will be deemed to exist in custodial and trust arrangements where one person has all of the beneficial ownership interests in the applicable note during his or her lifetime.

The amortized face amount of a note on any date shall be the amount equal to

- the issue price set forth on the face of the applicable pricing supplement plus
- that portion of the difference between the issue price and the stated principal amount of the note that has accrued by such date at
 - (1) the bond yield to maturity set forth on the face of the applicable pricing supplement or
 - (2) if so specified in the applicable pricing supplement, the bond yield to call printed on its face. Such yield will be computed in each case in accordance with generally accepted United States bond yield computation principles. However, the amortized face amount of a note shall never exceed its stated principal amount. The bond yield to call listed on the face of a pricing supplement shall be computed on the basis of the first occurring optional redemption date for that note and the amount payable on the optional redemption date. If any note is not redeemed on its first optional redemption date, the bond yield to call for that note will be recomputed on the optional redemption date on the basis of the next occurring optional redemption date and the amount payable on that optional redemption date, and will continue to be so recomputed on each succeeding optional redemption date until the note is redeemed.

Each note that is tendered pursuant to valid exercise of the survivor's option will be accepted promptly in the order all such notes are tendered, except for any note (or portions thereof) the acceptance of which, in the event Citigroup Funding imposed either of the limits described in the preceding paragraph, would

- contravene the annual limitation for this series or
- result in the acceptance during the then current calendar year of an aggregate principal amount of notes (or portions thereof) of this series exceeding \$250,000 for the relevant individual deceased beneficial owner.

If at the end of the calendar year Citigroup Funding has not imposed the annual limit for this series or if the aggregate principal amount of notes of this series that have been accepted during that year due to exercise of the survivor's option has not exceeded the annual limitation for this series, Citigroup Funding may accept notes from individual deceased owners in amounts that exceed the normal \$250,000 per-person limit. In this case, Citigroup Funding will accept notes or portions of notes exceeding the \$250,000 limit in the order they were received, up to the annual limitation for that calendar year. Any note or portion of a note accepted for repayment due to the exercise of the survivor's option will be repaid on the first January 15 or July 15 that occurs 20 or more calendar days after the date of such acceptance. If that date is not a business day, payment will be made on the next succeeding business day. Each note (or any portion thereof) tendered for repayment that is not accepted in any calendar year due to the application of such annual limitation will be deemed to be tendered in the following calendar year in the order in which

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all such notes were originally tendered. If a note (or any portion thereof) that is tendered for repayment due to the valid exercise of the survivor's option is not accepted, the paying agent will deliver to any affected representative a notice that states the reasons the note (or portion thereof) has not been accepted for repayment. The notice will be sent by first-class mail to the broker or other entity that represents the deceased beneficial owner of the note (or, in the case of a certificated note, to the registered holder thereof at its last known address as indicated on the records of the security registrar).

Subject to the foregoing, in order for a survivor's option to be validly exercised, the paying agent must receive:

- a written request for repayment signed by the representative. Such signature must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or correspondent in the United States;
- appropriate evidence satisfactory to Citigroup Funding and the paying agent that (1) the representative has authority to act on behalf of the deceased beneficial owner; (2) the death of such beneficial owner has occurred; and (3) the deceased was the beneficial owner of such note at the time of death;
- if applicable, a properly executed assignment or endorsement; and
- if the note is held by a nominee of the deceased beneficial owner, a certificate satisfactory to the paying agent from that nominee attesting to the beneficial ownership of the note. All questions as to the eligibility or validity of any exercise of the survivor's option will be determined by Citigroup Funding, in its sole discretion, and those determinations will be final and binding on all parties.

Because the notes will be issued in book-entry form (except in very limited circumstances), the depositary's nominee will be the holder of that note and therefore will be the only entity that can exercise the survivor's option for the note. To obtain repayment upon exercise of the survivor's option for a note, the representative must provide to the broker or other entity through which the deceased beneficial owner holds an interest in the note:

- the documents described in the first and second bullet points of the preceding paragraph; and
- instructions to the broker or other entity to notify the depositary of the representative's desire to obtain repayment pursuant to exercise of the survivor's option.

The broker or other entity will provide to the paying agent:

- the documents received from the representative referred to in the first bullet point of the preceding paragraph; and
- a certificate satisfactory to the paying agent from the broker or other entity stating that it represents the deceased beneficial owner.

The broker or other entity will be responsible for disbursing to the appropriate representative any payments it receives due to exercise of the survivor's option.

A representative may obtain more information regarding the survivor's option from Citibank, N.A., the paying agent, at 111 Wall Street, 15th Floor, New York, New York 10005 (telephone 1-800-422-2066), during normal business hours.

All of the notes are expected to be issued in book-entry form only. Upon issuance, and unless the rules of DTC state otherwise, all notes issued in book-entry form will be represented by a fully registered master global note certificate. The master global note representing the book-entry notes will be deposited with, or on behalf of, DTC and registered in the name of a nominee of DTC. Book-entry notes will not be exchangeable for certificated notes and, except under the circumstances described in the prospectus under

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"Book-Entry Procedures and Settlement," will not otherwise be issuable as certificated notes. If the book-entry notes are exchanged for certificated notes, the paying agent will keep the registration books at its corporate office and follow the procedures prescribed in the indenture and other customary practices and procedures.

A further description of DTC's procedures regarding book-entry notes is set forth in the prospectus under "Book-Entry Procedures and Settlement." DTC has confirmed to Citigroup Funding, the agents and the trustee that it intends to follow such procedures.

OTHER PROVISIONS

The terms in the applicable pricing supplement may modify any provisions relating to:

- the determination of an interest rate basis;
- the specification of an interest rate basis;
- calculation of the interest rate applicable to, or the principal payable at maturity on, any note;
- interest payment dates; or
- any other related matters.

DEFEASANCE

The defeasance provisions described in the prospectus will not be applicable to the notes except as set forth in the applicable pricing supplement.

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CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

INTRODUCTION

The following is a summary of the material United States federal income tax considerations that may be relevant to a holder of a note. The summary is based on:

- laws;
- regulations;
- rulings; and
- decisions now in effect,

all of which may change, possibly with retroactive effect. This summary deals only with holders that will hold notes as capital assets. This summary does not address all of the United States federal income tax considerations that may be relevant to a beneficial owner of notes. For example, this summary does not address tax considerations applicable to investors to whom special tax rules may apply, including, without limitation:

- banks or other financial institutions;
- tax-exempt entities;
- insurance companies;
- regulated investment companies;
- common trust funds;

- entities that are treated for United States federal income tax purposes as partnerships or other pass-through entities;
- controlled foreign corporations;
- dealers in securities or currencies;
- traders in securities that elect mark to market;
- persons that will hold notes as a part of an integrated investment, including a straddle, a synthetic security or hedge or a conversion transaction, comprised of a note and one or more other positions; or
- United States holders (as defined below) that have a functional currency other than the U.S. dollar.

Any special United States federal income tax considerations relevant to a particular issue of notes, including any indexed notes or notes providing for contingent payments, will be provided in the applicable pricing supplement. Purchasers of such notes should carefully examine the applicable pricing supplement and should consult with their tax advisors with respect to those notes.

Prospective investors should consult their tax advisors in determining the tax consequences to them of purchasing, holding and disposing of the notes, including the application to their particular situation of the United States federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

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As used in this prospectus supplement, the term United States holder means:

- a citizen or resident of the United States;
- a corporation or other entity treated as a corporation created or organized in or under the laws of the United States or any political subdivision thereof;
- an estate, if United States federal income taxation is applicable to the income of such estate regardless of its source; or
- a trust, if a United States court is able to exercise primary supervision over the trust's administration and one or more United States persons have the authority to control all of the trust's substantial decisions.

As used in this summary, the term "non-United States holder" means a holder who is not a United States holder and the term "United States" means the United States of America, including the fifty states and the District of Columbia, but excluding its territories and possessions.

UNITED STATES HOLDERS

Payments of Interest

Payments of qualified stated interest, as defined below under "Original Issue Discount," on a note will be taxable to a United States holder as ordinary interest income at the time that such payments are accrued or are received, in accordance with the United States holder's method of tax accounting.

Purchase, Sale and Retirement of Notes

A United States holder's tax basis in a note generally will equal the cost of that note to such holder

- (1) increased by any amounts includible in income by the holder as original issue discount ("OID") and market discount (each as described below) and
- (2) reduced by any amortized premium and any payments other than payments of qualified stated interest (each as described below) made on the note.

Upon the sale, exchange, retirement or other taxable disposition (collectively, a "disposition") of a note, a United States holder generally will recognize gain or loss equal to the difference between (1) the amount realized on the disposition, less any accrued qualified stated interest, which will be taxable as ordinary income in the manner described above under "Payments of Interest," and (2) the United States holder's adjusted tax basis in the note.

Except as discussed below in connection with market discount and short-term

notes, gain or loss recognized by a United States holder on the sale, exchange, retirement or other taxable disposition of a note will generally be long term capital gain or loss if the United States holder's holding period for the note exceeded one year at the time of such disposition.

Original Issue Discount

In General. Notes with a term greater than one year may be issued with OID for United States federal income tax purposes. Such notes are called OID notes in this prospectus supplement. United States holders generally must accrue OID in gross income over the term of the OID notes on a constant yield basis, regardless of their regular method of tax accounting. As a result, United States holders generally will recognize taxable income in respect of an OID note in advance of the receipt of cash attributable to such income.

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OID generally will arise if the stated redemption price at maturity of the note exceeds its issue price by more than a de minimis amount equal to 0.25% of the note's stated redemption price at maturity multiplied by the number of complete years to maturity. OID may also arise if a note has particular interest payment characteristics, such as interest holidays, interest payable in additional securities or stepped interest. For this purpose, the issue price of a note is the first price at which a substantial amount of notes is sold for cash, other than to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers. The stated redemption price at maturity of a note is the sum of all payments due under the note, other than payments of qualified stated interest. The term qualified stated interest generally means stated interest that is unconditionally payable in cash or property, other than debt instruments of the issuer, at least annually during the entire term of the OID note at a single fixed rate of interest or, under particular conditions, based on one or more interest indices.

For each taxable year of a United States holder, the amount of OID that must be included in gross income in respect of an OID note will be the sum of the daily portions of OID for each day during that taxable year or any portion of the taxable year in which such a United States holder held the OID note. Such daily portions are determined by allocating to each day in an accrual period a pro rata portion of the OID allocable to that accrual period. Accrual periods may be of any length and may vary in length over the term of an OID note. However, accrual periods may not be longer than one year and each scheduled payment of principal or interest must occur on the first day or the final day of a period.

The amount of OID allocable to any accrual period generally will equal (1) the product of the OID note's adjusted issue price at the beginning of the accrual period multiplied by its yield to maturity (as adjusted to take into account the length of the accrual period), less (2) the amount, if any, of qualified stated interest allocable to that accrual period. The adjusted issue price of an OID note at the beginning of any accrual period will equal the issue price of the OID note, as defined above, (1) increased by previously accrued OID from prior accrual periods, and (2) reduced by any payment made on the note, other than payments of qualified stated interest, on or before the first day of the accrual period.

Acquisition Premium. A United States holder that purchases an OID note for an amount less than or equal to the remaining redemption amount, but in excess of the OID note's adjusted issue price, generally is permitted to reduce the daily portions of OID by a fraction. The numerator of this fraction is the excess of the United States holder's adjusted tax basis in the OID note immediately after its purchase over the OID note's adjusted issue price. The denominator of the fraction is the excess of the remaining redemption amount over the OID note's adjusted issue price. For purposes of this prospectus supplement,

- "acquisition premium" means the excess of the purchase price paid by a United States holder for an OID note over the OID note's adjusted issue price; and
- "remaining redemption amount" means the sum of all amounts payable on an OID note after the purchase date other than payments of qualified stated interest.

The notes may have special redemption, repayment or interest rate reset features, as indicated in the applicable pricing supplement. Notes containing such features, in particular OID notes, may be subject to special rules that differ from the general rules discussed above. Accordingly, purchasers of notes with such features should carefully examine the applicable pricing supplement and should consult their tax advisors relating to such notes.

Market Discount

If a United States holder purchases a note, other than a short-term note, for an amount that is less than the note's stated redemption price at maturity or, in the case of an OID note, for an amount that is less than the note's revised issue price, i.e., the note's issue price increased by the amount of accrued OID, the note will be considered to have market discount. The market discount rules are subject to a de minimis rule similar to the rule relating to de minimis OID, described above (in the second paragraph under "Original Issue Discount"). Any gain recognized by the United States holder on the sale, exchange,

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retirement or other taxable disposition of notes having market discount generally will be treated as ordinary income to the extent of the market discount that accrued on the note while held by such United States holder.

Alternatively, the United States holder may elect to include market discount in income currently over the life of the note. Such an election will apply to market discount notes acquired by the United States holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS. Market discount will accrue on a straight-line basis unless the United States holder elects to accrue the market discount on a constant-yield method. Unless the United States holder elects to include market discount in income on a current basis, as described above, the United States holder could be required to defer the deduction of a portion of the interest paid on any indebtedness incurred or maintained to purchase or carry the note.

Short-Term Notes

The rules set forth above also will generally apply to notes having maturities of not more than one year from the date of issuance. Those notes are called short-term notes in this prospectus supplement. Certain modifications apply to these general rules.

First, none of the interest on a short-term note is treated as qualified stated interest. Instead, interest on a short-term note is treated as part of the short-term note's stated redemption price at maturity, thereby giving rise to OID. Thus, all short-term notes will be OID notes. OID will be treated as accruing on a short-term note ratably, or at the election of a United States holder, under a constant yield method.

Second, a United States holder of a short-term note that uses the cash method of tax accounting will generally not be required to include OID in respect of the short-term note in income on a current basis. Such a United States holder may not be allowed to deduct all of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry such note until the maturity of the note or its earlier disposition in a taxable transaction. In addition, such a United States holder will be required to treat any gain realized on a disposition of the note as ordinary income to the extent of the holder's accrued OID on the note, and as short-term capital gain to the extent the gain exceeds accrued OID. A United States holder of a short-term note using the cash method of tax accounting may, however, elect to accrue OID into income on a current basis. In such case, the limitation on the deductibility of interest described above will not apply. A United States holder using the accrual method of tax accounting generally will be required to include OID on a short-term note in income on a current basis.

Third, any United States holder of a short-term note, whether using the cash or accrual method of tax accounting, can elect to accrue the acquisition discount, if any, on the note on a current basis. If such an election is made, the OID rules will not apply to the note. Acquisition discount is the excess of the note's stated redemption price at maturity over the holder's purchase price for the note. Acquisition discount will be treated as accruing ratably or, at the election of the United States holder, under a constant-yield method based on daily compounding.

As described above, the notes may have special redemption features. These features may affect the determination of whether a note has a maturity of not more than one year and thus is a short-term note. Purchasers of notes with such features should carefully examine the applicable pricing supplement and should consult their tax advisors in relation to such features.

Notes Purchased at a Premium

A United States holder that purchases a note for an amount in excess of the remaining redemption amount will be considered to have purchased the note at a premium and the OID rules will not apply to such holder. Such holder may elect to amortize such premium, as an offset to interest income, using a constant-yield method, over the remaining term of the note. Such election, once made, generally applies to

all debt instruments held or subsequently acquired by the United States holder on or after the beginning of the first taxable year to which the election applies. Such election may be revoked only with the consent of the IRS. A United States holder that elects to amortize such premium must reduce its tax basis in a note by the amount of the premium amortized during its holding period. For a United States holder that does not elect to amortize bond premium, the amount of such premium will be included in the United States holder's tax basis when the note matures or is disposed of by the United States holder. Therefore, a United States holder that does not elect to amortize premium and holds the note to maturity will generally be required to treat the premium as capital loss when the note matures.

See "Original Issue Discount -- Acquisition Premium" above for a discussion of the treatment of a note purchased for an amount less than or equal to the remaining redemption amount but in excess of the note's adjusted issue price.

Information Reporting and Backup Withholding

Information returns may be required to be filed with the IRS relating to payments made to particular United States holders of notes. In addition, United States holders may be subject to a backup withholding tax on such payments if they do not provide their taxpayer identification numbers to the trustee in the manner required, fail to certify that they are not subject to backup withholding tax, or otherwise fail to comply with applicable backup withholding tax rules. United States holders may also be subject to information reporting and backup withholding tax with respect to the proceeds from a sale, exchange, retirement or other taxable disposition of the notes. Any amounts withheld under the backup withholding rules will be allowed as a credit against the United States holder's United States federal income tax liability provided the required information is timely furnished to the IRS.

NON-UNITED STATES HOLDERS

Under current United States federal income tax law:

- withholding of United States federal income tax will not apply to a payment on a note to a non-United States holder, provided that,
 - (1) the holder does not actually or constructively own 10% or more of the total combined voting power of all classes of stock of Citigroup Funding entitled to vote and is not a controlled foreign corporation related to Citigroup Funding through stock ownership;
 - (2) the beneficial owner provides a statement signed under penalties of perjury that includes its name and address and certifies that it is a non-United States holder in compliance with applicable requirements; and
 - (3) neither Citigroup Funding nor its paying agent has actual knowledge or reason to know that the beneficial owner of the note is a United States holder.
- withholding of United States federal income tax will generally not apply to any gain realized on the disposition of a note.

Despite the above, if a non-United States holder is engaged in a trade or business in the United States (or, if certain tax treaties apply, if the non-United States holder maintains a permanent establishment within the United States) and the interest on the notes is effectively connected with the conduct of that trade or business (or, if certain tax treaties apply, attributable to that permanent establishment), such non-United States holder will be subject to United States federal income tax on the interest on a net income basis in the same manner as if such non-United States holder were a United States holder. In addition, a non-United States holder that is a foreign corporation engaged in a trade or business in the United States may be subject to a 30% (or, if certain tax treaties apply, such lower rates as provided) branch profits tax.

Any gain realized on the disposition of a note generally will not be subject to United States federal income tax unless:

- that gain is effectively connected with the non-United States holder's conduct of a trade or business in the United States (or, if certain tax treaties apply, is attributable to a permanent establishment maintained by the non-United States holder within the United States); or
- the non-United States holder is an individual who is present in the

United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

In general, backup withholding and information reporting will not apply to a payment of interest on a note to a non-United States holder, or to proceeds from the disposition of a note by a non-United States holder, in each case, if the holder certifies under penalties of perjury that it is a non-United States holder and neither Citigroup Funding nor its paying agent has actual knowledge or reason to know to the contrary. Any amounts withheld under the backup withholding rules will be refunded or credited against the non-United States holder's United States federal income tax liability provided the required information is timely furnished to the IRS. In certain circumstances, the amounts of payments made on a note, the name and address of the beneficial owner and the amount, if any, of tax withheld may be reported to the IRS.

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PLAN OF DISTRIBUTION

Under the terms of a Global Selling Agency Agreement to be entered into among Citigroup Funding, Citigroup and the agents, the notes will be offered from time to time by Citigroup Funding to Citigroup Global Markets Inc., as purchasing agent, for subsequent resale to the agents and other selected dealers. Citigroup Funding may modify the group of agents appointed to sell the notes. Citigroup Funding will have the sole right to accept orders to purchase notes and may reject proposed purchases in whole or in part. An agent will have the right to reject any proposed purchase in whole or in part. Citigroup Funding reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement, the accompanying prospectus or any pricing supplement without notice.

The following table summarizes the aggregate commissions or discounts payable in connection with offerings of the notes. Commissions and discounts will vary depending upon the stated maturity of the notes.

<Table> <Caption>					
	PUBLIC OFFERING PRICE -----	AGENTS' DISCOUNTS AND COMMISSIONS -----		PROCEEDS, BEFORE EXPENSES, TO CITIGROUP FUNDING -----	
<S>	<C>	<C>		<C>	
Principal Amount.....	\$5,000,000,000	\$1,000,000 -- \$250,000,000		\$4,999,000,000 -- \$4,750,000,000	
Total.....	100%	0.02%-5%		99.98%-95%	
</Table>					

Citigroup Funding will sell the notes to the purchasing agent at a discount which may be greater or less than the range specified above. The discount at which Citigroup Funding sells the notes to the purchasing agent will be set forth in the applicable pricing supplement. The purchasing agent also may sell notes to the agents at a discount not in excess of the discount it receives from Citigroup Funding.

Following the solicitation of orders, each of the agents and the selected dealers, severally and not jointly, may purchase notes as principal for its own account from the purchasing agent. Unless otherwise set forth in the applicable pricing supplement, the notes will be purchased by the agents and the selected dealers for resale by them to one or more investors at a fixed public offering price. After the initial public offering of notes to be resold to investors, the public offering price and any discount or concession may be changed.

Citigroup Funding reserves the right to sell notes directly to investors on its own behalf and to enter into agreements similar to the agency agreement with other parties. No commission will be payable nor will a discount be allowed on any sales made directly by Citigroup Funding.

Unless notes are issued upon the reopening of a prior series, no note will have an established trading market when issued. Unless otherwise specified in the applicable pricing supplement, the notes will not be listed on any securities exchange. An agent may make a market in the notes, but no agent is obligated to do so. An agent may discontinue any market-making at any time without notice, at its sole discretion. There can be no assurance of the existence or liquidity of a secondary market for any notes, or that the maximum amount of notes will be sold.

Citigroup Funding estimates that its total expenses for the offering, excluding underwriting commissions or discounts, will be approximately

\$2,500,000.

Any agent may be deemed to be an underwriter within the meaning of the Securities Act of 1933. Citigroup Funding and Citigroup have agreed to indemnify the agents against liabilities relating to material misstatements and omissions, or to contribute to payments that the agents may be required to make relating to these liabilities. Citigroup Funding and Citigroup will reimburse the agents for customary legal and other expenses incurred by them in connection with the offer and sale of the notes.

Unless otherwise specified in the applicable pricing supplement, payment of the purchase price of the notes will be required to be made in immediately available funds in New York City on the date of settlement.

Concurrently with the offering of notes through the agents as described in this prospectus supplement, Citigroup Funding may issue other securities under the indentures referred to in the prospectus.

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The broker-dealer affiliates of Citigroup Funding, including Citigroup Global Markets Inc., are members of the NASD and may participate in offerings of the notes. Accordingly, offerings of the notes in which Citigroup Funding's broker-dealer affiliates participate will conform with the requirements set forth in Rule 2720 of the Conduct Rules of the NASD.

This prospectus supplement, the accompanying prospectus and the related pricing supplement may be used by an agent or other affiliates of Citigroup Funding in connection with offers and sales of the notes offered by this prospectus supplement in market-making transactions at negotiated prices related to prevailing market prices at the time of sale. An agent or these other affiliates may act as principal or agent in such transactions.

ERISA MATTERS

Each purchaser and subsequent transferee of the notes or any interest therein will be deemed to have represented and warranted on each day from and including the date of its purchase or other acquisition of the notes through and including the date of disposition of such notes that (a) it is not (i) an employee benefit plan subject to the fiduciary responsibility provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or (ii) any entity with respect to which part or all of its assets constitute assets of any such employee benefit plan by reason of 29 C.F.R. 2510.3-101 or otherwise, or (iii) any government or other plan subject to federal, state or local law substantially similar to the fiduciary responsibility provisions of ERISA ((i), (ii) and (iii) collectively, "ERISA-Type Plans"); and (b) if it is a plan described in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended, that is not an ERISA-Type Plan (for example, individual retirement accounts, individual retirement annuities or Keogh plans), none of Citigroup Global Markets Inc., its affiliates or any employee thereof manages the plan or provides advice that serves as a primary basis for the plan's decision to purchase, hold or dispose of the notes.

LEGAL MATTERS

John R. Dye, Esq., General Counsel-Capital Markets of Citigroup Inc., 399 Park Avenue, New York, New York 10043, will act as legal counsel to Citigroup Funding. Mr. Dye beneficially owns, or has rights to acquire under employee benefit plans, an aggregate of less than one percent of the common stock of Citigroup. Cleary Gottlieb Steen & Hamilton LLP, New York, New York, will act as legal counsel for the agents. Cleary Gottlieb Steen & Hamilton LLP has from time to time acted as counsel for Citigroup Funding and its affiliates and may do so in the future.

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\$5,000,000,000

CITIGROUP FUNDING INC.

RETAIL MEDIUM-TERM NOTES, SERIES C
FULLY AND UNCONDITIONALLY GUARANTEED BY CITIGROUP INC.

(INCLUDING PROSPECTUS
DATED , 2005)

CITIGROUP

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the various expenses payable by the registrants in connection with the Securities being registered hereby. All of the fees set forth below are estimates except for the Commission registration fee and the NASD fee.

<Table>	
<S>	
Commission Registration Fee.....	<C> \$1,177,000
Accounting Fees.....	250,000
Trustees' Fees and Expenses.....	315,000
Printing and Engraving Fees.....	1,000,000
Rating Agency Fees.....	2,000,000
NASD Fee.....	75,500
Legal Fees and Expenses.....	600,000
Miscellaneous.....	3,000

Total.....	\$5,420,500
	=====
</Table>	

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

CITIGROUP

Subsection (a) of Section 145 of the General Corporation Law of the State of Delaware, or DGCL, empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interest of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the person's conduct was unlawful.

Subsection (b) of Section 145 of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in right of the corporation to procure a judgment in its favor by reason of the fact that such person acted in any of the capacities set forth above, against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the

adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Subsection (d) of Section 145 of the DGCL provides that any indemnification under subsections (a) and (b) of Section 145 (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the present or former director,

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officer, employee or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in subsections (a) and (b) of Section 145. Such determination shall be made, with respect to a person who is a director or officer at the time of such determination, (1) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (2) by a committee of such directors designated by the majority vote of such directors, even though less than a quorum, or (3) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (4) by the stockholders.

Section 145 of the DGCL further provides that to the extent a present or former director or officer of a corporation has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith and that such expenses may be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation as authorized in Section 145 of the DGCL; that any indemnification and advancement of expenses provided by, or granted pursuant to, Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled; that indemnification provided by, or granted pursuant to, Section 145 shall, unless otherwise provided when authorized and ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of such person's heirs, executors and administrators; and empowers the corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liabilities under Section 145. Section Four of Article IV of Citigroup's By-Laws provides that Citigroup shall indemnify its directors and officers to the fullest extent permitted by the DGCL.

Citigroup also provides liability insurance for its directors and officers which provides for coverage against loss from claims made against directors and officers in their capacity as such, including, subject to certain exceptions, liabilities under the federal securities laws.

Section 102(b) (7) of the DGCL provides that a certificate of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. Article Tenth of Citigroup's Restated Certificate of Incorporation limits the liability of directors to the fullest extent permitted by Section 102(b) (7).

The directors and officers of Citigroup are covered by insurance policies indemnifying them against certain liabilities, including certain liabilities arising under the Securities Act, which might be incurred by them in such capacities and against which they cannot be indemnified by Citigroup. Any agents, dealers or underwriters who execute any underwriting or distribution agreement relating to securities offered pursuant to this Registration Statement will agree to indemnify Citigroup's directors and their officers who signed the Registration Statement against certain liabilities that may arise under the Securities Act with respect to information furnished to Citigroup by or on behalf of such indemnifying party.

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Subsection (a) of Section 145 of the General Corporation Law of the State of Delaware, or DGCL, empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interest of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the person's conduct was unlawful.

Subsection (b) of Section 145 of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in right of the corporation to procure a judgment in its favor by reason of the fact that such person acted in any of the capacities set forth above, against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Subsection (d) of Section 145 of the DGCL provides that any indemnification under subsections (a) and (b) of Section 145 (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the present or former director, officer, employee or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in subsections (a) and (b) of Section 145. Such determination shall be made, with respect to a person who is a director or officer at the time of such determination, (1) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (2) by a committee of such directors designated by the majority vote of such directors, even though less than a quorum, or (3) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (4) by the stockholders.

Section 145 of the DGCL further provides that to the extent a present or former director or officer of a corporation has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith and that such expenses may be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation as authorized in Section 145 of the DGCL; that any indemnification and advancement of expenses provided by, or granted pursuant to, Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled; that indemnification provided by, or granted pursuant to, Section 145 shall, unless otherwise provided when authorized and ratified, continue as to a person who has ceased to be a director,

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officer, employee or agent and shall inure to the benefit of such person's heirs, executors and administrators; and empowers the corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the

corporation would have the power to indemnify such person against such liabilities under Section 145. Section One of Article VII of Citigroup Funding's By-Laws provides that Citigroup Funding shall indemnify its directors and officers to the fullest extent permitted by the DGCL.

Citigroup Funding also provides liability insurance for its directors and officers which provides for coverage against loss from claims made against directors and officers in their capacity as such, including, subject to certain exceptions, liabilities under the federal securities laws.

Section 102(b)(7) of the DGCL provides that a certificate of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. Article Seventh of Citigroup Funding's Certificate of Incorporation limits the liability of directors to the fullest extent permitted by Section 102(b)(7).

The directors and officers of Citigroup Funding are covered by insurance policies indemnifying them against certain liabilities, including certain liabilities arising under the Securities Act, which might be incurred by them in such capacities and against which they cannot be indemnified by Citigroup Funding. Any agents, dealers or underwriters who execute any underwriting or distribution agreement relating to securities offered pursuant to this Registration Statement will agree to indemnify Citigroup Funding's directors and their officers who signed the Registration Statement against certain liabilities that may arise under the Securities Act with respect to information furnished to Citigroup Funding by or on behalf of such indemnifying party.

For the undertaking with respect to indemnification, see Item 17 herein.

See the forms of Underwriting Agreement, Global Selling Agency Agreement and Continuous Underwriting Agreement filed as Exhibits 1(a), (b), (c) and (d) for certain indemnification provisions.

ITEM 16. EXHIBITS.

<Table> <Caption> EXHIBIT NUMBER			DESCRIPTION
-----			-----
<C>	<S>	<C>	
1(a)	--		Form of Underwriting Agreement for Debt Securities to be distributed in the United States.*
1(b)	--		Form of Global Selling Agency Agreement relating to the Medium-Term Notes, Series A and Series B.*
1(c)	--		Form of Global Selling Agency Agreement relating to the Retail Medium-Term Notes, Series C.*
1(d)	--		Form of Underwriting Agreement for Index Warrants.**
3(a)	--		Certificate of Incorporation of Citigroup Funding Inc.+
3(b)	--		By-Laws of Citigroup Funding Inc.+
3(c)	--		Restated Certificate of Incorporation of Citigroup Inc. (incorporated by reference to Exhibit 4.01 to Citigroup's Registration Statement on Form S-3 filed on December 15, 1998 (No. 333-68949-01 to 08)).
3(d)	--		Certificate of Designation of 5.321% Cumulative Preferred Stock, Series YY, of Citigroup Inc. (incorporated by reference to Exhibit 4.45 to Amendment No. 1 to Citigroup's Registration Statement on Form S-3 filed on January 22, 1999 (No. 333-68949)).
3(e)	--		Certificate of Amendment to the Restated Certificate of Incorporation of Citigroup Inc., dated April 18, 2000 (incorporated by reference to Exhibit 3.01.3 to Citigroup's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2000 (File No. 1-9924)).
3(f)	--		Certificate of Amendment to the Restated Certificate of Incorporation of Citigroup Inc., dated April 17, 2001 (incorporated by reference to Exhibit 3.01.4 to Citigroup's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2001 (File No. 1-9924)).

</Table>

<Table> <Caption> EXHIBIT NUMBER			DESCRIPTION
-----			-----
<C>	<S>	<C>	
3(g)	--		Certificate of Designation of 6.767% Cumulative Preferred Stock, Series YYY, of Citigroup Inc. (incorporated by reference to Exhibit 3.01.5 to Citigroup's Annual Report on Form 10-K for the fiscal year ended December 31, 2001 (File No. 1-9924)).
3(h)	--		By-Laws of Citigroup Inc., as amended effective January 19, 2005 (incorporated by reference to Exhibit 3.1 to Citigroup's Current Report on Form 8-K filed on January 21, 2005).
4(a)	--		Form of Senior Debt Indenture among Citigroup Funding Inc., Citigroup Inc. and The Bank of New York, as Trustee.*
4(b)	--		Form of Senior Debt Indenture among Citigroup Funding Inc., Citigroup Inc. and JPMorgan Chase Bank, N.A., as Trustee.*
4(c)	--		Form of Subordinated Debt Indenture among Citigroup Funding Inc., Citigroup Inc. and Deutsche Bank Trust Company Americas, as Trustee.*
4(d)	--		Forms of Medium-Term Registered Notes, Series A and Series B.*
4(e)	--		Forms of Medium-Term Bearer Notes, Series A and Series B.*
4(f)	--		Forms of Medium-Term Temporary Global Notes, Series A and Series B.*
4(g)	--		Forms of Medium-Term Permanent Global Notes, Series A and Series B.*
4(h)	--		Form of Retail Medium-Term Global Note, Series C.*
4(i)	--		Form of Index Warrant Agreement for Index Warrants, with form of Index Warrant Certificate attached as an exhibit thereto, for Index Warrants in registered form.**
5(a)	--		Opinion of John R. Dye, Esq.*
12(a)	--		Calculation of Ratio of Income to Fixed Charges (incorporated by reference to Exhibit 12.01 to Citigroup's Annual Report on Form 10-K for the year ended December 31, 2004).
12(b)	--		Calculation of Ratio of Income to Combined Fixed Charges (including preferred stock dividends) (incorporated by reference to Exhibit 12.02 to Citigroup's Annual Report on Form 10-K for the year ended December 31, 2004).
23(a)	--		Consent of KPMG LLP, Independent Registered Public Accounting Firm.*
23(b)	--		Consent of John R. Dye, Esq. (included in Exhibit 5(a)).*
24(a)	--		Powers of Attorney of Citigroup Inc. Directors.+
24(b)	--		Powers of Attorney of Citigroup Funding Inc. Directors.+
25(a)	--		Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of The Bank of New York under the BoNY Senior Debt Indenture.*
25(b)	--		Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of JPMorgan Chase Bank, N.A. under the JPMorgan Chase Senior Debt Indenture.*
25(c)	--		Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of Deutsche Bank Trust Company Americas under the Subordinated Debt Indenture.*

</Table>

* Filed herewith.

** To be filed by amendment or in a Current Report on Form 8-K.

+ Filed previously.

ITEM 17. UNDERTAKINGS.

The undersigned registrants hereby undertake:

(A)(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the

aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

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- (iii) To include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in this registration statement;

provided, however, that the undertakings set forth in clauses (i) and (ii) above do not apply if the information required to be included in a post-effective amendment by those clauses is contained in periodic reports filed with or furnished to the Securities and Exchange Commission by Citigroup Inc. pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended, that are incorporated by reference in this registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, as amended, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(B) That, for purposes of determining any liability under the Securities Act of 1933, as amended, each filing of Citigroup Inc.'s annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934, as amended) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(C) Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers and controlling persons of the registrants pursuant to the provisions described under Item 15 above, or otherwise, the registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrants of expenses incurred or paid by a director, officer or controlling person of the registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrants will, unless in the opinion of their counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(D) (1) For purposes of determining any liability under the Securities Act of 1933, as amended, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrants pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act of 1933, as amended, shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, as amended, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(E) To file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, Citigroup Inc. certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement or Amendment thereto to be signed on its behalf by the undersigned, thereunto duly authorized, in The City of New York, State of New York, on May 2, 2005.

CITIGROUP INC.

By: /s/ SALLIE L. KRAWCHECK

Sallie L. Krawcheck
Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement or Amendment thereto has been signed below by the following persons in the capacities indicated on May 2, 2005.

<Table>

<Caption>

SIGNATURES

<C>

<C>

<S>

/s/ CHARLES PRINCE

Chief Executive Officer and Director
(Principal Executive Officer)

Charles Prince

/s/ SALLIE L. KRAWCHECK

Chief Financial Officer
(Principal Financial Officer)

Sallie L. Krawcheck

/s/ JOHN C. GERSPACH

Controller and Chief Accounting Officer
(Principal Accounting Officer)

John C. Gerspach

*

Chairman of the Board

Sanford I. Weill

*

Director

C. Michael Armstrong

*

Director

Alain J.P. Belda

*

Director

George David

*

Director

Kenneth T. Derr

*

Director

John M. Deutch

*

Director

Roberto Hernandez Ramirez	
*	Director

Ann Dibble Jordan	

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<Table>	
<Caption>	
SIGNATURES	

<C>	<S>
*	Director

Dudley C. Mecum	
*	Director

Anne M. Mulcahy	
*	Director

Richard D. Parsons	
*	Director

Judith Rodin	
*	Director

Robert E. Rubin	
*	Director

Franklin A. Thomas	
*	Director

Robert B. Willumstad	
*By:	/s/ Michael S. Helfer

	Michael S. Helfer
	Attorney-in-Fact

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, Citigroup Funding Inc. certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement or Amendment thereto to be signed on its behalf by the undersigned, thereunto duly authorized, in The City of New York, State of New York, on May 2, 2005.

CITIGROUP FUNDING INC.

By: /s/ CYNTHIA A. HALLENBECK

Cynthia A. Hallenbeck
Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement or Amendment thereto has been signed below by the following persons in the capacities indicated on May 2, 2005.

<Table>	
<Caption>	
SIGNATURES	

<C>	<S>
/s/ GUY R. WHITTAKER	Chairman, President and Director
-----	(Principal Executive Officer)
Guy R. Whittaker	
/s/ CYNTHIA A. HALLENBECK	Executive Vice President and Chief Financial
-----	Officer (Principal Financial Officer)
Cynthia A. Hallenbeck	
/s/ MICHAEL CONWAY	Vice President and Controller
-----	(Principal Accounting Officer)
Michael Conway	
* -----	
James Garnett	
* -----	
John C. Gerspach	
* -----	
Saul M. Rosen	
*By: /s/ JOHN R. DYE	

John R. Dye	
Attorney-in-Fact	
</Table>	

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EXHIBIT INDEX

<Table>		
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EXHIBIT		
NUMBER		DESCRIPTION
-----		-----
<C>	<S>	<C>
1(a)	--	Form of Underwriting Agreement for Debt Securities to be distributed in the United States.*
1(b)	--	Form of Global Selling Agency Agreement relating to the Medium-Term Notes, Series A and Series B.*
1(c)	--	Form of Global Selling Agency Agreement relating to the Retail Medium-Term Notes, Series C.*
1(d)	--	Form of Underwriting Agreement for Index Warrants.**
3(a)	--	Certificate of Incorporation of Citigroup Funding Inc.+
3(b)	--	By-Laws of Citigroup Funding Inc.+
3(c)	--	Restated Certificate of Incorporation of Citigroup Inc. (incorporated by reference to Exhibit 4.01 to Citigroup's Registration Statement on Form S-3 (No. 333-68949-01 to 08)).
3(d)	--	Certificate of Designation of 5.321% Cumulative Preferred Stock, Series YY, of Citigroup Inc. (incorporated by reference to Exhibit 4.45 to Amendment No. 1 to Citigroup's Registration Statement on Form S-3 filed on January 22, 1999 (No. 333-68949)).
3(e)	--	Certificate of Amendment to the Restated Certificate of Incorporation of Citigroup Inc., dated April 18, 2000 (incorporated by reference to Exhibit 3.01.3 to Citigroup's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2000 (File No. 1-9924)).
3(f)	--	Certificate of Amendment to the Restated Certificate of Incorporation of Citigroup Inc., dated April 17, 2001 (incorporated by reference to Exhibit 3.01.4 to Citigroup's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2001 (File No. 1-9924)).
3(g)	--	Certificate of Designation of 6.767% Cumulative Preferred

Stock, Series YYY, of Citigroup Inc. (incorporated by reference to Exhibit 3.01.5 to Citigroup's Annual Report on Form 10-K for the fiscal year ended December 31, 2001 (File No. 1-9924)).

3(h)	--	By-Laws of Citigroup Inc., as amended effective January 19, 2005 (incorporated by reference to Exhibit 3.1 to Citigroup's Current Report on Form 8-K filed on January 21, 2005).
4(a)	--	Form of Senior Debt Indenture among Citigroup Funding Inc., Citigroup Inc. and The Bank of New York, as Trustee.*
4(b)	--	Form of Senior Debt Indenture among Citigroup Funding Inc., Citigroup Inc. and JPMorgan Chase Bank, N.A., as Trustee.*
4(c)	--	Form of Subordinated Debt Indenture among Citigroup Funding Inc., Citigroup Inc. and Deutsche Bank Trust Company Americas, as Trustee.*
4(d)	--	Forms of Medium-Term Registered Notes, Series A and Series B.*
4(e)	--	Forms of Medium-Term Bearer Notes, Series A and Series B.*
4(f)	--	Forms of Medium-Term Temporary Global Notes, Series A and Series B.*
4(g)	--	Forms of Medium-Term Permanent Global Notes, Series A and Series B.*
4(h)	--	Form of Retail Medium-Term Global Note, Series C.*
4(i)	--	Form of Index Warrant Agreement for Index Warrants, with form of Index Warrant Certificate attached as an exhibit thereto, for Index Warrants in registered form.**
5(a)	--	Opinion of John R. Dye, Esq.*
12(a)	--	Calculation of Ratio of Income to Fixed Charges (incorporated by reference to Exhibit 12.01 to Citigroup's Annual Report on Form 10-K for the year ended December 31, 2004).
12(b)	--	Calculation of Ratio of Income to Combined Fixed Charges (including preferred stock dividends) (incorporated by reference to Exhibit 12.02 to Citigroup's Annual Report on Form 10-K for the year ended December 31, 2004).
23(a)	--	Consent of KPMG LLP, Independent Registered Public Accounting Firm.*
23(b)	--	Consent of John R. Dye, Esq. (included in Exhibit 5(a)).*
24(a)	--	Powers of Attorney of Citigroup Inc. Directors.+

</Table>

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EXHIBIT

NUMBER

DESCRIPTION

<C>	<S>	<C>
24(b)	--	Powers of Attorney of Citigroup Funding Inc. Directors.+
25(a)	--	Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of The Bank of New York under the BoNY Senior Debt Indenture.*
25(b)	--	Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of JPMorgan Chase Bank, N.A. under the JPMorgan Chase Senior Debt Indenture.*
25(c)	--	Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of Deutsche Bank Trust Company Americas under the Subordinated Debt Indenture.*

</Table>

* Filed herewith.

** To be filed by amendment or in a Current Report on Form 8-K.

+ Filed previously.

CITIGROUP FUNDING INC.

DEBT SECURITIES

UNDERWRITING AGREEMENT

BASIC PROVISIONS

New York, New York

May ____, 2005

Citigroup Funding Inc., a Delaware corporation (the "Company"), may issue and sell from time to time series of its debt securities registered under the registration statement referred to in Section 1(a) hereof. Such debt securities may have varying designations, denominations, currencies, interest rates and payment dates, maturities, redemption provisions and selling prices. The basic provisions set forth herein are intended to be incorporated by reference in a terms agreement of the type referred to in Section 3 hereof relating to the specific series of debt securities to be issued and sold by the Company and guaranteed by Citigroup Inc., a Delaware corporation (the "Guarantor") pursuant thereto (the "Securities") to the several underwriters named therein (the "Underwriters"). Unless otherwise specified in the applicable terms agreement, the Securities will be issued under (i) in the case of senior debt securities, an indenture dated as of May ____, 2005, among the Company, the Guarantor and The Bank of New York, as trustee (such trustee or such other replacement or successor trustee as may be named for such senior debt securities, the "Senior Debt Trustee") (such indenture, as it may from time to time be amended or supplemented by one or more indentures supplemental thereto, the "Senior Debt Indenture"), or (ii) in the case of subordinated debt securities, an indenture to be entered into among the Company, the Guarantor and Deutsche Bank Trust Company Americas, as trustee (such trustee or such other replacement or successor trustee as may be named for such subordinated debt securities, the "Subordinated Debt Trustee" and, together with the Senior Debt Trustee, the "Trustee") (such indenture, as it may from time to time be amended or supplemented by one or more indentures supplemental thereto, the "Subordinated Debt Indenture" and, together with the Senior Debt Indenture, the "Indenture"). The terms agreement relating to the Securities (the "Terms Agreement"), together with the provisions incorporated therein by reference, is herein referred to as this "Agreement." Unless otherwise defined herein, terms defined in the Terms Agreement are used herein as therein defined. The firm or firms designated as the representative or representatives, as the case may be, of the Underwriters of the Securities in the Terms Agreement relating thereto will act as the representative or representatives (the "Representative"). To the extent there is only one Underwriter for the sale of the Securities, the term Representative and the term Underwriters shall mean the Underwriter.

Any reference herein to the Registration Statement, the Base Prospectus, any Preliminary Final Prospectus or the Final Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 which were filed under the Exchange Act on or before the Effective Date of the Registration Statement or the issue date of the Base Prospectus, any Preliminary Final Prospectus or the Final Prospectus, as the case may be; and any reference herein to the terms "amend", "amendment" or "supplement" with respect to the Registration Statement, the Base Prospectus, any Preliminary Final Prospectus or the Final

Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act after the Effective Date of the Registration Statement or the issue date of the Base Prospectus, any Preliminary Final Prospectus or the Final Prospectus, as the case may be, deemed to be incorporated therein by reference. Certain terms used herein are defined in Section 17 hereof.

1. Representations and Warranties. The Company and the Guarantor, jointly and severally, represent and warrant to, and agree with, each Underwriter as set forth below in this Section 1.

(a) The Company and the Guarantor meet the requirements for use of Form S-3 under the Act and has prepared and filed with the Commission a registration statement on Form S-3 (File No. 333-), including a related base prospectus, for registration under the Act of the offering and sale of the Securities. The Company may have filed one or more amendments thereto, including a Preliminary Final Prospectus, each of which has previously been furnished to you. The Company will next file with the Commission one of the following: (1) after the Effective Date of such registration statement, a final prospectus supplement relating to the Securities in accordance with Rules 430A and 424(b), (2) prior to the Effective Date of such registration statement, an amendment to such registration statement (including the form of final prospectus supplement) or (3) a final prospectus in accordance with Rules 415 and 424(b). In the case of clause (1), the Company has included in such registration statement, as amended at the Effective Date, all information (other than Rule 430A Information) required by the Act and the rules thereunder to be included in such registration statement and the Final Prospectus. As filed, such final prospectus supplement or such amendment and form of final prospectus supplement shall contain all Rule 430A Information, together with all other such required information, and, except to the extent the Representative shall agree in writing to a modification, shall be in all substantive respects in the form furnished to you prior to the Execution Time or, to the extent not completed at the Execution Time, shall contain only such specific additional information and other changes (beyond that contained in the Base Prospectus and any Preliminary Final Prospectus) as the Company has advised you, prior to the Execution Time, will be included or made therein. The Registration Statement, at the Execution Time, meets the requirements set forth in Rule 415(a)(1)(x).

(b) On the Effective Date, the Registration Statement did or will, and when the Final Prospectus is first filed (if required) in accordance with Rule 424(b) and on the Closing Date (as defined herein), the Final Prospectus (and any supplement thereto) will, comply in all material respects with the applicable requirements of the Act, the Exchange Act and the Trust Indenture Act and the respective rules thereunder; on the Effective Date and at the Execution Time, the Registration Statement did not or will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading; on the Effective Date and on the Closing Date the Indentures did or will comply in all material respects with the applicable requirements of the Trust Indenture Act and the rules thereunder; and, on the Effective Date, the Final Prospectus, if not filed pursuant to Rule 424(b), will not, and on the date of any filing pursuant to Rule 424(b) and on the

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Closing Date, the Final Prospectus (together with any supplement thereto) will not, include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company and the Guarantor make no representations or warranties as to (i) that part of the Registration Statement which shall constitute the Statement of Eligibility and Qualification (Form T-1) under the Trust Indenture Act of the Trustees or (ii) the information contained in or omitted from the Registration Statement or the Final Prospectus (or any supplement thereto) in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter through the Representative specifically for inclusion in the Registration Statement or the Final Prospectus (or any supplement thereto).

Any certificate signed by any officer of the Company and delivered to the Representative or counsel for the Underwriters in connection with the offering of the Securities shall be deemed a representation and warranty by the Company, as to matters covered thereby, to each Underwriter.

2. Purchase and Sale. Sales of the Securities may be made from time to time to the Underwriters of the Securities. The obligation of the Company to issue and sell any of the Securities, the obligation of the Guarantor to guarantee any of the Securities and the obligation of any Underwriters to purchase any of the Securities shall be evidenced by the Terms Agreement with respect to the Securities specified therein. Each Terms Agreement shall specify the Indenture under which the Securities are to be issued, the Trustee, the firm or firms which will be Underwriters, the principal amount of the Securities to be purchased by each Underwriter, the purchase price to be paid by the Underwriters for the Securities, the public offering price, if any, of the Securities, whether the Underwriters are authorized to solicit institutional

investors to purchase Securities pursuant to Delayed Delivery Contracts, certain terms thereof and the Underwriters' compensation therefor, and any terms of the Securities not otherwise specified in the Indenture (including, but not limited to, designations, denominations, currencies, interest rates and payment dates, maturity, redemption provisions and sinking fund requirements). The Terms Agreement specifies any details of the terms of the offering that should be reflected in a post-effective amendment to the Registration Statement, any Preliminary Final Prospectus or the Final Prospectus (each as hereafter defined). The obligations of the Underwriters under each Terms Agreement shall be several and not joint.

If so authorized in the Terms Agreement, the Underwriters may solicit offers from investors of the types set forth in the Prospectus to purchase Securities from the Company pursuant to delayed delivery contracts ("Delayed Delivery Contracts"). Such contracts shall be substantially in the form of Exhibit A hereto but with such changes therein as the Company may approve. Securities to be purchased pursuant to Delayed Delivery Contracts are herein called "Contract Securities." When Delayed Delivery Contracts are authorized in the Terms Agreement, the Company will enter into a Delayed Delivery Contract in each case where a sale of Contract Securities arranged through the Representative has been approved by the Company but, except as the Company may otherwise agree, such Delayed Delivery Contracts must be for at least the minimum amount of Contract Securities set forth in the Terms Agreement, and the aggregate amount of Contract Securities may not exceed the amount set forth in the Terms Agreement. The Company will advise you not later than 10:00 AM, New York City time, on the

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third full business day preceding the Closing Date (or at such later time as you may otherwise agree) of the sales of the Contract Securities which have been so approved. The Underwriters will not have any responsibility in respect of the validity or performance of Delayed Delivery Contracts.

If the Delayed Delivery Contracts are executed, valid and fully performed, the Securities delivered pursuant to them shall be deducted from the Securities to be purchased by the Underwriters and the aggregate principal amount of Securities to be purchased by each Underwriter shall be reduced pro rata in proportion to the principal amount of Securities set forth opposite each Underwriter's name in the Terms Agreement, except to the extent that the Representative determines that such reduction shall be otherwise than in such proportion and so advise the Company and the Guarantor in writing; provided, however, that the total principal amount of Securities to be purchased by all Underwriters shall be the aggregate principal amount set forth in the Terms Agreement, less the aggregate principal amount of Contract Securities.

3. Delivery and Payment. Delivery of and payment for the Securities shall be made on the date and at the time specified in the Terms Agreement (the "Closing Date"), which Closing Date may be postponed by agreement between the

Representative and the Company. Delivery of the Securities shall be made to the Representative for the respective accounts of the several Underwriters against payment by the several Underwriters directly or through the Representative of the purchase price thereof to or upon the order of the Company by wire transfer payable in same-day funds to an account specified by the Company. Delivery of the Securities shall be made through the facilities of The Depository Trust Company unless the Representative shall otherwise instruct.

It is understood that the Representative, acting individually and not in a representative capacity, may (but shall not be obligated to) make payment to the Company on behalf of any other Underwriter for Securities to be purchased by such Underwriter. Any such payment by the Representative shall not relieve any such Underwriter of any of its obligations hereunder.

The Company shall pay to the Representative on the Closing Date for the accounts of the Underwriters any fee, commission or other compensation specified in the Terms Agreement. Such payment will be made by wire transfer payable in same-day funds to an account specified by the Representative.

4. Offering by Underwriters. It is understood that the several Underwriters propose to offer the Securities for sale to the public as set forth in the Final Prospectus.

5. Agreements. The Company and the Guarantor agree with the several Underwriters that:

(a) The Company and the Guarantor will use their best efforts to cause the Registration Statement, if not effective at the Execution Time, and any amendment thereof, to become effective. Prior to the termination of the offering of the Securities, neither the Company nor the Guarantor will file any amendment of the Registration Statement or supplement (including the Final Prospectus or any Preliminary Final

Prospectus) to the Base Prospectus or any Rule 462(b) Registration Statement unless either the Company or the Guarantor has furnished the Representative of the Underwriters a copy for their review prior to filing and will not file any such proposed amendment or supplement to which they reasonably object. Subject to the foregoing sentence, if the Registration Statement has become or becomes effective pursuant to Rule 430A, or filing of the Final Prospectus is otherwise required under Rule 424(b), the Company and the Guarantor will cause the Final Prospectus, properly completed, and any supplement thereto to be filed in a form approved by the Representative with the Commission pursuant to the applicable paragraph of Rule 424(b) within the time period prescribed and will provide evidence satisfactory to the Representative of such timely filing. The Company and the Guarantor will promptly advise the Representative (1) when the Registration Statement, if not effective at the Execution Time,

shall have become effective, (2) when the Final Prospectus, and any supplement thereto, shall have been filed (if required) with the Commission pursuant to Rule 424(b) or when any Rule 462(b) Registration Statement shall have been filed with the Commission, (3) when, prior to termination of the offering of the Securities, any amendment to the Registration Statement shall have been filed or become effective, (4) of any request by the Commission or its staff for any amendment of the Registration Statement, or any Rule 462(b) Registration Statement, or for any supplement to the Final Prospectus or for any additional information, (5) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the institution or threatening of any proceeding for that purpose and (6) of the receipt by the Company or the Guarantor of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the institution or threatening of any proceeding for such purpose. The Company and the Guarantor will use their best efforts to prevent the issuance of any such stop order or the suspension of any such qualification and, if issued, to obtain as soon as possible the withdrawal thereof.

(b) If, at any time when a prospectus relating to the Securities is required to be delivered under the Act, any event occurs as a result of which the Final Prospectus as then supplemented would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading, or if it shall be necessary to amend the Registration Statement or supplement the Final Prospectus to comply with the Act or the Exchange Act or the respective rules thereunder, the Company and the Guarantor promptly will (1) notify the Representative of such event, (2) prepare and file with the Commission, subject to the second sentence of paragraph (a) of this Section 5, an amendment or supplement which will correct such statement or omission or effect such compliance and (3) supply any supplemented Final Prospectus to the Representative in such quantities as the Representative may reasonably request.

(c) As soon as practicable, the Guarantor will make generally available to the Company's security holders and to the Representative an earnings statement or statements of the Company and the Guarantor which will satisfy the provisions of Section 11(a) of the Act and Rule 158 under the Act.

(d) The Company and the Guarantor will furnish to the Representative and counsel for the Underwriters, without charge, signed copies of the Registration Statement (including exhibits thereto) and to each other Underwriter a copy of the Registration Statement (without exhibits thereto) and, so long as delivery of a prospectus by an Underwriter or

dealer may be required by the Act, as many copies of each Preliminary Final Prospectus and the Final Prospectus and any supplement thereto as the Representative may reasonably request. The Company will pay the expenses of printing or other production of all documents relating to the offering.

(e) The Company and the Guarantor will arrange, if necessary, for the qualification of the Securities for sale under the laws of such jurisdictions as the Representative may designate, will maintain such qualifications in effect so long as required for the distribution of the Securities and will pay any fee of the National Association of Securities Dealers, Inc., in connection with its review of the offering; provided that in no event shall the Company or the Guarantor be obligated to qualify to do business in any jurisdiction where it is not now so qualified or to take any action that would subject it to service of process in suits, other than those arising out of the offering or sale of the Securities, in any jurisdiction where it is not now so subject.

(f) The Company and the Guarantor will not, without the prior written consent of the Representative, offer, sell, contract to sell, pledge, or otherwise dispose of, (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Company or any affiliate of the Company or any person in privity with the Company or any affiliate of the Company) directly or indirectly, including the filing (or participation in the filing) of a registration statement with the Commission in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act, any securities, including any backup undertaking for such securities, of the Company, in each case that are substantially similar to the Securities or any security convertible into or exchangeable for the Securities or such substantially similar securities, or publicly announce an intention to effect any such transaction, during the period beginning the date of the Terms Agreement and ending the Closing Date.

(g) The Company and the Guarantor will comply with all applicable securities and other laws, rules and regulations, including, without limitation, the Sarbanes Oxley Act, and use their best efforts to cause the Company's or the Guarantor's, as the case may be, directors and officers, in their capacities as such, to comply with such laws, rules and regulations, including, without limitation, the provisions of the Sarbanes Oxley Act.

(h) Neither the Company nor the Guarantor will take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities.

6. Conditions to the Obligations of the Underwriters. The

obligations of the Underwriters to purchase the Securities shall be subject to the accuracy of the representations

and warranties on the part of the Company and the Guarantor contained herein as of the Execution Time and the Closing Date, to the accuracy of the statements of the Company and the Guarantor made in any certificates pursuant to the provisions hereof, to the performance by the Company and the Guarantor of their obligations hereunder and to the following additional conditions:

(a) If the Registration Statement has not become effective prior to the Execution Time, unless the Representative agrees in writing to a later time, the Registration Statement will become effective not later than (i) 6:00 PM New York City time, on the date of determination of the public offering price, if such determination occurred at or prior to 3:00 PM New York City time on such date or (ii) 9:30 AM on the Business Day following the day on which the public offering price was determined, if such determination occurred after 3:00 PM New York City time on such date; if filing of the Final Prospectus, or any supplement thereto, is required pursuant to Rule 424(b), the Final Prospectus, and any such supplement, will be filed in the manner and within the time period required by Rule 424(b); and no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or threatened.

(b) The Company and the Guarantor shall have requested and caused John R. Dye, Esq., counsel for the Company and the Guarantor, to have furnished to the Representative the opinion, dated the Closing Date and addressed to the Representative, to the effect that:

(i) each of the Company and the Guarantor has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with full corporate power and authority to own or lease, as the case may be, and to operate its properties and conduct its business as described in the Final Prospectus,

(ii) each of the Company and the Guarantor is duly qualified to do business as a foreign corporation and is in good standing under the laws of each jurisdiction in which it owns or leases substantial properties or which requires such qualification;

(iii) the Indenture has been duly authorized, executed and delivered by the Company and the Guarantor, has been duly qualified under the Trust Indenture Act and constitutes a legal, valid and binding instrument enforceable against the Company and the Guarantor in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency,

moratorium and other similar laws affecting creditors' rights generally from time to time in effect and to general principles of equity regardless of whether such enforceability is considered in a proceeding in equity or at law);

(iv) the Securities have been duly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters pursuant to the Terms Agreement (and, in the case of

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any Contract Securities, pursuant to the Delayed Delivery Contracts with respect thereto), will constitute legal, valid and binding obligations of the Company enforceable in accordance with their terms and entitled to the benefits of the Indenture, including the Guarantee set forth in the Indenture, and such Guarantee constitutes the valid and binding obligation of the Guarantor enforceable in accordance with its terms;

(v) the Guarantee has been duly authorized and, when the Securities have been executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters pursuant to the Terms Agreement (and, in the case of any Contract Securities, pursuant to the Delayed Delivery Contracts with respect thereto), will constitute a legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms and entitled to the benefits of the Indenture;

(vi) to the knowledge of such counsel, there is no pending or threatened action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company, the Guarantor or their respective property of a character required to be disclosed in the Registration Statement which is not adequately disclosed in the Final Prospectus, and there is no franchise, contract or other document of a character required to be described in the Registration Statement or Final Prospectus, or to be filed as an exhibit thereto, which is not described or filed as required;

(vii) the Indenture conforms in all material respects to the description thereof in the Prospectus;

(viii) the Terms Agreement (including the provisions of this Agreement) and any Delayed Delivery Contracts have been duly authorized, executed and delivered by the Company and the Guarantor;

(ix) no consent, approval, authorization, filing with or order of any court or governmental agency or body is required for the

consummation by the Company and the Guarantor of the transactions contemplated herein, in any Delayed Delivery Contract or in the Indenture, except such as have been obtained under the Act and the Trust Indenture Act and such as may be required under the securities or blue sky laws of any jurisdiction in connection with the purchase and distribution of the Securities by the Underwriters in the manner contemplated by the Terms Agreement (including the provisions of this Agreement) and any Delayed Delivery Contracts, and in the Final Prospectus and such other approvals (specified in such opinion) as have been obtained;

(x) neither the execution, delivery and performance of the Indenture, the Terms Agreement (including the provisions of this Agreement) and any Delayed Delivery Contracts, nor the issue and sale of the Securities in compliance with the terms and provisions thereof will conflict with, constitute a default under, or result in a breach or violation of, or imposition of any lien, charge or

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encumbrance upon any property or assets of the Company or the Guarantor pursuant to, (i) the charter or by-laws of the Company, the Guarantor or any material subsidiary of the Company or the Guarantor, (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company, the Guarantor or any material subsidiary of the Company or the Guarantor is a party or bound or to which its or their property is subject, or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company, the Guarantor or any material subsidiary of the Company or the Guarantor of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or the Guarantor or any of their properties, except that no opinion shall be expressed with respect to (x) the rights to indemnity and contribution contained in the Terms Agreement (including the provisions of this Agreement) which may be limited by federal or state securities laws or the public policy underlying such laws or (y) any state securities or blue sky laws; and

(xi) the Registration Statement has become effective under the Act; any required filing of the Base Prospectus, any Preliminary Final Prospectus and the Final Prospectus, and any supplements thereto, pursuant to Rule 424(b) has been made in the manner and within the time period required by Rule 424(b); to the knowledge of such counsel, no stop order suspending the effectiveness of the Registration Statement has been issued, no proceedings for that purpose have been instituted or threatened, and the Registration Statement and the Final Prospectus (other than the financial

statements and other financial and statistical information contained therein, as to which such counsel need express no opinion) comply as to form in all material respects with the applicable requirements of the Act, the Exchange Act and the Trust Indenture Act and the respective rules and regulations thereunder; and such counsel has no reason to believe that on the Effective Date or the date the Registration Statement was last deemed amended the Registration Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Final Prospectus as of its date and on the Closing Date included or includes any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (in each case, other than the financial statements and other financial and statistical information contained therein, as to which such counsel need express no opinion);

(xii) the Company is not and, after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Final Prospectus, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended;

(xiii) no holders of securities of the Company have rights to the registration of such securities under the Registration Statement.

In rendering such opinion, such counsel may rely (A) as to matters involving the application of laws of any jurisdiction other than the State of New York or the Federal laws of the United States, to the extent they deem proper and specified in such opinion, upon the opinion of other counsel of good standing whom they believe to be reliable and who are satisfactory to counsel for the Underwriters and (B) as to matters of fact, to the extent they deem proper, on certificates of responsible officers of the Company and the Guarantor and public officials. References to the Final Prospectus in this paragraph (b) shall also include any supplements thereto at the Closing Date.

(c) The Representative shall have received from Cleary Gottlieb Steen & Hamilton LLP, counsel for the Underwriters, such opinion or opinions, dated the Closing Date and addressed to the Representative, with respect to the issuance and sale of the Securities, the Indenture, the Registration Statement, the Final Prospectus (together with any supplement thereto) and other related matters as the Representative may reasonably require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon

such matters.

(d) The Company and the Guarantor shall have furnished to the Representative a certificate of the Company and the Guarantor, signed by the Chairman of the Board or the President and the principal financial or accounting officer of the Company and the Guarantor, dated the Closing Date, to the effect that the signers of such certificate have carefully examined the Registration Statement, the Final Prospectus, any supplements to the Final Prospectus and this Agreement and that:

(i) the representations and warranties of the Company and the Guarantor in this Agreement are true and correct on and as of the Closing Date with the same effect as if made on the Closing Date and the Company and the Guarantor have complied with all the agreements and satisfied all the conditions on their part to be performed or satisfied at or prior to the Closing Date;

(ii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the knowledge of the Company and the Guarantor, threatened; and

(iii) since the date of the most recent financial statements included or incorporated by reference in the Final Prospectus (exclusive of any supplement thereto), there has been no material adverse change in the condition (financial or otherwise), prospects, earnings, business or properties of the Guarantor, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Final Prospectus (exclusive of any supplement thereto).

(e) The Guarantor shall have requested and caused KPMG LLP to have furnished to the Representative, at the Closing Date, a customary "comfort letter" (which may refer to letters previously delivered to the Representative), dated as of the Closing Date, that is satisfactory in content and form to the Representative.

(f) Subsequent to the Execution Time or, if earlier, the dates as of which information is given in the Registration Statement (exclusive of any amendment thereof) and the Final Prospectus (exclusive of any supplement thereto), there shall not have been (i) any change or decrease specified in the letter or letters referred to in paragraph (e) of this Section 6 or (ii) any change, or any development involving a prospective change, in or affecting the condition (financial or otherwise), earnings, business or properties of the Company or the Guarantor, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Final Prospectus (exclusive of any supplement thereto)

the effect of which, in any case referred to in clause (i) or (ii) above, is, in the sole judgment of the Representative, so material and adverse as to make it impractical or inadvisable to proceed with the offering or delivery of the Securities as contemplated by the Registration Statement (exclusive of any amendment thereof) and the Final Prospectus (exclusive of any supplement thereto).

(g) Subsequent to the Execution Time, there shall not have been any decrease in the rating of any of the Company's debt securities by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Act) or any notice given of any intended or potential decrease in any such rating or of a possible change in any such rating that does not indicate the direction of the possible change.

(h) Prior to the Closing Date, the Company and the Guarantor shall have furnished to the Representative such further information, certificates and documents as the Representative may reasonably request.

If any of the conditions specified in this Section 6 shall not have been fulfilled when and as provided in this Agreement with respect to an offering of Securities, or if any of the opinions and certificates mentioned above or elsewhere in this Agreement shall not be reasonably satisfactory in form and substance to the Representative and counsel for the Underwriters, this Agreement and all obligations of the Underwriters hereunder may be canceled with respect to such offering at, or at any time prior to, the Closing Date by the Representative. Notice of such cancelation shall be given to the Company and the Guarantor in writing or by telephone or facsimile confirmed in writing.

The documents required to be delivered by this Section 6 shall be delivered at the office of Cleary Gottlieb Steen & Hamilton LLP, counsel for the Underwriters, at One Liberty Plaza, New York, New York 10006, on the Closing Date.

7. Reimbursement of Underwriters' Expenses. If the sale of the Securities provided for herein is not consummated because any condition to the obligations of the Underwriters set forth in Section 6 hereof is not satisfied, because of any termination pursuant to Section 10 hereof or because of any refusal, inability or failure on the part of the Company to perform any agreement herein or comply with any provision hereof other than by reason of a default by any of the Underwriters, the Company will reimburse the Underwriters severally through Citigroup Global Markets Inc. on demand for all out-of-pocket expenses (including reasonable fees and disbursements of counsel) that shall have been incurred by them in connection with the proposed purchase and sale of the Securities.

(a) The Company and the Guarantor agree to indemnify and hold harmless each Underwriter, the directors, officers, employees and agents of each Underwriter and each person who controls any Underwriter within the meaning of either the Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement for the registration of the Securities as originally filed or in any amendment thereof, or in the Base Prospectus, any Preliminary Final Prospectus or the Final Prospectus, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and agrees to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Company and the Guarantor will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company or the Guarantor by or on behalf of any Underwriter through the Representative specifically for inclusion therein. This indemnity agreement will be in addition to any liability that the Company and the Guarantor may otherwise have.

(b) Each Underwriter severally and not jointly agrees to indemnify and hold harmless the Company and the Guarantor, each of their respective directors, each of their respective officers who signs the Registration Statement, and each person who controls the Company or the Guarantor within the meaning of either the Act or the Exchange Act, to the same extent as the foregoing indemnity from the Company and the Guarantor to each Underwriter, but only with reference to written information relating to such Underwriter furnished to the Company or the Guarantor by or on behalf of such Underwriter through the Representative specifically for inclusion in the documents referred to in the foregoing indemnity. This indemnity agreement will be in addition to any liability that any Underwriter may otherwise have. The Company and the Guarantor acknowledge that the statements set forth in the last paragraph of the cover page regarding delivery of the Securities and, under the heading "Underwriting" or "Plan of Distribution", (i) the list of Underwriters and their respective participation in the sale of the Securities, (ii) the sentences related to concessions and reallowances and (iii) the paragraph related to stabilization, syndicate covering transactions and penalty bids in any Preliminary Final Prospectus and the Final Prospectus constitute the only information furnished in writing by or on behalf of the several Underwriters for inclusion in any Preliminary Final Prospectus or the Final Prospectus.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of the commencement of any action, such indemnified party will, if a claim in

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respect thereof is to be made against the indemnifying party under this Section 8, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest, (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding.

(d) In the event that the indemnity provided in paragraph (a), (b) or (c) of this Section 8 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the Company, the Guarantor and the Underwriters severally agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) (collectively "Losses") to which the Company, the Guarantor and one or more of the Underwriters may be subject in such proportion as is appropriate to reflect the relative benefits received by the Company and the Guarantor on the one hand and by the Underwriters on the other from the offering of the Securities; provided, however, that in no case shall (i) any Underwriter (except as may be provided in any agreement among underwriters relating to the offering of the Securities) be responsible for any amount in excess of the underwriting discount or commission applicable to the Securities purchased by such Underwriter hereunder. If the allocation provided by the immediately preceding sentence is

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unavailable for any reason, the Company, the Guarantor and the Underwriters severally shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and the Guarantor on the one hand and of the Underwriters on the other in connection with the statements or omissions which resulted in such Losses as well as any other relevant equitable considerations. Benefits received by the Company and the Guarantor shall be deemed to be equal to the total net proceeds from the offering (before deducting expenses) received by the Company, and benefits received by the Underwriters shall be deemed to be equal to the total underwriting discounts and commissions, in each case as set forth on the cover page of the Final Prospectus. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the Company and the Guarantor on the one hand or the Underwriters on the other, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company, the Guarantor and the Underwriters agree that it would not be just and equitable if contribution were determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 8, each person who controls an Underwriter within the meaning of either the Act or the Exchange Act and each director, officer, employee and agent of an Underwriter shall have the same rights to contribution as such Underwriter, and each person who controls the Company or the Guarantor, as applicable, within the meaning

of either the Act or the Exchange Act, each officer of the Company or the Guarantor, as applicable, who shall have signed the Registration Statement and each director of the Company or the Guarantor, as applicable, shall have the same rights to contribution as the Company or the Guarantor, as applicable, subject in each case to the applicable terms and conditions of this paragraph (d).

9. Default by an Underwriter. If any one or more Underwriters shall fail to purchase and pay for any of the Securities agreed to be purchased by such Underwriter or Underwriters hereunder and such failure to purchase shall constitute a default in the performance of its or their obligations under this Agreement, the remaining Underwriters shall be obligated severally to take up and pay for (in the respective proportions which the principal amount of Securities set forth opposite their names in the Terms Agreement bears to the aggregate principal amount of Securities set forth opposite the names of all the remaining Underwriters) the Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase; provided, however, that in the event that the aggregate principal amount of Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase shall exceed 10% of the aggregate principal amount of Securities set forth in the Terms Agreement, the remaining Underwriters shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Securities, and if such nondefaulting Underwriters do not purchase all the Securities, this Agreement will terminate without liability to any nondefaulting Underwriter, the Company or the Guarantor. In the event of a default by any Underwriter as set forth in this Section 9, the Closing Date shall be postponed for such period, not exceeding five Business

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Days, as the Representative shall determine in order that the required changes in the Registration Statement and the Final Prospectus or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve any defaulting Underwriter of its liability, if any, to the Company, the Guarantor and any nondefaulting Underwriter for damages occasioned by its default hereunder.

10. Termination. This Agreement shall be subject to termination in the absolute discretion of the Representative, by notice given to the Company and the Guarantor prior to delivery of and payment for the Securities, if at any time prior to such time (i) trading in the Guarantor's Common Stock shall have been suspended by the Commission or the New York Stock Exchange, or trading in securities generally on the New York Stock Exchange shall have been suspended or limited or minimum prices shall have been established on such Exchange, (ii) a banking moratorium shall have been declared either by Federal or New York State authorities or (iii) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war, or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Representative, impractical or inadvisable

to proceed with the offering or delivery of the Securities as contemplated by the Final Prospectus (exclusive of any supplement thereto).

11. Representations and Indemnities to Survive. The respective agreements, representations, warranties, indemnities and other statements of the Company, the Guarantor or their respective officers and of the Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of any Underwriter or the Company or any of the officers, directors, employees, agents or controlling persons referred to in Section 8 hereof, and will survive delivery of and payment for the Securities. The provisions of Sections 7 and 8 hereof shall survive the termination or cancelation of this Agreement.

12. Notices. All communications hereunder will be in writing and effective only on receipt, and, if sent to the Representative, will be mailed, delivered or telefaxed to the Citigroup Global Markets Inc. General Counsel (fax no.: (212) 816-7912) and confirmed to the General Counsel, Citigroup Global Markets Inc., at 388 Greenwich Street, New York, New York, 10013, Attention: General Counsel; or, if sent to the Company or the Guarantor, will be mailed, delivered or telefaxed to [Citi's fax number] and confirmed to it at 399 Park Avenue, New York, New York 10043, attention of the Legal Department.

13. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers, directors, employees, agents and controlling persons referred to in Section 8 hereof, and no other person will have any right or obligation hereunder.

14. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed within the State of New York.

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15. Counterparts. This Agreement may be signed in one or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

16. Headings. The section headings used herein are for convenience only and shall not affect the construction hereof.

17. Definitions. The terms which follow, when used in this Agreement, shall have the meanings indicated.

"Act" shall mean the Securities Act of 1933, as amended and the rules and regulations of the Commission promulgated thereunder.

"Base Prospectus" shall mean the prospectus referred to in paragraph 1(a) above contained in the Registration Statement at the Effective Date

including any Preliminary Final Prospectus.

"Business Day" shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in New York City.

"Commission" shall mean the Securities and Exchange Commission.

"Effective Date" shall mean each date and time that the Registration Statement, any post-effective amendment or amendments thereto and any Rule 462(b) Registration Statement became or become effective.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Execution Time" shall mean the date and time that this Agreement is executed and delivered by the parties hereto.

"Final Prospectus" shall mean the prospectus supplement relating to the Securities that was first filed pursuant to Rule 424(b) after the Execution Time, together with the Base Prospectus.

"Guarantee" shall have the meaning set forth in the Registration Statement under "Description of Debt Securities - Citigroup Guarantees."

"Preliminary Final Prospectus" shall mean any preliminary prospectus supplement to the Base Prospectus which describes the Securities and the offering thereof and is used prior to filing of the Final Prospectus, together with the Base Prospectus.

"Registration Statement" shall mean the registration statement referred to in paragraph 1(a) above, including exhibits and financial statements, as amended at the Execution Time (or, if not effective at the Execution Time, in the form in which it shall become effective) and, in the event any post-effective amendment thereto or any

Rule 462(b) Registration Statement becomes effective prior to the Closing Date, shall also mean such registration statement as so amended or such Rule 462(b) Registration Statement, as the case may be. Such term shall include any Rule 430A Information deemed to be included therein at the Effective Date as provided by Rule 430A.

"Rule 415", "Rule 424", "Rule 430A" and "Rule 462" refer to such rules under the Act.

"Rule 430A Information" shall mean information with respect to the

Securities and the offering thereof permitted to be omitted from the Registration Statement when it becomes effective pursuant to Rule 430A.

"Rule 462(b) Registration Statement" shall mean a registration statement and any amendments thereto filed pursuant to Rule 462(b) relating to the offering covered by the registration statement referred to in Section 1(a) hereof.

"Trust Indenture Act" shall mean the Trust Indenture Act of 1939, as amended and the rules and regulations of the Commission promulgated thereunder.

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EXHIBIT A

CITIGROUP FUNDING INC.

[INSERT SPECIFIC TITLE OF SECURITIES]

DELAYED DELIVERY CONTRACT

[Insert date of initial public offering]*

CITIGROUP FUNDING INC.
c/o

Ladies and Gentlemen:

The undersigned hereby agrees to purchase from Citigroup Funding Inc. (hereinafter called the "Company"), and the Company agrees to sell to the undersigned, as of the date hereof,

[If one delayed closing, insert the following:

for delivery on _____, 20__ (the "Delivery Date"), \$ _____ aggregate principal amount of]

[If two or more delayed closings, insert the following:

for delivery on the dates and in the aggregate principal amount set forth below (each of which dates is hereinafter referred to as a "Delivery Date"),]

the Company's [insert title of Securities] (the "Securities"), offered by the Company's Prospectus relating thereto, receipt of a copy of which is hereby acknowledged, at a purchase price of ____% of the aggregate principal amount thereof plus accrued interest, if any, and on the further terms and conditions

set forth in this contract.

[If two or more delayed closings, insert the following:

Delivery Date	Aggregate Principal Amount
_____	_____
_____	_____]

Delivery of and payment for the Securities shall be made on [the] [each] Delivery Date. Delivery of the Securities shall be made to the undersigned against payment of the purchase price thereof to or upon the order of the Company by wire transfer payable in same-day funds to an account specified by the Company. Delivery of the Securities shall be made through the facilities of The Depository Trust Company unless the undersigned shall otherwise instruct.

* To be completed when the Terms Agreement is executed by the parties thereto.

Ex. A-1

The obligation of the undersigned to take delivery of, and make payment for, Securities on [the] [each] Delivery Date shall be subject to the conditions that (i) investment in the Securities shall not at such Delivery Date be prohibited under the laws of any jurisdiction in the United States to which the undersigned is subject, which investment the undersigned represents is not prohibited on the date hereof, and (ii) the Company shall have delivered to the Underwriters the aggregate principal amount of the Securities to be purchased by them pursuant to the Underwriting Agreement referred to in the Prospectus.

Promptly after completion of the sale to the Underwriters, the Company will mail or deliver to the undersigned at its address set forth below notice to such effect, accompanied by a copy of the opinion of counsel for the Company and the Guarantor delivered to the Underwriters in connection therewith.

This contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the written consent of the other.

It is understood that the acceptance of this contract and any other similar contracts is in the Company's sole discretion and, without limiting the foregoing, need not be on a first-come, first-served basis. If this contract is acceptable to the Company, it is requested that the Company sign the form of acceptance below and mail or deliver one of the counterparts hereof to the undersigned at its address set forth below. This will become a binding contract between the Company and the undersigned when such counterpart is mailed or

delivered.

THIS CONTRACT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE
WITH, THE LAWS OF THE STATE OF NEW YORK.

[NAME OF PURCHASER]

By: _____
Name:
Title:
Address:

Accepted as of the above date.

CITIGROUP FUNDING INC.

By: _____
Name:
Title:

Ex. A-2

CITIGROUP GLOBAL MARKETS HOLDINGS INC.

Medium-Term Notes, Series A and Series B
Euro-Medium-Term Notes, Series A and Series B

GLOBAL SELLING AGENCY AGREEMENT

May ___, 2005
New York, New York

Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013
(the "U.S. Agent")

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
ENGLAND
(the "International Agent")

Ladies and Gentlemen:

Citigroup Funding Inc., a Delaware corporation (the "Company"), confirms its agreement with each of you with respect to the issue and sale by the Company of up to U.S.\$[] (or the equivalent thereof in one or more foreign currencies, foreign currency units or composite currencies) aggregate principal amount of its Medium-Term Notes, Series A and Series B, in registered form (the "Medium-Term Notes") and Euro-Medium-Term Notes, Series A and Series B, in bearer form (the "Euro Medium-Term Notes"; and together with the Medium-Term Notes, the "Notes"), which Notes are fully and unconditionally guaranteed by Citigroup Inc. (the "Guarantor"). It is understood that the Company may from time to time authorize the issuance and sale of additional amounts of the Notes and that such Notes may be issued and sold pursuant to the terms of this Agreement, all as though the issuance and sale of such Notes were authorized by the Company as of the date hereof. The Notes may be denominated in U.S. dollars, foreign currencies or composite currencies (the "Specified Currency") as may be specified in the applicable Pricing Supplement (as defined herein) relating to any particular issue of Notes.

The Notes, Series A, will be issued under an indenture (the "Senior Debt Indenture"), dated as of May ___, 2005, among the Company, the Guarantor, and JPMorgan Chase Bank, N.A., as trustee. The Notes, Series B, will be issued under an indenture (the "Subordinated Debt Indenture," and, together with the

Senior Debt Indenture, the "Indentures"), dated as of May ___, 2005, among the Company, the Guarantor, and Deutsche Bank Trust Company Americas, as trustee (together with JPMorgan Chase Bank, N.A., the "Trustees"). Unless otherwise specifically provided for and set forth in a supplement to the Prospectus

referred to below, the Medium-Term Notes will be issued in minimum denominations of U.S.\$1,000 (or the approximate equivalent thereof in the Specified Currency) and in denominations exceeding such amount by integral multiples of U.S.\$1,000 (or the approximate equivalent thereof in the Specified Currency) and will be issued only in fully registered form, and the Euro Medium-Term Notes will be issued in minimum denominations of U.S.\$10,000 (or the approximate equivalent thereof in the Specified Currency) and in denominations exceeding such amount by integral multiples of U.S.\$1,000 (or the approximate equivalent thereof in the Specified Currency) and will be issued only in bearer form, and the Notes will have the interest rates, maturities, redemption provisions and other terms set forth in the applicable Pricing Supplement (as defined herein).

The Medium-Term Notes will be issued, and the terms thereof established, in accordance with the Indentures and the Medium-Term Notes Administrative Procedures attached hereto as Exhibit A (the "U.S. Procedures") (unless a Terms Agreement (as defined in Section 2(b)) modifies or otherwise supersedes such U.S. Procedures with respect to the Medium-Term Notes issued pursuant to such Terms Agreement). The U.S. Procedures may only be amended by written agreement of the Company, the Guarantor and the U.S. Agent after notice to, and with the approval of, the Trustees. The Euro Medium-Term Notes will be issued, and the terms thereof established, in accordance with the Indentures and the Euro Medium-Term Notes Administrative Procedures attached hereto as Exhibit B (the "Euro Procedures") (unless a Terms Agreement modifies or otherwise supersedes such Euro Procedures with respect to the Euro Medium-Term Notes issued pursuant to such Terms Agreement). The Euro Procedures may only be amended by written agreement of the Company, the Guarantor and the International Agent after notice to, and with the approval of, the Trustees.

For purposes of this Agreement, the term "Agent" shall refer to either one of you and to any additional agents appointed as a party to this Agreement pursuant to Section 2(b) hereof, and the terms "U.S. Agent" and "International Agent" shall refer to such of you as are indicated on the cover page of this Agreement and any such additional Agents appointed as such pursuant to Section 2(c) hereof, each acting solely in its capacity as agent for the Company pursuant to Section 2(a) and not as principal; the term "Purchaser" shall refer to one of you acting solely as principal pursuant to Section 2(b) and not as agent; and the term "you" shall refer to you and any other Agent collectively, whether at any time any one of you is acting in both such capacities or in either such capacity. In acting under this Agreement, in whatever capacity, each of you is acting individually and not jointly.

1. Representations and Warranties. The Company and the Guarantor jointly and severally represent and warrant to, and agree with, each of you as set forth below in this Section 1.

(a) Registration Statement (File No. 333-[]) in respect of U.S.\$[] aggregate principal amount of securities of the Company, including the Notes, has been filed with the Securities and Exchange Commission (the "Commission"); such registration statement and any post-effective amendment thereto, each in the form heretofore delivered or to be delivered to each of you, excluding exhibits to such registration statement but including all documents incorporated by reference therein, have been declared effective by the Commission in such forms; no other document with respect to such registration statement (other than a

document incorporated by reference therein) has heretofore been filed or transmitted for filing with the Commission; and no stop order suspending the effectiveness of the registration statement has been issued and no proceeding for that purpose has been instituted or threatened by the Commission (any preliminary prospectus included in the Registration Statement (as defined herein) or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Securities Act of 1933, as amended (the "Act"), being hereinafter called a "Preliminary Prospectus"); the various parts of the registration statement, including all exhibits thereto and the documents incorporated by reference in the prospectus contained in such registration statement at the time such part of such registration statement became effective but excluding the Statements of Eligibility under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), pertaining to the Indentures, each as amended at the time such part became effective, being hereinafter collectively called the "Registration Statement"; the form of basic prospectus relating to the offering and sale of Debt Securities and Index Warrants included in the Registration Statement, in the form in which it has most recently been filed, or transmitted for filing, with the Commission on or prior to the date of this Agreement being hereinafter from time to time called the "Base Prospectus"; the supplement to the Prospectus relating to the Medium-Term Notes and the plan of distribution thereof being hereinafter called the "U.S. Prospectus Supplement"; the supplement to Prospectus relating to the Euro Medium-Term Notes and the plan of distribution thereof being hereinafter called the "Euro Prospectus Supplement" and, together with the U.S. Prospectus Supplement, the "Prospectus Supplements"; and the Base Prospectus (including the U.S. Prospectus Supplement or the Euro Prospectus Supplement, as the case may be) being hereinafter called the "Prospectus". Any reference herein to the Prospectus, a Preliminary Prospectus or any Prospectus Supplement shall be deemed to refer to and include the documents incorporated by reference therein pursuant to the applicable form under the Act, as of the date of such Prospectus, Preliminary Prospectus or Prospectus Supplement, as the case may be; any reference to any amendment or supplement to any Prospectus, Preliminary Prospectus or Prospectus Supplement, including any supplement to the Prospectus that sets forth only the terms of a particular issue of the Notes (a "Pricing Supplement"), shall be deemed to refer to and include any documents filed after the date of such Prospectus, Preliminary Prospectus or Prospectus Supplement, as the case may be,

under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated by reference in such Prospectus or Prospectus Supplement, as the case may be; any reference to any amendment to the Registration Statement shall be deemed to include any report of the Company filed pursuant to the Exchange Act after the effective date of the Registration Statement that is incorporated by reference in such Registration Statement; and any reference to the Prospectus as amended or supplemented shall be deemed to refer to and include the Prospectus as amended or supplemented in relation to the Notes sold pursuant to this Agreement, in the form in which it is filed with the Commission pursuant to Rule 424(b) under the Act, including any documents incorporated by reference therein as of the date of such filing);

(b) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission promulgated thereunder, and any further documents so filed and incorporated by reference in the Prospectus, or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case

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may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder;

(c) The Registration Statement and the Prospectus, and any amendment thereof or supplement thereto, and the Indentures, conform or will conform in all material respects with the applicable requirements of the Act and the Trust Indenture Act, and the rules and regulations of the Commission thereunder;

(d) The Registration Statement, as amended as of any time, did not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading and the Prospectus, as amended and supplemented as of any such time, did not and will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; provided, however, that neither the Company nor the Guarantor makes any representations or warranties as to the information contained in or omitted from the Registration Statement or the Prospectus or any amendment thereof or supplement thereto in reliance upon, and in conformity with, information furnished in writing to the Company or the Guarantor by or on behalf of any Agent specifically for use in the Registration Statement and the Prospectus or any amendment thereof or supplement thereto;

(e) The Notes have been duly authorized and, when executed and authenticated in accordance with the Indentures and delivered to and duly paid

for by the purchasers thereof, will constitute valid and binding obligations of the Company, enforceable in accordance with their respective terms and entitled to the benefits of the Indentures (subject, as to enforcement, to applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally and to general principles of equity regardless of whether such enforceability is considered in a proceeding in equity or at law); the Indentures have been duly authorized by the Company and qualified under the Trust Indenture Act; and the Indentures conform to the descriptions thereof in the Prospectus as amended or supplemented to relate to such issuance of Notes;

(f) The Guarantees have been duly authorized and, when executed and delivered by the Guarantor in accordance with the Indentures, will constitute valid and binding obligations of the Guarantor, enforceable in accordance with their terms and entitled to the benefits of the Indentures; and

(g) Since the date of the most recent financial statements included in the Prospectus, as amended or supplemented, there has not been any material adverse change in the consolidated financial condition or results of operations of the Guarantor and its subsidiaries, taken as a whole, which is not disclosed in the Prospectus, as amended or supplemented.

2. Appointment of Agents. (a) Subject to the terms and conditions stated herein and subject to the reservation by the Company of the right to sell Notes to any of you acting as principal at a discount for its own account or for resale to one or more investors or other dealers and the Company's right to sell Notes directly to investors on its own behalf or through other agents, the Company hereby appoints and authorizes the U.S. Agent and the International Agent

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to act as its agents to solicit offers for the purchase of all or part of the Medium-Term Notes and Euro Medium-Term Notes, respectively, from the Company; provided, however, that only the International Agent may solicit offers for the purchase of Euro Medium-Term Notes.

Following the Commencement Date (referred to below), the Company shall notify each Agent from time to time as to the commencement of a period during which the Notes may be offered and sold by the Agents (each period, commencing with such a notification and ending at such time as the authorization for offers and sales through the Agents shall have been suspended by the Company or the Agents as provided hereunder, being herein referred to as an "Offering Period"). The initial Offering Period shall begin on May __, 2005 (the "Commencement Date"). On the basis of the representations and warranties, and subject to the terms and conditions set forth herein, each of the U.S. Agent and the International Agent agrees, as agent of the Company, to use its reasonable best efforts to solicit offers to purchase Medium-Term Notes and Euro Medium-Term Notes, respectively, from the Company upon the terms and conditions

set forth in the applicable Prospectus (and any supplement thereto) and in the U.S. or Euro Procedures, as applicable. Each Agent shall communicate to the Company, orally or in writing, each reasonable offer or indication of interest to purchase Notes received by such Agent as Agent. The Company shall have the sole right to accept offers to purchase the Notes and may reject any such offer in whole or in part. Each Agent shall have the right to reject, in its discretion reasonably exercised, any offer received by it to purchase the Notes, in whole or in part, and any such rejection shall not be deemed a breach of its agreements contained herein. In soliciting offers to purchase the Notes in its capacity as agent of the Company, each Agent is acting solely as agent for the Company, and not as principal, and does not assume any obligation toward or relationship of agency or trust with any purchaser of the Notes (other than any such obligation or relationship which the Agent assumes independently of this Agreement). Each Agent shall make reasonable efforts to assist the Company in obtaining performance by each purchaser whose offer to purchase Notes has been solicited by such Agent and accepted by the Company, but such Agent shall not, except as otherwise provided in this Agreement, be obligated to disclose the identity of any purchaser or have any liability to the Company in the event any such purchase is not consummated for any reason. Except as provided in Section 2(b), under no circumstances will any Agent be obligated to purchase any Notes for its own account. It is understood and agreed, however, that any of you may purchase Notes as principal pursuant to Section 2(b).

The Company reserves the right, in its sole discretion, to instruct the U.S. Agent and the International Agent to suspend at any time, for any period of time or permanently, the solicitation of offers to purchase Notes. Upon receipt of instructions from the Company, the U.S. Agent and the International Agent (or either or both of them, as the case may be) will forthwith suspend solicitation of offers to purchase Notes from the Company until such time as the Company has advised them that such solicitation may be resumed.

The Company agrees to pay each Agent a commission, on the Settlement Date with respect to each sale of Notes by the Company as a result of a solicitation made by such Agent, in an amount equal to that percentage specified in Schedule I hereto of the aggregate principal amount of the Notes sold by the Company. Such commission shall be payable as specified in the U.S. or Euro Procedures, as applicable. Without the prior approval of the Company, no Agent (acting on an agency basis) may reallocate any portion of the commission

payable pursuant hereto to dealers or purchasers in connection with the offer and sale of any Notes.

Subject to the provisions of this Section and to the U.S. or Euro Procedures, as applicable, offers for the purchase of Notes may be solicited by an Agent as agent for the Company at such time and in such amounts as such Agent shall deem advisable. The Company may from time to time offer Notes for sale

otherwise than through an Agent; provided, however, that so long as this Agreement is in effect the Company shall not solicit or accept offers to purchase Notes through any agent other than an Agent.

If the Company defaults in its obligations to deliver Notes to a purchaser whose offer it has accepted, the Company shall indemnify and hold each of you harmless against any loss, claim or damage arising from or as a result of such default by the Company.

(b) Subject to the terms and conditions stated herein, whenever the Company and any of you determine that the Company shall sell Notes directly to any of you as principal, each such sale of Notes shall be made in accordance with the terms of this Agreement and a supplemental agreement relating to such sale. Each such supplemental agreement (which may be either an oral or written agreement) is herein referred to as a "Terms Agreement". Each Terms Agreement shall describe the Notes to be purchased by the Purchaser pursuant thereto and shall specify the aggregate principal amount of such Notes, the price to be paid to the Company for such Notes, the maturity date of such Notes, the rate at which interest will be paid on such Notes, the dates on which interest will be paid on such Notes and the record date with respect to each such payment of interest, such other terms of the Notes as are applicable, the Settlement Date for the purchase of such Notes, the place of delivery of the Notes and payment therefor, the method of payment and any requirements for the delivery of opinions of counsel, certificates from the Company, the Guarantor or their respective officers or a letter from the Guarantor's independent registered public accountants as described in Section 5(b). A Terms Agreement may also specify certain provisions relating to the reoffering of such Notes by the Agent. Any written Terms Agreement may be in the form attached hereto as Exhibit C. The Purchaser's commitment to purchase Notes shall be deemed to have been made on the basis of the representations and warranties of the Company and the Guarantor herein contained and shall be subject to the terms and conditions herein set forth.

Each date of delivery of and payment for Notes to be purchased by any of you as principal or as agent or by any other purchaser is referred to herein as a "Settlement Date". Delivery of the certificates for Notes sold to the Purchaser pursuant to a Terms Agreement shall be made not later than the Settlement Date agreed to in such Terms Agreement, against payment of funds to the Company in the net amount due to the Company for such Notes by the method and in the form set forth in the U.S. or Euro Procedures, as applicable, unless otherwise agreed to between the Company and the Purchaser in such Terms Agreement.

Unless otherwise agreed to between the Company and the Purchaser in a Terms Agreement, any Note sold to a Purchaser (i) shall be purchased by such Purchaser at a price equal to 100% of the principal amount thereof less a percentage equal to the commission applicable to an agency sale of a Note of identical maturity and (ii) may be resold by such Purchaser at varying prices from time to time or, if set forth in the applicable Terms Agreement

and Pricing Supplement, at a fixed public offering price. In connection with any resale of Notes purchased, a Purchaser may use a selling or dealer group and may reallocate to any broker or dealer any portion of the discount or commission payable pursuant hereto.

(c) Additional Agents. Notwithstanding paragraph 2(a) above, the Company may from time to time appoint one or more additional financial institutions experienced in the distribution of securities as a U.S. Agent or International Agent under this Agreement, for the duration of this Agreement (subject to Section 7 hereof) or on an issue by issue basis, pursuant to a letter (an "Agent Accession Confirmation") substantially in the form of Exhibit D or Exhibit F to this Agreement, as appropriate, provided that any such additional party shall have first requested appointment as such upon the terms and conditions of this Agreement in writing to the Company pursuant to a letter (an "Agent Accession Letter") substantially in the form of Exhibit E or Exhibit G to this Agreement, as appropriate, whereupon it shall, subject to the terms and conditions of this Agreement, the relevant Agent Accession Letter and the relevant Agent Accession Confirmation, become a party to this Agreement as a U.S. Agent, or an International Agent, as specified in the relevant Agent Accession Letter, vested with all the authority, rights and powers and subject to all the duties and obligations of an Agent as if originally named as an Agent hereunder. The Company shall promptly notify the Guarantor, the Trustees and the other Agents of any such appointment, but only in the event that any such additional Agent is appointed for the duration of this Agreement.

3. Offering and Sale of Notes. The U.S. Agent, the International Agent and the Company agree to perform the respective duties and obligations specifically provided to be performed by them in the U.S. or Euro Procedures, as the case may be.

In connection with any offering of Euro Medium-Term Notes, the International Agent may act as stabilizing agent (the "Stabilizing Agent"), and as Stabilizing Agent may over-allot or effect transactions which stabilize or maintain the market price of the Euro Medium-Term Notes at a level which might not otherwise prevail. Such stabilizing, if commenced, may be discontinued at any time. The Stabilizing Agent, whose identity shall be disclosed in the applicable supplement to the Prospectus relating to such offering of Euro Medium-Term Notes, shall comply with all applicable laws.

4. Agreements. (A) The Company and the Guarantor agree with each of you that:

(a) At any time during an Offering Period or during the time a prospectus relating to the Notes is required to be delivered under the Act, prior to amending or supplementing either Registration Statement or the Prospectus, the Company and the Guarantor will furnish each Agent and such Agent's counsel with a copy of each proposed amendment or supplement (other than

an amendment or supplement to be made pursuant to incorporation by reference of a document filed under the Exchange Act, or a Pricing Supplement or an amendment or supplement relating solely to an offering of securities other than the Notes). The Company and the Guarantor will promptly cause the Prospectus together with each amendment thereof or supplement thereto to be mailed or otherwise transmitted to the Commission for filing pursuant to Rule 424(b) by an appropriate method or will promptly cause the Prospectus together with each amendment thereof or supplement thereto to be filed with the Commission pursuant to

said Rule. If the Prospectus is amended or supplemented (other than by a Pricing Supplement or an amendment or supplement relating solely to an offering of securities other than the Notes), each Agent shall be furnished with such information relating to such filing as it may reasonably request, and no Agent shall be obligated to solicit offers to purchase Notes so long as it is not reasonably satisfied that such amendment or supplement complies in all material respects with the provisions of the Act and the Exchange Act. At any time during an Offering Period or during the time a prospectus relating to the Notes is required to be delivered under the Act, the Company and the Guarantor will promptly advise each Agent of (i) the filing of any amendment or supplement to the Prospectus (other than a Pricing Supplement or an amendment or supplement relating solely to an offering of securities other than the Notes), (ii) the filing or effectiveness of any amendment to the Registration Statement, (iii) the receipt by the Company or the Guarantor of comments from the Commission relating to or requests by the Commission for any amendment of the Registration Statement or any amendment of or supplement to the Prospectus or for any additional information, (iv) the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the institution or threatening of any proceeding for that purpose and (v) the receipt by the Company or the Guarantor of any notification with respect to the suspension of the qualification of the Notes for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose. The Company and the Guarantor will use their reasonable best efforts to prevent the issuance of any such stop order or notice of suspension of qualification and, if issued, to obtain as soon as possible the withdrawal thereof. Upon any Agent's request, the Company and the Guarantor will within a reasonable time inform such Agent of the aggregate principal amount of Notes registered under the Registration Statement that remain unissued.

(b) Within the time during which a prospectus relating to the Notes is required to be delivered under the Act, the Company and the Guarantor will comply with all requirements imposed upon them by the Act, as now and hereafter amended, and by the rules and regulations of the Commission thereunder, as from time to time in force, so far as necessary to permit the continuance of sales of or dealings in the Notes as contemplated by the provisions hereof and the Prospectus. If during such period any event occurs as a result of which the Prospectus as then amended or supplemented would include an untrue statement of

a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances then existing, not misleading, or if, in the opinion of the Company and the Guarantor, during such period it is necessary to amend or supplement the Registration Statement or the Prospectus to comply with the Act, the Company promptly will notify each Agent to suspend the solicitation of offers to purchase the Notes in its capacity as Agent and to cease sales of any Notes it may then own as principal and, to the extent required under the provision in the last sentence of this subsection (b), the Company and the Guarantor promptly will amend or supplement the Registration Statement or the Prospectus (at the expense of the Company or the Guarantor) so as to correct such statement or omission or effect such compliance. If such amendment or supplement, and any documents, certificates, opinions and letters furnished to each Agent pursuant to subsections (j), (k) and (l) of this Section 4(A) in connection with the preparation and filing of such amendment or supplement, are reasonably satisfactory in all respects to such Agent, upon the filing of such amendment or supplement with the Commission or effectiveness of an amendment to the Registration Statement, such Agent will resume solicitation of offers to purchase Notes hereunder. Notwithstanding the foregoing, neither the Company nor the Guarantor shall be required to comply with the provisions of subsection (b) of this Section 4(A)

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during any period from the time any Agent shall have been notified to suspend the solicitation of offers to purchase the Notes in its capacity as Agent (whether under this subsection (b) or otherwise under this Agreement) to the time the Company shall determine that solicitation of offers to purchase the Notes should be resumed; provided that if any such Agent holds any Notes as principal purchased pursuant to a Terms Agreement or otherwise pursuant to this Agreement, the Company and the Guarantor shall comply with the provisions of subsection (b) of this Section 4(A) during the period when a Prospectus is required to be delivered pursuant to the Act.

(c) The Guarantor will comply, in a timely manner, with all applicable requirements under the Exchange Act relating to the filing with the Commission of the Guarantor's reports pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act and, if then applicable, of the Guarantor's proxy statements pursuant to Section 14 of the Exchange Act.

(d) The Company and the Guarantor will use their best efforts to qualify the Notes for sale under the securities laws of such jurisdictions as any Agent reasonably designates, to maintain such qualifications in effect so long as required for the distribution of the Notes and, if requested by such Agent, to arrange for the determination of the legality of the Notes for purchase by institutional investors, except that neither the Company nor the Guarantor shall be required in connection therewith to qualify to do business in any jurisdiction where it is not now so qualified or to take any action which would subject it to general or unlimited service of process in any jurisdiction where it is not now so subject.

(e) The Company and the Guarantor will furnish to each Agent copies of the Registration Statement and the Prospectus (including all documents incorporated by reference therein), and all amendments of and supplements to the Registration Statement or the Prospectus which are filed with the Commission during the period in which a prospectus relating to the Notes is required to be delivered under the Act (including all documents filed by an amendment or supplement with the Commission during such period which are deemed to be incorporated by reference therein), in each case in such quantities as such Agent may from time to time reasonably request.

(f) So long as any of the Notes are outstanding, the Guarantor agrees to furnish to each Agent, upon its reasonable request, as soon as available, all reports and financial statements filed by or on behalf of the Guarantor with the Commission or any national securities exchange.

(g) The Guarantor will make generally available to security holders of the Company and to each Agent as soon as practicable, but in any event not later than 15 months after the end of the Guarantor's current fiscal quarter, an earnings statement (which need not be audited) covering a 12-month period beginning after the date upon which any amendment of or supplement to the Prospectus (other than a Pricing Supplement or an amendment or supplement relating solely to an offering of debt securities other than the Notes) is filed pursuant to Rule 424 under the Act, which shall satisfy the provisions of Section 11(a) of the Act.

(h) The Company and the Guarantor shall, whether or not any sale of Notes is consummated or this Agreement is terminated, pay all expenses incident to the performance of their obligations under this Agreement and under any Terms Agreement, including, without

limitation, the fees and disbursements of its accountants and counsel, the cost of printing (or other production) and delivery of the Registration Statement and the Prospectus, all amendments thereof and supplements thereto, the Indentures, and all other documents relating to the offering, the cost of preparing, printing, packaging and delivering the Notes, the fees and disbursements (including reasonable fees of counsel) incurred in connection with the qualification of the Notes for sale and determination of eligibility for investment of the Notes under the securities or blue sky laws of such jurisdictions as the Agent may designate, the fees and disbursements of the Trustees, the fees of any agency that rates the Notes, the fees and expenses in connection with any listing of the Notes on the Luxembourg Stock Exchange or such other securities exchange agreed to in writing by the Company, the fees and expenses incurred with respect to any filing with the National Association of Securities Dealers, Inc. and the reasonable fees and disbursements of Cleary Gottlieb Steen & Hamilton LLP, as counsel for the Agents, or other counsel reasonably satisfactory to each of the Agents, the Company and the Guarantor,

and such other expenses, including, without limitation, advertising expenses as may be agreed upon by the Agents, the Company and the Guarantor; provided, however, that with respect to any purchase of Notes by one of you as principal pursuant to a Terms Agreement, the fees and disbursements of Cleary Gottlieb Steen & Hamilton LLP or other counsel to you shall not be paid by either the Company or the Guarantor.

(i) During the term of this Agreement, the Company and the Guarantor shall furnish to each Agent such relevant documents and certificates of officers of the Company and the Guarantor relating to the business, operations and affairs of the Company and the Guarantor, the Registration Statement, the Prospectus, any amendments thereof or supplements thereto, the Indentures, the Notes, this Agreement, the Procedures, any Terms Agreement and the performance by the Company and the Guarantor of their obligations hereunder or thereunder as any Agent may from time to time reasonably request, and the Company and the Guarantor shall promptly notify each Agent orally, followed by written notice of any downgrading, or of the receipt by either of them of any notice of any intended downgrading, in the rating accorded any securities of either the Company or the Guarantor by Moody's Investors Service, Inc. or Standard & Poor's Ratings Services or, if one of them no longer rates the securities of either the Company or the Guarantor, another "nationally recognized statistical rating organization", as such term is defined for purposes of Rule 436(g) (2) under the Act.

(j) Each time the Registration Statement or the Prospectus is amended or supplemented (other than by a Pricing Supplement, an amendment or supplement relating solely to an offering of securities other than the Notes, or an amendment or supplement made pursuant to the incorporation by reference of a document filed under the Exchange Act), if requested by any Agent, the Company and the Guarantor will deliver or cause to be delivered forthwith to such Agent a certificate of the Company and the Guarantor, signed by the Chairman of the Board, any Vice Chairman or any Vice President and by the principal financial officer, the principal accounting officer or the Treasurer of the Company and the Guarantor (or another officer or officers acceptable to such Agent), dated the date of the effectiveness of such amendment or the date of filing with the Commission of such supplement or document, as the case may be, in form reasonably satisfactory to such Agent, to the effect that the statements contained in the certificate referred to in Section 5(b) (iii) that was last furnished to such Agent (either pursuant to Section 5(b) (iii) or pursuant to this Section 4(A)(j)) are true and correct at the time of the effectiveness of such amendment or the time of filing of such supplement or

document, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement, as amended at the time of effectiveness of such amendment, and to the Prospectus, as amended and supplemented at the date of such certificate) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in

Section 5(b) (iii) but modified, if necessary, to relate to the Registration Statement, as amended at the time of the effectiveness of such amendment, and to the Prospectus, as amended and supplemented at the date of such certificate.

(k) Each time the Registration Statement or the Prospectus is amended or supplemented (other than by a Pricing Supplement, an amendment or supplement relating solely to an offering of securities other than the Notes, or an amendment or supplement made pursuant to the incorporation by reference of a document filed under the Exchange Act), if requested by either Agent, the Company and the Guarantor shall furnish to or cause to be furnished forthwith to such Agent the written opinion of the General Counsel or a Deputy General Counsel of the Company and the Guarantor, or other counsel reasonably satisfactory to such Agent, dated the date of the effectiveness of such amendment or the date of filing with the Commission of such supplement or document, as the case may be, in form reasonably satisfactory to such Agent, to the effect set forth in Exhibit C hereto. In lieu of such opinion, counsel last furnishing such an opinion to such Agent may furnish to such Agent a letter to the effect that such Agent may rely on such last opinion to the same extent as though it were dated the date of such letter and authorizing reliance on such last opinion (except that statements in such last opinion will be deemed to relate to the Registration Statement, as amended at the time of the effectiveness of such amendment, and to the Prospectus, as amended and supplemented at the date of such letter).

(l) Each time that the Registration Statement or the Prospectus is amended or supplemented to set forth amended or supplemental financial information (other than by a Pricing Supplement, an amendment or supplement relating solely to an offering of securities other than the Notes, or an amendment or supplement made pursuant to the incorporation by reference of a document filed under the Exchange Act), if requested by either Agent, the Guarantor shall cause KPMG LLP, Independent Registered Public Accounting Firm, forthwith to furnish such Agent a letter, dated the date of the effectiveness of such amendment or the date of filing of such supplement or document, as the case may be, in form satisfactory to such Agent, of the same tenor as the letter referred to in Section 5(b)(iv) hereof but modified to relate to the Registration Statement and Prospectus, as amended and supplemented to the date of such letter, with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Guarantor; provided, however, that if the Registration Statement or the Prospectus is amended or supplemented solely to include or incorporate by reference financial information with respect to a fiscal quarter, KPMG LLP may limit the scope of such letter to the unaudited financial statements included in such amendment or supplement.

(m) Each acceptance by the Company of an offer for the purchase of Notes and each sale of Notes to any of you as principal shall be deemed to be an affirmation that the representations and warranties of the Company and the Guarantor contained in or made pursuant to this Agreement are true and correct in all material respects at the time of such acceptance or sale, as the case may be, as though made at and as of such time, and an undertaking that such representations and warranties will be true and correct in all material respects

delivery to the purchaser or his agent, or an Agent, or any of you acting as principal, of the Notes relating to such acceptance, as the case may be, as though made at and as of such time (and it is understood that such representations and warranties shall relate to the Registration Statement and the Prospectus as amended and supplemented to each such time).

(n) Anything to the contrary in this Section 4 notwithstanding, if, at the time of any required notice, amendment or supplement to the Registration Statement or the Prospectus, the Company shall have instructed the Agents to suspend solicitation of offers to purchase the Notes in each Agent's capacity as Agent of the Company and any Agent does not then hold any Notes acquired by it as principal pursuant to a Terms Agreement, neither the Company nor the Guarantor shall be obligated to furnish or cause to be furnished any notice, certificate, opinion or letter otherwise required until such time as it shall determine that solicitation of offers to purchase the Notes should be resumed; and provided, further, that, prior to resuming such solicitation the Agents shall be entitled to receive any such notices, certificates, opinions or letters not previously furnished, accurate as of the date of such notice, certificate, opinion or letter.

(o) The Company, the Guarantor and their respective affiliates will comply with the provisions of U.S. Treasury Regulations 1.163-5(c)(2)(i)(D)(1) and (2).

(p) If any issue of Euro Medium-Term Notes is to be listed on the Luxembourg Stock Exchange, as specified in the applicable Pricing Supplement, the Company and the Guarantor will use their best efforts to obtain the listing of such issue of Euro Medium-Term Notes on the Luxembourg Stock Exchange, to furnish to such Exchange all documents, information and undertakings that may be reasonably necessary in order to effect such listing, and to cause such listing to be continued so long as any of the Euro Medium-Term Notes of such issue remain outstanding.

(q) The Company and the Guarantor, or their respective designated agent(s) shall submit such reports or information as may be required from time to time by applicable law, regulations and guidelines promulgated by Japanese governmental and regulatory authorities in respect of the issue and purchase of Notes denominated in Japanese yen.

(B) Each Agent represents to and agrees with the Company and the Guarantor that:

(a) Except to the extent permitted under U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (the "D Rules"), (i) it has not offered or sold, and during the restricted period will not offer or sell, Euro Medium-Term Notes to a person

who is within the United States or its possessions or to a United States person, and (ii) it has not delivered and will not deliver within the United States or its possessions definitive Euro Medium-Term Notes that are sold during the restricted period.

(b) It has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Euro Medium-Term Notes are aware that such Euro Medium-Term Notes may not be offered or

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sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules.

(c) If it is a United States person, it represents that it is acquiring the Euro Medium-Term Notes for purposes of resale in connection with their original issuance, and if it retains Euro Medium-Term Notes for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. Section 1.163-5(c) (2) (i) (D) (6) .

(d) With respect to each of its affiliates that acquires Euro Medium-Term Notes from it for the purpose of offering or selling such Euro Medium-Term Notes during the restricted period, it repeats and confirms the representations and agreements contained in Sections 4(B) (a), (b) and (c) on such affiliate's behalf.

(e) It has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of Euro Medium-Term Notes, except with their affiliates or with the prior written consent of the Company and the Guarantor.

Terms used in this Section 4(B) have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the D Rules. For these purposes, the "restricted period" with respect to a Euro Medium-Term Note generally ends upon the expiration of the 40-day period beginning on the issue date of such Euro Medium-Term Note, unless the International Agent holds such Euro Medium-Term Note as part of an unsold allotment or subscription, in which case the "restricted period" continues for so long as the International Agent holds such Euro Medium-Term Note.

(f) It has not offered or sold and, prior to the expiration of the period of six months from the date of issue of any Notes having a maturity of one year or greater, will not offer or sell any Notes to persons in the United Kingdom, except to those persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments, as principal or agent, for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom

for purposes of the Public Offers of Securities Regulations 1995.

(g) It has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 ("FSMA") with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

(h) It has only communicated or caused to be communicated and it will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of FSMA does not apply to either the Company or the Guarantor.

(i) It will not offer or sell any Notes directly or indirectly in Japan or to, or for the benefit of, any Japanese person or to others, for re-offering or re-sale directly or indirectly in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant governmental and regulatory authorities in effect at the relevant time. For purposes of this paragraph,

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"Japanese person" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

5. Conditions to the Obligations of the Agents. Each Agent's obligations to solicit offers to purchase Notes as agent of the Company, any of your obligations to purchase Notes as principal pursuant to any Terms Agreement or otherwise and the obligation of any other Purchaser to purchase Notes from the Company will be subject to the accuracy in all material respects of the representations and warranties on the part of the Company and the Guarantor herein contained, to the accuracy of the statements of the officers of the Company and the Guarantor made in each certificate furnished pursuant to the provisions hereof and to the performance and observance by the Company and the Guarantor of all covenants and agreements herein contained on their part to be performed and observed (in the case of any Agent's obligations to solicit offers to purchase Notes, at the time of such solicitation, and, in the case of any Purchaser's obligation to purchase Notes, at the time the Company accepts the offer to purchase such Notes and at the time of purchase) and (in each case) to the following additional conditions precedent when and as specified:

(a) On the corresponding Settlement Date:

(i) There shall not have occurred any change in or affecting particularly the business or properties of the Company, the Guarantor and their respective affiliates from that set forth in the Registration Statement, as amended or supplemented, that, in the Agent's judgment,

makes it impracticable to market the Notes on the terms and in the manner contemplated in the Prospectus except, in the case of any purchase of Notes by any Agent as principal, as disclosed to such Agent in writing by the Company and the Guarantor before the Company accepted the offer to purchase such Notes.

(ii) (A) With respect to the Medium-Term Notes: There shall not have occurred any (x) suspension or material limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of either the Company or the Guarantor on any exchange (whether U.S. or foreign) or in the over-the-counter market, (y) declaration of a general moratorium on commercial banking activities in New York by either federal or New York state authorities or exchange controls shall have been imposed by the United States or by any country the currency of which will be used to make any payment in respect of the Notes or (z) any outbreak or escalation of major hostilities in which the United States is involved, any declaration of war by Congress or any other substantial national or international calamity or emergency that, in the Agent's judgment, is material and adverse and, in the case of any of the events described in clauses (ii)(A)(x) through (z), such event makes it, in the Agent's judgment, impracticable to market the Notes on the terms and in the manner contemplated by the Prospectus, as amended or supplemented, except, in the case of any purchase of Notes by any Agent as principal, for any such event occurring before the Company accepted the offer to purchase such Notes.

(B) With respect to the Euro Medium-Term Notes: There shall not have occurred any (x) suspension or material limitation of trading in securities generally

on the New York Stock Exchange, London Stock Exchange or Luxembourg Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of the Company or the Guarantor on any exchange (whether U.S. or foreign) or in the over-the-counter market, (y) declaration of a general moratorium on commercial banking activities in New York by either federal or New York state authorities or by bank regulatory authorities in London or Luxembourg, or exchange controls shall have been imposed by the United States or by any country the currency of which will be used to make any payment in respect of the Notes or (z) any outbreak or escalation of major hostilities in which the United States or the United Kingdom is involved, any declaration of war by Congress or Parliament or any other substantial national or international calamity or emergency that, in the Agent's judgment, is material and adverse and, in the case of any of the events described in clauses (ii)(B)(x) through (z), such event makes it, in the Agent's judgment, impracticable to market the Notes on the terms and in

the manner contemplated by the Prospectus, as amended or supplemented, except, in the case of any purchase of Notes by any Agent as principal, for any such event occurring before the Company accepted the offer to purchase such Notes.

(iii) There shall not have been any downgrading, nor any notice given of any intended downgrading, in the rating accorded any securities of either the Company or the Guarantor by Moody's Investor Service or Standard & Poor's Ratings Services or, if one of them no longer rates the securities of either the Company or the Guarantor, another "nationally recognized statistical rating organization", as such term is defined for purposes of Rule 436(g) (2) under the Act, except, in the case of any purchase of Notes by any Agent as principal, as disclosed to the Agent in writing by the Company and the Guarantor before the Company accepted the offer to purchase such Notes.

(b) On the Commencement Date and, if called for by any agreement by any Agent to purchase Notes as principal, on the corresponding Settlement Date:

(i) The Company and the Guarantor shall have furnished to each Agent the opinion of the General Counsel or a Deputy General Counsel of the Company and the Guarantor (or other counsel for the Company and/or the Guarantor reasonably acceptable to the Agent) on the Commencement Date, and, on the Settlement Date will furnish the opinion of the General Counsel or a Deputy General Counsel of the Company and the Guarantor (or other counsel for the Company and/or the Guarantor reasonably acceptable to such Agent) and, if called for by a Terms Agreement, the opinion of other counsel, dated the Commencement Date or the Settlement Date, as the case may be, to the effect set forth in Exhibit H hereto.

(ii) Each Agent shall have received from Cleary Gottlieb Steen & Hamilton LLP, counsel for the Agents (or other counsel reasonably acceptable to such Agent, the Company and the Guarantor), an opinion dated the Commencement Date or the Settlement Date, as the case may be, to the effect set forth in Exhibit I hereto.

(iii) The Company and the Guarantor shall have furnished to the Agent a certificate of the Company and the Guarantor, signed by the Secretary of the Company and by the Chairman of the Board, any Vice Chairman, the Treasurer or any Vice

President and by the principal financial officer, the Controller or the principal accounting officer of the Guarantor (or another officer or officers acceptable to such Agent), dated the Commencement Date or the Settlement Date, as the case may be, to the effect that each signatory of such certificate has carefully examined the Registration Statement, as amended as of the date of such certificate, the Prospectus, as amended and

supplemented as of the date of such certificate, and this Agreement and that:

(A) the representations and warranties of the Company and the Guarantor in this Agreement are true and correct in all material respects on and as of the date of such certificate with the same effect as if made on the date of such certificate and the Company and the Guarantor have complied in all material respects with all the agreements and satisfied in all material respects all the conditions on their part to be performed or satisfied as a condition to the obligations of such Agent under this Agreement;

(B) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to their knowledge, have been threatened or communicated; and

(C) since the date of the most recent financial statements included in the Prospectus, as amended and supplemented, there has been no material adverse change in the consolidated financial condition or results of operations of the Guarantor and its subsidiaries, taken as a whole, which is not disclosed in the Prospectus, as amended or supplemented.

(iv) KPMG LLP or another independent registered public accounting firm shall have furnished to each Agent a letter or letters, dated the Commencement Date or the Settlement Date, as the case may be, in form and substance reasonably satisfactory to such Agent, to the effect set forth in Exhibit J and Exhibit K hereto.

(v) The Company and the Guarantor shall have furnished to each Agent such appropriate further information, certificates and documents as such Agent may reasonably request.

6. Indemnification and Contribution. (a) The Company and the Guarantor will indemnify and hold harmless each of you against any losses, claims, damages or liabilities, joint or several, to which each of you may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, the Prospectus, or any amendment or supplement thereto, or any related preliminary Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading and will reimburse each of you for any legal or other expenses reasonably incurred by you in connection with investigating or defending against such loss, claim damage, liability or action; provided, however, that (i) neither the Company nor the Guarantor shall be liable in any

such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company or the Guarantor by or on behalf of any of you specifically for use in the preparation thereof, and (ii) such indemnity with respect to any preliminary Prospectus, the Prospectus or any preliminary supplemental prospectus, shall not inure to the benefit of any of you (or any person controlling you) if the Company and the Guarantor shall have delivered sufficient quantities of the Prospectus, as amended and supplemented, to you within a reasonable time prior to the earlier of the delivery of the written confirmation of the sale of such Notes or the delivery of such Notes to the person asserting such loss, claim, damage, liability or action for which indemnification is sought, and the Prospectus as so amended and supplemented (excluding documents incorporated by reference) was not sent or given to such person by you at or prior to the earlier of the delivery of the written confirmation of the sale of such Notes or the delivery of such Notes to such person in any case where such sending or giving of a prospectus is required by the Act, and the untrue statement or omission of a material fact contained in such preliminary prospectus, such Prospectus or such preliminary supplemental prospectus, was corrected in the Prospectus, as so amended and supplemented, provided to you.

(b) Each Agent will indemnify and hold harmless the Company and the Guarantor against any losses, claims, damages or liabilities to which either the Company or the Guarantor may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any part of the Registration Statement when it became effective, the Prospectus, or any amendment or supplement thereto, or any related preliminary Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made therein in reliance upon and in conformity with written information furnished to the Company or the Guarantor by or on behalf of any Agent specifically for use in the preparation thereof, and will reimburse the Company and the Guarantor for any legal or other expenses reasonably incurred by either of them in connection with investigating or defending against any such loss, claim, damage, liability or action.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which the indemnifying party may have to any indemnified party otherwise than

under such subsection. In case any such action shall be brought against any indemnified party, and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in and, to the extent that it shall wish, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnified party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal or other expenses

subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation.

(d) If the indemnification provided for in this Section 6 is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Guarantor on the one hand and by each of you on the other from the offering of the Notes from which such losses, claims, damages or liabilities arose, or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and the Guarantor on the one hand and by each of you on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Guarantor on the one hand and by each of you on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of the Notes from which such losses, claims, damages or liabilities arose (before deducting expenses) received by the Company bear to the total commissions received by each of you in connection with such offering. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Guarantor or by any of you and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company, the Guarantor and each of you agree that it would not be just and equitable if contributions pursuant to this subsection (d) were to be determined by pro rata allocation (even if you were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the first sentence of this subsection (d). The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d)

shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim (which shall be limited as provided in subsection (c) above if the indemnifying party has assumed the defense of any such action in accordance with the provisions thereof) which is the subject of this subsection (d).

Notwithstanding the provisions of this subsection (d), none of you shall be required to contribute any amount in excess of the amount by which the total price at which the Notes sold by the Company from which such losses, claims, damages or liabilities arose pursuant to offers solicited by you were offered to the public exceeds the amount of any damages which you have otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Agents' obligations in this subsection (d) to contribute shall be several in proportion to their respective underwriting obligations and not joint. Promptly after receipt by an indemnified party under this subsection (d) of the notice of the commencement of any action against such party in respect of which a claim for contribution may be made against an indemnifying party under this subsection (d), such indemnified party shall notify the indemnifying party in writing of the commencement thereof if the notice specified in subsection

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(c) above has not been given with respect to such action; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under this subsection (d).

(e) The obligations of the Company and the Guarantor under this Section 6 shall be in addition to any liability which the Company and the Guarantor may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any of you within the meaning of the Act or the Exchange Act; and the obligations of each of you under this Section 6 shall be in addition to any liability which you may otherwise have and shall extend, upon the same terms and conditions, to each director of the Company and the Guarantor (including any person who, with his or her consent, is named in the Registration Statement as about to become a director of either the Company or the Guarantor), to each officer of the Company and the Guarantor who has signed the Registration Statement and to each person, if any, who controls the Company or the Guarantor, as the case may be, within the meaning of the Act or the Exchange Act.

7. Termination. (a) This Agreement will continue in effect until terminated as provided in this Section 7. This Agreement may be terminated by either the Company and the Guarantor, as to any Agent, or by any Agent, insofar as this Agreement relates to such Agent, by giving written notice of such termination to such Agent or the Company and the Guarantor, as the case may be. The termination of this Agreement shall not require termination of any agreement by any of you to purchase Notes as principal, and the termination of any such

Agreement shall not require termination of this Agreement. If this Agreement is terminated, neither the Company and the Guarantor, on the one hand, nor any Agent, on the other hand, shall have any liability to each other, except as provided in the first sentence of the fourth paragraph of Section 2(a), the last proviso of Section 4(A)(b), and Sections 4(A)(g), 4(A)(h), 6, 8 and 11, and except that, if at the time of termination an offer to purchase any of the Notes has been accepted by the Company but the time of delivery to the purchaser or its agent of the Note or Notes relating thereto has not occurred, the representations and warranties of the Company and the Guarantor stated in Section 2 and the Company's obligations under the U.S. Procedures and the Euro Procedures, and in Sections 2(c), 4(A)(a), 4(A)(b), 4(A)(c), 4(A)(e), 4(A)(i), 4(A)(j), 4(A)(k), 4(A)(l), 4(A)(m), 4(A)(o), 4(A)(q), 4(A)(r) and 5 shall also remain in full force and effect and not be terminated until the delivery of such Notes.

8. Representations and Indemnities to Survive. With respect to any Agent's solicitation of offers to purchase Notes as agent of the Company or any of your obligation to purchase Notes as principal pursuant to any Terms Agreement or otherwise, the respective agreements, representations, warranties, indemnities and other statements of the Company and the Guarantor or their officers and of any of you set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of you, the Company, the Guarantor or any of the officers, directors or controlling persons referred to in Section 6 hereof, and will survive delivery of and payment for the Notes for a period extending to the earlier of (i) three years from the corresponding Settlement Date for such Notes or (ii) the expiration of any applicable statute of limitations governing such solicitation or purchase of Notes.

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9. Notices. All communications hereunder will be in writing and effective only on receipt, and, if sent to an Agent, will be mailed, delivered or telegraphed and confirmed to such Agent, at the address specified in Schedule I hereto; or, if sent to the Company, will be mailed, delivered or telegraphed and confirmed to it at Citigroup Funding Inc., 399 Park Avenue, New York, New York 10043, Attention: [Treasurer]; and if sent to the Guarantor, will be mailed, delivered or telegraphed and confirmed to it at Citigroup Inc., 399 Park Avenue, New York, New York 10043, Attention: [].

10. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and controlling persons referred to in Section 6 hereof. Nothing expressed or implied in this Agreement or any Terms Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons and officers and directors referred to in Section 6 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any Terms Agreement or any provision herein or

therein contained. This Agreement and any Terms Agreement and all conditions and provisions hereof and thereof except to the extent provided for in Section 5 hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No Purchaser of Notes shall be deemed to be a successor by reason merely of such purchase. This Agreement and the rights and obligations of any of you hereunder may not be assigned without the prior written consent of the Company and the Guarantor.

11. Waivers, Etc. Neither any failure nor delay on the part of any party to exercise any right, remedy, power or privilege under this Agreement (singly and collectively referred to as a "Right") shall operate as a waiver of such Right, nor shall any single or partial exercise of any Right preclude any other or further exercise of any Right, nor shall any waiver of any Right with respect to any occurrence be construed as a waiver of any Right with respect to any other occurrence.

12. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York.

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement among the Company, the Guarantor and you.

Very truly yours,

CITIGROUP FUNDING INC.

By: _____
Name:
Title:

CITIGROUP INC.

By: _____
Name:
Title:

The foregoing Agreement is
hereby confirmed and accepted
as of the date hereof:

CITIGROUP GLOBAL MARKETS INC.

By: _____

Name:
Title:

Citigroup Global Markets Limited

By: _____
Name:
Title:

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EXHIBIT A

CITIGROUP FUNDING INC.

Medium-Term Notes, Series A and Series B, Administrative Procedures

May ____, 2005

The Medium-Term Notes, Series A (the "Series A Notes") and Medium-Term Notes, Series B (the "Series B Notes," and, together with the Series A Notes, the "Notes") of Citigroup Funding Inc. (the "Company"), fully and unconditionally guaranteed by Citigroup Inc. (the "Guarantor"), are to be offered on a continuing basis. Citigroup Global Markets Inc. has agreed, as agent, to solicit purchases of Notes issued in fully registered form. (The term "Agent" when used in these Administrative Procedures, means Citigroup Global Markets Inc.) The Agent will not be obligated to purchase Notes for its own account. The Notes are being sold pursuant to a Global Selling Agency Agreement among the Company, the Guarantor, and the agents named therein (including the Agent) dated the date hereof (the "Agency Agreement"). The Notes have been registered with the Securities and Exchange Commission (the "Commission"). JPMorgan Chase Bank, N.A. is the trustee under the Indenture, dated as of May ____, 2005, under which the Series A Notes will be issued (the "Senior Debt Indenture"). Deutsche Bank Trust Company Americas is the trustee (together with JPMorgan Chase Bank, N.A., the "Trustees") under the Indenture, dated as of May ____, 2005, under which the Series B Notes will be issued (the "Subordinated Debt Indenture," and, together with the Senior Debt Indenture, the "Indentures"). The Series A Notes will constitute part of the senior debt of the Company and will rank equally with all other unsecured and unsubordinated debt of the Company. The Series B Notes will be subordinate and junior in the right of payment to all Senior Indebtedness of the Company and the Guarantor, to the extent and in the manner set forth in the Subordinated Debt Indenture.

The Agency Agreement provides that Notes may also be purchased by the Agent acting solely as principal and not as agent. In the event of any such purchase, the functions of both the Agent and the beneficial owner under the administrative procedures set forth below shall be performed by the Agent acting solely as principal, unless otherwise agreed to between the Company, the Guarantor and the Agent acting as principal.

Each Note will be represented by either a Global Security (as defined hereinafter) or a certificate delivered to the Holder thereof or a Person designated by such Holder (a "Certificated Note"). Each Global Security representing Series A Notes will be delivered to Citibank, N.A., and each Global Security representing Series B Notes will be delivered to Deutsche Bank Trust Company Americas, each acting as agent for The Depository Trust Company or any successor depository selected by the Company ("DTC", which term, as used herein, includes any successor depository selected by the Company), and will be recorded in the book-entry system maintained by DTC (a "Book-Entry Note"). An owner of a Book-Entry Note will not be entitled to receive a certificate representing such Note.

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The procedures to be followed during, and the specific terms of, the solicitation of orders by the Agent and the sale as a result thereof by the Company are explained below. Administrative and record-keeping responsibilities will be handled for the Company by [its Treasury Department]. The Company will advise the Agent and the Trustees in writing of those persons handling administrative responsibilities with whom the Agent and the Trustees are to communicate regarding orders to purchase Notes and the details of their delivery. The term "Trustees" as used in these procedures means the Trustees and any other agents appointed by the Trustees or the Company.

Administrative procedures and specific terms of the offering are explained below. Book-Entry Notes will be issued in accordance with the administrative procedures set forth in Part I hereof, as adjusted in accordance with changes in DTC's operating requirements, and Certificated Notes will be issued in accordance with the administrative procedures set forth in Part II hereof. Unless otherwise defined herein, terms defined in the Indentures, the Notes or the Prospectus Supplement relating to the Notes shall be used herein as therein defined. Notes for which interest is calculated on the basis of a fixed interest rate, which may be zero, are referred to herein as "Fixed Rate Notes". Notes for which interest is calculated on the basis of a floating interest rate are referred to herein as "Floating Rate Notes". To the extent the procedures set forth below conflict with the provisions of the Notes, the Indentures, DTC's operating requirements or the Agency Agreement, the relevant provisions of the Notes, the Indentures, DTC's operating requirements and the Agency Agreement shall control.

PART I

Administrative Procedures for Book-Entry Notes

In connection with the qualification of the Book-Entry Notes for

eligibility in the book-entry system maintained by DTC, Citibank, N.A. and Deutsche Bank Trust Company Americas (together, the "DTC Agents") will perform the custodial, document control and administrative functions described below for the Series A Notes and the Series B Notes, respectively. Citibank, N.A. will perform such functions in accordance with its respective obligations under a Letter of Representations from the Company and Citibank, N.A. to DTC dated as of the date hereof and a Medium-Term Note Certificate Agreement between Citibank, N.A. and DTC, dated as of October 31, 1988 and as amended to date, and its obligations as a participant in DTC, including DTC's Same-Day Funds Settlement system ("SDFS"). Deutsche Bank Trust Company Americas will perform such functions in accordance with its respective obligations under a Letter of Representations from the Company and Deutsche Bank Trust Company Americas to DTC dated as of the date hereof and a Certificate Agreement between DTC and Deutsche Bank Trust Company Americas, dated as of December 5, 1997 and as amended to date, and its obligations as a participant in DTC, including DTC's SDFS.

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Issuance:

On any date of settlement (as defined under "Settlement" below) for one or more Book-Entry Notes, the Company will issue a single global security in fully registered form without coupons (a "Global Security") representing up to U.S. \$500,000,000 principal amount of all such Book-Entry Notes of the same Series that have the same Original Issue Date, Original Issue Discount provisions, if any, Interest Payment Dates, Regular Record Dates, Interest Payment Period, redemption repayment and extension provisions, if any, Stated Maturity, and, in the case of Fixed Rate Notes, interest rate, and amortization schedule, if any, or, in the case of Floating Rate Notes, Initial Interest Rate, Base Rate, Index Maturity, Interest Reset Period, Interest Reset Dates, Spread and/or Spread Multiplier, if any, Minimum Interest Rate, if any, and Maximum Interest Rate, if any and, in each case, any other relevant terms (collectively, the "Terms"). Each Global Security will be dated and issued as of the date of its settlement. Each Global Security will bear an Original Issue Date, which will be (i) with respect to an original Global Security (or any portion thereof), the Original Issue Date specified in such Global Security and (ii) following a consolidation of Global Securities, with respect to the Global Security resulting from such consolidation, the most recent Interest Payment Date to which interest has been paid or duly provided for on the predecessor Global

Securities, regardless of the date of authentication of such resulting Global Security. No Global Security will represent (i) both Fixed Rate and Floating Rate Book-Entry Notes, (ii) any Certificated Note, or (iii) both Series A Notes and Series B Notes.

Identification Numbers:

The Company has arranged with the CUSIP Service Bureau of Standard & Poor's Ratings Services (the "CUSIP Service Bureau") for the reservation of two Series of CUSIP numbers, one for Series A Notes and one for Series B Notes, each of which series consists of approximately 900 CUSIP numbers and relates to Global Securities representing Book-Entry Notes and book-entry medium-term notes issued by the Company with other Series designations. The DTC Agents, the Company and DTC have obtained from the CUSIP Service Bureau a written list of such reserved CUSIP numbers. The DTC Agents will assign CUSIP numbers to Global Securities as described below under Settlement Procedure "B". DTC will notify the CUSIP Service Bureau periodically of the CUSIP numbers that the DTC Agents have assigned to Global Securities. Each DTC Agent will notify the Company at any time when fewer than 100 of the reserved CUSIP numbers remain unassigned to Global Securities, and, if it deems necessary, the Company will reserve additional CUSIP numbers for assignment to Global Securities. Upon obtaining such additional CUSIP numbers, the Company shall deliver a list of such additional CUSIP numbers to either or both DTC Agents, as needed, and to DTC.

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Registration:

Global Securities will be issued only in fully registered form without coupons. Each Global Security will be registered in the name of CEDE & CO., as nominee for DTC, on the securities register for the Notes (the "Securities Register") maintained under the Indentures. The beneficial owner of a Book-Entry Note (or one or more indirect participants in DTC designated by such owner) will designate one or more participants in DTC (with respect to such Book-Entry Note, the "Participants") to act as agent or agents for such owner in connection with the book-entry system maintained by DTC, and DTC will record in

book-entry form, in accordance with instructions provided by such Participants, a credit balance with respect to such beneficial owner in such Book-Entry Note in the account of such Participants. The ownership interest of such beneficial owner (or such participant) in such Book-Entry Note will be recorded through the records of such Participants or through the separate records of such Participants and one or more indirect participants in DTC.

Transfers:

Transfers of a Book-Entry Note will be accomplished by book entries made by DTC and, in turn, by Participants (and in certain cases, one or more indirect participants in DTC) acting on behalf of beneficial transferors and transferees of such Note.

Exchanges:

Each DTC Agent may deliver to DTC and the CUSIP Service Bureau at any time a written notice of consolidation (a copy of which shall be attached to the resulting Global Security described below) specifying (i) the CUSIP numbers of two or more outstanding Global Securities that represent (A) Fixed Rate Book-Entry Notes of the same Series and having the same Terms and for which interest has been paid to the same date or (B) Floating Rate Book-Entry Notes of the same Series and having the same Terms and for which interest has been paid to the same date, (ii) a date, occurring at least thirty days after such written notice is delivered and at least thirty days before the next Interest Payment Date for such Book-Entry Notes, on which such Global Securities shall be exchanged for a single replacement Global Security and (iii) a new CUSIP number to be assigned to such replacement Global Security. Upon receipt of such a notice, DTC will send to its participants (including the DTC Agent for such replacement Global Security) a written reorganization notice to the effect that such exchange will occur on such date. Prior to the specified exchange date, such DTC Agent will deliver to the CUSIP Service Bureau a written notice setting forth such exchange date and such new CUSIP number and stating that, as of such exchange date, the CUSIP numbers of the Global Securities to be exchanged will no longer be valid. On the specified exchange date, such DTC Agent will exchange such Global Securities for a single Global Security bearing the new CUSIP

number and a new Original Issue Date, which shall be the last date to which interest has been paid on the underlying

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Book-Entry Notes, and the CUSIP numbers of the exchanged Global Securities will, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned. Upon such exchange, the DTC Agent will mark the predecessor Global Security "canceled", make appropriate entries in the DTC Agent's records and destroy such canceled Global Security in accordance with the terms of the Indenture and deliver a certificate of destruction to the Company. Notwithstanding the foregoing, if the Global Securities to be exchanged exceed U.S. \$500,000,000 in aggregate principal amount, one Global Security will be authenticated and issued to represent each U.S. \$500,000,000 of principal amount of the exchanged Global Securities and an additional Global Security will be authenticated and issued to represent any remaining principal amount of such Global Securities (see "Denominations" below).

Maturities:

Each Book-Entry Note will mature on a date not less than nine months after the issue date for such Note. A Floating Rate Book-Entry Note will mature only on an Interest Payment Date for such Note. Any Note denominated in Japanese yen will mature on a date not less than one year from the Original Issue Date (as defined below) for such Note. Any Note denominated in Pounds Sterling will mature on a date not less than one year, nor more than five years, after its Original Issue Date.

Denominations:

Book-Entry Notes will be issued in principal amounts of U.S.\$1,000 or any amount in excess thereof that is an integral multiple of U.S.\$1,000. If Book-Entry Notes are denominated in a Specified Currency other than U.S. dollars, the denominations of such Notes will be determined pursuant to the provisions of the applicable Pricing Supplement. Global Securities will be denominated in principal amounts not in excess of U.S.\$500,000,000 (or the equivalent thereof). If one or more Book-Entry Notes having an aggregate

principal amount in excess of U.S.\$500,000,000 (or the equivalent thereof) would, but for the preceding sentence, be represented by a single Global Security, then one Global Security will be authenticated and issued to represent each U.S.\$500,000,000 principal amount (or the equivalent thereof) of such Book-Entry Note or Notes and an additional Global Security will be authenticated and issued to represent any remaining principal amount of such Book-Entry Note or Notes. In such a case, each of the Global Securities representing such Book-Entry Note or Notes shall be assigned the same CUSIP number.

Notice of Redemption Dates: Each DTC Agent will, with respect to the Notes for which it is Trustee, give notice to DTC prior to each Redemption Date (as specified in the Note) if any at the time and in the manner set forth in the Letter.

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Interest: General. Unless otherwise indicated in the applicable Pricing Supplement, interest, if any, on each Book-Entry Note will accrue from the Original Issue Date (or such other date on which interest otherwise begins to accrue, if different than the Original Issue Date) of the Global Security representing such Book-Entry Note for the first interest period or the last date to which interest has been paid, if any, for each subsequent interest period, on the Global Security representing such Book-Entry Note, and will be calculated and paid in the manner and on the Interest Payment Dates described in such Book-Entry Note and in the Prospectus (as defined in the Agency Agreement), as supplemented by the applicable Pricing Supplement. Each payment of interest on a Book-Entry Note will include interest accrued to but excluding the Interest Payment Date; provided that in the case of Floating Rate Notes that reset daily or weekly, interest payments will include interest accrued to but excluding the next preceding Regular Record Date, except that at stated Maturity, the interest payable will include interest accrued to, but excluding, the Maturity. Interest payable at the Maturity of a Book-Entry Note will be payable to the Person to whom the principal of such Note is

payable. Standard & Poor's Ratings Services will use the information received in the pending deposit message described under Settlement Procedure "C" below in order to include the amount of any interest payable and certain other information regarding the related Global Security in the appropriate (daily or weekly) bond report published by Standard & Poor's Ratings Services.

Regular Record Dates. The Regular Record Date with respect to any Interest Payment Date for a Floating-Rate Note, Fixed Rate Note or Indexed Rate Note shall be the date (whether or not a Business Day) fifteen calendar days immediately preceding such Interest Payment Date.

Payments of Principal and Interest:

Payment of Interest Only. Promptly after each Regular Record Date, the DTC Agent for each Global Security will deliver to the Company and DTC a written notice setting forth, by CUSIP number, the amount of interest to be paid on each Global Security on the following Interest Payment Date (other than an Interest Payment Date coinciding with Maturity) and the total of such amounts. DTC will confirm the amount payable on each Global Security on such Interest Payment Date by reference to the appropriate (daily or weekly) bond reports published by Standard & Poor's Ratings Services. The Company will pay to the Trustee for the Notes represented by such Global Security the total amount of interest due on such Interest Payment Date (other than at Maturity), and such Trustee will pay such amount to DTC at the times and in the manner set forth below under "Manner of Payment". If any Interest Payment Date for a Book-Entry Note is not a Business Day, the payment due on such day

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shall be made on the next succeeding Business Day and no interest shall accrue as a result of such delayed payment.

Payments at Maturity or Upon Redemption. On or about the first Business Day of each month, each DTC Agent will, with respect to the Global Securities for which it acts as DTC Agent, deliver to the Company, DTC and the applicable Trustee a

written list of principal and interest to be paid on each Global Security maturing either at Maturity or on a Redemption Date in the following month. The DTC Agent for each Global Security, the Company and DTC will confirm the amounts of such principal and interest payments with respect to each such Global Security on or about the fifth Business Day preceding Maturity or any Redemption Date of such Global Security. On or before such Maturity or Redemption, the Company will pay to the Trustee for the Notes represented by such Global Security the principal amount of such Global Security, together with interest due at such Maturity. Such Trustee will pay such amount to DTC at the times and in the manner set forth below under "Manner of Payment". If any Maturity of a Global Security representing Book-Entry Notes is not a Business Day, the payment due on such day shall be made on the next succeeding Business Day and no interest shall accrue on such payment for the period from and after such Maturity date or Redemption Date. Promptly after payment to DTC of the principal and interest due at Maturity Date or on any Redemption Date of such Global Security, the Trustee for such Global Security will cancel and destroy such Global Security in accordance with the applicable Indenture and deliver a certificate of destruction to the Company.

Manner of Payment. The total amount of any principal and interest due on Global Securities on any Interest Payment Date or at Maturity or upon redemption shall be paid by the Company to the Trustee for the Notes represented by such Global Security in immediately available funds no later than 9:30 A.M., New York City time, on such date. The Company will make such payment on such Global Securities by instructing such Trustee to withdraw funds from an account maintained by the Company with the DTC Agent for the Notes represented by such Global Securities. The Company will confirm any such instructions in writing to such Trustee. Prior to 10:00 A.M., New York City time, on the date of Maturity or as soon as possible thereafter, such Trustee will pay by separate wire transfer (using Fedwire message entry instructions in a form previously specified by DTC) to an account at the Federal Reserve Bank of New York previously specified by DTC, in funds available for immediate use by DTC, each payment of principal (together with interest thereon) due on

a Global Security on such date of Maturity or Redemption Date. On each Interest Payment Date (other than at Maturity), interest payments shall be made to DTC, in same day

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funds, in accordance with existing arrangements between the relevant DTC Agent and DTC. On each such date, DTC will pay, in accordance with its SDFS operating procedures then in effect, such amounts in funds available for immediate use to the respective Participants in whose names the Book-Entry Notes represented by such Global Securities are recorded in the book-entry system maintained by DTC. None of the Company (as issuer or as paying agent), the Guarantor, the Trustee or such DTC Agent shall have any direct responsibility or liability for the payment by DTC to such Participants of the principal of and interest on the Book-Entry Notes. If an issue of Notes is denominated in a currency other than the U.S. dollar, the Company will make payments of principal and any interest in the currency in which the Notes are denominated (the "foreign currency") or in U.S. dollars. DTC has elected to have all such payments of principal and interest in U.S. dollars unless notified by any of its Participants through which an interest in the Notes is held that it elects, in accordance with and to the extent permitted by the applicable Pricing Supplement and the Note, to receive such payment of principal or interest in the foreign currency. On or prior to the third Business Day after the record date for payment of interest and twelve days prior to the date for payment of principal, such Participant shall notify DTC of (i) its election to receive all, or the specified portion, of such payment in the foreign currency and (ii) its instructions for wire transfer of such payment to a foreign currency account.

DTC will notify the applicable Trustee on or prior to the fifth Business Day after the record date for payment of interest and ten days prior to the date for payment of principal of the portion of such payment to be received in the foreign currency and the applicable wire transfer instructions, and the applicable Trustee shall use

such instructions to pay the Participants directly. If DTC does not so notify the applicable Trustee, it is understood that only U.S. dollar payments are to be made. The applicable Trustee shall notify DTC on or prior to the second Business Day prior to payment date of the conversion rate to be used and the resulting U.S. dollar amount to be paid per U.S.\$1,000 face amount. In the event that the applicable Trustee's quotation to convert the foreign currency into U.S. dollars is not available, the applicable Trustee shall notify DTC's Dividend Department that the entire payment is to be made in the foreign currency. In such event, DTC will ask its Participants for payment instructions and forward such instructions to the applicable Trustee and the applicable Trustee shall use such instructions to pay the Participants directly.

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Withholding Taxes. The amount of any taxes required under applicable law to be withheld from any interest payment on a Book-Entry Note will be determined and withheld by the Participant, indirect participant in DTC or other Person responsible for forwarding payments and materials directly to the beneficial owner of such Note.

Procedures upon
Company's Exercise of
Optional Reset or
Optional Extension of
Maturity:

Company Notice to Trustee regarding Exercise of Optional Reset. Not less than 45 or more than 60 days before an Optional Reset Date as set forth in a Book-Entry Note, the Company will notify the Trustee for such Book-Entry Note whether it is exercising its option to reset the interest rate or Spread or Spread Multiplier, as the case may be, for such Book-Entry Note, and if so, (i) the new interest rate or Spread or Spread Multiplier, as the case may be, for such Book-Entry Note during the period from such Optional Reset Date to the next Optional Reset Date as set forth in such Book-Entry Note or, if there is no such next Optional Reset Date, to the Stated Maturity of such Book-Entry Note (the "Subsequent Interest Period"); and (ii) the provisions, if any, for redemption of such Book-Entry Note during such Subsequent Interest Period, including the date or dates on which or the period or periods during which such redemption may occur during such

Subsequent Interest Period.

Company Notice to Trustee regarding Exercise of Optional Extension of Maturity. If the Company elects to exercise an option, as set forth in a Book-Entry Note, to extend the Stated Maturity of such Note, it will so notify the Trustee for such Book-Entry Note no less than 45 or more than 60 days before the Stated Maturity of such Book-Entry Note, and will further indicate (i) the new Stated Maturity; (ii) the interest rate or Spread or Spread Multiplier, as the case may be, applicable to the extension period; and (iii) the provisions, if any, for redemption of such Book-Entry Note during such extension period, including the date or dates on which or the period or periods during which such redemption may occur during such extension period.

Trustee Notice to DTC regarding Company's Exercise of Optional Extension or Reset. Upon receipt of notice from the Company regarding the Company's exercise of either an optional extension of maturity or an optional reset, the Trustee for the Book-Entry Note will hand-deliver a notice to DTC not less than 40 days before the Optional Reset Date (in which case a "Reset Notice") or the Stated Maturity (in which case an "Extension Notice"), as the case may be, which Reset Notice or Extension Notice shall identify such Book-Entry Note by CUSIP number and shall contain the information required by the terms of the Book-Entry Note.

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Trustee Notice to Company regarding Option to be Repaid. If, after receipt of either a Reset Notice or an Extension Notice, DTC exercises the option for repayment by tendering the Global Security representing the Book-Entry Note to be repaid as set forth in such Note, the Trustee for such Book-Entry Note shall give notice to the Company not less than 22 days before the Optional Reset Date or the old Stated Maturity, as the case may be, of the principal amount of Book-Entry Notes to be repaid on such Optional Reset Date or old Stated Maturity, as the case may be.

Company Notice regarding New Interest Rate or New Spread or Spread Multiplier. If the Company elects to revoke the interest rate or Spread or Spread Multiplier provided for in the Reset Notice and establish a higher interest rate or Spread or Spread Multiplier for an Optional Reset Period or extension period, as the case may be, it shall, not less than 20 days before such Optional Reset Date or old Stated Maturity, so notify the Trustee for the affected Book-Entry Note. Such Trustee will immediately thereafter notify DTC of the new interest rate or Spread or Spread Multiplier applicable to such Book-Entry Note.

Trustee Notice to Company regarding DTC Revocation of Option to be Repaid. If, after DTC has tendered any Book-Entry Notes for repayment pursuant to an Extension Notice or an Optional Reset Notice, DTC then revokes such tender for repayment, the Trustee for such Book-Entry Notes shall give notice to the Company not less than five days prior to the Stated Maturity or Optional Reset Date, as the case may be, of such revocation and of the principal amount of Book-Entry Notes for which tender for repayment has been revoked.

Deposit of Repayment Price. On or before any old Stated Maturity where the Maturity has been extended, and on or before any Optional Reset Date, the Company shall deposit with such Trustee an amount of money sufficient to pay the principal amount, plus interest accrued to such old Stated Maturity or Optional Reset Date, as the case may be, for all the Book-Entry Notes or portions thereof for which such Trustee serves as Trustee and which are to be repaid on such old Stated Maturity or Optional Reset Date, as the case may be. Such Trustee will use such money to repay such Book-Entry Notes pursuant to the terms set forth in such Notes.

Procedures upon Company Notice to Trustee regarding Company's Exercise of Optional Redemption:

Company Notice to Trustee regarding Company's Exercise of Optional Redemption. At least 45 days prior to the date on which it intends to redeem a Book-Entry Note, the Company will notify the Trustee for such Book-Entry Note that it is exercising such option with respect to such Book-Entry Note on such date.

Trustee Notice to DTC regarding Company's Exercise of Optional Redemption. After receipt of notice that the Company is exercising its option to redeem a Book-Entry Note, the Trustee will, at least 30 days before the redemption date for such Book-Entry Note, hand deliver to DTC a notice identifying such Book-Entry Note by CUSIP number and informing DTC of the Company's exercise of such option with respect to such Book-Entry Note.

Deposit of Redemption Price. On or before any redemption date, the Company shall deposit with such Trustee an amount of money sufficient to pay the redemption price, plus interest accrued to such redemption date, for all the Book-Entry Notes or portions thereof for which such Trustee serves as Trustee and which are to be repaid on such redemption date. Such Trustee will use such money to repay such Book-Entry Notes pursuant to the terms set forth in such Notes.

Payments of Principal and Interest Upon Exercise of Optional Repayment (Except Pursuant to Company's Exercise of Optional Reset or Optional Extension):

Trustee Notice to Company of Option to be Repaid. Upon receipt of notice of exercise of the option for repayment and the Global Securities representing the Book-Entry Notes so to be repaid as set forth in such Notes, the Trustee for such Book-Entry Notes shall (unless such notice was received pursuant to the Company's exercise of an optional reset or an optional extension of maturity, in each of which cases the relevant procedures set forth above are to be followed) give notice to the Company not less than 20 days prior to each Optional Repayment Date of such Optional Repayment Date and of the principal amount of Book-Entry Notes to be repaid on such Optional Repayment Date.

Deposit of Repayment Price. On or prior to any Optional Repayment Date, the Company shall deposit with such Trustee an amount of money sufficient to pay the optional repayment price, and accrued interest thereon to such date, of all the Book-Entry Notes or portions thereof which are to be repaid on such date. Such Trustee will use such money to repay such Book-Entry Notes pursuant to the terms set forth in such Notes.

Procedure for Rate Setting and Posting:

The Company and the Agent will discuss from time to time the aggregate principal amount of, the issuance price of, and the interest rates to be

borne by, Book-Entry Agent. If the Company decide to set prices of, and rates borne by, any Booktting of such prices and rates to be referred to herein as "posting" posted by it, it will promptly advise the Agent of the prices and rates to be posted.

Acceptance and
Rejection of Orders:

Unless otherwise instructed by the Company, the Agent will advise

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the Company promptly by telephone of all orders to purchase Book-Entry Notes received by the Agent, other than those rejected by it in whole or in part in the reasonable exercise of its discretion. Unless otherwise agreed by the Company and the Agent, the Company has the right to accept orders to purchase Book-Entry Notes and may reject any such orders in whole or in part.

Preparation of Pricing
Supplement:

If any order to purchase a Book-Entry Note is accepted by or on behalf of the Company, the Company will prepare a pricing supplement (a "Pricing Supplement") reflecting the terms of such Book-Entry Note, will file ten copies thereof with the Commission in accordance with the applicable paragraph of Rule 424(b) under the Act, will deliver such number of copies thereof to the Agent as the Agent shall request and will, on the Agent's behalf, file five copies of such Pricing Supplement with the National Association of Securities Dealers, Inc. (the "NASD"). The Agent will cause a Prospectus and such Pricing Supplement to be delivered to the purchaser of such Book-Entry Note.

In each instance that a Pricing Supplement is prepared, the Agent will affix the Pricing Supplement to the Prospectuses prior to their use. Outdated Pricing Supplements and the Prospectuses to which they are attached (other than those retained for files) will be destroyed.

Copies of the appropriate number of Pricing Supplements shall be delivered to the Agent at the following address by 11:00 A.M., New York City time, on the Business Day following the acceptance of an offer by or on behalf of the Company: [to

Citigroup Global Markets Inc., Prospectus Department, Brooklyn Army Terminal, 140 58th Street, 8th Floor, Brooklyn, N.Y. 11220, with a copy to Citigroup Global Markets Inc., 388 Greenwich Street, New York, New York 10013, Attention: MTN Program Manager.]

Suspension of Solicitation; Amendment or Supplement:

Subject to the representations, warranties and covenants of the Company and the Guarantor contained in the Agency Agreement, the Company may instruct the Agent to suspend at any time, for any period of time or permanently, the solicitation of orders to purchase Book-Entry Notes. Upon receipt of such instructions, the Agent will forthwith suspend solicitation until such time as the Company has advised it that such solicitation may be resumed.

In the event that at the time the Company suspends solicitation of purchases there shall be any orders outstanding for settlement, the Company will promptly advise the Agent, the Trustees and the DTC Agents whether such orders may be settled and whether copies of the Prospectus as in effect at the time of the suspension, together with the appropriate Pricing Supplement, may be delivered in connection with

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the settlement of such orders. The Company will have the sole responsibility for such decision and for any arrangements that may be made in the event that the Company determines that such orders may not be settled or that copies of such Prospectus may not be so delivered.

Delivery of Prospectus:

A copy of the Prospectus and a Pricing Supplement relating to a Book-Entry Note must accompany or precede the earliest of any written offer of such Book-Entry Note, confirmation of the purchase of such Book-Entry Note and payment for such Book-Entry Note by its purchaser. If notice of a change in the terms of the Book-Entry Notes is received by the Agent between the time an order for a Book-Entry Note is placed and the time written confirmation thereof is sent by the Agent to a customer or his agent, such confirmation shall be accompanied by a Prospectus and Pricing Supplement setting forth the terms in effect when

the order was placed. The Agent will deliver a Prospectus and Pricing Supplement as herein described with respect to each Book-Entry Note sold by it. The Company will make such delivery if such Book-Entry Note is sold directly by the Company to a purchaser (other than the Agent).

Confirmation:

For each order to purchase a Book-Entry Note solicited by the Agent and accepted by or on behalf of the Company, the Agent will issue a confirmation to the purchaser, with a copy to the Company, setting forth the details set forth above and delivery and payment instructions.

Settlement:

The receipt by the Company of immediately available funds in payment for a Book-Entry Note and the authentication and issuance of the Global Security representing such Book-Entry Note shall constitute "settlement" with respect to such Book-Entry Note, and the date of such settlement, the "Settlement Date". All orders accepted by the Company will be settled on the third Business Day next succeeding the date of acceptance pursuant to the timetable for settlement set forth below unless the Company and the purchaser agree to settlement on another day which shall be no earlier than the Business Day succeeding the date of sale.

Settlement Procedures:

Settlement Procedures with regard to each Book-Entry Note sold by the Company to or through the Agent, except pursuant to a Terms Agreement, shall be as follows:

- A. The Agent will advise the Company by telephone (or by facsimile or other acceptable written means) that such Note is a Book-Entry Note and of the following settlement information:

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1. Principal or face amount.
2. Series.
3. Stated Maturity.
4. In the case of a Fixed Rate Book-Entry Note, the interest rate and reset,

redemption, repayment and extension provisions (if any) or, in the case of a Floating Rate Book-Entry Note, the Base Rate, Initial Interest Rate (if known at such time) Interest Reset Period, Interest Reset Dates, Index Maturity, Spread and/or Spread Multiplier (if any), Minimum Interest Rate (if any), Maximum Interest Rate (if any) and reset, redemption, repayment and extension provisions (if any).

5. Interest Payment Dates and the Interest Payment Period.
 6. Amortization provisions, if any.
 7. Settlement date and Issue Date, if different.
 8. Specified currency.
 9. Denominated currency, Indexed Currency, Base Exchange Rate, and the Determination Date, if applicable.
 10. Price.
 11. Agent's commission, determined as provided in the Agency Agreement.
 12. Whether, in the case of Series A Notes, the Notes will have a Survivor's Option.
 13. Whether such Book-Entry Note is an OID Note and, if so, the total amount of OID, the yield to maturity and the initial accrual period OID.
 14. Any other terms necessary to describe the Book-Entry Note.
- B. The Company will advise the relevant DTC Agent by telephone (confirmed in writing at any time on the same date), written telecommunication or electronic transmission of the

information set forth in Settlement Procedure "A" above. Each such communication by the Company shall constitute a representation and warranty by the Company to the DTC Agent for such Note, the Trustee for such Note and the Agent that (i) such Note is then, and at the time of issuance and sale thereof will be, duly authorized for issuance and sale by the Company and (ii) such Note, and the Global Security representing such Note, will conform with the terms of the Indenture for such Note. The DTC Agent will then assign a CUSIP number to the Global Security representing such Book-Entry Note and notify the Agent and the Company by telephone (confirmed in writing at any time on the same date), written telecommunication or electronic transmission of such CUSIP number as soon as practicable.

- C. Such DTC Agent will enter a pending deposit message through DTC's Participant Terminal System providing the following settlement information to DTC, Standard & Poor's Ratings Services, Interactive Data Corporation, the Agent and, upon request, the Trustee for such Notes:
1. The information set forth in Settlement Procedure "A".
 2. Identification as a Fixed Rate Book-Entry Note or a Floating Rate Book-Entry Note.
 3. The Initial Interest Payment Date for such Book-Entry Note, number of days by which such date succeeds the related Regular Record Date and amount of interest payable on such Interest Payment Date.
 4. The Interest Payment Period.
 5. The CUSIP number of the Global Security representing such Book-Entry Note.
 6. The participant account numbers maintained by DTC on behalf of such Trustee and such Agent.
 7. Whether such Global Security will

represent any other Book-Entry Note (to the extent known at such time).

- D. To the extent the Company has not already done so, the Company will deliver to the Trustee for such Notes a Global Security in a form that has been approved by the Company,

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the Agent and such Trustee.

- E. Such Trustee will complete such Book-Entry Note, stamp the appropriate legend, as instructed by DTC, if not already set forth thereon, and authenticate the Global Security representing such Book-Entry Note.
- F. DTC will credit such Book-Entry Note to such DTC Agent's participant account at DTC.
- G. Such DTC Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Book-Entry Note to such DTC Agent's participant account and credit such Book-Entry Note to the Agent's participant account and (ii) debit the Agent's settlement account and credit such DTC Agent's settlement account for an amount equal to the price of such Book-Entry Note less the Agent's commission. The entry of such a deliver order shall constitute a representation and warranty by such DTC Agent to DTC that (i) the Global Security representing such Book-Entry Note has been issued and authenticated and (ii) such DTC Agent is holding such Global Security pursuant to the Medium Term Note Certificate Agreement between such DTC Agent and DTC.
- H. Unless the Agent is purchasing such Note as principal, the Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC (i) to debit such Book-Entry Note to the Agent's participant account and credit such Book-Entry Note to the participant accounts of the Participants with respect to such Book-Entry Note and (ii) to debit the settlement accounts

of such Participants and credit the settlement account of the Agent for an amount equal to the price of such Book-Entry Note.

- I. Transfers of funds in accordance with SDFS deliver orders described in Settlement Procedures "G" and "H" will be settled in accordance with SDFS operating procedures in effect on the settlement date.
- J. Such DTC Agent will, upon receipt of funds from the Agent in accordance with Settlement Procedure "G", credit to an account of the Company maintained at such DTC Agent funds available for immediate use in the amount transferred to such DTC Agent in accordance with Settlement Procedure "G".

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- K. Unless the Agent is purchasing such Book-Entry Note as principal, the Agent will confirm the purchase of such Book-Entry Note to the purchaser either by transmitting to the Participants with respect to such Book-Entry Note a confirmation order or orders through DTC's institutional delivery system or by mailing a written confirmation to such purchaser.
- L. Monthly, each DTC Agent will send to the Company a statement setting forth the principal amount of Registered Notes Outstanding as of the date of such statement and setting forth a brief description of any sales of which the Company has advised such DTC Agent but which have not yet been settled.

Settlement Procedures
Timetable:

For sales by the Company of Book-Entry Notes solicited by the Agent and accepted by the Company (except pursuant to a Terms Agreement) for settlement on the first Business Day after the sale date, Settlement Procedures "A" through "K" set forth above shall be completed as soon as possible but not later than the respective times (New York City time) set forth below:

<TABLE>
<CAPTION>

Settlement Procedure

Time

<S>	<C>
A	11:00 A.M. on the sale date
B	12:00 Noon on the sale date
C	2:00 P.M. on the sale date
D	3:00 P.M. on the day before settlement
E	9:00 A.M. on settlement date
F	10:00 A.M. on settlement date
G-H	2:00 P.M. on settlement date
I	4:45 P.M. on settlement date
J-K	5:00 P.M. on settlement date

If a sale is to be settled more than one Business Day after the sale date, Settlement Procedures "A", "B" and "C" shall be completed as soon as practicable but no later than 11:00 A.M., 12:00 Noon and 2:00 P.M., respectively, on the first Business Day after the sale date. If the Initial Interest Rate for a Floating Rate Book-Entry Note has not been determined at the time that Settlement Procedure "A" is completed, Settlement Procedures "B" and "C" shall be completed as soon as such rate has been determined but no later than 12:00 Noon and 2:00 P.M., respectively, on the Business Day before the settlement date. Settlement Procedure "I" is subject to extension in accordance with any extension of Fedwire closing deadlines and in the other events specified in SDFS operating procedures in effect on

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the settlement date.

If settlement of a Book-Entry Note is rescheduled or canceled, the DTC Agent for such Book-Entry Note, after receiving notice from the Company or the Agent, will deliver to DTC, through DTC's Participant Terminal System, a cancellation message to such effect by no later than 2:00 P.M. on the Business Day immediately preceding the scheduled settlement date.

Failure to Settle:

If settlement of a Book-Entry Note is rescheduled and the DTC Agent for such Book-Entry Note has not

entered an SDFS deliver order with respect to a Book-Entry Note pursuant to Settlement Procedure "G", after receiving notice from the Company or the Agent, such DTC Agent shall deliver to DTC, through DTC's Participant Terminal System, as soon as practicable, a withdrawal message instructing DTC to debit such Book-Entry Note to such DTC Agent's participant account. DTC will process the withdrawal message, provided that such DTC Agent's participant account contains a principal amount of the Global Security representing such Book-Entry Note that is at least equal to the principal amount to be debited. If a withdrawal message is processed with respect to all the Book-Entry Notes represented by a Global Security, the Trustee for the Notes represented by such Global Security will mark such Global Security "canceled", make appropriate entries in its records and destroy such canceled Global Security in accordance with the applicable Indenture and deliver a certificate of destruction to the Company. The CUSIP number assigned to such Global Security shall, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned.

If a withdrawal message is processed with respect to one or more, but not all, of the Book-Entry Notes represented by a Global Security, the DTC Agent for such Book-Entry Notes will exchange such Global Security for two Global Securities, one of which shall represent such Book-Entry Notes and shall be canceled immediately after issuance and the other of which shall represent the other Book-Entry Notes previously represented by the surrendered Global Security and shall bear the CUSIP number of the surrendered Global Security.

If the purchase price for any Book-Entry Note is not timely paid to the Participants with respect to such Book-Entry Note by the beneficial purchaser thereof (or a Person, including an indirect participant in DTC, acting on behalf of such purchaser), such Participants and, in turn, the Presenting Agent may enter SDFS deliver orders through DTC's Participant Terminal System reversing the orders entered pursuant to Settlement Procedures "H" and "G",

respectively. Thereafter, the DTC Agent for such Book-Entry Note will deliver the withdrawal message and take the related actions described in the preceding paragraph. If such failure shall have occurred for any reason other than a default by the Agent in the performance of its obligations hereunder and under the Agency Agreement, then the Company will reimburse the Agent for the loss of the use of the funds during the period when they were credited to the account of the Company. Notwithstanding the foregoing, upon any failure to settle with respect to a Book-Entry Note, DTC may take any actions in accordance with its SDFS operating procedures then in effect. In the event of a failure to settle with respect to one or more, but not all, of the Book-Entry Notes to have been represented by a Global Security, the DTC Agent for such Book-Entry Note or Notes will provide, in accordance with Settlement Procedures "E" and "G", for the authentication and issuance of a Global Security representing the other Book-Entry Notes to have been represented by such Global Security and will make appropriate entries in its records.

Trustees Not to Risk Funds: Nothing herein shall be deemed to require the Trustee to risk or expend its own funds in connection with any payment to the Company, DTC, the Agent or the purchaser, it being understood by all parties that payments made by either Trustee to the Company, DTC, the Agent or the purchaser shall be made only to the extent that funds are provided to either Trustee for such purpose.

Authenticity of Signatures: The Company will cause each of the Trustees to furnish the Agent from time to time with the specimen signatures of each of such Trustee's officers, employees or agents who has been authorized by such Trustee to authenticate Book-Entry Notes, but the Agent will not have any obligation or liability to the Company or the Trustee in respect of the authenticity of the signature of any officer, employee or agent of the Company or such Trustee on any Book-Entry Note.

Payment of Expenses: The Agent shall forward to the Company, on a monthly basis, a statement of the out-of-pocket expenses incurred by such Agent during that month that are reimbursable to it pursuant to the terms of the Agency Agreement. The Company will remit

payment to the Agent currently on a monthly basis.

Advertising Costs:

The Company will determine with the Agents the amount of advertising that may be appropriate in soliciting offers to purchase the Book-Entry Notes. Advertising expenses will be paid by the Company.

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PART II

Administrative Procedures for Certificated Notes

Each Trustee will serve as registrar and transfer agent in connection with the Certificated Notes for which it serves as Trustee.

Issuance:

Each Certificated Note will be dated and issued as of the date of its authentication by the applicable Trustee. Each Certificated Note will bear an Original Issue Date, which will be (i) with respect to an original Certificated Note (or any portion thereof), its original issuance date (which will be the settlement date) and (ii) with respect to any Certificated Note (or portion thereof) issued subsequently upon transfer or exchange of a Certificated Note or in lieu of a destroyed, lost or stolen Certificated Note, the Original Issue Date of the predecessor Certificated Note, regardless of the date of authentication of such subsequently issued Certificated Note.

Registration:

Certificated Notes will be issued only in fully registered form without coupons.

Maturities:

Each Certificated Note will mature on a date not less than nine months after the issue date for such Note. A Floating Rate Certificated Note will mature only on an Interest Payment Date for such Note. Any Note denominated in Japanese yen will mature on a date not less than one year from the Original Issue Date (as defined below) for such Note. Any Note denominated in Pounds Sterling will mature on a date not less than one year, nor more than five years, after its Original Date.

Currency:

The Specified Currency for a Certificated Note shall be as set forth therein and in the

Denominations:

The denomination of any Certificated Note denominated in U.S. dollars will be a minimum of \$1,000 or any amount in excess thereof that is an integral multiple of \$1,000. The authorized denominations of Certificated Notes denominated in a Specified Currency other than U.S. dollars shall be determined as set forth in the applicable Pricing Supplement.

Interest:

General. Unless otherwise indicated in the applicable Pricing Supplement, interest, if any, on each Certificated Note will accrue from the Original Issue Date (or such other date on which interest otherwise begins to accrue (if different from the Original Issue Date)) of such Note for the first interest period or the last date to which interest has been paid, if any, for each subsequent interest period, on such Note, and will be calculated and paid in the manner and on the dates described in such Note and in the Prospectus, as supplemented

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by the applicable Pricing Supplement. Unless otherwise specified therein, each payment of interest on a Certificated Note will include interest accrued to but excluding the Interest Payment Date (provided that, in the case of Certificated Notes which reset daily or weekly, interest payments will include accrued interest to and including the next preceding Regular Record Date), except that at stated Maturity, the interest payable will include interest accrued to, but excluding, the stated Maturity (other than a Maturity of a Fixed Rate Certificated Note occurring on the 31st day of a month, in which case such payment of interest will include interest accrued to but excluding the 30th day of such month or the last day of the month in the case of February).

Regular Record Dates. The Regular Record Dates with respect to any Interest Payment Date for a Fixed Rate Note, Floating Rate Note or Indexed Rate Note shall be the date (whether or not a Business Day) fifteen calendar days immediately

preceding such Interest Payment Date.

Payments of Interest:

The applicable Trustee will pay the principal amount of each Certificated Note at Maturity or upon redemption upon presentation and surrender of such Note. Such payment, together with payment of interest due at Maturity or upon redemption of such Note, will be made in funds available for immediate use by such Trustee or paying agent and in turn by the holder of such Note. Certificated Notes presented to such Trustee or paying agent at Maturity or upon redemption for payment will be canceled and destroyed by such Trustee or paying agent, and a certificate of destruction will be delivered to the Company. All interest payments on a Certificated Note (other than interest due at Maturity or upon redemption) will be made by check drawn on such Trustee and mailed by such Trustee to the person entitled thereto as provided in such Note and the Indenture; provided, however, that the holder of U.S.\$10,000,000 or more of Notes having the same Interest Payment Dates will, upon written request prior to the Regular Record Date in respect of an Interest Payment Date, be entitled to receive payment by wire transfer of immediately available funds. Following each Regular Record Date, such Trustee or paying agent will furnish the Company with a list of interest payments to be made on the following Interest Payment Date for each Certificated Note and in total for all Certificated Notes. Interest at Maturity or upon redemption will be payable to the person to whom the payment of principal is payable. Such Trustee or paying agent will provide monthly to the Company lists of principal and interest, to the extent ascertainable, to be paid on Certificated Notes maturing or to be redeemed in the next month.

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Withholding Taxes. The amount of any taxes required under applicable law to be withheld from any interest payment on a Certificated Note will be determined and withheld by such Trustee.

The Company will be responsible for withholding taxes on interest paid on Certificated Notes as required by applicable law.

If any interest Payment Date for or the Maturity of a Certificated Note is not a Business Day, the payment due on such day shall be made on the next succeeding Business Day and no interest shall accrue on account of such delayed payment.

Procedure for Rate Setting and Posting:

The Company and the Agent will discuss from time to time the aggregate principal amount of, the issuance price of, and the interest rates to be borne by, Notes that may be sold as a result of the solicitation of orders by the Agent. If the Company decides to set prices of, and rates borne by, any Notes in respect of which the Agent is to solicit orders (the setting of such prices and rates to be referred to herein as "posting") or if the Company decides to change prices or rates previously posted by it, it will promptly advise the Agent of the prices and rates to be posted.

Acceptance and Rejection of Orders:

Unless otherwise instructed by the Company, the Agent will advise the Company promptly by telephone of all orders to purchase Certificated Notes received by the Agent, other than those rejected by it in whole or in part in the reasonable exercise of its discretion. Unless otherwise agreed by the Company and the Agent, the Company has the sole right to accept orders to purchase Certificated Notes and may reject any such orders in whole or in part. Before accepting any order to purchase a Certificated Note to be settled in less than three Business Days, the Company shall verify that the Trustee for such Certificated Note will have adequate time to prepare and authenticate such Note.

Preparation of Pricing Supplement:

If any order to purchase a Certificated Note is accepted by or on behalf of the Company, the Company will prepare a Pricing Supplement reflecting the terms of such Certificated Note, will file ten copies thereof with the Commission in accordance with the applicable paragraph of Rule 424(b) under the Act, will deliver such number of copies thereof to the Agent as the Agent shall request and will, on the Agent's behalf, file five copies of the Pricing Supplement with the NASD. The Agent will cause a Prospectus and Pricing Supplement to be delivered to the purchaser of such Certificated Note.

Copies of the appropriate number of Pricing

Supplements shall be delivered to the Agent at the following addresses by 11:00 A.M., New York City time, on the Business Day following the acceptance of an offer by or on behalf of the Company: [to Citigroup Global

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Markets Inc., Prospectus Department, Brooklyn Army Terminal, 140 58th Street, 8th Floor, Brooklyn, N.Y. 11220, with a copy to Citigroup Global Markets Inc., 388 Greenwich Street, New York, New York 10013, attention: MTN Program Manager.]

In each instance that a Pricing Supplement is prepared, the Presenting Agent will affix the Pricing Supplement to Prospectuses prior to their use. Outdated Pricing Supplements and the Prospectuses to which they are attached (other than those retained for files) will be destroyed.

Suspension of Solicitation;
Amendment or Supplement:

Subject to the representations, warranties and covenants of the Company and the Guarantor contained in the Agency Agreement, the Company may instruct the Agent to suspend at any time for any period of time or permanently, the solicitation of orders to purchase Certificated Notes. Upon receipt of such instructions, the Agent will forthwith suspend solicitation until such time as the Company has advised them that such solicitation may be resumed.

In the event that at the time the Company suspends solicitation of purchases there shall be any orders outstanding for settlement, the Company will promptly advise the Agent and the Trustee for such Certificated Notes whether such orders may be settled and whether copies of the Prospectus as in effect at the time of the suspension, together with the appropriate Pricing Supplement, may be delivered in connection with the settlement of such orders. The Company will have the sole responsibility for such decision and for any arrangements that may be made in the event that the Company determines that such orders may not be settled or that copies of such Prospectus may not be so delivered.

Delivery of Prospectus:

A copy of the Prospectus and a Pricing Supplement

relating to a Certificated Note must accompany or precede the earliest of any written offer of such Certificated Note, confirmation of the purchase of such Certificated Note and payment for such Certificated Note by its purchaser. If notice of a change in the terms of the Certificated Notes is received by the Agent between the time an order for a Certificated Note is placed and the time written confirmation thereof is sent by the Agent to a customer or his agent, such confirmation shall be accompanied by a Prospectus and Pricing Supplement setting forth the terms in effect when the order was placed. The Agent will deliver a Prospectus and Pricing Supplement as herein described with respect to each Certificated Note sold by it. The Company will make such delivery if such Certificated Note is sold directly by the Company to a purchaser (other than the Agent).

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Confirmation:

For each order to purchase a Certificated Note solicited by the Agent and accepted by or on behalf of the Company, the Agent will issue a confirmation to the purchaser, with a copy to the Company, setting forth the details set forth above and delivery and payment instructions.

Settlement:

The receipt by the Company of immediately available funds in exchange for an authenticated Certificated Note delivered to the Agent and the Agent's delivery of such Certificated Note against receipt of immediately available funds shall, with respect to such Certificated Note, constitute "settlement". All orders accepted by the Company will be settled on the fifth Business Day next succeeding the date of acceptance pursuant to the timetable for settlement set forth below, unless the Company and the purchaser agree to settlement on another day which shall be no earlier than the next Business Day following the date of sale.

Settlement Procedures:

Settlement Procedures with regard to each Certificated Note sold by the Company to or through the Agent, as agent (except pursuant to a Terms Agreement), shall be as follows:

- A. The Agent will advise the Company by telephone or by facsimile transmission or other

acceptable written means) that such Note is a Certificated Note and of the following settlement information, in time for the Trustee for such Certificated Note to prepare and authenticate the required Note:

1. Name in which such Certificated Note is to be registered ("Registered Owner").
2. Address of the Registered Owner and address for payment of principal and interest.
3. Taxpayer identification number of the Registered Owner (if available).
4. Principal or face amount.
5. Series.
6. Stated Maturity.
7. In the case of a Fixed Rate Certificated Note, the Interest Rate and reset provisions (if any) or, in the case of a Floating Rate Certificated Note, the Base Rate, Initial Interest Rate (if known at such time), Interest Reset Period, Interest Reset Dates, Index Maturity, Spread and/or Spread Multiplier (if any),

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Minimum Interest Rate (if any), Maximum Interest Rate (if any) and reset provisions (if any).

8. Interest Payment Dates and the Interest Payment Period.
9. Specified Currency.
10. Denominated Currency, Indexed Currency, Base Exchange Rate and the Determination Date, if applicable.
11. Redemption, repayment, amortization or extension provisions, if any.

12. Settlement date.
 13. Price (including currency).
 14. Agent's commission, if any, determined as provided in the Agency Agreement.
 15. Whether such Certificated Note an OID Note, and, if so, the total amount of OID and the yield to maturity.
 16. Any other terms necessary to describe the Certificated Note.
- B. The Company will advise the relevant Trustee by telephone, (confirmed in writing at any time on the sale date) written telecommunication or electronic transmission of the information set forth in Settlement Procedure "A" above and the name of the Presenting Agent.
- C. The Company will deliver to the relevant Trustee a pre-printed four-ply packet for such Certificated Note, which packet will contain the following documents in forms that have been approved by Company, the Agents and the Trustee:
1. Certificated Note with customer confirmation.
 2. Stub One--For Trustee.
 3. Stub Two -- For Agent.
 4. Stub Three -- For the Company.

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- D. The relevant Trustee will complete such Certificated Note and will authenticate such Certificated Note and deliver it (with the confirmation) and Stubs One and Two to the Agent, and the Agent will acknowledge receipt of the Note by stamping or otherwise marking Stub One and returning it to such Trustee. Such delivery will be made only against such acknowledgment of receipt and evidence that

instructions have been given by the Agent for payment to such account as the Company shall have specified in funds available for immediate use, of an amount equal to the price of such Certificated Note less the Agent's commission. In the event that the instructions given by the Agent for payment to the account of the Company are revoked, the Company will as promptly as possible wire transfer to the account of the Agent an amount of immediately available funds equal to the amount of such payment made.

E. Unless the Agent purchased the Note as Principal, the Agent will deliver such Certificated Note (with the confirmation) to the customer against payment in immediately payable funds. The Agent will obtain the acknowledgment of receipt of such Certificated Note by retaining Stub Two.

F. The relevant Trustee will send Stub Three to the Company by first-class mail.

Settlement Procedures Timetable:

For orders of Certificated Notes solicited by the Agent, as agent, and accepted by the Company, Settlement Procedures "A" through "F" set forth above shall be completed on or before the respective times (New York City time) set forth below:

<TABLE>
<CAPTION>
Settlement
Procedure

Time

<S>	<C>
A	2:00 P.M. on the day before settlement
B	On the day two Business Days before settlement date.
C	2:15 P.M. two Business Days before settlement
D	2:15 P.M. on settlement date
E	3:00 P.M. on settlement date
F	5:00 P.M. on settlement date

</TABLE>

Procedures upon Company's Exercise of Optional Reset or Optional Extension of Maturity:

Company Notice to Trustee regarding Exercise of Optional Reset. Not less than 45 or more than 60 days before an Optional Reset Date as set forth in a Certificated Note, the Company will notify the Trustee for such Certificated Note whether it is exercising its option

to reset the interest rate or Spread or Spread Multiplier, as the case may be, for such Certificated Note, and if so, (i) the new interest rate or Spread or Spread Multiplier, as the case may be, for such Certificated Note during the period from such Optional Reset Date to the next Optional Reset Date as set forth in such Certificated Note or, if there is no such next Optional Reset Date, to the Stated Maturity of such Certificated Note (the "Subsequent Interest Period"); and (ii) the provisions, if any, for redemption of such Certificated Note during such Subsequent Interest Period, including the date or dates on which or the period or periods during which such redemption may occur during such Subsequent Interest Period.

Company Notice to Trustee regarding Exercise of Optional Extension of Maturity. If the Company elects to exercise an option, as set forth in a Certificated Note, to extend the Stated Maturity of such Note, it will so notify the Trustee for such Certificated Note not less than 45 or more than 60 days before the Stated Maturity of such Certificated Note, and will further indicate (i) the new Stated Maturity; (ii) the interest rate or Spread or Spread Multiplier, as the case may be, applicable to the extension period; and (iii) the provisions, if any, for redemption of such Certificated Note during such extension period, including the date or dates on which or the period or periods during which such redemption may occur during such extension period.

Trustee Notice to Holders regarding Company's Exercise of Optional Extension or Reset. Upon receipt of notice from the Company regarding the Company's exercise of either an optional extension of maturity or an optional reset, the Trustee for the Certificated Note will mail a notice, first class, postage prepaid, to the Holder of such Certificated Note not less than 40 days before the Optional Reset Date (in which case a "Reset Notice") or the Stated Maturity (in which case an "Extension Notice"), as the case may be, which Reset Notice or Extension Notice shall contain the

information required by the terms of the Certificated Note.

Trustee Notice to Company regarding Option to be Repaid. If, after receipt of either a Reset Notice or an Extension Notice, any Holder of a Certificated Note exercises the option for repayment by tendering the Certificated Note to be repaid as set forth in such Note, the Trustee for such Certificated Note shall give notice to the Company not less than 22 days before the Optional Reset Date or the old Stated Maturity, as the case may be, of the principal amount of Certificated Notes to be repaid on such Optional Reset Date or old Stated Maturity, as the case may be.

Company Notice regarding New Interest Rate or New Spread or Spread Multiplier. If the Company elects to revoke the interest rate

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or Spread or Spread Multiplier provided for in the Reset Notice and establish a higher interest rate or Spread or Spread Multiplier for an Optional Reset Period or extension period, as the case may be, it shall, not less than 20 days before such Optional Reset Date or old Stated Maturity, so notify the Trustee for the affected Certificated Note. The Trustee will immediately thereafter notify the Holder of such Certificated Note, by first class mail, postage prepaid, of the new interest rate or Spread or Spread Multiplier applicable to such Certificated Note.

Trustee Notice to Company regarding Holder Revocation of Option to be Repaid. If, after the Holder of a Certificated Note has tendered such Note for repayment pursuant to an Extension Notice or an Optional Reset Notice, such Holder then revokes such tender for repayment, the Trustee for such Certificated Note shall give notice to the Company not less than five days prior to the Stated Maturity or Optional Reset Date, as the case may be, of such revocation and of the principal amount of Certificated Notes for which tender for repayment has been revoked.

Deposit of Repayment Price. On or before any old

Stated Maturity where the Maturity has been extended, and on or before any Optional Reset Date, the Company shall deposit with such Trustee an amount of money sufficient to pay the principal amount, plus interest accrued to such old Stated Maturity or Optional Reset Date, as the case may be, for all the Certificated Notes or portions thereof for which such Trustee serves as Trustee and which are to be repaid on such old Stated Maturity or Optional Reset Date, as the case may be. Such Trustee will use such money to repay such Certificated Notes pursuant to the terms set forth in such Notes.

Procedures upon Company's
Exercise of Optional
Redemption:

Company Notice to Trustee regarding Exercise of Optional Redemption. At least 45 days prior to the date on which it intends to redeem a Certificated Note, the Company will notify the Trustee for such Certificated Note that it is exercising such option with respect to such Note on such date.

Trustee Notice to Holders regarding Company's Exercise of Optional Redemption. After receipt of notice that the Company is exercising its option to redeem a Certificated Note, the Trustee for such Certificated Note will, at least 30 days before the redemption date for such Certificated Note, mail a notice, first class, postage prepaid, to the Holder of such Certificated Note, informing such Holder of the Company's exercise of such option with respect to such Certificated Note.

Payments of Principal

Trustee Notice to Company of Option to be Repaid.
Upon receipt of

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and Interest Upon Exercise of
Optional Repayment (Except
Pursuant to Company's
Exercise of Optional Reset
or Optional Extension):

notice of exercise of the option for repayment and the Certificated Notes to be repaid as set forth in such Notes, the Trustee for such Certificated Notes shall (unless such notice was received pursuant to the Company's exercise of an optional reset or an optional extension of maturity, in each of which cases the relevant procedures set forth above shall be followed) give notice to the Company not less than 20 days prior to each Optional Repayment Date of such Optional Repayment

Date and of the principal amount of Certificated Notes to be repaid on such Optional Repayment Date.

Failure to Settle:

If a purchaser fails to accept delivery of and make payment for any Certificated Note, the Agent will notify the Company and the applicable Trustee by telephone and return such Note to the applicable Trustee. Upon receipt of such notice, the Company will immediately wire transfer to the account of the Agent an amount equal to the amount previously credited thereto in respect of such Note. Such wire transfer will be made on the settlement date, if possible, and in any event not later than the Business Day following the settlement date. If the failure shall have occurred for any reason other than a default by the Agent in the performance of its obligations hereunder and under the Agency Agreement with the Company, then the Company will reimburse the Agent or the applicable Trustee, as appropriate, on an equitable basis for its loss of the use of the funds during the period when they were credited to the account of the Company. Immediately upon receipt of the Certificated Note in respect of which such failure occurred, the applicable Trustee will mark such Note "canceled", make appropriate entries in the applicable Trustee's records and send such Note to the Company.

Trustees Not to Risk Funds:

Nothing herein shall be deemed to require either Trustee to risk or expend its own funds in connection with any payment to the Company, the Agent or the purchaser, it being understood by all parties that payments made by either Trustee to the Company, the Agent or the purchaser shall be made only to the extent that funds are provided to such Trustee for such purpose.

Authenticity of Signatures:

The Company will cause each Trustee to furnish the Agent from time to time with the specimen signatures of each of such Trustee's officers, employees or agents who has been authorized by such Trustee to authenticate Certificated Notes, but the Agent will not have any obligation or liability to the Company or a Trustee in respect of the authenticity of the signature of any officer, employee or agent of the Company or a Trustee on any Certificated Note.

Payment of Expenses:

The Agent shall forward to the Company, on a

monthly basis, a statement of the out-of-pocket expenses incurred by the Agent during that month that are reimbursable to it pursuant to the terms of the

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Agency Agreement. The Company will remit payment to the Agent currently on a monthly basis.

Advertising Costs:

The Company will determine with the Agent the amount of advertising that may be appropriate in soliciting orders to purchase the Certificated Notes. Advertising expenses will be paid by the Company.

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EXHIBIT B

CITIGROUP FUNDING INC.

Euro Medium-Term Note Administrative Procedures
(For Medium Term Notes, Series A and Series B, in Bearer Form)
May ___, 2005

The Medium-Term Notes, Series A (the "Series A Notes") and the Medium-Term Notes, Series B (the "Series B Notes," and, together with the Series A Notes, the "Notes") of Citigroup Funding Inc. (the "Company"), fully and unconditionally guaranteed by Citigroup Inc. (the "Guarantor"), are to be offered on a continuing basis. Citigroup Global Markets Limited has agreed to act as agent in the solicitation of Notes issuable in bearer form (the "Bearer Notes"), which will be represented by Global Securities that may be exchanged for individual Bearer Notes. (The term "Agent" as used in these Administrative Procedures means Citigroup Global Markets Limited). The Agent will not be obligated to purchase Notes for its own account. The Bearer Notes are being sold pursuant to a Global Selling Agency Agreement among the Company, the Guarantor, and the agents named therein (including the Agent) dated the date hereof (the "Agency Agreement"). The Notes have been registered with the Securities and Exchange Commission (the "Commission"). JPMorgan Chase Bank, N.A. is the trustee under the Indenture, dated as of May ___, 2005, covering the Series A Notes (the "Senior Debt Indenture"). Deutsche Bank Trust Company Americas is the trustee (together with JPMorgan Chase Bank, N.A., the "Trustees") under the Indenture, dated as of May ___, 2005, covering the Series B Notes (the "Subordinated Debt Indenture," and, together with the Senior Debt Indenture, the "Indentures"). The Series A Notes will constitute part of the senior debt of the Company and will rank equally with all other unsecured and unsubordinated debt of the Company. The Series B Notes will be subordinate and junior in the right of payment to all

Senior Indebtedness of the Company and the Guarantor, to the extent and in the manner set forth in the Subordinated Debt Indenture.

The Agency Agreement provides that Notes may also be purchased by the Agent acting solely as principal and not as agent. In the event of any such purchase, the Agent acting solely as principal shall perform the functions of both the Agent and the beneficial owner under the administrative procedures set forth below, unless otherwise agreed to between the Company and the Agent acting as principal.

The Company has appointed the principal office of Citibank, N.A. in London as principal paying agent for the payment of the principal of and interest on the Series A Bearer Notes and has appointed the principal office of Deutsche Bank U.K. in London as principal paying agent (together, the "Principal Paying Agents") for the payment of the principal of and interest on the Series B Bearer Notes. The Company has appointed Kredietbank S.A. Luxembourgeoise in Luxembourg as an additional paying agent for the Series A Notes and has appointed Deutsche Bank Luxembourg, S.A. as an additional paying agent for the Series B Notes (each, a "Paying Agent").

The procedures to be followed during, and the specific terms of, the solicitation of orders by the Agent and the sale as a result thereof by the Company are explained below. Administrative and record-keeping responsibilities will be handled for the Company by [its

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Treasury Department]. The Company will advise the Agent and the Trustees in writing of those persons handling administrative responsibilities with whom the Agent and the Trustees are to communicate regarding orders to purchase Bearer Notes and the details of their delivery.

If the Notes are to be listed on the Luxembourg Stock Exchange, the Company will advise the Principal Paying Agents and the Agent as to the entity it has appointed as listing agent (the "Listing Agent"), which will coordinate with the Principal Paying Agents and the Agent on a regular basis for the purpose of providing the Luxembourg Stock Exchange with such information regarding Bearer Notes issued and outstanding as such Exchange may require.

Administrative procedures and specific terms of the offering are explained below. Unless otherwise defined herein, terms defined in the Indentures, the Prospectus or the Notes shall be used as therein defined. To the extent the procedures set forth below conflict with the provisions of the Bearer Notes, the Indentures or the Agency Agreement, the relevant provisions of the Bearer Notes, the Indentures and the Agency Agreement shall control.

Maturities: Each Bearer Note will mature on a date not less than nine months after the settlement date for such Note. A Floating Rate Bearer Note will mature

only on an Interest Payment Date for such Bearer Note. Any Note denominated in Japanese yen will mature on a date not less than one year from the Original Issue Date (as defined below) for such Note. Any Note denominated in Pounds Sterling will mature on a date not less than one year, nor more than five years, after its Original Issue Date.

Currency:

The Specified Currency for a Certificated Note shall be as set forth therein and in the applicable Pricing Supplement.

Denominations:

The denomination of any Bearer Note denominated in U.S. dollars will be a minimum of U.S.\$10,000 or any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Bearer Notes denominated in any other currency will be set forth in such Bearer Notes.

Bearer Form:

Bearer Notes will be issued only in bearer form.

Date of Issuance:

Each Bearer Note will be dated and issued as of its original issue date by the Principal Paying Agent for such Bearer Note. Each Bearer Note will bear an Original Issue Date, which will be (i) with respect to a temporary Global Security (or any portion thereof), the date of its original issue as specified in such Global Security and (ii) with respect to any Permanent Global Security or individual Bearer Note (or portion thereof) issued subsequently upon transfer or exchange of a Bearer Note or in lieu of a destroyed, lost or stolen Bearer Note, the Original Issue Date of the predecessor Bearer Note, regardless of the date of authentication of such subsequently issued Bearer Note.

Temporary Global Securities;
Definitive Global
Securities; and Individual
Bearer Notes:

Until the 40th day following the date of issuance of a Bearer Note (the "Exchange Date") and until Final Certification (as defined below) with respect to such Bearer Note has occurred, such Bearer

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Note, together with all other Bearer Notes that have the same rank, Original Issue Date, currency of denomination, redemption and repayment provisions, Stated Maturity and either fixed

interest rate (in the case of Fixed Rate Notes) or Base Rate, Initial Interest Rate, interest reset period, Interest Payment Dates, Minimum Interest Rate, Maximum Interest Rate, Spread or Spread Multiplier and Index Maturity (in the case of Floating Rate Notes) (all such Bearer Notes herein referred to collectively as a "Tranche"), will be represented by a single temporary Global Security in bearer form without interest coupons. The Company shall execute, and the Principal Paying Agent for the Bearer Notes represented by such temporary Global Security shall authenticate, such temporary Global Security upon the same conditions and in substantially the same manner, and with the same effect, as a Permanent Global Security. On or prior to the Closing Date (which should also be the Original Issue Date), with respect to such Bearer Notes, the Principal Paying Agent for such Bearer Notes shall deposit the temporary Global Security with a common depositary (the "Depositary") for Clearstream International, ("Clearstream") and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), in the manner specified below under "Details for Settlement". The interest of each beneficial owner of such temporary Global Security will be credited to the appropriate account with Clearstream or Euroclear, as specified below under "Details for Settlement".

On or after the Exchange Date and provided that Final Certification (as described below) has occurred, the interest of the beneficial owner of such Bearer Note in the temporary Global Security shall be canceled and such Bearer Note, together with all other Bearer Notes of the Tranche as to which Final Certification has occurred, shall thereafter be represented by a Permanent Global Security in bearer form without interest coupons held in London by the Depositary. The interest of the beneficial owner of such Bearer Note in such Permanent Global Security will be credited to the appropriate account with Clearstream or Euroclear.

The beneficial owner of an interest in a Permanent Global Security may, at any time, upon 30 days' notice to the Principal Paying Agent for the Bearer Notes represented by such Permanent Global Security, given by such beneficial owner through either Clearstream or Euroclear, as the case may be, exchange its beneficial interest in such

Permanent Global Security for one or more individual Bearer Notes (with coupons attached, if appropriate) equal in aggregate principal amount to such beneficial interest. To effect such exchange, the interest of the beneficial owner of such Bearer Note in such Permanent Global Security shall be canceled and one or more individual Bearer Notes shall be issued to such beneficial owner,

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through Euroclear or Clearstream, as the case may be.

In all events, Bearer Notes will be delivered by the Principal Paying Agents only outside the United States.

Final Certification:

Final Certification with respect to a temporary Global Security shall mean the delivery by Euroclear or Clearstream, as the case may be, to the Principal Paying Agent for the Bearer Notes represented by such temporary Global Security of a signed certificate (a "Clearance System Certificate") in the form set forth in Appendix 1 hereto with respect to the Bearer Notes, dated no earlier than the Exchange Date for such Bearer Notes or, if an interest payment on the Bearer Notes shall be due prior to the Exchange Date, dated no earlier than such Interest Payment Date, to the effect that Euroclear or Clearstream, as the case may be, has received certificates ("Certificates of Non-U.S. Beneficial Ownership") in the form set forth in Appendix 2 hereto with respect to each of such Bearer Notes, dated no earlier than ten days before such Exchange Date or Interest Payment Date, as the case may be, signed by the account holders appearing on its records as entitled to such Bearer Notes, to the effect that such Bearer Notes (i) are not beneficially owned by United States persons and have not been acquired by or on behalf of United States persons, (ii) are owned by United States persons that are (a) foreign branches of United States financial institutions purchasing for their own account or for resale or (b) United States persons who acquired the Bearer Notes through foreign branches of U.S. financial institutions and who hold the

Bearer Notes through such U.S. financial institutions (and in either case (a) or (b), each such financial institution has agreed that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986 and the regulations thereunder), or (iii) are owned by United States or foreign financial institutions for purposes of resale during the restricted period, in which event such financial institutions (whether or not also described in clause (i) or (ii)) shall have certified that they have not acquired the Bearer Notes for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

Payments of Principal:

Upon presentation of a Note, the Principal Paying Agent for such Bearer Note will pay the principal amount of such Note and the final installment of interest at Maturity in immediately available funds. Notes presented to the Principal Paying Agent for such Bearer Notes at Maturity for payment will be canceled in accordance with the Indenture under which such Bearer Notes have been issued.

Interest Payments:

Interest on each Bearer Note will accrue from the Original Issue Date of such Bearer Note and will be calculated and paid in the manner described in such Bearer Note and the Prospectus, each as defined in

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the Agency Agreement, as supplemented by the applicable Pricing Supplement; provided, however, that interest in respect of any portion of a temporary Global Security for which Final Certification has not been made shall not be paid until Final Certification is received in respect of that portion.

Payments of Principal and Interest Upon Exercise of Optional Repayment:

Upon receipt of Bearer Notes to be repaid as set forth in such Notes, the Trustee or Principal Paying Agent for such Notes shall give notice to the Company not less than 20 calendar days prior to each Optional Repayment Date of such Optional Repayment Date and of the principal amount of

Bearer Notes to be repaid on such Optional Repayment Date.

On or prior to any Optional Repayment Date, the Company shall deposit with such Trustee or such Principal Paying Agent an amount of money sufficient to pay the Optional Repayment Price, and accrued interest thereon to such date, of all the Notes or portions thereof which are to be repaid on such date. Such Trustee or such Principal Paying Agent will use such money to repay such Notes pursuant to the terms set forth in such Notes.

Procedure for Rate Setting
and Posting:

The Company and the Agent will discuss from time to time the aggregate principal amount of, the issuance price of, and the interest rates to be borne by, Bearer Notes that may be sold as a result of the solicitation of orders by the Agent. If the Company decides to set prices of, and rates borne by, any Bearer Notes in respect of which the Agent is to solicit orders (the setting of such prices and rates to be referred to herein as "posting") or if the Company decides to change prices or rates previously posted by it, it will promptly advise the Agent of the prices and rates to be posted.

Acceptance of Orders:

If the Company posts prices and rates as provided above, the Agent as agent for and on behalf of the Company shall promptly accept orders received by it to purchase Bearer Notes at the prices and rates so posted, subject to (1) any instructions from the Company received by the Agent concerning the aggregate principal amount of Bearer Notes to be sold at the prices and rates so posted or the period during which such posted prices and rates are to be in effect, (2) any instructions from the Company received by the Agent changing or revoking any posted prices and rates, (3) compliance with the securities laws of the United States and all other jurisdictions and with the selling restrictions contained in the Agency Agreement and (4) the Agent's right to reject any such offer as provided below.

If the Company does not post prices and rates and the Agent receives an order to purchase Bearer Notes, or, if while posted prices and rates are in effect, the Agent receives an order to purchase Bearer Notes on terms other than those posted by

the Company, the Agent will

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promptly advise the Company by telephone of any such order other than orders rejected by the Agent as provided below. The Company will have the sole right to accept any such order to purchase Bearer Notes and may reject any such order in whole or in part.

The Agent may, in its discretion reasonably exercised, reject any order to purchase Bearer Notes received by it in whole or in part.

Preparation of Pricing
Supplement:

If any order to purchase a Bearer Note is accepted by or on behalf of the Company, the Company, with the approval of the Agent, will prepare a pricing supplement (a "Pricing Supplement") reflecting the terms of such Bearer Note, will file ten copies thereof with the Commission in accordance with the applicable paragraph of Rule 424(b) under the Act, will supply such copies thereof to the Agent as the Agent may request, will supply one copy to the Principal Paying Agent for such Bearer Note and will, on the Agent's behalf, file five copies of such Pricing Supplement with the National Association of Securities Dealers, Inc. (the "NASD"). The Principal Paying Agent for such Bearer Note will cause such Pricing Supplement to be delivered to the Trustee for such Bearer Note, to each additional Paying Agent for such Bearer Note outside the United States and to the Listing Agent. The Agent will cause a Pricing Supplement to be delivered to the purchaser of the Bearer Note.

In each instance that a Pricing Supplement is prepared, the Agent will affix copies of the Pricing Supplement to Prospectuses prior to their use. Outdated Pricing Supplements, and the Prospectuses to which they are attached (other than those retained for files), will be destroyed.

Suspension of Solicitation;
Amendment or Supplement:

The Company reserves the right, in its sole discretion, to instruct the Agent to suspend at any time, for any period of time or permanently, the solicitation of orders to purchase Bearer Notes. Upon receipt of such instructions, the

Agent will forthwith suspend solicitation of orders to purchase Bearer Notes from the Company until such time as the Company has advised it that such solicitation may be resumed.

In the event that at the time the Company suspends solicitation of purchases there shall be any orders outstanding for settlement, the Company will promptly advise the Agent and each of the Principal Paying Agents whether such orders may be settled and whether copies of the Prospectus as in effect at the time of the suspension, together with the appropriate Pricing Supplement, may be delivered in connection with the settlement of such orders. The Company will have the sole responsibility for such decision and for any arrangements that may be made in the event that the Company determines that such orders may not be settled or that copies of such Prospectus may not be so delivered. If the Company and the

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Guarantor decide to amend or supplement the Registration Statement (as defined in the Agency Agreement) or the Prospectus (except for an amendment or supplement relating to an offering of Securities other than the Notes or to an offering of Warrants or providing solely for the specification of or a change in the maturity dates, the interest rates, the issuance prices or other terms of any Notes), they promptly will advise the Agent and the Trustees and will furnish the Agent and the Trustees with the proposed amendment or supplement and with such certificates and opinions as are required, all in accordance with the terms of the Agency Agreement. The Company and the Guarantor will file with the Commission any supplement to the Prospectus relating to the Bearer Notes, provide the Agent with copies of any such supplement, and confirm to the Agent that such supplement has been filed with the Commission pursuant to the applicable paragraph of Rule 424(b).

Delivery of Prospectus:

A copy of the Prospectus and a Pricing Supplement relating to a Bearer Note must accompany or precede any written offer of such Note, confirmation of the purchase of such Note and

payment for such Note by its purchaser. If notice of a change in the terms of the Bearer Notes is received by the Agent between the time an order for a Bearer Note is placed and the time written confirmation thereof is sent by the Agent to a customer or his agent, such confirmation shall be accompanied by a Prospectus and Pricing Supplement setting forth the terms in effect when the order was placed. Subject to the second preceding paragraph, the Agent will deliver a Prospectus and Pricing Supplement as herein described with respect to each Bearer Note sold by it. The Principal Paying Agent for such Bearer Note will make such delivery if such Note is sold directly by the Company to a purchaser (other than the Agent).

Confirmation:

For each order to purchase a Bearer Note solicited by the Agent and accepted by or on behalf of the Company, the Agent will issue a confirmation to the purchaser, with a copy to the Company, setting forth the details set forth below, delivery and payment instructions and the language required by the U.S. Treasury Regulations.

Settlement:

Subject to Section 5 of the Agency Agreement, the Closing Date with respect to any order to purchase Bearer Notes accepted by or on behalf of the Company will be the third day next succeeding the date of acceptance, or if such day is a day on which commercial banks in New York City or London or Clearstream or Euroclear are required or authorized to be closed, the next succeeding day on which commercial banks in New York City and London and Euroclear and Clearstream are not required or authorized to be closed (a "Business Day") unless otherwise agreed by the purchaser and the Company and shall be specified upon acceptance of such offer.

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Details for Settlement: For each offer to purchase a Bearer Note that is accepted by or on behalf of the Company, the Agent will provide (unless provided by the purchaser directly to the Company) by telephone the following information to the Company:

1. Principal or face amount.

2. Series.
3. Stated Maturity.
4. In the case of a Fixed Rate Book-Entry Note, the interest rate and reset, redemption, repayment and extension provisions (if any) or, in the case of a Floating Rate Book-Entry Note, the Base Rate, Initial Interest Rate (if known at such time) Interest Reset Period, Interest Reset Dates, Index Maturity, Spread and/or Spread Multiplier (if any), Minimum Interest Rate (if any), Maximum Interest Rate (if any) and reset, redemption, repayment and extension provisions (if any).
5. Interest Payment Dates and the Interest Payment Period.
6. Amortization provisions, if any.
7. Settlement date and Issue Date, if different.
8. Specified currency.
9. Denominated currency, Indexed Currency, Base Exchange Rate, and the Determination Date, if applicable.
10. Price.
11. Agent's commission, determined as provided in the Agency Agreement.
12. Whether such Book-Entry Note is an OID Note and, if so, the total amount of OID, the yield to maturity and the initial accrual period OID.
13. Any other terms necessary to describe the Book-Entry Note.
14. Agent's account number at Clearstream or Euroclear.

The Agent will advise the Company and the Principal Paying Agent for such Bearer Note of the foregoing information (unless provided by the purchaser directly to the Company) for each offer to purchase a Bearer Note solicited by the Agent and accepted by the Company in time for the Principal Paying Agent for such Bearer Note to prepare

and authenticate the temporary Global Security and deliver it at least one day prior to settlement to the Depositary in London. The Principal Paying Agent for such Bearer Note will instruct Euroclear or Clearstream, as the case may be, to credit such Bearer Note to the distribution account of such Principal Paying Agent with Euroclear or Clearstream, as the case may be, for onward credit to the account of the Agent against payment. Concurrently therewith and in consideration thereof, the Agent for such Bearer Note will give instructions to Euroclear or Clearstream, as the case may be, to credit the account of the Principal Paying Agent for such Bearer Note against delivery of such Bearer Note with an amount equal to the initial public offering price of such Bearer Note, less the applicable commission determined as provided in Section 2 of the Agency Agreement. The Principal Paying Agent for such Bearer Note will remit all such funds received to the designated account of the Company. The Principal Paying Agent for such Bearer Note will notify the Agent of both the Euroclear and Clearstream Reference Numbers for such Bearer Note and will notify the Listing Agent of the issuance of such Bearer Note. Before accepting any order to purchase a Bearer Note to be settled in less than three Business Days, the Company shall verify that the Principal Paying Agent for such Bearer Note will have adequate time to prepare and authenticate the temporary Global Security that will represent such Bearer Note.

The Agent will provide appropriate documentation to the Principal Paying Agent for such Bearer Note, including the information necessary for the preparation and authentication of the temporary Global Security that will represent such Bearer Note. Prior to preparing such temporary Global Security for delivery (but in any case no later than 10:00 A.M., London time, on the Business Day next preceding the Closing Date therefor), the Principal Paying Agent for such Bearer Note will confirm receipt of such instruction to the Agent by telephone.

**Bearer Note Deliveries
and Cash Payment:**

Upon receipt of appropriate documentation and instructions with respect to the Bearer Notes constituting a Tranche, the Company will cause the Principal Paying Agent for such Bearer Notes to prepare and authenticate a temporary Global Security representing such Tranche and to insert thereon (1) the rank, (2) the principal amount of such Tranche, (3) the

Original Issue Date, (4) the Stated Maturity, (5) the interest rate (in the case of a Fixed-Rate Note) and redemption and repayment provisions (if any) or the Base Rate, Initial Interest Rate, Index Maturity, Spread or Spread Multiplier, Minimum Interest Rate and Maximum Interest Rate (in the case of a Floating Rate Note) and redemption and repayment provisions (if any) and (6) any other terms required to be inserted thereon.

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On the Closing Date, the Principal Paying Agent for the Bearer Notes represented by such Tranche will credit such Bearer Note to its distribution account with Clearstream or Euroclear and the Agent will make payment to such Principal Paying Agent against delivery of such Bearer Note, through Euroclear or Clearstream, as the case may be, in immediately available funds, in an amount equal to the issuance price of such Bearer Note less the Agent's commission. The Principal Paying Agent for such Bearer Note will remit all such funds received to the designated account of the Company. Such payment shall be made by the Agent only upon prior receipt by the Agent of immediately available funds from or on behalf of the purchaser unless the Agent decides, at its option, to advance its own funds for such payment against subsequent receipt of funds from the purchaser.

Failure to Settle:

If on the relevant Issue Date the Agent does not pay the subscription price due from it in respect of any Note (the "Defaulted Note") and, as a result, the Defaulted Note remains in the distribution account of the Principal Paying Agent for such Note with Euroclear or Clearstream after such Issue Date (rather than being credited to the Agent's account against payment), such Principal Paying Agent will continue to hold the Defaulted Note to the order of the Company.

If such Principal Paying Agent pays an amount (the "Advance") to the Company on the basis that a payment (the "Payment") has been, or will be, received from the relevant Agent and if the Payment has not been, or is not, received by such Principal Paying Agent on the date such Principal Paying Agent pays the Company, the Company shall upon being requested to do so repay to such Principal Paying Agent the Advance and shall pay interest (on a 360 days basis) sufficient to cover any overdraft costs incurred by such Principal Paying Agent, as certified by such Principal Paying Agent, until the

earlier of repayment in full of the Advance and receipt in full by such Principal Paying Agent of the Payment.

If the Agent, at its own option, has advanced its own funds for payment against subsequent receipt of funds from the purchaser, and if the purchaser shall fail to make payment for the Bearer Note on the Closing Date therefor, the Agent will promptly notify the Principal Paying Agent for such Bearer Note, the Depositary and the Company by telephone, promptly confirmed in writing (but no later than the next Business Day). In such event the Agent shall instruct Euroclear or Clearstream, as the case may be, to transfer such Defaulted Note to the distribution account of the Principal Paying Agent for such Bearer Note who will continue to hold the Defaulted Note to the order of the Company. Upon (i) confirmation from such Principal Paying Agent in writing (which may be by telex or telecopy) that such Principal Paying Agent is holding the Defaulted Note for the account of the Company, and (ii) confirmation from the Agent in writing (which

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may be given by telex or telecopy) that the Agent has not received payment from the purchaser (the matters referred to in clauses (i) and (ii) are referred to hereinafter as the "Confirmations"), the Company will promptly pay to the Agent an amount in immediately available funds equal to the amount previously paid by the Agent in respect of such Bearer Note. Such payment will be made not later than the Business Day following the date of receipt of the Confirmations. The Principal Paying Agent for such Bearer Note and the Depositary will make such revisions to the temporary Global Security representing such Bearer Note as are necessary to reflect the cancellation of such portion of such Global Security.

If a purchaser shall fail to make payment for such Bearer Note for any reason other than the failure of the Agent to provide the necessary information to the Company as described above for settlement or to provide a confirmation to the purchaser within a reasonable period of time as described above or otherwise to satisfy its obligation hereunder or in the Agency Agreement, and if the Agent shall have otherwise complied with its obligations hereunder and in the Agency Agreement, the Company will reimburse the Agent

on an equitable basis for its loss of the use of funds during the period when they were credited to the account of the Company.

Principal Paying Agents Not to Risk Funds: Nothing herein shall be deemed to require Principal Paying Agent expend its own funds in connection with any payment to the Company, or the Agent or the purchaser, it being understood by all parties that payments made by the Principal Paying Agents to the Company, or the Agent or a purchaser shall be made only to the extent that funds are provided to the Principal Paying Agents for such purpose.

Authenticity of Signatures: The Company will cause each Principal Paying Agent to furnish the Agent from time to time with the specimen signatures of each of such Principal Paying Agent's officers, employees or agents who has been authorized by such Principal Paying Agent to authenticate Bearer Notes (including Global Securities representing Bearer Notes), but the Agent will have no obligation or liability to the Company or to either Principal Paying Agent in respect of the authenticity of the signature of any officer, employee or agent of the Company or either Principal Paying Agent on any Bearer Note.

Payment of Expenses: The Agent shall forward to the Company, on a monthly basis, a statement of the out-of-pocket expenses incurred by the Agent during that month that are reimbursable to it pursuant to the terms of the Agency Agreement. The Company will remit payment to the Agent currently on a monthly basis.

Advertising Costs: The Company will determine with the Agent the amount of advertising that may be appropriate in soliciting orders to purchase

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the Bearer Notes. Advertising expenses will be paid by the Company.

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APPENDIX 1

[FORM OF CERTIFICATION TO BE GIVEN
BY EUROCLEAR OR CLEARSTREAM]

CERTIFICATION

Citigroup Funding Inc.

Medium Term Notes, Series [A] [B]

(the "Notes")

This is to certify that, based solely on certifications we have received in writing, by tested telex or by electronic transmission from member organizations appearing in our records as persons being entitled to a portion of the principal amount set forth below (our "Member Organizations") substantially to the effect set forth in the Medium-Term Note Administrative Procedures attached to the Selling Agency Agreement relating to the Notes, as of the date hereof, \$ principal amount of the above-captioned Notes (i) is owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("United States persons"), (ii) is owned by United States persons that are (a) foreign branches of United States financial institutions (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(v)) ("financial institutions") purchasing for their own account or for resale, or (b) United States persons who acquired the Notes through foreign branches of United States financial institutions and who hold the Notes through such United States financial institutions on the date hereof (and in either case (a) or (b), each such United States financial institution has agreed, on its own behalf or through its agent, that we may advise the Issuer or the Issuer's agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) is owned by United States or foreign financial institutions for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), which United States or foreign financial institutions described in clause (iii) above (whether or not also described in clause (i) or (ii)) have certified that they have not acquired the Notes for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

We further certify (i) that we are not making available herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) any portion of the temporary global Note excepted in such certifications and (ii) that as of the date hereof we have not received any notification from any of our Member Organizations to the effect that the statements made by such Member Organizations with respect to any portion of the part submitted herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) are no longer true and cannot be relied upon as the date hereof.

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We understand that this certification is required in connection with

certain tax laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorize you to produce this certification to any interested party in such proceedings.

Dated: _____, 200_ (1)

Yours faithfully,

[EUROCLEAR BANK, S.A./N.V.,
as operator of the Euroclear System]

or

[CLEARSTREAM, S.A.]

By

(1) [The earlier of the Exchange Date and the first Interest Payment Date on the applicable Notes.]

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APPENDIX 2

[FORM OF CERTIFICATION TO BE GIVEN
BY AN ACCOUNT HOLDER OF EUROCLEAR OR CLEARSTREAM]

CERTIFICATION

Citigroup Funding Inc.

Medium Term Notes, Series [A] [B]

This is to certify that as of the date hereof, and except as set forth below, the above-captioned Notes (the "Notes") held by you for our account (i) are owned by person(s) that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("United States person(s)"), (ii) are owned by United States person(s) that are (a) foreign branches of United States financial institutions (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(v)) ("financial institutions") purchasing for their own account or for resale, or (b) United States person(s) who acquired the Notes through foreign branches of United States financial institutions and who hold the Notes through such United States financial institutions on the date hereof (and in either case (a) or (b), each such United States financial institution hereby agrees, on its own behalf or through its agent, that you may advise the Issuer or the Issuer's agent that it

will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) are owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and in addition if the owner of the Notes is a United States or foreign financial institution described in clause (iii) above (whether or not also described in clause (i) or (ii)) this is to further certify that such financial institution has not acquired the Notes for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "United States" means the United States of America (including the States and the District of Columbia); and its "possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We undertake to advise you promptly by tested telex on or prior to the date on which you intend to submit your certification relating to the Notes in accordance with your Operating Procedures if any applicable statement herein is not correct on such date, and in the absence of any such notification it may be assumed that this certification applies as of such date.

This certification excepts and does not relate to \$ principal amount of the Notes as to which we are not able to certify and as to which we understand exchange and delivery of definitive Notes (or, if relevant, exercise of any rights or collection of any interest) cannot be made until we do so certify.

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We understand that this certification is required in connection with certain tax laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorize you to produce this certification to any interested party in such proceedings.

Dated: _____, 20__

[To be dated no earlier than the 10th day before the earlier of the Exchange Date and the first Interest Payment Date on the Notes]

[Name of Account Holder]

By: _____
(Authorized Signatory)

Name:

Title:

FORM OF TERMS AGREEMENT

Attention: Subject in all respects to the terms and conditions contained in the Global Selling Agency Agreement dated _____, 20__ (the "Global Selling Agency Agreement"), among Citigroup Global Markets Inc., Citigroup Global Markets Limited, Citigroup Funding Inc. and Citigroup Inc., the undersigned agrees to purchase the following Notes of Citigroup Funding Inc.:

<TABLE>

<S>

Principal Amount:

Purchaser:

Initial Interest Rate:

Reoffering Rate:

Reoffering Price:

</TABLE>

<C>

Issue Price:

Original Issue Date:

Stated Maturity:

☐ Varying prices from time to time related to prevailing prices at the time of resale

☐ Fixed price of ___% of Principal Amount

Specified Currency (If other than U.S. dollars):

Survivor's Option:

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:

Designated Exchange Rate:

Base Rate: ☐ CD Rate ☐ Commercial Paper Rate ☐ Federal Funds Rate ☐

LIBOR Telerate ☐ LIBOR Reuters ☐ Treasury Rate ☐

Treasury Rate Constant Maturity ☐ Prime Rate ☐

Eleventh District Cost of Funds Rate ☐ Euribor ☐ Other (see attached)
Index Maturity:

Interest Reset Period or Interest Reset Dates:

Interest Payment Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Floating Rate: ☐ Indexed Interest Rate: ☐ (see attached) Spread Multiplier:
Spread (+/-):

Spread Reset ☐ The Spread or Spread Multiplier may not be changed prior to
Stated Maturity.

☐ The Spread or Spread Multiplier may be changed prior to Stated Maturity (see
attached).

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Optional Reset Dates (if applicable):

Maximum Interest Rate:

Minimum Interest Rate:

Inverse Floating Rate Note: ☐ Yes (see attached) ☐ No

Initial Fixed Interest Rate: Reset Fixed Reference Rate:

Floating Rate / Fixed Rate Note: ☐ Yes (see attached) ☐ No

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: ☐ Yes ☐ No

Optional Repayment Dates:

Optional Repayment Prices:

Optional Extension of Stated Maturity: ☐ Yes ☐ No

Final Maturity:

Discount Note: ☐ Yes ☐ No

Total Amount of OID: Yield to Maturity:

Renewable Note: ☐ Yes (see attached) ☐ No

Special Election Interval (if applicable):

Amount (if less than entire principal amount) as to which election may
be exercised:

Place of Delivery of Notes:

Method of Payment for the Notes:

Requirements for delivery, if any, of opinions of counsel, certificates from the

Company and the Guarantor or their officers or a letter from the Guarantor's independent public accountants:

Other terms:

The provisions of the Global Selling Agency Agreement and the related definitions are incorporated by reference herein and shall be deemed to have the same force and effect as if set forth in full herein.

Between the date of this Agreement and the Settlement Date with respect to this Agreement, you will not, without the undersigned's prior consent, offer, sell, contract to sell or

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otherwise dispose of any debt securities of the Company substantially similar to the Medium-Term Notes (other than (i) the Medium-Term Notes to be sold pursuant to this Agreement and (ii) commercial paper issued in the ordinary course of business), except as may otherwise be provided herein.

Date:
[Purchaser]

By: _____

Accepted: CITIGROUP FUNDING INC.

By: _____

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EXHIBIT D

FORM OF AGENT ACCESSION CONFIRMATION - PROGRAM

To: [Name and address of new Agent]

[date]

Citigroup Funding Inc.
U.S.\$[] Series A and Series B Medium-Term Note Program

Ladies and Gentlemen:

We refer to the Global Selling Agency Agreement dated as of _____, 20__ (which agreement, as amended from time to time, is herein referred to as the "Agency Agreement") entered into in respect of the above Medium-Term Note Program and hereby acknowledge receipt of your Agent Accession Letter to us

dated [] .

In accordance with Section 2(c) of the Agency Agreement we hereby confirm that, with effect from the date hereof, you shall become a party to, and a[n] [U.S. Agent] [International Agent] under, the Agency Agreement, vested with all the authority, rights and powers, and subject to all the duties and obligations of a[n] [U.S.] [International] Agent as if originally named as such under the Agency Agreement.

Yours faithfully,

CITIGROUP FUNDING INC.

By: _____

Name:

Title:

cc: Principal Paying Agents
Trustees
Existing Agents
Guarantor

D-1

EXHIBIT E

FORM OF AGENT ACCESSION LETTER - PROGRAM

To: Citigroup Funding Inc.
399 Park Avenue
New York, New York 10043

[date]

Citigroup Funding Inc.
U.S.\$[] Series A and Series B Medium-Term Note Program

Ladies and Gentlemen:

We refer to the Global Selling Agency Agreement dated as of _____, 20__, entered into in respect of the above Medium-Term Note Program and made among Citigroup Funding Inc. (the "Company"), Citigroup Inc. and the Agents party thereto (which agreement, as amended from time to time, is herein referred to as the "Agency Agreement").

We confirm that we are in receipt of the documents referenced below (except to the extent we have waived delivery of such documents):

-- a copy of the Agency Agreement;

- a copy of all documents referred to in Section 5 of the Agency Agreement;
and
- a letter in a form approved by ourselves from each of the legal advisers referred to in Section 5 of the Agency Agreement addressed to ourselves and giving us the full benefit of the existing legal opinions as of the date of such existing legal opinions, and have found them to our satisfaction.

For the purposes of Section 9 of the Agency Agreement our notice details are as follows: (insert name, address, telephone, telecopy, telex and attention).

In consideration of the Company appointing us as a[n] [U.S.] [International] Agent under the Agency Agreement, we hereby undertake, for the benefit of the Company, the Guarantor and each of the other Agents, that we will perform and comply with all the duties and obligations expressed to be assumed by a[n] [U.S.] [International] Agent under or pursuant to the Agency Agreement. We also undertake to deliver to The Depository Trust Company of New York such pricing letters as it may reasonably require from us in connection with the offer and sale of the Notes.

E-1

This letter is governed by, and shall be construed in accordance with, the laws of the State of New York.

Yours faithfully,

[Name of new Agent]

By: _____
Name:
Title:

cc: Principal Paying Agents
Trustees
Existing Agents
Guarantor

E-2

EXHIBIT F

FORM OF AGENT ACCESSION CONFIRMATION - NOTE ISSUE

To: [Name and address of new Agent]
[date]

Citigroup Funding Inc.
U.S.\$[] Series A and Series B Medium-Term Note Program

Ladies and Gentlemen:

We refer to the Global Selling Agency Agreement dated as of _____, 20__ (which agreement, as amended from time to time, is herein referred to as the "Agency Agreement") entered into in respect of the above Medium-Term Note Program and hereby acknowledge receipt of your Agent Accession Letter to us dated [].

In accordance with Section 2(c) of the Agency Agreement we hereby confirm that, with effect from the date hereof solely in respect of the issue of [] Notes due [] (the "Issue"), you shall become a party to, and a[n] [U.S.] [International] Agent under, the Agency Agreement, vested with all the authority, rights and powers, and subject to all duties and obligations of a[n] [U.S.] [International] Agent in relation to the Issue as if originally named as such under the Agency Agreement.

Such appointment is limited to the Issue and is not for any other issue of Notes of the Company pursuant to the Agency Agreement and such appointment will terminate upon issue of the Notes comprising the Issue but without prejudice to any rights, duties or obligations which have arisen prior to such termination.

Yours faithfully,

CITIGROUP FUNDING INC.

By: _____
Name:
Title:

cc: Principal Paying Agents
Trustees
Guarantor

F-1

EXHIBIT G

FORM OF AGENT ACCESSION LETTER - NOTE ISSUE

Citigroup Funding Inc.
399 Park Avenue
New York, New York 10043

U.S.\$[] Series A and Series B
Medium-Term Note Program

Ladies and Gentlemen:

We refer to the Global Selling Agency Agreement dated as of _____, 20__, entered into in respect of the above Medium-Term Note Program and made among the Company, Citigroup Inc. and the Agents party thereto (which agreement, as amended from time to time, is herein referred to as the "Global Selling Agency Agreement").

We confirm that we are in receipt of the documents referenced below (except to the extent that we have waived delivery of such documents):

-- a copy of the Agency Agreement; and

-- a copy of all documents referred to in Section 5 of the Agency Agreement

and have found them to our satisfaction.

For the purposes of Section 9 of the Agency Agreement our notice details are as follows: (insert name, address, telephone, telecopy, telex and attention).

In consideration of the Company appointing us as a[n] [U.S.] [International] Agent solely in respect of the issue of [] Notes due [] (the "Issue") under the Agency Agreement, we hereby undertake, for the benefit of the Company, the Guarantor and each of the other Agents, that in relation to the Issue we will perform and comply with all the duties and obligations expressed to be assumed by a[n] [U.S.] [International] Agent under or pursuant to the Agency Agreement.

We acknowledge that such appointment is limited to the Issue and is not for any other issue of Notes of the Company pursuant to the Agency Agreement and that such appointment will terminate upon issue of the Notes comprising the Issue but without prejudice to any rights, duties or obligations which have arisen prior to such termination.

G-1

This letter is governed by, and shall be construed in accordance with, the laws of the State of New York.

Yours faithfully,

[Name of new Agent]

By: _____
Title:

cc: Principal Paying Agents
Trustees
Guarantor

EXHIBITS H-K

FORMS OF OPINIONS, CERTIFICATES AND COMFORT LETTERS

CITIGROUP FUNDING INC.

Retail Medium-Term Notes, Series C

GLOBAL SELLING AGENCY AGREEMENT

May __, 2005
New York, New York

To the Agents listed on Schedule I hereto

Ladies and Gentlemen:

Citigroup Funding Inc., a Delaware corporation (the "Company"), confirms its agreement with each of you with respect to the issue and sale by the Company of up to \$5,000,000,000 aggregate principal amount of its Retail Medium-Term Notes, Series C in registered form (the "Notes"), which Notes are fully and unconditionally guaranteed by Citigroup Inc. (the "Guarantor"). It is understood that the Company may from time to time authorize the issuance and sale of additional amounts of the Notes and that such Notes may be issued and sold pursuant to the terms of this Agreement, all as though the issuance and sale of such Notes were authorized by the Company as of the date hereof.

The Notes will be issued under an indenture (the "Senior Debt Indenture") dated as of May __, 2005, among the Company, the Guarantor, and JPMorgan Chase Bank, N.A., as trustee (the "Trustee"). Unless otherwise specifically provided for and set forth in a supplement to the Prospectus referred to below, the Notes will be issued in minimum denominations of \$1,000 and in denominations exceeding such amount by integral multiples of \$1,000 and will be issued only in fully registered form, and the Notes will have the interest rates, maturities, redemption provisions and other terms set forth in the applicable Pricing Supplement (as defined herein).

The Notes will be issued, and the terms thereof established, in accordance with the Senior Debt Indenture and the Retail Medium-Term Notes, Series C Administrative Procedures attached hereto as Exhibit A (the "Administrative Procedures") (unless a Terms Agreement (as defined in Section 2(b)) modifies or otherwise supersedes such Administrative Procedures with respect to the Notes issued pursuant to such Terms Agreement). The Administrative Procedures may only be amended by written agreement of the Company, the Guarantor and Citigroup Global Markets Inc., as purchasing agent (the "Purchasing Agent"), on behalf of the Agents, after notice to, and with the approval of, the Trustee.

For purposes of this Agreement, the term "Agent" shall refer to any one of you and to any additional agents appointed as a party to this Agreement pursuant to Section 2(d) hereof; and the term "you" shall refer to you and any other Agent collectively. In acting under this Agreement, each of you is acting

individually and not jointly.

1. Representations and Warranties. The Company and the Guarantor jointly and severally represent and warrant to, and agree with, each of you as set forth below in this Section 1.

(a) Registration Statement (File No. 333-_____) in respect of \$_____ aggregate principal amount of securities of the Company, including the Notes, has been filed with the Securities and Exchange Commission (the "Commission"); such registration statement and any post-effective amendment thereto, each in the form heretofore delivered or to be delivered to each of you, excluding exhibits to such registration statement but including all documents incorporated by reference therein, have been declared effective by the Commission in such forms; no other document with respect to such registration statement (other than a document incorporated by reference therein) has heretofore been filed or transmitted for filing with the Commission; and no stop order suspending the effectiveness of the registration statement has been issued and no proceeding for that purpose has been instituted or threatened by the Commission (any preliminary prospectus included in the Registration Statement (as defined herein) or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Securities Act of 1933, as amended (the "Act"), being hereinafter called a "Preliminary Prospectus"); the various parts of the registration statement, including all exhibits thereto and the documents incorporated by reference in the prospectus contained in such registration statement at the time such part of such registration statement became effective but excluding the Statements of Eligibility under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), pertaining to the Senior Debt Indenture, each as amended at the time such part became effective, being hereinafter collectively called the "Registration Statement"; the form of basic prospectus relating to the offering and sale of Debt Securities and Index Warrants included in the Registration Statement, in the form in which it has most recently been filed, or transmitted for filing, with the Commission on or prior to the date of this Agreement being hereinafter from time to time called the "Basic Prospectus"; the supplement to the Prospectus relating to the Notes and the plan of distribution thereof being hereinafter called the "Prospectus Supplement"; and the Basic Prospectus (and the Prospectus Supplement) being hereinafter called the "Prospectus". Any reference herein to the Prospectus, a Preliminary Prospectus or any Prospectus Supplement shall be deemed to refer to and include the documents incorporated by reference therein pursuant to the applicable form under the Act, as of the date of such Prospectus, Preliminary Prospectus or Prospectus Supplement, as the case may be; any reference to any amendment or supplement to any Prospectus, Preliminary Prospectus or Prospectus Supplement, including any supplement to the Prospectus that sets forth only the terms of a particular issue of the Notes (a "Pricing Supplement"), shall be deemed to refer to and include any documents filed after the date of such Prospectus, Preliminary Prospectus or Prospectus Supplement, as the case may be, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated by reference in such Prospectus or Prospectus Supplement, as the case may be; any reference to any amendment to the Registration Statement shall be deemed to include any report of the Company filed pursuant to the Exchange Act after the effective date of the Registration Statement that is incorporated

by reference in the Registration Statement; and any reference to the Prospectus as amended or supplemented shall be deemed to refer to and include the Prospectus as amended or supplemented in relation to the Notes sold pursuant to this Agreement, in the form in which it is filed with the Commission pursuant to Rule 424(b) under the Act, including any documents incorporated by reference therein as of the date of such filing;

(b) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission promulgated thereunder, and any further documents so filed

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and incorporated by reference in the Prospectus, or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder;

(c) The Registration Statement and the Prospectus, and any amendment thereof or supplement thereto, and the Senior Debt Indenture, conform or will conform in all material respects with the applicable requirements of the Act and the Trust Indenture Act, and the rules and regulations of the Commission thereunder;

(d) The Registration Statement, as amended as of any time, did not and will not, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading and the Prospectus, as amended and supplemented as of any such time, did not and will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; provided, however, that neither the Company nor the Guarantor makes any representations or warranties as to the information contained in or omitted from the Registration Statement or the Prospectus or any amendment thereof or supplement thereto in reliance upon, and in conformity with, information furnished in writing to the Company or the Guarantor by or on behalf of any Agent specifically for use in the Registration Statement and the Prospectus or any amendment thereof or supplement thereto;

(e) The Notes have been duly authorized and, when executed and authenticated in accordance with the Senior Debt Indenture and delivered to and duly paid for by the purchasers thereof, will constitute valid and binding obligations of the Company, enforceable in accordance with their respective terms and entitled to the benefits of the Senior Debt Indenture (subject, as to enforcement, to applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally and to general principles of equity regardless of whether such enforceability is considered in a proceeding in equity or at law); the Senior Debt Indenture has been duly

authorized by the Company and qualified under the Trust Indenture Act; and the Senior Debt Indenture conforms to the descriptions thereof in the Prospectus as amended or supplemented to relate to such issuance of Notes;

(f) The Guarantees have been duly authorized and, when executed and delivered by the Guarantor in accordance with the Senior Debt Indenture, will constitute valid and binding obligations of the Guarantor, enforceable in accordance with their terms and entitled to the benefits of the Senior Debt Indenture; and

(g) Since the date of the most recent financial statements included in the Prospectus, as amended or supplemented, there has not been any material adverse change in the consolidated financial condition or results of operations of the Guarantor and its subsidiaries, taken as a whole, which is not disclosed in the Prospectus, as amended or supplemented.

2. Appointment of Agents. Subject to the terms and conditions stated herein, the Company hereby (i) appoints and authorizes the Agents to act as its agents to solicit offers for the purchase of all or part of the Notes from the Company in accordance with the terms hereof

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and (ii) agrees that whenever the Company determines from time to time to sell Notes pursuant to this Agreement, it will enter into a Terms Agreement (as defined below) relating to such sale in accordance with the provisions of Section 2(b) hereof between the Company and the Purchasing Agent, with the Purchasing Agent purchasing such Notes as principal for resale to other Agents or other dealers (the "Selected Dealers"), each of whom will purchase as principal.

(a) Solicitations of Offers to Purchase Notes. Following the Commencement Date (referred to below), the Company shall notify the Purchasing Agent from time to time as to the commencement of a period during which the Notes may be offered and sold by the Agents (each period, commencing with such a notification and ending at such time as the authorization for offers and sales through the Agents shall have been suspended by the Company or the Agents as provided hereunder, being herein referred to as an "Offering Period"). The initial Offering Period shall begin on May _____, 2005 (the "Commencement Date"). On the basis of the representations and warranties, and subject to the terms and conditions set forth herein, each of the Agents agrees to use its reasonable best efforts to solicit offers to purchase Notes from the Company upon the terms and conditions set forth in the applicable Prospectus (and any supplement thereto) and in the Administrative Procedures. The Purchasing Agent shall communicate to the Company, orally or in writing, each reasonable offer or indication of interest to purchase Notes received by the Agents. The Company shall have the sole right to accept offers to purchase the Notes and may reject any such offer in whole or in part. Each Agent shall have the right to reject, in its discretion reasonably exercised, any offer received by it to purchase the Notes, in whole or in part, and any such rejection shall not be deemed a breach of its agreements contained herein. In soliciting offers to purchase the Notes,

no Agent assumes any obligation toward or relationship of agency or trust with any purchaser of the Notes (other than any such obligation or relationship which the Agent assumes independently of this Agreement). Each Agent shall make reasonable efforts to assist the Company in obtaining performance by each purchaser whose offer to purchase Notes has been solicited by such Agent and accepted by the Company. Except as provided in Section 2(b) and Section 2(c) below, under no circumstances will any Agent be obligated to purchase any Notes for its own account. It is understood and agreed, however, that any of you may purchase Notes as principal pursuant to Section 2(b) and Section 2(c) below, as applicable.

The Company reserves the right, in its sole discretion, to instruct the Agents to suspend at any time, for any period of time or permanently, the solicitation of offers to purchase Notes. Upon receipt of instructions from the Company, the Agents will forthwith suspend solicitation of offers to purchase Notes from the Company until such time as the Company has advised them that such solicitation may be resumed.

Subject to the provisions of this Section 2 and to the Administrative Procedures, as applicable, offers for the purchase of Notes may be solicited by an Agent at such time and in such amounts as such Agent shall deem advisable. The Company may from time to time offer Notes for sale otherwise than through an Agent; provided, however, that so long as this Agreement is in effect the Company shall not solicit or accept offers to purchase Notes through any agent other than an Agent.

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If the Company defaults in its obligations to deliver Notes to a purchaser whose offer it has accepted, the Company shall indemnify and hold each of you harmless against any loss, claim or damage arising from or as a result of such default by the Company.

(b) Purchases of Notes. Subject to the terms and conditions stated herein, each sale of Notes shall be made in accordance with the terms of this Agreement and a supplemental agreement between the Company and the Purchasing Agent which will provide for the sale of such Notes to, and the purchase of and reoffering thereof by, the Purchasing Agent, as principal. Each such supplemental agreement (which may be either an oral or written agreement) is herein referred to as a "Terms Agreement". Each Terms Agreement shall describe the Notes to be purchased by the Purchasing Agent pursuant thereto and shall specify the aggregate principal amount of such Notes, the price to be paid to the Company for such Notes, the initial public offering price at which the Notes are proposed to be reoffered, the maturity date of such Notes, the rate at which interest will be paid on such Notes, the dates on which interest will be paid on such Notes and the record date with respect to each such payment of interest, whether the Notes provide for a Survivor's Option, such other terms of the Notes as are applicable, the Settlement Date for the purchase of such Notes, the method of payment and any requirements for the delivery of opinions of counsel, certificates from the Company or its officers or a letter from the Company's independent public accountants as described in Section 5(b). A Terms Agreement may also specify certain provisions relating to the reoffering of such Notes by

the Purchasing Agent. Any written Terms Agreement may be in the form attached hereto as Exhibit B. The Purchasing Agent's commitment to purchase Notes shall be deemed to have been made on the basis of the representations and warranties of the Company and the Guarantor herein contained and shall be subject to the terms and conditions herein set forth.

Each date of delivery of and payment for Notes to be purchased by the Purchasing Agent is referred to herein as a "Settlement Date". Delivery of the Notes sold to the Purchasing Agent pursuant to a Terms Agreement shall be made not later than the Settlement Date agreed to in such Terms Agreement, against payment of funds to the Company in the net amount due to the Company for such Notes by the method and in the form set forth in the Administrative Procedures, as applicable, unless otherwise agreed to between the Company and the Purchasing Agent in such Terms Agreement.

The Company agrees to pay the Purchasing Agent a commission on the Settlement Date with respect to each sale of Notes by the Company as a result of solicitations made by the Agents, in an amount equal to that percentage specified in Schedule II hereto of the aggregate principal amount of the Notes sold by the Company; provided, however, that the Company and the Purchasing Agent may agree to a commission greater than or less than the percentages specified in Schedule II hereto; and provided, further, that in no case shall the commission exceed 8% of the initial offering proceeds. Such commission shall be payable as specified in the Administrative Procedures, and the actual aggregate commission with respect to each sale of Notes will be set forth in the relevant Pricing Supplement. The Purchasing Agent and the other Agents or Selected Dealers will share the above-mentioned commission in such proportions as they may agree.

Unless otherwise agreed to between the Company and the Purchasing Agent in a Terms Agreement, any Note sold to the Purchasing Agent (i) shall be purchased by the

Purchasing Agent at a price equal to 100% of the principal amount thereof less a percentage equal to the applicable commission and (ii) may be resold by the Purchasing Agent to other Agents or Selected Dealers, each of whom will purchase as principal for resale to the public at a fixed public offering price which shall be set forth in the applicable Terms Agreement and Pricing Supplement. In connection with any resale of Notes purchased, without the consent of the Company or unless otherwise set forth in the applicable Terms Agreement, the Agents are not authorized to appoint subagents or to engage the services of any other broker or dealer or reallow any portion of the commission paid to such Agent.

(c) Unless otherwise agreed to by the Purchasing Agent, each Agent shall purchase from the Purchasing Agent as principal for resale to the public such aggregate principal amount of Notes with respect to which it has communicated offers to purchase to the Purchasing Agent (the "Commitment Amount"). The agreement of each Agent to purchase Notes from the Purchasing Agent shall be deemed to be made on the basis of the representations, warranties

and agreements of the Company herein contained and shall be subject to the terms and conditions herein set forth. Each Agent agrees to deliver to the Purchasing Agent on the Settlement Date (or on such later date as may be specified by the Purchasing Agent) and at the place specified by the Purchasing Agent immediately available funds, payable to the order of the Purchasing Agent, for (i) an amount equal to the Offering Price, less the applicable commission in respect of such Agent's Commitment Amount or (ii) such other amount as the Purchasing Agent shall advise such Agent. The Purchasing Agent will make payment to the Company against delivery to the Purchasing Agent for each Agent's account of the Notes to be purchased by each Agent, and the Purchasing Agent will deliver to each Agent the Notes paid for by such Agent. If the Purchasing Agent has determined that transactions in the Notes are to be settled through the facilities of DTC or another clearinghouse facility, payment for and delivery of Notes purchased by each Agent shall be made through such facilities, if such Agent is a member, or, if such Agent is not a member, settlement shall be made through such Agent's ordinary correspondent who is a member.

(d) Additional Agents. Notwithstanding paragraphs 2(a), 2(b) or 2(c) above, the Company may from time to time appoint one or more additional financial institutions experienced in the distribution of securities as an Agent under this Agreement, for the duration of this Agreement (subject to Section 7 hereof) or on an issue by issue basis, pursuant to a letter (an "Agent Accession Confirmation") substantially in the form of Exhibit C to this Agreement; provided that any such additional party shall have first requested appointment as such upon the terms and conditions of this Agreement in writing to the Company pursuant to a letter (an "Agent Accession Letter") substantially in the form of Exhibit D to this Agreement whereupon it shall, subject to the terms and conditions of this Agreement, the Agent Accession Letter and the Agent Accession Confirmation, become a party to this Agreement as an Agent, vested with all the authority, rights and powers and subject to all the duties and obligations of an Agent as if originally named as an Agent hereunder. The Company shall promptly notify the Guarantor, the Trustee and the other Agents of any such appointment, but only in the event that any such additional Agent is appointed for the duration of this Agreement.

(e) Each Agent acknowledges and agrees, with respect to communications in accordance with the Administrative Procedures via <https://newissue.i-deal.com>, or such other website as may be from time to time maintained for use in connection with the Notes (the "Notes

Website"), (i) that it is responsible for maintaining the confidentiality of the log-on and password it uses to access the Notes Website, (ii) that it is fully responsible for all activities that occur using its log-on and password, (iii) to notify the Company, the Guarantor and the Purchasing Agent immediately of any unauthorized use of its log-on or password or any other breach of security and (iv) that it will not use the log-on or password of any other person at any time.

(f) Each Agent represents that it is a broker-dealer registered under the Exchange Act.

3. Offering and Sale of Notes. The Purchasing Agent, the other Agents, and the Company agree to perform the respective duties and obligations specifically provided to be performed by them in the Administrative Procedures, as the case may be.

4. Agreements. (A) The Company and the Guarantor agree with each of you that:

(a) At any time during an Offering Period or during the time a prospectus relating to the Notes is required to be delivered under the Act, prior to amending or supplementing either Registration Statement or the Prospectus, the Company and the Guarantor will furnish the Purchasing Agent and Cleary Gottlieb Steen & Hamilton LLP, counsel to the Agents, with a copy of each proposed amendment or supplement (other than an amendment or supplement to be made pursuant to incorporation by reference of a document filed under the Exchange Act, or a Pricing Supplement or an amendment or supplement relating solely to an offering of securities other than the Notes). The Company and the Guarantor will promptly cause the Prospectus together with each amendment thereof or supplement thereto to be mailed or otherwise transmitted to the Commission for filing pursuant to Rule 424(b) by an appropriate method or will promptly cause the Prospectus together with each amendment thereof or supplement thereto to be filed with the Commission pursuant to said Rule. If the Prospectus is amended or supplemented (other than by a Pricing Supplement or an amendment or supplement relating solely to an offering of securities other than the Notes), each Agent shall be furnished with such information relating to such filing as it may reasonably request, and no Agent shall be obligated to solicit offers to purchase Notes so long as it is not reasonably satisfied that such amendment or supplement complies in all material respects with the provisions of the Act and the Exchange Act. At any time during an Offering Period or during the time a prospectus relating to the Notes is required to be delivered under the Act, the Company and the Guarantor will promptly advise each Agent of (i) the filing of any amendment or supplement to the Prospectus (other than a Pricing Supplement or an amendment or supplement relating solely to an offering of securities other than the Notes), (ii) the filing or effectiveness of any amendment to the Registration Statement, (iii) the receipt by the Company or the Guarantor of comments from the Commission relating to or requests by the Commission for any amendment of the Registration Statement or any amendment of or supplement to the Prospectus or for any additional information, (iv) the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the institution or threatening of any proceeding for that purpose and (v) the receipt by the Company or the Guarantor of any notification with respect to the suspension of the qualification of the Notes for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose. The Company and the Guarantor will use their reasonable best efforts to prevent the issuance of any such stop order or notice of suspension of qualification and,

if issued, to obtain as soon as possible the withdrawal thereof. Upon any Agent's request, the Company and the Guarantor will within a reasonable time

inform such Agent of the aggregate principal amount of Notes registered under the Registration Statement that remain unissued.

(b) Within the time during which a prospectus relating to the Notes is required to be delivered under the Act, the Company and the Guarantor will comply with all requirements imposed upon them by the Act, as now and hereafter amended, and by the rules and regulations of the Commission thereunder, as from time to time in force, so far as necessary to permit the continuance of sales of or dealings in the Notes as contemplated by the provisions hereof and the Prospectus. If during such period any event occurs as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances then existing, not misleading, or if, in the opinion of the Company and the Guarantor, during such period it is necessary to amend or supplement the Registration Statement or the Prospectus to comply with the Act, the Company promptly will notify each Agent to suspend the solicitation of offers to purchase the Notes and to cease sales of any Notes and, to the extent required under the provision in the last sentence of this subsection (b), the Company and the Guarantor promptly will amend or supplement the Registration Statement or the Prospectus (at the expense of the Company or the Guarantor) so as to correct such statement or omission or effect such compliance. If such amendment or supplement, and any documents, certificates, opinions and letters furnished to the Agents pursuant to subsections (j), (k) and (l) of this Section 4(A) in connection with the preparation and filing of such amendment or supplement, are reasonably satisfactory in all respects to the Purchasing Agent, in its sole discretion, upon the filing of such amendment or supplement with the Commission or effectiveness of an amendment to the Registration Statement, the Agents will resume solicitation of offers to purchase Notes hereunder. Notwithstanding the foregoing, neither the Company nor the Guarantor shall be required to comply with the provisions of subsection (b) of this Section 4(A) during any period from the time any Agent shall have been notified to suspend the solicitation of offers to purchase the Notes in its capacity as Agent (whether under this subparagraph (b) or otherwise under this Agreement) to the time the Company shall determine that solicitation of offers to purchase the Notes should be resumed; provided that if any Agent holds any Notes purchased as principal pursuant to a Terms Agreement or from the Purchasing Agent, the Company and the Guarantor shall comply with the provisions of subsection (b) of this Section 4(A) during the period when a Prospectus is required to be delivered pursuant to the Act.

(c) The Guarantor will comply, in a timely manner, with all applicable requirements under the Exchange Act relating to the filing with the Commission of the Guarantor's reports pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act and, if then applicable, of the Guarantor's proxy statements pursuant to Section 14 of the Exchange Act.

(d) The Company and the Guarantor will use their best efforts to qualify the Notes for sale under the securities laws of such jurisdictions as any Agent reasonably designates, to maintain such qualifications in effect so long as required for the distribution of the Notes, except that neither the Company nor the Guarantor shall be required in connection therewith to qualify to do business in any jurisdiction where it is not now so qualified or to take

any action which would subject it to general or unlimited service of process in any jurisdiction where it is not now so subject.

(e) The Company and the Guarantor will furnish to each Agent copies of the Registration Statement and the Prospectus (including all documents incorporated by reference therein), and all amendments of and supplements to the Registration Statement or the Prospectus which are filed with the Commission during the period in which a prospectus relating to the Notes is required to be delivered under the Act (including all documents filed by an amendment or supplement with the Commission during such period which are deemed to be incorporated by reference therein), in each case in such quantities as such Agent may from time to time reasonably request.

(f) So long as any of the Notes are outstanding, the Guarantor agrees to furnish to each Agent, upon its reasonable request, as soon as available, all reports and financial statements filed by or on behalf of the Guarantor with the Commission or any national securities exchange.

(g) The Guarantor will make generally available to security holders of the Company and to each Agent as soon as practicable, but in any event not later than 15 months after the end of the Guarantor's current fiscal quarter, an earnings statement (which need not be audited) covering a 12-month period beginning after the date upon which any amendment of or supplement to the Prospectus (other than a Pricing Supplement or an amendment or supplement relating solely to an offering of debt securities other than the Notes) is filed pursuant to Rule 424 under the Act, which shall satisfy the provisions of Section 11(a) of the Act.

(h) The Company and the Guarantor shall, whether or not any sale of Notes is consummated or this Agreement is terminated, pay all expenses incident to the performance of their obligations under this Agreement and under any Terms Agreement, including, without limitation, the fees and disbursements of its accountants and counsel, the cost of printing (or other production) and delivery of the Registration Statement and the Prospectus, all amendments thereof and supplements thereto, the Senior Debt Indenture, and all other documents relating to the offering, the cost of preparing, printing, packaging and delivering the Notes, the fees and disbursements (including reasonable fees of counsel) incurred in connection with the qualification of the Notes for sale and determination of eligibility for investment of the Notes under the securities or blue sky laws of such jurisdictions as any Agent may designate, the fees and disbursements of the Trustee, the fees of any agency that rates the Notes, the fees and expenses incurred with respect to any filing with the National Association of Securities Dealers, Inc. and the reasonable fees and disbursements of Cleary Gottlieb Steen & Hamilton LLP, as counsel for the Agents, or other counsel reasonably satisfactory to the Purchasing Agent, the Company and the Guarantor, and such other expenses, including, without limitation, advertising expenses as may be agreed upon by the Purchasing Agent, the Company and the Guarantor; provided, however, that with respect to any purchase of Notes by the Purchasing Agent pursuant to a Terms Agreement, the fees and disbursements of Cleary Gottlieb Steen & Hamilton LLP or other counsel

to the Agents shall not be paid by either the Company or the Guarantor.

(i) During the term of this Agreement, the Company and the Guarantor shall furnish to each Agent such relevant documents and certificates of officers of the Company and the Guarantor relating to the business, operations and affairs of the Company and the Guarantor, the Registration Statement, the Prospectus, any amendments thereof or supplements thereto, the Senior Debt Indenture, the Notes, this Agreement, the Administrative Procedures, any Terms Agreement and the performance by the Company and the Guarantor of their obligations

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hereunder or thereunder as any Agent may from time to time reasonably request, and the Company and the Guarantor shall promptly notify each Agent orally, followed by written notice of any downgrading, or of the receipt by either of them of any notice of any intended downgrading, in the rating accorded any securities of either the Company or the Guarantor by Moody's Investors Service, Inc. or Standard & Poor's Ratings Services or, if one of them no longer rates the securities of either the Company or the Guarantor, another "nationally recognized statistical rating organization", as such term is defined for purposes of Rule 436(g) (2) under the Act.

(j) Each time the Registration Statement or the Prospectus is amended or supplemented (other than by filing with the Commission: (i) a Pricing Supplement, (ii) an amendment or supplement relating solely to an offering of securities other than the Notes, (iii) a Current Report on Form 8-K (or any successor item thereto), or (iv) any other amendment or supplement that the Purchasing Agent reasonably deems immaterial), the Company and the Guarantor will deliver or cause to be delivered forthwith to the Agents a certificate of the Company and the Guarantor, signed by the Chairman of the Board, any Vice Chairman or any Vice President and by the principal financial officer, the principal accounting officer or the Treasurer of the Company and the Guarantor (or another officer or officers acceptable to the Purchasing Agent), dated the date of the effectiveness of such amendment or the date of filing with the Commission of such supplement or document, as the case may be, in form reasonably satisfactory to the Purchasing Agent, to the effect that the statements contained in the certificate referred to in Section 5(b) (iii) that was last furnished to the Agents (either pursuant to Section 5(b) (iii) or pursuant to this Section 4(A) (j)) are true and correct at the time of the effectiveness of such amendment or the time of filing of such supplement or document, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement, as amended at the time of effectiveness of such amendment, and to the Prospectus, as amended and supplemented at the date of such certificate) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in Section 5(b) (iii) but modified, if necessary, to relate to the Registration Statement, as amended at the time of the effectiveness of such amendment, and to the Prospectus, as amended and supplemented at the date of such certificate.

(k) Each time the Registration Statement or the Prospectus is amended or supplemented (other than by filing with the Commission: (i) a Pricing

Supplement, (ii) an amendment or supplement relating solely to an offering of securities other than the Notes, (iii) a Current Report on Form 8-K (or any successor item thereto), or (iv) any other amendment or supplement that the Purchasing Agent reasonably deems immaterial), the Company and the Guarantor shall furnish to or cause to be furnished forthwith to the Agents the written opinion of the General Counsel or a Deputy General Counsel of the Company and the Guarantor, or other counsel reasonably satisfactory to the Purchasing Agent, dated the date of the effectiveness of such amendment or the date of filing with the Commission of such supplement or document, as the case may be, in form reasonably satisfactory to the Purchasing Agent, to the effect set forth in Exhibit F hereto. In lieu of such opinion, counsel last furnishing such an opinion to the Agents may furnish to the Agents a letter to the effect that the Agents may rely on such last opinion to the same extent as though it were dated the date of such letter and authorizing reliance on such last opinion (except that statements in such last opinion will be deemed to relate to the

Registration Statement, as amended at the time of the effectiveness of such amendment, and to the Prospectus, as amended and supplemented at the date of such letter).

(l) Each time that the Registration Statement or the Prospectus is amended or supplemented to set forth amended or supplemental financial information supplemented (other than by filing with the Commission: (i) a Pricing Supplement, (ii) an amendment or supplement relating solely to an offering of securities other than the Notes, (iii) a Current Report on Form 8-K (or any successor item thereto), or (iv) any other amendment or supplement that the Purchasing Agent reasonably deems immaterial), the Guarantor shall cause KPMG LLP, Independent Registered Public Accounting Firm, forthwith to furnish the Agents a letter, dated the date of the effectiveness of such amendment or the date of filing of such supplement or document, as the case may be, in form satisfactory to the Purchasing Agent, of the same tenor as the letter of such independent public accountants referred to in Section 5(b)(iv) hereof but modified to relate to the Registration Statement and Prospectus, as amended and supplemented to the date of such letter, with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Guarantor; provided, however, that if the Registration Statement or the Prospectus is amended or supplemented solely to include or incorporate by reference financial information with respect to a fiscal quarter, KPMG LLP may limit the scope of such letter to the unaudited financial statements included in such amendment or supplement.

(m) Each acceptance by the Company of an offer for the purchase of Notes and each sale of Notes to the Purchasing Agent shall be deemed to be an affirmation that the representations and warranties of the Company and the Guarantor contained in or made pursuant to this Agreement are true and correct in all material respects at the time of such acceptance or sale, as the case may be, as though made at and as of such time, and an undertaking that such representations and warranties will be true and correct in all material respects at the time of delivery to the Purchasing Agent of the Notes relating to such acceptance, as the case may be, as though made at and as of such time (and it is

understood that such representations and warranties shall relate to the Registration Statement and the Prospectus as amended and supplemented to each such time).

(n) Anything to the contrary in this Section 4 notwithstanding, if, at the time of any required notice, amendment or supplement to the Registration Statement or the Prospectus, the Company shall have instructed the Agents to suspend solicitation of offers to purchase the Notes and no Agent then holds any Notes acquired by it as principal pursuant to a Terms Agreement or from the Purchasing Agent, neither the Company nor the Guarantor shall be obligated to furnish or cause to be furnished any notice, certificate, opinion or letter otherwise required until such time as it shall determine that solicitation of offers to purchase the Notes should be resumed; and provided, further, that, prior to resuming such solicitation the Agents shall be entitled to receive any such notices, certificates, opinions or letters not previously furnished, accurate as of the date of such notice, certificate, opinion or letter.

5. Conditions to the Obligations of the Agents. The obligations of each Agent under the terms of this Agreement will be subject to the accuracy in all material respects of the representations and warranties on the part of the Company and the Guarantor herein contained, to the accuracy of the statements of the officers of the Company and the Guarantor made in each

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certificate furnished pursuant to the provisions hereof and to the performance and observance by the Company and the Guarantor of all covenants and agreements herein contained on their part to be performed and observed (in the case of any Agent's obligations to solicit offers to purchase Notes, at the time of such solicitation, and, in the case of any Agent's obligation to purchase Notes, at the time the Company accepts the offer from the Purchasing Agent to purchase such Notes and at the time of purchase by the Purchasing Agent) and (in each case) to the following additional conditions precedent when and as specified:

(a) On the corresponding Settlement Date:

(i) There shall not have occurred any change in or affecting particularly the business or properties of the Company, the Guarantor and their respective affiliates from that set forth in the Registration Statement, as amended or supplemented, that, in such Agent's judgment, makes it impracticable to market the Notes on the terms and in the manner contemplated in the Prospectus except as disclosed to the Agents in writing by the Company and the Guarantor before the Company accepted the Purchasing Agents' offer to purchase such Notes.

(ii) There shall not have occurred any (x) suspension or material limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of either the Company or the Guarantor on any exchange (whether U.S. or foreign) or in the over-the-counter market, (y) declaration of a general moratorium on commercial banking activities in New York by either federal or New York

state authorities or exchange controls shall have been imposed by the United States or (z) any outbreak or escalation of major hostilities in which the United States is involved, any declaration of war by Congress or any other substantial national or international calamity or emergency that, in the Agent's judgment, is material and adverse and, in the case of any of the events described in clauses (x) through (z) above, such event makes it, in such Agent's judgment, impracticable to market the Notes on the terms and in the manner contemplated by the Prospectus, as amended or supplemented, except for any such event occurring before the Company accepted the offer of the Purchasing Agent to purchase such Notes.

(iii) There shall not have been any downgrading, nor any notice given of any intended downgrading, in the rating accorded any securities of either the Company or the Guarantor by Moody's Investor Service or Standard & Poor's Ratings Services or, if one of them no longer rates the securities of either the Company or the Guarantor, another "nationally recognized statistical rating organization", as such term is defined for purposes of Rule 436(g) (2) under the Act, except as disclosed to the Agents in writing by the Company and the Guarantor before the Company accepted the Purchasing Agent's offer to purchase such Notes.

(b) On the Commencement Date and, if called for by any Terms Agreement, on the corresponding Settlement Date:

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(i) The Company and the Guarantor shall have furnished to the Agents the opinion of the General Counsel or a Deputy General Counsel of the Company and the Guarantor (or other counsel for the Company and/or the Guarantor reasonably acceptable to the Agents) on the Commencement Date, and, on the Settlement Date will furnish the opinion of the General Counsel or a Deputy General Counsel of the Company and the Guarantor (or other counsel for the Company and/or the Guarantor reasonably acceptable to the Agents) and, if called for by a Terms Agreement, the opinion of other counsel, dated the Commencement Date or the Settlement Date, as the case may be, to the effect set forth in Exhibit F hereto.

(ii) The Agents shall have received from Cleary Gottlieb Steen & Hamilton LLP, counsel for the Agents (or other counsel reasonably acceptable to the Purchasing Agent, the Company and the Guarantor), an opinion dated the Commencement Date or the Settlement Date, as the case may be, to the effect set forth in Exhibit G hereto.

(iii) The Company and the Guarantor shall have furnished to the Agents a certificate of the Company and the Guarantor, signed by the Secretary of the Company and by the Chairman of the Board, any Vice Chairman, the Treasurer or any Vice President and by the principal financial officer, the Controller or the principal accounting officer of the Guarantor (or another officer or officers acceptable to the Agents), dated the Commencement Date or the Settlement Date, as the case may be, to the effect that each signatory of such certificate has carefully examined the Registration Statement, as amended as of the date of such certificate,

the Prospectus, as amended and supplemented as of the date of such certificate, and this Agreement and that:

(A) the representations and warranties of the Company and the Guarantor in this Agreement are true and correct in all material respects on and as of the date of such certificate with the same effect as if made on the date of such certificate and the Company and the Guarantor have complied in all material respects with all the agreements and satisfied in all material respects all the conditions on their part to be performed or satisfied as a condition to the obligations of the Agents under this Agreement;

(B) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to their knowledge, have been threatened or communicated; and

(C) since the date of the most recent financial statements included in the Prospectus, as amended and supplemented, there has been no material adverse change in the consolidated financial condition or results of operations of the Guarantor and its subsidiaries, taken as a whole, which is not disclosed in the Prospectus, as amended or supplemented.

(iv) KPMG LLP or another independent registered public accounting firm shall have furnished to the Agents a letter or letters, dated the Commencement Date

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or the Settlement Date, as the case may be, in form and substance reasonably satisfactory to the Agents, to the effect set forth in Exhibit H and Exhibit I hereto.

(v) The Company and the Guarantor shall have furnished to the Agents such appropriate further information, certificates and documents as the Agents may reasonably request.

6. Indemnification and Contribution. (a) The Company and the Guarantor will indemnify and hold harmless each of you against any losses, claims, damages or liabilities, joint or several, to which each of you may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, the Prospectus, or any amendment or supplement thereto, or any related preliminary Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading and will reimburse each of you for any legal or other expenses reasonably incurred by you in connection with investigating or defending against such loss, claim damage, liability or action; provided, however, that (i) neither the Company nor the Guarantor shall be liable in any such case to the

extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company or the Guarantor by or on behalf of any of you specifically for use in the preparation thereof, and (ii) such indemnity with respect to any preliminary Prospectus, the Prospectus or any preliminary supplemental prospectus, shall not inure to the benefit of any of you (or any person controlling you) if the Company and the Guarantor shall have delivered sufficient quantities of the Prospectus, as amended and supplemented, to you within a reasonable time prior to the earlier of the delivery of the written confirmation of the sale of such Notes or the delivery of such Notes to the person asserting such loss, claim, damage, liability or action for which indemnification is sought, and the Prospectus as so amended and supplemented (excluding documents incorporated by reference) was not sent or given to such person by you at or prior to the earlier of the delivery of the written confirmation of the sale of such Notes or the delivery of such Notes to such person in any case where such sending or giving of a prospectus is required by the Act, and the untrue statement or omission of a material fact contained in such preliminary prospectus, such Prospectus or such preliminary supplemental prospectus, was corrected in the Prospectus, as so amended and supplemented, provided to you.

(b) Each Agent will indemnify and hold harmless the Company and the Guarantor against any losses, claims, damages or liabilities to which either the Company or the Guarantor may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any part of the Registration Statement, or the Prospectus, or any amendment or supplement thereto, or any related preliminary Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made therein in reliance upon and in conformity with written information furnished to the Company or the Guarantor by or on behalf of any Agent

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specifically for use in the preparation thereof, and will reimburse the Company and the Guarantor for any legal or other expenses reasonably incurred by either of them in connection with investigating or defending against any such loss, claim, damage, liability or action.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which the indemnifying party may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any

indemnified party, and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in and, to the extent that it shall wish, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnified party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation.

(d) If the indemnification provided for in this Section 6 is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Guarantor on the one hand and by each of you on the other from the offering of the Notes from which such losses, claims, damages or liabilities arose, or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and the Guarantor on the one hand and by each of you on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Guarantor on the one hand and by each of you on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of the Notes from which such losses, claims, damages or liabilities arose (before deducting expenses) received by the Company bear to the total commissions received by each of you in connection with such offering. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Guarantor or by any of you and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company, the Guarantor and each of you agree that it would not be just and equitable if contributions pursuant to this subsection (d) were to be determined by pro rata allocation (even if you were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the first sentence of this subsection (d). The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any

legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim (which shall be limited as provided in subsection (c) above if the indemnifying party has assumed the defense of any such action in accordance with the provisions

thereof) which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), none of you shall be required to contribute any amount in excess of the amount by which the total price at which the Notes sold by the Company from which such losses, claims, damages or liabilities arose pursuant to offers solicited by you were offered to the public exceeds the amount of any damages which you have otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Agents' obligations in this subsection (d) to contribute shall be several in such proportion so that each Agent is responsible for the portion represented by the percentage that the commission received by such Agent from the offering of the Notes bear to the public offering price of such Notes, and not joint. Promptly after receipt by an indemnified party under this subsection (d) of the notice of the commencement of any action against such party in respect of which a claim for contribution may be made against an indemnifying party under this subsection (d), such indemnified party shall notify the indemnifying party in writing of the commencement thereof if the notice specified in subsection (c) above has not been given with respect to such action; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under this subsection (d).

(e) The obligations of the Company and the Guarantor under this Section 6 shall be in addition to any liability which the Company and the Guarantor may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any of you within the meaning of the Act or the Exchange Act; and the obligations of each of you under this Section 6 shall be in addition to any liability which you may otherwise have and shall extend, upon the same terms and conditions, to each director of the Company and the Guarantor (including any person who, with his or her consent, is named in the Registration Statement as about to become a director of either the Company or the Guarantor), to each officer of the Company and the Guarantor who has signed the Registration Statement and to each person, if any, who controls the Company or the Guarantor, as the case may be, within the meaning of the Act or the Exchange Act.

7. Termination. (a) This Agreement will continue in effect until terminated as provided in this Section 7. This Agreement may be terminated by either the Company and the Guarantor, as to any Agent, or by any Agent, insofar as this Agreement relates to such Agent, by giving written notice of such termination to such Agent or the Company and the Guarantor, as the case may be. The termination of this Agreement shall not require termination of any agreement by the Purchasing Agent to purchase Notes as principal, and the termination of any such Agreement shall not require termination of this Agreement. If this Agreement is terminated, neither the Company and the Guarantor, on the one hand, nor any Agent, on the other hand, shall have any liability to each other, except as provided in the first sentence of the fourth paragraph of Section 2(a), the last proviso of Section 4(A)(b), and Sections 4(A)(g), 4(A)(h), 6, 8 and 11, and except that, if at the time of termination an offer to purchase any of the Notes has been accepted by the Company but the time of delivery to the purchaser of the Note or Notes

relating thereto has not occurred, the representations and warranties of the Company and the Guarantor stated in Section 2 and the Company's obligations under the Administrative Procedures, and in Sections 2(c), 4(A)(a), 4(A)(b), 4(A)(c), 4(A)(e), 4(A)(i), 4(A)(j), 4(A)(k), 4(A)(l), 4(A)(m), 4(A)(o), 4(A)(q), 4(A)(r) and 5 shall also remain in full force and effect and not be terminated until the delivery of such Notes.

8. Representations and Indemnities to Survive. With respect to any Agent's solicitation of offers to purchase Notes or the Purchasing Agent's obligation to purchase Notes pursuant to any Terms Agreement or any Agent's commitment to purchase Notes from the Purchasing Agent, the respective agreements, representations, warranties, indemnities and other statements of the Company and the Guarantor or their officers and of any of you set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of you, the Company, the Guarantor or any of the officers, directors or controlling persons referred to in Section 6 hereof, and will survive delivery of and payment for the Notes for a period extending to the earlier of (i) three years from the corresponding Settlement Date for such Notes or (ii) the expiration of any applicable statute of limitations governing such solicitation or purchase of Notes.

9. Notices. All communications hereunder will be in writing and effective only on receipt, and, if sent to an Agent, will be delivered or sent by mail or transmitted by any standard form of telecommunication and confirmed to such Agent, at the address specified in Schedule I hereto; or, if sent to the Company, will be delivered or sent by mail or transmitted by any standard form of telecommunication and confirmed to it at Citigroup Funding Inc., 399 Park Avenue, New York, New York 10043, Attention: [Treasurer]; and if sent to the Guarantor, will be mailed, delivered or telegraphed and confirmed to it at Citigroup Inc., 399 Park Avenue, New York, New York 10043, Attention: [].

10. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and controlling persons referred to in Section 6 hereof. Nothing expressed or implied in this Agreement or any Terms Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons and officers and directors referred to in Section 6 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any Terms Agreement or any provision herein or therein contained. This Agreement and any Terms Agreement and all conditions and provisions hereof and thereof except to the extent provided for in Section 5 hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Notes shall be deemed to be a successor by reason merely of such purchase. This Agreement and the rights and obligations of any of you hereunder may not be assigned without the prior written consent of the Company and the Guarantor.

11. Waivers, Etc. Neither any failure nor delay on the part of any party to exercise any right, remedy, power or privilege under this Agreement (singly and collectively referred to as a "Right") shall operate as a waiver of such Right, nor shall any single or partial exercise of any Right preclude any other or further exercise of any Right, nor shall any waiver of

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any Right with respect to any occurrence be construed as a waiver of any Right with respect to any other occurrence.

12. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York.

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement among the Company, the Guarantor and you.

Very truly yours,

CITIGROUP FUNDING INC.

By: _____
Name:
Title:

CITIGROUP INC.

By: _____
Name:
Title:

The foregoing Agreement is
hereby confirmed and accepted
as of the date hereof:

[CITIGROUP GLOBAL MARKETS INC.]

By: _____
Name: Jack D. McSpadden, Jr.
Title: Managing Director

A.G. EDWARDS & SONS, INC.

By: _____
Name: Marvin D. Anderson
Title: Vice President

EDWARD D. JONES & CO., L.P.

By: _____
 Name: Phil Schwab
 Title: General Principal

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

By: _____
 Name: Scott G. Primrose
 Title: Authorized Signatory

MORGAN STANLEY & CO. INCORPORATED

By: _____
 Name:
 Title:

UBS FINANCIAL SERVICES INC.

By: _____
 Name: James LeBlanc
 Title: Senior Vice President

UBS FINANCIAL SERVICES INC.

By: _____
 Name: Karen Rockey
 Title: Senior Vice President

WACHOVIA CAPITAL MARKETS, LLC

By: _____
 Name: Keith Mauney
 Title: Managing Director]

SCHEDULE I

AGENT CONTACT INFORMATION

Citigroup Global Markets Inc.
 388 Greenwich Street, 35th Floor
 New York, NY 10013
 Attention: Cheryl Fratepietro
 Telephone: (212) 816-6845
 Facsimile: (212) 816-0910
 E-Mail: cheryl.fratepietro@citigroup.com

A.G. Edwards & Sons, Inc.
1 North Jefferson Avenue
St. Louis, MO 63103
Attention: Mary Ann Cribbin
Telephone: (314) 955-5000
Facsimile: (314) 955-5989
E-Mail: cribbinma@agedwards.com

Edward D. Jones & Co., L.P.
Corporate Bond Department
12555 Manchester Road
St. Louis, MO 63131
Attention: Karen Liebsch
Telephone: (314) 515-5119
Facsimile: (314) 515-3502
E-Mail: karen.liebsch@edwardjones.com

Merrill Lynch, Pierce, Fenner & Smith Incorporated
4 World Financial Center, Floor 15
New York, NY 10080
Attention: Transaction Management Group
Telephone: (212) 449-7476
Facsimile: (212) 449-2234
E-Mail: scott_primrose@ml.com

Morgan Stanley & Co. Incorporated
1585 Broadway, 2nd Floor
New York, NY 10036
Attention: Manager - Continuously Offered Products
Telephone: (212) 761-1872
Facsimile: (212) 761-0780
E-Mail: [[@morganstanley.com](mailto: @morganstanley.com)]

S-I

with a copy to:

Morgan Stanley & Co. Incorporated
1585 Broadway, 29th Floor
New York, NY 10036
Attention: Investment Banking Information Center
Telephone: (212) 761-8385
Facsimile: (212) 761-0260

UBS Financial Services Inc.
800 Harbor Blvd.
Weehawken, NJ 07086-6791
Attention: Corporate Desk
Telephone: (201) 352-7150
Facsimile: (201) 352-6900
E-Mail: james.Lebblanc@ubs.com

with a copy to:

UBS Financial Services Inc.
800 Harbor Blvd.
Weehawken, NJ 07086-6791
Attention: Karen Rockey
Telephone: (201) 352-7796/(212) 821-2632
Facsimile: (201) 617-8456
E-Mail: Karen.rockey@ubs.com

Wachovia Capital Markets, LLC
One Wachovia Center, DC-08
301 South College Street
Charlotte, NC 28288-0602
Attention: Jim Bowers
Telephone: (704) 383-7460
Facsimile: (704) 383-9165
E-Mail: james.bowers@wachovia.com

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SCHEDULE II

SCHEDULE OF COMMISSIONS

The following commissions are payable as a percentage of the non-discounted public offering price of each note sold through the Purchasing Agent.

<TABLE>

<CAPTION>

Term of Note -----	Commission Rate -----
<S>	<C>
One Year	0.20%
Two Years	0.40%
Three Years	0.60%
Five Years	1.00%
Seven Years	1.25%
Ten Years	1.50%
Fifteen Years	2.00%
Twenty Years	2.50%
Twenty-five Years	2.50%
Thirty Years	2.50%

</TABLE>

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EXHIBIT A

CITIGROUP FUNDING INC.

May _____, 2005

The Retail Medium-Term Notes, Series C (the "Notes") of Citigroup Funding Inc. (the "Company"), fully and unconditionally guaranteed by Citigroup Inc. (the "Guarantor"), are to be offered on a continuing basis. Citigroup Global Markets Inc. (the "Purchasing Agent"), [A.G. Edwards & Sons, Inc., Edward D. Jones & Co., L.P., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, UBS Financial Services Inc., Wachovia Capital Markets, LLC.], each as agents (collectively, the "Agents") have agreed to solicit purchases of Notes issued in fully registered form. No Agent will be obligated to purchase Notes for its own account. The Notes are being sold pursuant to a Global Selling Agency Agreement among the Company, the Guarantor and the agents named therein (including the Agents) dated the date hereof (the "Agency Agreement") and one or more terms agreement substantially in the form attached as Exhibit B to the Agency Agreement (each a "Terms Agreement"). The Notes have been registered with the Securities and Exchange Commission (the "Commission"). JPMorgan Chase Bank, N.A., as trustee (the "Trustee"), is the trustee under the Indenture, dated as of May _____, 2005, under which the Notes will be issued (the "Indenture"). The Notes will constitute part of the senior debt of the Company and will rank equally with all other unsecured and unsubordinated debt of the Company.

The Agency Agreement provides that whenever the Company determines from time to time to sell Notes pursuant to the Agency Agreement, it will enter into a Terms Agreement relating to such sale between the Company and the Purchasing Agent, with the Purchasing Agent purchasing such Notes as principal for resale to other Agents or dealers (the "Selected Dealers") each of whom will purchase as principal. Each Agent or participating Selected Dealer will then resell the Notes directly to its customers pursuant to a Master Selected Dealer Agreement attached as Exhibit J to the Agency Agreement.

Unless otherwise specified in the applicable Pricing Supplement, the Notes will be issued in book-entry form (each, a "Book-Entry Note") and will be represented by a fully registered master global note certificate (the "Master Global Note"). The Master Global Note shall be in a form approved by the Company, the Guarantor, the Agents, The Depository Trust Company ("DTC") and the Trustee. Prior to the issuance of any Notes, the Trustee shall authenticate the Master Global Note and the DTC Agent (as defined below) will hold it as custodian for DTC. Except under the limited circumstances described in the Indenture, beneficial owners of Book-Entry Notes will not be entitled to receive a certificate representing such Notes.

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The procedures to be followed during, and the specific terms of, the solicitation of orders by the Agents and the sale as a result thereof by the Company are explained below. Administrative and record-keeping responsibilities will be handled for the Company by [its Treasury Department]. The Company will advise the Agents and the Trustee in writing of those persons handling

administrative responsibilities with whom the Agent and the Trustee are to communicate regarding orders to purchase Notes and the details of their settlement. The term "Trustee" as used in these procedures means the Trustee and any other agents appointed by the Trustee or the Company.

Administrative procedures and specific terms of the offering are explained below. Book-Entry Notes will be issued in accordance with the administrative procedures set forth below, as adjusted in accordance with changes in DTC's operating requirements. Unless otherwise defined herein, terms defined in the Indenture, the Agency Agreement, the Notes or the Prospectus Supplement or the Pricing Supplement relating to the Notes shall be used herein as therein defined. Notes for which interest is calculated on the basis of a fixed interest rate are referred to herein as "Fixed Rate Notes". Notes for which interest is calculated on the basis of a floating interest rate are referred to herein as "Floating Rate Notes". To the extent the procedures set forth below conflict with the provisions of the Notes, the Indenture, DTC's operating requirements or the Agency Agreement, the relevant provisions of the Notes, the Indenture, DTC's operating requirements and the Agency Agreement shall control.

Administrative Procedures for Notes

In connection with the qualification of the Book-Entry Notes for eligibility in the book-entry system maintained by DTC, Citibank, N.A. (the "DTC Agent") will perform the custodial, document control and administrative functions described below. Citibank, N.A. will perform such functions in accordance with its respective obligations under a Bring-Down Letter of Representations from the Company and Citibank, N.A. to DTC dated as of the date hereof and a Medium-Term Note Certificate Agreement between Citibank, N.A. and DTC, dated as of October 31, 1988 and as amended to date, and its obligations as a participant in DTC, including DTC's Same-Day Funds Settlement system ("SDFS").

Issuance: All Book-Entry Notes will be represented initially by a single Master Global Note in fully registered form without coupons. The Master Global Note will be dated and issued as of the date of its authentication by the DTC Agent. The Master Global Note will not represent any Note in certificated form.

Identification Numbers:

The Company has arranged with the CUSIP Service Bureau of Standard & Poor's Ratings Services (the "CUSIP Service Bureau") for the reservation of a series of CUSIP numbers, which series consists of approximately 900 CUSIP numbers and relates to the Book-Entry Notes. The Company has obtained from the CUSIP Service Bureau a written list of such reserved CUSIP numbers. The DTC Agent will assign CUSIP numbers to Book-Entry Notes as described below under Settlement Procedure "B". DTC will notify the CUSIP Service Bureau periodically of the CUSIP numbers that

the DTC Agent has assigned to Book-Entry Notes. The DTC Agent will notify the Company at any time when fewer than 100 of the reserved CUSIP numbers remain unassigned to Book-Entry Notes, and, if it deems necessary, the Company will reserve additional CUSIP numbers for assignment to Book-Entry Notes. Upon obtaining such additional CUSIP numbers, the Company shall deliver a list of such additional CUSIP numbers to the DTC Agent, as needed, and to DTC.

Registration:

The Master Global Note will be registered in the name of CEDE & CO., as nominee for DTC, on the securities register for the Notes (the "Securities Register") maintained under the Indenture. The beneficial owner of a Book-Entry Note (or one or more indirect participants in DTC designated by such owner) will designate one or more participants in DTC (with respect to such Book-Entry Note, the "Participants") to act as agent or agents for such owner in connection with the book-entry system maintained by DTC, and DTC will record in book-entry form, in accordance with instructions provided by such Participants, a credit balance with respect to such beneficial owner in such Book-Entry Note in the account of such Participants. The ownership interest of such beneficial owner (or such participant) in such Book-Entry Note will be recorded through the records of such Participants or through the separate records of such Participants and one or more indirect participants in DTC.

Transfers:

Transfers of interests in a Book-Entry Note will be accomplished by book entries made by DTC and, in turn, by Participants (and in certain cases, one or more indirect participants in DTC) acting on behalf of beneficial transferors and transferees of such Note.

Consolidation and
Exchanges:

The DTC Agent may deliver to DTC and the CUSIP Service Bureau at any time a written notice of consolidation (a copy of which shall be maintained in the records of the DTC Agent described below) specifying (i) the CUSIP numbers of two or more outstanding Book-Entry Notes that have the same Terms and for which interest has been paid to the same date, (ii) a date, occurring at least thirty days after such written notice is delivered and at least thirty days before the next Interest Payment Date for such Book-Entry Notes shall be consolidated, and (iii) a new CUSIP number to be assigned to such consolidated Book-Entry Notes. Upon receipt of such a notice, DTC will send to its

Participants (including the DTC Agent) a written reorganization notice to the effect that such consolidation will occur on such date. Prior to the specified consolidation date, the DTC Agent will deliver to the CUSIP Service Bureau a written notice setting forth such consolidation date and such new CUSIP number and stating that, as of such consolidation date, the CUSIP numbers of the Book-Entry Notes to be consolidated will no longer be valid. On

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the specified consolidation date, the DTC Agent will consolidate on its records such Book-Entry Notes as a single Book-Entry Note bearing the new CUSIP number and dated the last Interest Payment Date to which interest has been paid on the underlying Book-Entry Notes, and the CUSIP numbers of the consolidated Book-Entry Notes will, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned.

Maturities:

Each Note will mature on a date (the "Maturity Date") nine months or more after the issue date for such Note. A Floating Rate Note will mature only on an Interest Payment Date for such Note.

Denominations:

The Notes will be issued in principal amounts of \$1,000 or any amount in excess thereof that is an integral multiple of \$1,000.

Notice of Redemption Dates:

The DTC Agent will give notice to DTC prior to each Redemption Date (as specified in the Note) if any at the time and in the manner set forth in the Letter.

Interest:

General. Unless otherwise indicated in the applicable Pricing Supplement, interest, if any, on each Note will accrue from the Original Issue Date (or such other date on which interest otherwise begins to accrue, if different than the Original Issue Date) of such Note for the first interest period or the last date to which interest has been paid, if any, for each subsequent interest period and will be calculated and paid in the manner and on the Interest Payment Dates described in the Prospectus (as defined in the Agency Agreement), as supplemented by the applicable Pricing Supplement. Each payment of interest on a Note will include interest accrued to but excluding the Interest Payment Date; provided that in the case of Floating Rate Notes that reset daily or weekly, interest payments will include interest accrued to but

excluding the next preceding Regular Record Date, except that at stated Maturity, the interest payable will include interest accrued to, but excluding, the Maturity Date.

The Regular Record Date with respect to any Interest Payment Date for a Fixed Rate Note or a Floating Rate Note shall be the date (whether or not a Business Day) fifteen calendar days immediately preceding such Interest Payment Date.

Standard & Poor's Ratings Services will use the information received in the pending deposit message described under Settlement Procedure "C" below in order to include the amount of any interest payable and certain other information regarding the related Notes in the appropriate daily bond report published by Standard & Poor's Ratings Services.

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Unless otherwise specified in the applicable Pricing Supplement, interest on each Note will be payable either monthly, quarterly, semiannually or annually on each Interest Payment Date and at Maturity (or on the date of redemption or repayment if a Note is repurchased by the Company prior to maturity pursuant to mandatory or optional redemption or repayment provisions of the Survivor's Option). Interest will be payable to the person in whose name a Note is registered at the close of business on the Regular Record Date next preceding each Interest Payment Date; provided, however, interest payable at Maturity, on a date of redemption or repayment or in connection with the exercise of the Survivor's Option will be payable to the person to whom principal shall be payable.

Unless otherwise specified in the applicable Pricing Supplement, the Interest Payment Dates for a Fixed Rate Note that provides for monthly interest payments shall be the fifteenth day of each calendar month, commencing in the calendar month that next succeeds the month in which the Note is issued. In the case of a Fixed Rate Note that provides for quarterly interest payments, the Interest Payment Dates shall be the fifteenth day of each third month, commencing in the third succeeding calendar month following the month in which the Note is issued. In the case of a Fixed Rate Note that provides for semi-annual interest payments, the Interest Payment dates shall be the fifteenth day of each sixth month, commencing in the sixth succeeding calendar month following the month in which

the Note is issued. In the case of a Fixed Rate Note that provides for annual interest payments, the Interest Payment Date shall be the fifteenth day of every twelfth month, commencing in the twelfth succeeding calendar month following the month in which the Note is issued.

The Interest Payment Dates for a Floating Rate Note will be the dates specified in the applicable Pricing Supplement. The interest rates the Company will agree to pay on newly-issued Notes are subject to change without notice by the Company from time to time, but no such change will affect any Notes already issued or as to which an offer to purchase has been accepted by the Company.

Business Day:

"Business Day" means, unless otherwise specified in the applicable Pricing Supplement, any weekday that is (1) not a legal holiday in New York, New York and (2) not a day on which banking institutions in New York, New York are authorized or required by law or regulation to be closed.

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Payments of Principal
and Interest:

Payment of Interest Only. Promptly after each Regular Record Date, the DTC Agent will deliver to the Company and DTC a written notice setting forth, by CUSIP number, the amount of interest to be paid on each Book-Entry Note on the following Interest Payment Date (other than an Interest Payment Date coinciding with Maturity) and the total of such amounts. DTC will confirm the amount payable on each Book-Entry Note on such Interest Payment Date by reference to the appropriate daily bond reports published by Standard & Poor's Ratings Services. The Company will pay to the DTC Agent the total amount of interest due on such Interest Payment Date (other than at Maturity), and the DTC Agent will pay such amount to DTC, at the times and in the manner set forth below under "Manner of Payment". If any Interest Payment Date for a Book-Entry Note is not a Business Day, the payment due on such day shall be made on the next succeeding Business Day and no interest shall accrue as a result of such delayed payment.

Payments at Maturity or Upon Redemption. On or about the first Business Day of each month, the DTC Agent will deliver to the Company, DTC and the DTC Agent a written list of principal and interest to be paid on each Book-Entry Note maturing either on a Maturity Date or on a Redemption Date in the following month.

The DTC Agent, the Company and DTC will confirm the amounts of such principal and interest payments with respect to each Book-Entry Note on or about the fifth Business Day preceding the Maturity Date or Redemption Date of such Book-Entry Note. On or before such Maturity or Redemption, the Company will pay to the DTC Agent the principal amount of such Book-Entry Note, together with interest due on such Maturity Date. The DTC Agent will pay such amount to DTC at the times and in the manner set forth below under "Manner of Payment". If any Maturity of a Book-Entry Note is not a Business Day, the payment due on such day shall be made on the next succeeding Business Day and no interest shall accrue on such payment for the period from and after such Maturity Date or Redemption Date. Promptly after payment to DTC of the principal and interest due on a Maturity Date or on a Redemption Date of such Book-Entry Note, the DTC Agent will cancel such Book-Entry Note in accordance with the provisions of the Indenture and record an appropriate debit advice on the Master Global Note.

Manner of Payment. The total amount of any principal and interest due on Book-Entry Notes on any Interest Payment Date or at Maturity or upon redemption shall be paid by the Company to the DTC Agent in immediately available funds no later than 9:30 A.M., New York City time, on such date. The Company will make such payment on such Book-Entry Notes by instructing the DTC Agent to withdraw funds from an account maintained by the Company with the

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DTC Agent. The Company will confirm any such instructions in writing to such DTC Agent. Prior to 10:00 A.M., New York City time, on the Maturity Date or as soon as possible thereafter, such DTC Agent will pay by separate wire transfer (using Fedwire message entry instructions in a form previously specified by DTC) to an account at the Federal Reserve Bank of New York previously specified by DTC, in funds available for immediate use by DTC, each payment of principal (together with interest thereon) due on a Book-Entry Note on such Maturity Date or Redemption Date. On each Interest Payment Date (other than at Maturity), interest payments shall be made to DTC, in same day funds, in accordance with existing arrangements between the DTC Agent and DTC. On each such date, DTC will pay, in accordance with its SDFS operating procedures then in effect, such amounts in funds available for immediate use to the respective

Participants in whose names the Book-Entry Notes are recorded in the book-entry system maintained by DTC. Neither the Company nor the DTC Agent shall have any direct responsibility or liability for the payment by DTC to such Participants of the principal of and interest on the Book-Entry Notes.

Withholding Taxes. The amount of any taxes required under applicable law to be withheld from any interest payment on a Book-Entry Note will be determined and withheld by the Participant, indirect participant in DTC or other Person responsible for forwarding payments and materials directly to the beneficial owner of such Note.

Procedures upon Company Notice regarding Company's Exercise of Optional Redemption:

Company Notice to DTC Agent regarding Company's Exercise of Optional Redemption. At least 60 days prior to the date on which it intends to redeem any Book-Entry Note, the Company will notify the DTC Agent (with a copy to the Trustee) that it is exercising such option with respect to such Book-Entry Note on such date. DTC Agent Notice to DTC regarding Company's Exercise of Optional Redemption. After receipt of notice that the Company is exercising its option to redeem any Book-Entry Note, the DTC Agent will, at least 30 days before the redemption date for such Book-Entry Note, hand deliver to DTC a notice identifying such Book-Entry Note by CUSIP number and informing DTC of the Company's exercise of such option with respect to such Book-Entry Note.

Deposit of Redemption Price. On or before any redemption date, the Company shall deposit with the DTC Agent an amount of money sufficient to pay the redemption price, plus interest accrued to such redemption date, for all the Book-Entry Notes or portions thereof which are to be repaid on such redemption date. The DTC Agent will use such money to repay such Book-Entry Notes pursuant to the

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terms set forth in such Notes.

Payments of Principal and Interest Upon Exercise of Optional Repayment:

DTC Agent Notice to Company of Option to be Repaid. Upon receipt of notice of exercise of the option for repayment, the DTC Agent for such Book-Entry Notes shall give notice to the Company (with a copy of such notice to the Trustee) not less than 20 days prior to each Optional Repayment Date of such Optional Repayment Date and of the principal amount of Book-Entry Notes to be repaid on such Optional

Repayment Date.

Deposit of Repayment Price. On or prior to any Optional Repayment Date, the Company shall deposit with such DTC Agent an amount of money sufficient to pay the optional repayment price, and accrued interest thereon to such date, of all the Book-Entry Notes or portions thereof which are to be repaid on such date. Such DTC Agent will use such money to repay such Book-Entry Notes pursuant to the terms set forth in such Notes.

Procedure for Rate
Setting and Posting:

The Company and the Purchasing Agent will discuss from time to time the aggregate principal amount of, the issuance price of, and the interest rates to be borne by, Notes that may be sold as a result of the solicitation of orders by the Agents. If the Company decides to set prices of, and rates borne by, any Book-Entry Notes in respect of which the Agents are to solicit orders to purchase (the setting of such prices and rates to be referred to herein as "Posting") or if the Company decides to change prices or rates previously posted by it, it will promptly advise the Agents of the prices and rates to be posted.

The DTC Agent for such Book-Entry Notes will assign a separate CUSIP number for each tranche of Notes to be posted, and will so advise and notify the Company, the Trustee and the Purchasing Agent of said assignment by telephone and/or by telecopier or by other electronic transmission. The Purchasing Agent will include the assigned CUSIP number on all Posting notices communicated to the Agents and Selected Dealers.

Offering of Notes:

In the event that there is a Posting, the Purchasing Agent will communicate to each of the Agents and Selected Dealers the relevant terms of, including the Maturities of and the interest rates to be borne by, each tranche of Notes that is the subject of the Posting. Thereafter, the Purchasing Agent, along with the other Agents and Selected Dealers, will solicit offers to purchase the Note accordingly.

Purchase of Notes by
the Purchasing Agent:

The Purchasing Agent will no later than 12:00 noon, New York City time, on the seventh day subsequent to the day on which such Posting occurs, or if such seventh day is not a Business Day on the preceding Business Day, or on such other Business Day and time as shall be

mutually agreed upon by the Company and the Agents (any such day, a "Trade Day"), (i) complete, execute and deliver to the Company a Terms Agreement that sets forth, among other things, the amount of each tranche that the Purchasing Agent is offering to purchase or (ii) inform the Company that none of the Notes of a particular tranche will be purchased by the Purchasing Agent.

Acceptance and
Rejection of Orders:

Unless otherwise instructed by the Company, the Purchasing Agent will advise the Company promptly by telephone or by other electronic transmission of all orders to purchase Notes received by each Agent, other than those rejected by it in whole or in part in the reasonable exercise of its discretion. Unless otherwise agreed by the Company and the Agents, the Company has the sole right to accept orders to purchase Notes and may reject any such orders in whole or in part.

Upon receipt of a completed and executed Terms Agreement from the Purchasing Agent, the Company will (i) promptly execute and return such Terms Agreement to the Purchasing Agent or (ii) inform the Purchasing Agent that its offer to purchase the Notes of a particular tranche has been rejected, in whole or in part. The Purchasing Agent will thereafter promptly inform the other Agents and participating Selected Dealers of the action taken by the Company.

Preparation of Pricing
Supplement:

If any order to purchase a Book-Entry Note is accepted by or on behalf of the Company, the Company will prepare a pricing supplement (substantially in the form attached to the Agency Agreement as Exhibit E, each a "Pricing Supplement") reflecting the terms of such Book-Entry Note, will file such Pricing Supplement with the Commission in accordance with the applicable paragraph of Rule 424(b) under the Act, will deliver such number of copies thereof to the Agent as the Agent shall request and will, on the Agent's behalf, file such Pricing Supplement with the National Association of Securities Dealers, Inc. (the "NASD"). The Company shall use its reasonable best efforts to send such Pricing Supplement by email or facsimile to the Purchasing Agent and the Trustee by 3:00 P.M., New York City time, on the applicable Trade Date. The Purchasing Agent shall use its reasonable best efforts to send such Pricing Supplement and the Prospectus by email or telecopy or overnight express (for delivery by the close of business on the applicable Trade Date) to each Agent (or Selected Dealer) which made or presented the offer to purchase

the applicable Note and the Trustee at the following applicable address:

If to A.G. Edwards & Sons, Inc., to:
1 North Jefferson Avenue

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St. Louis, MO 63103
Attention: Mary Ann Cribbin
Telephone: (314) 955-5000
Facsimile: (314) 955-5989
E-Mail: cribbinma@agedwards.com

If to Edward D. Jones & Co., L.P., to:
Corporate Board Department
12555 Manchester Road
St. Louis, MO 63131
Attention: Karen Liebsch
Telephone: (314) 515-5119
Facsimile: (314) 515-3502
E-Mail: karen.liebsch@edwardjones.com

If to Merrill Lynch, Pierce, Fenner & Smith Incorporated, to:
Merrill Lynch & Co.
Merrill Lynch Production Technologies
4 Corporate Place
Piscataway, NJ 08854
Attention: Diane Walker
Telephone: (732) 878-6536
Facsimile: (732) 878-6481
E-Mail: mtnsuppl@na2.us.ml.com

If to Morgan Stanley & Co. Incorporated, to:
1585 Broadway, 2nd Floor
New York, NY 10036
Attention: Medium-Term Note Trading Desk
Telephone: (212) 761-1322
Facsimile: (212) 761-8846
E-Mail: [[@morganstanley.com](mailto:)]

If to UBS Financial Services Inc., to:
800 Harbor Blvd.
Weehawken, NJ 07086-6791
Attention: Corporate Desk
Telephone: (201) 352-7150
Facsimile: (201) 352-6900
E-Mail: james.leblanc@ubs.com

If to Wachovia Capital Markets, LLC, to:
One Wachovia Center, DC-08

301 South College Street
Charlotte, NC 28288-0602
Attention: Jim Bowers
Telephone: (704) 383-7460

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Facsimile: (704) 383-9165
E-Mail: james.bowers@wachovia.com

If to the Trustee, to:
JPMorgan Chase Bank, N.A.
Corporate Trust Services
153 West 51st Street, 5th Floor
New York, NY 10019
Attention: Mary Fonti
Telephone: (212) 373-1105
Facsimile: (212) 373-1383
E-Mail: mary_fonti@bankone.com

Each such Agent (or Selected Dealer), in turn, pursuant to the terms of the Agency Agreement and the Master Selected Dealer Agreement will cause to be delivered a copy of the Prospectus and the applicable Pricing Supplement to each purchaser of Notes from such Agent or Selected Dealer.

In each instance that a Pricing Supplement is prepared, the Agent will affix the Pricing Supplement to the Prospectuses prior to their use. Outdated Pricing Supplements and the Prospectuses to which they are attached (other than those retained for files) will be destroyed.

Suspension of
Solicitation; Amendment
or Supplement:

Subject to the representations, warranties and covenants of the Company and the Guarantor contained in the Agency Agreement, the Company may instruct the Agents to suspend at any time, for any period of time or permanentl solicitation of orders to purchase Notes. Upon receipt of such instructions, each Agent will forthwith suspend solicitation until such time as the Company has advised it that such solicitation may be resumed.

In the event that at the time the Company suspends solicitation of purchases there shall be any orders outstanding for settlement, the Company will promptly advise the Agents, the Trustee and the DTC Agent whether such orders may be settled and whether copies of the Prospectus as in effect at the time of the suspension, together with the appropriate Pricing Supplement, may be delivered in connection with the

settlement of such orders. The Company will have the sole responsibility for such decision and for any arrangements that may be made in the event that the Company determines that such orders may not be settled or that copies of such Prospectus may not be so delivered.

Delivery of Prospectus: A copy of the Prospectus and a Pricing Supplement relating to a Note must accompany or precede the earliest of any written offer of such Note, confirmation of the purchase of such Note and payment for

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such Note by its purchaser. If notice of a change in the terms of the Notes is received by an Agent or Selected Dealer between the time an order for a Note is placed and the time written confirmation thereof is sent by the Agent or Selected Dealer to a customer or his agent, such confirmation shall be accompanied by a Prospectus and Pricing Supplement setting forth the terms in effect when the order was placed. Each Agent or Selected Dealer will deliver a Prospectus and Pricing Supplement as herein described with respect to each Note sold by it. The Company will make such delivery if such Note is sold directly by the Company to a purchaser (other than an Agent or Selected Dealer).

Confirmation: For each order to purchase a Note solicited by an Agent and accepted by or on behalf of the Company, the Purchasing Agent will issue a confirmation, which confirmation may be delivered by facsimile or other electronic transmission, to each Agent or Selected Dealer, with a copy to the Company, setting forth the details set forth above and delivery and payment instructions.

In addition, the Purchasing Agent, other Agent or Selected Dealer, as the case may be, will deliver to investors purchasing the Notes the Prospectus (including the Pricing Supplement) in relation to such Notes prior to or simultaneously with delivery of the confirmation of sale or delivery of the Notes.

Settlement: The receipt by the Company of immediately available funds in payment for a Note and the entry by the DTC Agent of an SDFS deliver order through DTC's Participant Terminal System to credit such Note to the account of a Participant purchasing, or acting for the purchaser of such Note, shall constitute "settlement"

with respect to such Note, and the date of such settlement, the "Settlement Date." All orders accepted by the Company will be settled on the third Business Day next succeeding the date of acceptance pursuant to the timetable for settlement set forth below, unless the Company and the Purchasing Agent agree to settlement on another day which shall be no earlier than the Business Day succeeding the date of sale. In all cases, the Company will notify the Trustee and the DTC Agent on the date issuance instructions are given.

Settlement Procedures: Unless otherwise specified in the applicable Terms Agreement, Settlement Procedures with regard to each Book-Entry Note sold by the Company through the Agents shall be as follows:

- A. After the acceptance of an offer by the Company with respect to a Note, the Purchasing Agent will communicate the following details of the terms of such offer (the "Note Sale Information") to the Company by telephone (confirmed in

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writing) or by facsimile transmission or other electronic transmission:

1. Principal amount of the purchase.
2. Stated Maturity.
3. In the case of a Fixed Rate Note, the interest rate and redemption and repayment provisions (if any) or, in the case of a Floating Rate Note, the Base Rate, Initial Interest Rate (if known at such time), Interest Reset Period, Interest Reset Dates, Spread and/or Spread Multiplier (if any), Minimum Interest Rate (if any), Maximum Interest Rate (if any) and redemption and repayment provisions (if any).
4. Interest Payment Dates and the Interest Payment Period.
5. Settlement Date and Issue Date, if different.
6. Trade Date.

7. Purchasing Agent's commission, determined as provided in the Agency Agreement.
8. Net proceeds to the Company.
9. Price to Public.
10. If a Note is redeemable by the Company or repayable by the Noteholder, such of the following as are applicable:
 - (i) The date on and after which such Note may be redeemed/repaid (the "Redemption/ Repayment Commencement Date"),
 - (ii) Initial redemption/repayment price (% of par), and
 - (iii) Amount (% of par) that the initial redemption/repayment price shall decline (but not below par) on each anniversary of the Redemption/Repayment Commencement Date.

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11. Whether the Note has a Survivor's Option.
 12. Whether the Note is an OID Note and, if so, the total amount of OID, the yield to maturity and the initial accrual period OID.
 13. DTC Participant Number of the institution through which the customer will hold the beneficial interest in the Book-Entry Note.
 14. Any other terms necessary to describe the Book-Entry Note.
- B. The Company will advise the DTC Agent and the Purchasing Agent by telephone (confirmed in writing at any time on the same date), written telecommunication or other electronic transmission of the information set forth in Settlement Procedure "A" above. Each such communication by the Company shall constitute a representation and warranty by the Company to the DTC Agent, the Trustee and the Agents that

(i) such Note is then, and at the time of issuance and sale thereof will be, duly authorized for issuance and sale by the Company; (ii) such Note will conform with the terms of the Indenture for such Note; and (iii) upon issuance of such Book-Entry Note, the aggregate principal amount of all Notes issued under the Indenture will not exceed the aggregate principal amount of Notes authorized for issuance at such time by the Company. The DTC Agent will then assign a CUSIP number to the Book-Entry Note and notify the Purchasing Agent and the Company by telephone (confirmed in writing at any time on the same date), written telecommunication or other electronic transmission of such CUSIP number as soon as practicable.

- C. The DTC Agent will enter a pending deposit message through DTC's Participant Terminal System providing the following settlement information to DTC, Standard & Poor's Ratings Services, Interactive Data Corporation, the Agents and, upon request, the Trustee:
1. The information set forth in Settlement Procedure "A".
 2. Identification as a Fixed Rate Note or a Floating Rate Note.
 3. The Initial Interest Payment Date for such Note, number of days by which such date succeeds the

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related Regular Record Date and the amount of interest payable on such Initial Interest Payment Date.

4. The Interest Payment Period.
5. The CUSIP number of the Book-Entry Note representing such Notes.
6. The participant account numbers maintained by DTC on behalf of the Trustee and the Purchasing Agent.
7. Whether such Book-Entry Note will represent any other Notes (to the extent

known at such time).

- D. The DTC Agent will complete the Master Global Note as it relates to such Note by filing the applicable Pricing Supplement relating to such Note in the records maintained by it, which records, taken with the Master Global Note, shall evidence such Note.
- E. DTC will credit such Note to the DTC Agent's participant account at DTC.
- F. The DTC Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Note to the DTC Agent's participant account and credit such Note to the Purchasing Agent's participant account and (ii) debit the Purchasing Agent's settlement account and credit the DTC Agent's settlement account for an amount equal to the price of such Note less the Purchasing Agent's commission. The entry of such a deliver order shall constitute a representation and warranty by the DTC Agent to DTC that (i) the Master Global Note representing such Note has been issued and authenticated and (ii) the DTC Agent is holding such Master Global Note pursuant to the Medium Term Note Certificate Agreement between the DTC Agent and DTC.
- G. The Purchasing Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC (i) to debit such Note to the Purchasing Agent's participant account and credit such Note to the participant accounts of the Agents with respect to such Note and (ii) to debit the settlement accounts of such Agents and credit the settlement account of the Purchasing Agent for an amount equal to the price of such Note.

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- H. Transfers of funds in accordance with SDFS deliver orders described in Settlement Procedures "F" and "G" will be settled in accordance with SDFS operating procedures in effect on the Settlement Date.
- I. The DTC Agent will, upon receipt of funds from the Purchasing Agent in accordance with Settlement Procedure "F", credit to an account

of the Company maintained at the DTC Agent funds available for immediate use in the amount transferred to the DTC Agent in accordance with Settlement Procedure "F".

- J. Each Agent and participating Selected Dealer will confirm the purchase of such Note to the purchaser either by transmitting to the Participants with respect to such Note a confirmation order or orders through DTC's institutional delivery system or by mailing a written confirmation to such purchaser. In all cases, the Prospectus as most recently amended or supplemented must accompany or precede such confirmation.
- K. Monthly, the DTC Agent will send to the Company a statement setting forth the principal amount of Registered Notes outstanding as of the date of such statement and setting forth a brief description of any sales of which the Company has advised the DTC Agent but which have not yet been settled.

Settlement Procedures
Timetable:

For sales by the Company of Notes solicited by the Agents and accepted by the Company for settlement, Settlement Procedures "A" through "K" set forth above shall be completed as soon as possible but not later than the respective times (New York City time) set forth below:

<TABLE>

<CAPTION>

Settlement Procedure

Time

<S>

A
B
C
D
E
F-G
H
I-J
K

<C>

4:00 P.M. on the trade date
5:00 P.M. on the trade date
2:00 P.M. on the day before settlement
9:00 A.M. on settlement date
10:00 A.M. on settlement date
2:00 P.M. on settlement date
4:45 P.M. on settlement date
5:00 P.M. on settlement date
Monthly or at the request of the Company

</TABLE>

Settlement Procedure "H" is subject to extension in accordance with any extension of Fedwire closing deadlines and in the other events specified in SDFS

operating procedures in effect on the settlement date.

If settlement of a Book-Entry Note is rescheduled or canceled, the DTC Agent, after receiving notice from the Company or the Purchasing Agent, will deliver to DTC, through DTC's Participant Terminal System, a cancellation message to such effect by no later than 2:00 P.M. on the Business Day immediately preceding the scheduled settlement date.

Failure to Settle:

If settlement of a Book-Entry Note is rescheduled and the DTC Agent for such Note has not entered an SDFS deliver order with respect to a Note pursuant to Settlement Procedure "F", after receiving notice from the Company or the Purchasing Agent, the DTC Agent shall deliver to DTC, through DTC's Participant Terminal System, as soon as practicable, a withdrawal message instructing DTC to debit such Book-Entry Note to such DTC Agent's participant account. DTC will process the withdrawal message, provided that the DTC Agent's participant account contains a principal amount of Notes that are at least equal to the principal amount to be debited. If a withdrawal message is processed with respect to the Notes represented by a Book-Entry Note, the DTC Agent will mark the Pricing Supplement in its records relating to such Book-Entry Note "cancelled", make appropriate entries in the DTC Agent's records and record an appropriate debit advice on the Master Global Note. The CUSIP number assigned to such Book-Entry Note shall, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned.

If the purchase price for any Note is not timely paid to any relevant Participant with respect to such Note by the beneficial purchaser thereof (or a Person, including an indirect participant in DTC, acting on behalf of such purchaser), such Participant and, in turn, the Presenting Agent may enter SDFS deliver orders through DTC's Participant Terminal System reversing the orders entered pursuant to Settlement Procedures "F" and "G", respectively. Thereafter, the DTC Agent will deliver the withdrawal message and take the related actions described in the preceding paragraph. If such failure shall have occurred for any reason other than a default by the relevant Agent in the performance of its obligations hereunder and under the Agency Agreement, then the Company will reimburse such Agent for the loss of the use of the funds during the period when they were credited to the account of the Company. Notwithstanding the foregoing, upon any failure to settle with respect to a Book-Entry

Note, DTC may take any actions in accordance with its SDFS operating procedures then in effect. In the event of a failure to settle with respect to one or more, but not all, of the Notes to have been represented by a Book-Entry Note, the DTC Agent will provide, in accordance with Settlement Procedures "D".

Procedure for Rate
Changes:

Each time after a Posting, if a decision has been reached to change the interest rates of the Notes subject to such Posting, the Company will promptly advise the Purchasing Agent, which will in turn promptly advise the other Agents; and the Agents will forthwith suspend solicitation of offers to purchase Notes at the prior rates. The Purchasing Agent may telephone the Company with recommendations as to the changed interest rates.

The DTC Agent Not to
Risk Funds:

Nothing herein shall be deemed to require the DTC Agent to risk or expend its own funds in connection with any payment to the Company, DTC, the Agents or the purchasers, it being understood by all parties that payments made by the DTC Agent to the Company, DTC, the Agents or the purchasers shall be made only to the extent that funds are provided to the DTC Agent for such purpose.

Advertising Costs:

The Company shall have the sole right to approve the form and substance of any advertising an Agent may initiate in connection with such Agent's solicitation to purchase the Notes. The expense of such advertising will be solely the responsibility of such Agent, unless otherwise agreed to by the Company.

FORM OF TERMS AGREEMENT

Citigroup Funding Inc.
399 Park Avenue
New York, NY 10043
Attention: [Treasury Capital Markets]

Subject in all respects to the terms and conditions contained in the Global Selling Agency Agreement dated May -, 2005 (the "Agency Agreement"), among Citigroup Funding Inc. (the "Company"), Citigroup Inc. (the "Guarantor"), Citigroup Global Markets Inc. (the "Purchasing Agent") and the additional Agents

named therein, the undersigned agrees to purchase the following aggregate principal amount of the Company's Retail Medium-Term Notes, Series C (the "Notes"), which Notes are fully and unconditionally guaranteed by the Guarantor:

Principal Amount: \$	CUSIP Number:
Purchaser: Citigroup Global Markets Inc.	Original Issue Date:
Interest Rate: <input type="checkbox"/> Fixed %	Stated Maturity:
<input type="checkbox"/> Floating (see below)	
Reoffering Price: 100% of Principal Amount	
Interest Payment Dates:	Accrue to Pay: <input type="checkbox"/> Yes <input type="checkbox"/> No
Interest Reset Period or Interest Reset Dates:	

Survivor's Option: ☐ Yes ☐ No

Base Rate: ☐ CD Rate ☐ Commercial Paper Rate ☐ Federal Funds Rate ☐
LIBOR Telerate

☐ LIBOR Reuters ☐ Treasury Rate ☐ Treasury Rate Constant Maturity ☐
Prime Rate

Spread Multiplier: Spread (+/-):

Spread Reset: The Spread or Spread Multiplier may not be changed prior to Stated Maturity.

Index Maturity:

Maximum Interest Rate: Minimum Interest Rate:

Optional Redemption: ☐ Yes ☐ No
Optional Redemption Dates:
Optional Redemption Prices:

Optional Repayment: ☐ Yes ☐ No
Optional Repayment Dates:
Optional Repayment Prices:

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Discount Note: ☐ Yes ☐ No
Total Amount of OID:
Yield to Maturity:

Settlement Date, Time and Place:

Requirements for delivery, if any, of opinions of counsel, certificates from the Company and the Guarantor or their officers or a letter from the Guarantor's independent public accountants:

Other terms:

The provisions of the Global Selling Agency Agreement and the

related definitions are incorporated by reference herein and shall be deemed to have the same force and effect as if set forth in full herein.

Date:

CITIGROUP GLOBAL MARKETS INC.

By: _____

Name:

Title:

Accepted:

CITIGROUP FUNDING INC.

By: _____

Name:

Title:

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EXHIBIT C

FORM OF AGENT ACCESSION CONFIRMATION

[date]

To: [Name and address of new Agent]

Re: Citigroup Funding Inc. \$5,000,000,000 Series C Medium-Term Notes Program

Ladies and Gentlemen:

We refer to the Global Selling Agency Agreement dated May -, 2005 (which agreement, as amended from time to time, is herein referred to as the "Agency Agreement") entered into in respect of the above Series C Medium-Term Notes Program and hereby acknowledge receipt of your Agent Accession Letter to us dated [date].

In accordance with Section 2(d) of the Agency Agreement we hereby confirm that, with effect from the date hereof, you shall become a party to, and a Agent under, the Agency Agreement, vested with all the authority, rights and powers, and subject to all the duties and obligations of an Agent as if originally named as such under the Agency Agreement.

Yours faithfully,

CITIGROUP FUNDING INC.

By: _____

Name:

Title:

cc: DTC Agent
Trustee
Existing Agents
Guarantor

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EXHIBIT D

FORM OF AGENT ACCESSION LETTER

[date]

To: Citigroup Funding Inc.
399 Park Avenue
New York, New York 10043

Re: Citigroup Funding Inc. \$5,000,000,000 Series C Medium-Term Notes Program

Ladies and Gentlemen:

We refer to the Global Selling Agency Agreement dated May -, 2005, entered into in respect of the above Series C Medium-Term Note Program and made among Citigroup Funding Inc. (the "Company"), Citigroup Inc. (the "Guarantor"), Citigroup Global Markets Inc. (the "Purchasing Agent") and the other Agents party thereto (which agreement, as amended from time to time, is herein referred to as the "Agency Agreement").

We confirm that we are in receipt of the documents referenced below (except to the extent we have waived delivery of such documents):

- a copy of the Agency Agreement;
- a copy of all documents referred to in Section 5 of the Agency Agreement; and
- a letter in a form approved by ourselves from each of the legal advisers referred to in Section 5 of the Agency Agreement addressed to ourselves and giving us the full benefit of the existing legal opinions as of the date of such existing legal opinions, and have found them to our satisfaction.

For the purposes of Section 9 of the Agency Agreement our notice details are as follows: (insert name, address, telephone, telecopy, telex and attention).

In consideration of the Company appointing us as an Agent under the Agency Agreement, we hereby undertake, for the benefit of the Company, the Guarantor and each of the other Agents, that we will perform and comply with all the duties and obligations expressed to be assumed by an Agent under or pursuant to the Agency Agreement. We also undertake to deliver to The Depository Trust Company of New York such pricing letters as it may reasonably require from us in

connection with the offer and sale of the Notes.

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This letter is governed by, and shall be construed in accordance with, the laws of the State of New York.

Yours faithfully,

[Name of new Agent]

By: _____

Name:

Title:

cc: DTC Agent
Trustee
Existing Agents
Guarantor

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EXHIBIT E

FORM OF PRICING SUPPLEMENT
(Fixed Rate Note)

Pricing Supplement No.
Pricing Supplement Dated:
Rule 424(b) (3)
File No. 333--

(To Prospectus Supplement Dated May -, 2005 and Prospectus Dated May -, 2005)

\$5,000,000,000
Citigroup Funding Inc.
Retail Medium-Term Notes, Series C
Due Nine Months or More From Date of Issue

Trade Date:
Original Issue Date:
Lead Agent: Citigroup Global Markets Inc.
Agents:
CUSIP:
Aggregate Principal Amount: \$
Price to Public: %
Concession: %
Net Proceeds to Issuer: \$

Interest Rate: %
Interest Payment Frequency:

First Interest Payment Date:
Stated Maturity:
Calculation Agent:
Survivor's Option: Yes/No
Product Ranking:
Form of Note: Global/Book-Entry Only
Redemption Information:
Other Terms:

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FORM OF PRICING SUPPLEMENT
(Floating Rate Note)

Pricing Supplement No.
Pricing Supplement Dated:
Rule 424(b) (3)
File No. 333--

(To Prospectus Supplement Dated May -, 2005 and Prospectus Dated May -, 2005)

\$5,000,000,000
Citigroup Funding Inc.
Retail Medium-Term Notes, Series C
Due Nine Months or More From Date of Issue

Trade Date:
Original Issue Date:
Lead Agent: Citigroup Global Markets Inc.
Agents:
CUSIP:
Aggregate Principal Amount: %
Price to Public: %
Concession: \$
Net Proceeds to Issuer: \$
Stated Maturity:
Authorized Denominations (if other than as set forth in the Prospectus Supplement):
Form of Note: Global/Book-Entry Only

Interest Payment Dates:
First Interest Payment Date:
Accrue to Pay: Yes/No
Initial Interest Rate:
Base Rate:
Calculation Agent:
Computation of Interest (if other than as set forth in the Prospectus Supplement):
Interest Rest Dates:
Rate Determination Dates (if other than as set forth in the Prospectus Supplement):
Index Maturity:

Spread:
Spread Multiplier:
Maximum Interest Rate:
Minimum Interest Rate:

Survivor's Option: Yes/No

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Product Ranking:
Optional Redemption: Yes/No
 Optional Redemption Dates:
 Redemption Prices:
 Redemption:

Optional Repayment: Yes/No
 Optional Repayment Dates:
 Optional Repayment Prices:

Discount Note: Yes/No
 Total Amount of OID:
 Bond Yield to Call:
 Bond Yield to Maturity:
 Yield to Maturity:

Other Terms:

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EXHIBITS F - I

FORMS OF OPINIONS, CERTIFICATES AND COMFORT LETTERS

EXHIBIT J

MASTER SELECTED DEALER AGREEMENT

=====

CITIGROUP FUNDING INC.

Issuer

CITIGROUP INC.

Guarantor

INDENTURE

Dated as of May [], 2005

Senior Securities

THE BANK OF NEW YORK

Trustee

=====

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INDENTURE dated as of May [], 2005, among Citigroup Funding Inc., a corporation organized and existing under the laws of the State of Delaware (the "Company"), Citigroup Inc., a corporation organized and existing under the laws of the State of Delaware, as guarantor (the "Guarantor"), and The Bank of New York, a New York banking corporation, as trustee (the "Trustee").

W I T N E S S E T H:

WHEREAS, the Company is authorized and empowered to borrow money for its purposes and to issue its bonds, debentures, notes and other obligations for money so borrowed; and

WHEREAS, the Company has duly authorized the issue, in one or more series as in this Indenture provided, from time to time of its debt securities (the "Securities") and, to provide the general terms and conditions upon which the Securities are to be authenticated, issued and delivered, the Company has duly authorized the execution and delivery of this Indenture;

WHEREAS, the Guarantor has duly authorized the full and unconditional guarantee of the Securities, and to provide the general terms and conditions of the Securities and the guarantee of same, the Guarantor has duly authorized the execution and delivery of this Indenture;

WHEREAS, the Trustee has power to enter into this Indenture and to accept and execute the trust herein created;

WHEREAS, each of the Company and the Guarantor jointly and severally represents that all acts and things necessary to make the Securities, when executed by the Company and authenticated and delivered by the Trustee as in this Indenture provided, and issued, the valid, binding and legal obligation of the Company, will, at the time of such execution, authentication and delivery, have been done and performed, that all acts and things necessary to constitute these presents a valid indenture and agreement according to its terms, have been done and performed, that the execution of this Indenture has in all respects been duly authorized and that the issue hereunder of the Securities will, at the time of the issue thereof, have in all respects been duly authorized, and each of the Company and the Guarantor, in the exercise of each and every legal right and power in it vested, executes this Indenture and proposes to make, execute, issue and deliver, in case of the Company, and guarantee, in the case of the Guarantor, the Securities;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That, for the benefit of the other parties and for the equal and proportionate benefit of all of the present and future holders of the Securities, each party agrees and covenants as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions.

(a) Unless otherwise defined in this Indenture or the context otherwise requires, all terms used herein shall have the meanings assigned to them in the Trust Indenture Act of 1939.

(b) Unless the context otherwise requires, the terms defined in this Section 1.01(b) shall for all purposes of this Indenture have the meanings hereinafter set forth, the following definitions to be equally applicable to both the singular and the plural forms of any of the terms herein defined:

Affected Security:

The term "Affected Security" shall have the meaning specified in Section 4.02(b).

Affiliate:

The term "Affiliate," with respect to any specified Person shall mean any

other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

Authenticating Agent:

The term "Authenticating Agent" shall have the meaning assigned to it in Section 11.09.

Authorized Newspaper:

The term "Authorized Newspaper" shall mean a newspaper in an official language of the country of publication customarily published at least once a day, and customarily published for at least five days in each calendar week, and of general circulation in such city or cities specified pursuant to Section 3.01 with respect to the Securities of any series. Where successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different newspapers in the same city meeting the foregoing requirements and in each case on any Business Day in such city.

Bearer Security:

The term "Bearer Security" shall mean any Security (with or without Coupons), title to which passes by delivery only, but does not include any Coupons.

Board of Directors:

The term "Board of Directors" shall mean either the board of directors of the Company or the Guarantor, as applicable, or the executive or any other committee of that board duly authorized to act in respect hereof.

Board Resolution:

The term "Board Resolution" shall mean a copy of a resolution or resolutions certified by the Secretary or an Assistant Secretary of the Company or the Guarantor, as applicable, to have been duly adopted by the Board of Directors (or by the Finance Committee of the Board of Directors or any other committee of the Board of Directors or committee of officers or other representatives of the Company or the Guarantor, as applicable, to the extent that any such other committee or committees have been authorized by the Board of Directors to establish or approve the matters contemplated and to be in full force and effect on the date of such certification) and delivered to the Trustee.

Business Day:

The term "Business Day," when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities, shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment or other location are authorized or obligated by law to close.

Code:

The term "Code" shall mean the Internal Revenue Code of 1986 as in effect on the date hereof.

Company:

The term "Company" shall mean Citigroup Funding Inc., a corporation organized and existing under the laws of the State of Delaware and, subject to the provisions of Section 16.01, shall also include its successors and assigns.

Company Order; Company Request:

The term "Company Order" or "Company Request" shall mean, respectively, a written order or request signed in the name of the Company by the Chairman, a Vice Chairman, the President or a Vice President (any reference to a Vice President of the Company herein shall be deemed to include any Vice President of the Company whether or not designated by a number or word or words and before or after the title "Vice President"), and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secretary or an Assistant Secretary of the Company, and delivered to the Trustee.

Corporate Trust Office:

The term "Corporate Trust Office," or other similar term, shall mean the principal office of the Trustee in the Borough of Manhattan, The City of New York, at which at any particular

time its corporate trust business shall be administered, which office at the date hereof is located at 101 Barclay Street, Floor 8 West, New York, New York 10286, Attention: Corporate Trust Administration, or such other address as the Trustee may designate from time to time by notice to the holders, the Company and the Guarantor, or the principal corporate trust officer of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the holders, the Company and the Guarantor).

Coupon:

The term "Coupon" shall mean any interest coupon appertaining to any

Bearer Security.

Coupon Security:

The term "Coupon Security" shall mean any Bearer Security authenticated and delivered with one or more Coupons appertaining thereto.

Currency:

The term "Currency" shall mean U.S. Dollars or Foreign Currency.

Default:

The term "Default" shall have the meaning assigned to it in Section 11.03.

Defaulted Interest:

The term "Defaulted Interest" shall have the same meaning assigned to it in Section 3.08(e).

Depository:

The term "Depository" shall mean, with respect to the Securities of any series issuable in whole or in part in the form of one or more Global Securities, the Person designated as Depository by the Company pursuant to Section 3.01 until a successor Depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Depository" shall mean or include each Person who is then a Depository hereunder, and if at any time there is more than one such Person, "Depository" as used with respect to the Securities of any such series shall mean the Depository with respect to the Securities of that series.

Discharged:

The term "Discharged" shall have the meaning assigned to it in Section 12.03.

Event of Default:

The term "Event of Default" shall have the meaning specified in Section 7.01.

Exchange Act:

The term "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

Fixed Rate Security:

The term "Fixed Rate Security" shall mean a Security that provides for the payment of interest at a fixed rate (excluding interest payable pursuant to Section 6.02 or 4.02).

Floating Rate Security:

The term "Floating Rate Security" shall mean a Security that provides for the payment of interest at a variable rate determined periodically by reference to an interest rate index specified pursuant to Section 3.01.

Foreign Currency:

The term "Foreign Currency" shall mean a currency issued by the government of any country other than the United States or a composite currency, the value of which is determined by reference to the values of the currencies of any group of countries.

GAAP:

The term "GAAP" shall mean generally accepted accounting principles in effect in the United States of America which are applicable as of the Closing Date and which are consistently applied for all applicable periods.

Global Security:

The term "Global Security" shall mean any Registered or Bearer Security evidencing all or part of a series of Securities, issued in fully-registered certificated form to the Depositary for such series in accordance with Section 3.03 and bearing the legend prescribed in Section 3.03(g).

Guarantee:

The term "Guarantee" shall mean the guarantee of the Company's obligations under this Indenture and the Securities by the Guarantor pursuant to Article Fifteen.

Guarantor:

The term "Guarantor" shall mean Citigroup Inc., a Delaware corporation, and its successors and permitted assigns.

Indebtedness:

The term "Indebtedness" shall mean any and all obligations of a Person for money borrowed which in accordance with GAAP would be reflected on the balance sheet of such Person as a liability on the date as of which Indebtedness is to be determined.

Indenture:

The term "Indenture" or "this Indenture" shall mean this instrument and all indentures supplemental thereto.

interest:

The term "interest" shall mean, with respect to an Original Issue Discount Security that by its terms bears interest only after Maturity, interest payable after Maturity, and, when used with respect to a Bearer Security, includes any additional interest payable on such Bearer Security pursuant to Section 4.02 and 6.02.

Interest Payment Date:

The term "Interest Payment Date" shall mean, with respect to any Security, the Stated Maturity of an installment of interest on such Security.

Mandatory Sinking Fund Payment:

The term "Mandatory Sinking Fund Payment" shall have the meaning assigned to it in Section 5.01.

Maturity:

The term "Maturity," with respect to any Security, shall mean the date on which the principal of such Security shall become due and payable as therein and herein provided, whether by declaration, call for redemption or otherwise.

Members:

The term "Members" shall have the meaning assigned to it in Section 3.03(i).

Officers' Certificate:

The term "Officers' Certificate" when used (i) with respect to the Company, shall mean a certificate signed by the Chairman, a Vice Chairman, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secretary or an Assistant Secretary of the Company and (ii) with respect to the Guarantor, shall mean a certificate signed by the Chairman of the Board of Directors, the President or any Vice

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Chairman, the Chief Financial Officer, the Chief Accounting Officer, the General Counsel or any Vice President and by the Treasurer, any Assistant Treasurer, the Controller or any Assistant Controller, the Secretary or any Assistant Secretary of the Guarantor and, in each case, delivered to the Trustee. Each such certificate shall include the statements provided for in Section 16.02 if and to the extent required by the provisions of such Section. One of the officers giving an Officers' Certificate pursuant to Section 6.08 shall be the principal executive officer, principal financial officer or principal accounting officer of the Company.

Opinion of Counsel:

The term "Opinion of Counsel" shall mean an opinion in writing signed by legal counsel, who may be an employee of or of counsel to the Company or Guarantor, or may be other counsel satisfactory to the Trustee. Each such opinion shall include the statements provided for in Section 16.02 if and to the extent required by the provisions of such Section.

Optional Sinking Fund Payment:

The term "Optional Sinking Fund Payment" shall have the meaning assigned to it in Section 5.01.

Original Issue Discount Security:

The term "Original Issue Discount Security" shall mean any Security that is issued with "original issue discount" within the meaning of Section 1273(a) of the Code and the regulations thereunder and any other Security designated by the Company as issued with original issue discount for United States federal income tax purposes.

Outstanding:

The term "Outstanding," when used with respect to Securities means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

- (i) Securities theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities or portions thereof for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the holders of such Securities or from its obligations with respect to which the Company shall have been Discharged; provided, however, that if such Securities or portions thereof are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(iii) Securities that have been paid pursuant to Section 3.07 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been

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presented to the Trustee proof satisfactory to it that such Securities are held by a protected purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the holders of the requisite principal amount of Securities Outstanding have performed any action hereunder, Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such action, only Securities that a Responsible Officer of the Trustee knows to be so owned shall be so disregarded. Securities so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor. In determining whether the holders of the requisite principal amount of Outstanding Securities have performed any action hereunder, the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding for such purpose shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon a declaration of acceleration of the Maturity thereof pursuant to Section 7.02 and the principal amount of a Security denominated in a Foreign Currency that shall be deemed to be Outstanding for such purpose shall be the amount calculated pursuant to Section 3.11(c).

Paying Agent:

The term "Paying Agent" shall mean any Person authorized by the Company to pay the principal of and premium, if any, or interest on any Securities or to pay Coupons on behalf of the Company.

Person:

The term "Person" shall mean an individual, a corporation, a limited liability company, a partnership, an association, a joint stock company, a trust, an unincorporated organization or a government or an agency or political subdivision thereof.

Place of Payment:

The term "Place of Payment" shall mean, when used with respect to the Securities of any series, the place or places where the principal of and premium, if any, and interest on the Securities of that series are payable as specified pursuant to Section 3.01.

Predecessor Security:

The term "Predecessor Security" shall mean, with respect to any Security, every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security, and, for the purposes of this definition, any Security authenticated and delivered under Section 3.07 in lieu of a lost, destroyed or stolen Security shall be deemed to evidence the same debt as the lost, destroyed or stolen Security.

Record Date:

The term "Record Date" shall mean, with respect to any interest payable on any Registered Security on any Interest Payment Date, the close of business on the date specified in such Registered Security for the payment of interest pursuant to Section 3.01.

Redemption Date:

The term "Redemption Date" shall mean, when used with respect to any Security to be redeemed, in whole or in part, the date fixed for such redemption by or pursuant to this Indenture and the terms of such Security, which, in the case of a Floating Rate Security, unless otherwise specified pursuant to Section 3.01, shall be an Interest Payment Date only.

Redemption Price:

The term "Redemption Price" shall mean, in the case of an Original Issue Discount Security, the amount of the principal and interest that would be due and payable as of the Redemption Date upon a declaration of acceleration of the Maturity thereof pursuant to Section 7.02 and, in the case of any other Security, the principal amount thereof, plus, in each case, premium, if any, and accrued and unpaid interest, if any, to the Redemption Date.

Register:

The term "Register" shall have the meaning assigned to it in Section 3.05(a).

Registrar:

The term "Registrar" shall have the meaning assigned to it in Section 3.05.

Registered Security:

The term "Registered Security" shall mean any Security registered as to principal and interest in the Register.

Responsible Officers:

The term "Responsible Officers" of the Trustee hereunder shall mean any vice president, any assistant vice president, any assistant secretary, any assistant treasurer, any trust officer, any assistant trust officer or any other officer associated with the corporate trust department of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of such person's knowledge of and familiarity with the particular subject and, in the case of any such officer, who shall have direct responsibility for the administration of this Indenture.

SEC:

The term "SEC" shall mean the Securities and Exchange Commission.

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Securities Act:

The term "Securities Act" shall mean the Securities Act of 1933, as amended.

Security:

The term "Security" shall mean one of the Securities duly authenticated by the Trustee and delivered pursuant to the provisions of this Indenture.

Security Custodian:

The term "Security Custodian" shall mean the custodian with respect to any Global Security appointed by the Depositary, or any successor Person thereto, and shall initially be the Paying Agent.

Securityholder; holder of Securities;

holder; registered holder:

The term "Securityholder" or "holder of Securities" or "holder" or "registered holder," with respect to a Registered Security, shall mean the Person in whose name such Securities shall be registered in the Register kept for that purpose hereunder and, with respect to a Bearer Security or Coupon, the bearer thereof.

Significant Subsidiary:

The term "Significant Subsidiary" shall have the meaning assigned to it in Section 15.04.

Special Record Date:

The term "Special Record Date" shall have the meaning assigned to it in Section 3.08(e)(i).

Stated Maturity:

The term "Stated Maturity" when used with respect to any Security or any installment of interest thereon, shall mean the date specified in such Security or the Coupons, if any, as the fixed date on which the principal (or any portion thereof) of or premium, if any, on such Security or such installment of interest is due and payable.

Subsidiary:

The term "Subsidiary," when used with respect to any Person, shall mean any corporation or other entity of which a majority of (a) the voting power of the voting equity securities or (b) in the case of a partnership or any other entity other than a corporation, the outstanding equity

interests of which are owned, directly or indirectly, by such Person. For the purposes of this definition, "voting equity securities" means equity securities having voting power for the election of directors, whether at all times or only so long as no senior class of securities has such voting power by reason of any contingency.

Successor Company:

The term "Successor Company" shall have the meaning assigned to it in Section 3.06(j).

Trust Indenture Act; TIA:

The term "Trust Indenture Act" or "TIA" shall mean the Trust Indenture Act of 1939, as amended, except as otherwise provided in this Indenture.

Trustee:

The term "Trustee" shall mean the trustee hereunder for the time being, whether original or successor, and if at any time there is more than one such trustee, "Trustee" as used with respect to the Securities of any series shall mean the trustee with respect to Securities of that series.

U.S. Government Obligations:

The term "U.S. Government Obligations" shall mean either (i) direct obligations of the United States of America or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the payment of which is unconditionally guaranteed by the full faith and credit of the United States of America.

U.S. Dollars:

The term "U.S. Dollars" shall mean such currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

United States:

The term "United States" shall mean the United States of America (including the States and the District of Columbia), its territories and its possessions and other areas subject to its jurisdiction.

United States Alien:

The term "United States Alien" shall mean any Person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership, one or more members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

Voting Stock:

The term "Voting Stock" shall have the meaning specified in Section 15.04.

Certain other terms, relating principally to provisions included in this Indenture in compliance with the Trust Indenture Act, are defined in Article Eleven.

ARTICLE II

FORMS OF SECURITIES

SECTION 2.01. Terms of the Securities.

(a) The Securities and the Coupons, if any, of each series shall be substantially in one of the forms established by or pursuant to a Board Resolution and set forth in an Officers' Certificate or in one or more indentures supplemental hereto, and shall have such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification or designation and such legends or endorsements placed thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange on which any series of the Securities may be listed or of any automated quotation system on which any such series may be quoted, or to conform to usage, all as determined by the officers executing such Securities and Coupons as conclusively evidenced by their execution of such Securities and Coupons. If the form of a series of Securities is established in or pursuant to a Board Resolution, a copy of such Board Resolution shall be delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the form of such series.

(b) The terms and provisions of the Securities shall constitute, and are hereby expressly made, a part of this Indenture, and, to the extent applicable, the Company, the Guarantor and the Trustee, by their execution and delivery of this Indenture expressly agree to such terms and provisions and to be bound thereby.

SECTION 2.02. Form of Bearer Security.

(a) Each Bearer Security and Coupon shall bear a legend substantially to the following effect:

"Any United States Person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1278(a) of the Internal Revenue Code."

(b) The definitive Securities and Coupons, if any, of each series shall be printed, lithographed or engraved or produced by any combination of these methods on steel engraved borders or may be produced in any other manner, provided that such manner is permitted by the rules of any securities exchange on which such series of Securities may be listed or of any automated quotation system on which such series may be quoted, all as determined by

the officers executing such Securities and Coupons, as conclusively evidenced by their execution of such Securities and Coupons.

SECTION 2.03. Form of Trustee's Certificate of Authentication.

(a) Only such of the Securities as shall bear thereon a certificate substantially in the form of the Trustee's certificate of authentication hereinafter recited, executed by the Trustee by manual signature, shall be valid or become obligatory for any purpose or entitle the holder thereof to any right or benefit under this Indenture, and the certificate of authentication by the Trustee upon any such Security executed on behalf of the Company as aforesaid shall be conclusive evidence that the Security so authenticated has been duly authenticated and delivered hereunder and that the holder thereof is entitled to the benefits of this Indenture.

(b) Each Security shall be dated the date of its authentication, except that any Global Security shall be dated as of the date specified as contemplated in Section 3.01.

(c) The form of the Trustee's certificate of authentication to be borne by the Securities shall be substantially as follows:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities issued referred to in the within-mentioned Indenture.

The Bank of New York, as Trustee

By:

Authorized Signatory

SECTION 2.04. Form of Trustee's Certificate of Authentication by an Authenticating Agent. If at any time there shall be an Authenticating Agent appointed with respect to any series of Securities, then the Trustee's Certificate of Authentication by such Authenticating Agent to be borne by Securities of each such series shall be substantially as follows:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities referred to in the within-mentioned Indenture.

The Bank of New York, as Trustee

By:

Authorized Signatory

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By:

Authorized Signatory

ARTICLE III

THE DEBT SECURITIES

SECTION 3.01. Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities that may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued in one or more series. There shall be established by or pursuant to a Board Resolution of the Company, and set forth in an Officers' Certificate of the Company, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series:

(a) the title of the Securities of the series (which shall distinguish the Securities of such series from the Securities of all other series, except to the extent that additional Securities of an existing series are being issued);

(b) any limit upon the aggregate principal amount of the Securities of the series that may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon transfer of, or in exchange for, or in lieu of, other Securities of such series pursuant to Section 3.04, 3.06, 3.07, 4.07, or 14.05;

(c) the dates on which or periods during which the Securities of the series may be issued, and the dates on, or the range of dates within, which the principal of and premium, if any, on the Securities and Coupons, if any, of such series are or may be payable;

(d) the rate or rates at which the Securities of the series shall bear interest, if any, or the method by which such rate or rates shall be determined, the date or dates from which such interest shall accrue, or the method by which such date or dates shall be determined, the Interest Payment Dates on which any such interest shall be payable, and, in the case of Registered Securities, the Record Dates for the determination of holders to whom interest is payable on such Interest Payment Dates;

(e) if other than U.S. Dollars, the Currency in which Securities of the series shall be denominated or in which payment of the principal and premium, if any, or interest on the Securities of the series shall be payable and any other terms concerning such payment;

(f) if the amount of payment of principal of, premium, if any, or interest on the Securities of the series may be determined with reference to an index, formula or other method including, but not limited to, an index based on a Currency or Currencies other than that in which the Securities are stated to be payable, the manner in which such amounts shall be determined;

(g) if the principal of, premium, if any, or interest on Securities of the series are to be payable, at the election of the Company or a holder thereof, in a Currency other than that in which the Securities are denominated or stated to be payable, the period or periods within

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which, and the terms and conditions upon which such election may be made and the time and the manner of determining the exchange rate between the Currency in which the Securities are denominated or payable without such election and the Currency in which the Securities are to be paid if such election is made;

(h) the place or places, if any, in addition to or instead of the Corporate Trust Office of the Trustee (in the case of Registered Securities) or the principal London office of the Trustee (in the case of Bearer Securities) where the principal of, premium, if any, and interest on Securities of the series shall be payable;

(i) the price or prices at which, the period or periods within which or the date or dates on which, and the terms and conditions upon which Securities of the series may be redeemed, in whole or in part, at the option of the Company, if the Company is to have that option;

(j) the obligation, if any, of the Company to redeem, purchase or repay Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a holder thereof and the price or prices at which, the period or periods within which or the date or dates on which, and the terms and conditions upon which Securities of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligation;

(k) if other than denominations of \$1,000 or any integral multiple thereof, the denominations in which Securities of the series shall be issuable;

(l) if other than the principal amount thereof, the portion of the principal amount of the Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 7.02;

(m) whether the Securities of the series are to be issued as Original Issue Discount Securities and the amount of discount with which such

Securities may be issued;

(n) provisions, if any, for the defeasance of Securities of the series;

(o) whether the Securities of the series are to be issued in whole or in part in the form of one or more Global Securities and, in such case, the Depositary for such Global Security or Securities and the terms and conditions, if any, upon which interests in such Global Security or Securities may be exchanged in whole or in part for the individual Securities represented thereby;

(p) whether Securities of the series are to be issued as Registered Securities or Bearer Securities or both, and, if Bearer Securities are issued, whether Coupons will be attached thereto, whether Bearer Securities of the series may be exchanged for Registered Securities of the series and the circumstances under which and the places at which any such exchanges, if permitted, may be made;

(q) if any Securities of the series are to be issued as Bearer Securities or as one or more Global Securities representing individual Bearer Securities of the series, (i) whether the provisions of Sections 4.02 and 6.02 or other provisions for payment of additional interest or

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tax redemption shall apply and, if other provisions shall apply, such other provisions; (ii) whether interest in respect of any portion of a temporary Bearer Security of the series (delivered pursuant to Section 3.04) payable in respect of any Interest Payment Date prior to the exchange of such temporary Bearer Security for definitive Bearer Securities of the series shall be paid to any clearing organization with respect to the portion of such temporary Bearer Security held for its account and, in such event, the terms and conditions (including any certification requirements) upon which any such interest payment received by a clearing organization will be credited to the Persons entitled to interest payable on such Interest Payment Date; and (iii) the terms upon which a temporary Bearer Security may be exchanged for one or more definitive Bearer Securities of the series;

(r) the date as of which any Global Security of the series shall be dated if other than the original issuance of the first Security of the series to be issued;

(s) the form of the Securities of the series; and

(t) any other terms of the Securities of the series, including Events of Default and/or additional covenants of the Company and/or the Guarantor (which terms shall not be inconsistent with the provisions of this Indenture).

All Securities of any one series and the Coupons, if any, appertaining thereto shall be substantially identical except as to denomination and except as may otherwise be provided by or pursuant to such Board Resolution, and set forth in such Officers' Certificate, or in any such indenture supplemental hereto. If any of the terms of a series of Securities are established by action taken to a Board Resolution, a copy of such Board Resolution shall be delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of such series.

SECTION 3.02. Denominations. In the absence of any specification pursuant to Section 3.01 with respect to Securities of any series, the Securities of such series shall be issuable only as Registered Securities in denominations of any integral multiple of \$1,000, and shall be payable only in U.S. Dollars.

SECTION 3.03. Execution, Authentication, Delivery and Dating.

(a) The Securities and the Coupons, if any, shall be executed in the name and on behalf of the Company by the manual or facsimile signature of its Chairman of the Board of Directors, a Vice Chairman, its President or one of its Vice Presidents, under its corporate seal (which may be printed, engraved or otherwise reproduced thereon, by facsimile or otherwise), which shall be attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries. If the Person whose signature is on a Security or Coupon, if any, no longer holds that office at the time the Security or Coupon, if any, is authenticated and delivered, the Security and Coupon, if any, shall nevertheless be valid.

(b) At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities, with appropriate Coupons, if any, of any series, executed by the Company, to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities and Coupons. The Trustee shall thereupon

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authenticate and deliver such Securities and Coupons without any further action by the Company. A Company Order shall specify the amount of the Securities (and Coupons) to be authenticated and the date on which the original issue of Securities (and Coupons) is to be authenticated.

(c) In authenticating the first Securities and Coupons, if any, of any series and accepting the additional responsibilities under this Indenture in relation to such Securities and Coupons, if any, the Trustee shall receive, and (subject to Section 11.02) shall be fully protected in relying upon:

(i) the supplemental indenture or Board Resolution relating thereto and, if applicable, an appropriate record of any action taken pursuant to

such supplemental indenture or resolution, certified by the Secretary or an Assistant Secretary of the Company;

(ii) an Officer's Certificate as to the absence of any event that is, or after notice or lapse of time or both would become, an Event of Default; and

(iii) an Opinion of Counsel prepared in accordance with Section 16.02, which shall state:

(A) that the form and terms of such Securities have been established by or pursuant to one or more Board Resolutions, by a supplemental indenture as permitted by Section 14.01(m), or by both such resolution or resolutions and such supplemental indenture, in conformity with the provisions of this Indenture;

(B) that the supplemental indenture, if any, when executed and delivered by the Company, the Guarantor and the Trustee, will constitute a valid and legally binding obligation of each of the Company and the Guarantor;

(C) that such Securities, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, and will be entitled to the benefits of this Indenture;

(D) that the Company has the corporate power to issue the Securities, and has duly taken all necessary action with respect to such issuance;

(E) that the Guarantor has the corporate power to guarantee the Securities, and has duly taken all necessary action with respect to such guarantee;

(F) that the issuance of the Securities will not contravene the certificate of incorporation or By-laws of the Company or the Guarantor or result in any violation of any of the terms or provisions of any law or regulation or of any indenture, mortgage or other agreement by which the Company or the Guarantor is bound and, with respect to

the Guarantor, under which long-term debt of the Guarantor as reflected in its latest financial statements on file with the SEC is outstanding;

(G) that all requirements of the Indenture applicable to the Company in respect of the execution and delivery by the Company of the Securities

and applicable to the Guarantor in respect of the Guarantee and of such supplemental indenture, if any, have been complied with and, that assuming (a) all requisite corporate authorization on the part of the Trustee, (b) continued compliance by the Trustee with the terms of the Indenture specifically applicable to the Trustee, and (c) due authentication and delivery of the Securities by the Trustee, the execution and delivery of such supplemental indenture, if any, will not violate the terms of this Indenture, and that, other than compliance with federal and state securities laws, no authorization, approval or consent by any regulatory or statutory or other public authority is required in connection with the execution and delivery of such supplemental indenture or for the creation, issuance, authentication and delivery of the Securities pursuant to the Indenture;

(H) all conditions precedent provided for in the Indenture (including any covenants compliance with which constitutes a condition precedent) to the Trustee's authentication and delivery of the Securities have been complied with; and

(I) the amount of Securities Outstanding of such series, together with the amount of such Securities, does not exceed any limit established under the terms of this Indenture on the amount of Securities of such series that may be authenticated and delivered.

(d) The Trustee shall have the right to decline to authenticate and deliver the Securities under this Section if the issue of the Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

(e) Each Security shall be dated the date of its authentication, except as otherwise provided pursuant to Section 3.01 with respect to the Securities of such series.

(f) Notwithstanding the provisions of Section 3.01 and of this Section 3.03, if all of the Securities of a series are not to be originally issued at the same time, then the documents required to be delivered pursuant to this Section 3.03 must be delivered only once, prior to the authentication and delivery of the first Security of such series; provided, however, that any subsequent request by the Company to the Trustee to authenticate Securities of such series upon original issuance shall constitute a representation and warranty by the Company and the Guarantor that, as of the date of such request, the statements made in the Officers' Certificate delivered pursuant to this Section 3.03 shall be true and correct as if made on such date.

(g) If the Company shall establish pursuant to Section 3.01 that the Securities of a series are to be issued in whole or in part in the form of one or more Global Securities, then the Company shall execute and the Trustee shall authenticate and deliver one or more Global Securities that (i) shall represent an aggregate amount equal to the aggregate principal amount of the Outstanding

Securities of such series to be represented by one or more Global Securities, (ii) shall be registered, if in registered form, in the name of the Depositary for such Global Security or Securities or the nominee of such Depositary, (iii) shall be delivered by the Trustee to such

Depositary or pursuant to such Depositary's instruction and (iv) shall bear a legend substantially to the following effect: "Unless and until it is exchanged in whole or in part for the individual Securities represented hereby, this Global Security may not be transferred except as a whole by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary." The aggregate principal amount of each Global Security may from time to time be increased or decreased by adjustments made on the records of the Security Custodian, as provided in this Indenture.

(h) Each Depositary designated pursuant to Section 3.01 for a Global Security in registered form must, at the time of its designation and at all times while it serves as such Depositary, be a clearing agency registered under the Exchange Act and any other applicable statute or regulation.

(i) Members of, or participants in, the Depositary ("Members") shall have no rights under this Indenture with respect to any Global Security held on their behalf by the Depositary or by the Security Custodian under such Global Security, and the Depositary may be treated by the Company, the Trustee, the Paying Agent and the Registrar and any of their agents as the absolute owner of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee, the Paying Agent or the Registrar or any of their agents from giving effect to any written certification, proxy or other authorization furnished by the Depositary or impair, as between the Depositary and its Members, the operation of customary practices of the Depositary governing the exercise of the rights of an owner of a beneficial interest in any Global Security. The registered holder of a Global Security may grant proxies and otherwise authorize any Person, including Members and Persons that may hold interests through Members, to take any action that a holder is entitled to take under this Indenture or the Securities.

(j) No Security or Coupon appertaining thereto shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in one of the forms provided for herein duly executed by the

Trustee or by an Authenticating Agent by manual signature of one of its Responsible Officers, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security (and any Coupons appertaining thereto) has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. Except as permitted by Section 3.05, 3.07 or 3.08, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant Coupons then matured have been cleared and canceled.

SECTION 3.04. Temporary Securities.

(a) Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Securities that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, in registered form or, if authorized, in bearer form with one or more Coupons or without Coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities and Coupons, if any, may determine, as conclusively evidenced by their execution of such Securities and Coupons.

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Any such temporary Security may be in global form, representing all or a portion of the Outstanding Securities of such series. Every such temporary Security shall be executed by the Company and shall be authenticated and delivered by the Trustee upon the same conditions and in substantially the same manner, and with the same effect, as the definitive Security or Securities in lieu of which it is issued.

(b) If temporary Securities of any series are issued, the Company will cause definitive Securities of such series to be prepared without unreasonable delay. Except as otherwise specified as contemplated by Section 3.01(q)(iii) with respect to a series of Securities issuable as Bearer Securities or as one or more Global Securities representing individual Bearer Securities of the series, (a) after the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for such series, without charge to the holder, except as provided in Section 3.06 in connection with a transfer and except that a Person receiving definitive Bearer Securities shall bear the cost of insurance, postage, transportation and the like unless otherwise specified pursuant to Section 3.01, and (b) upon surrender for cancellation of any one or more temporary Securities of any series (accompanied by any unmatured Coupons appertaining thereto), the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of the same series of authorized denominations and of like tenor; provided, however, that no definitive Bearer Security shall be delivered in exchange for a temporary Registered Security; and provided, further, that delivery of a Global Security representing individual

Bearer Securities or a Bearer Security shall occur only outside the United States. Until so exchanged, temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series, except as otherwise specified as contemplated by Section 3.01(q)(ii) with respect to the payment of interest on Global Securities in temporary form.

(c) Unless otherwise specified pursuant to Section 3.01, the Company will execute and deliver each definitive Global Security representing individual Bearer Securities and each Bearer Security to the Trustee at its principal office in London or such other place outside the United States specified pursuant to Section 3.01.

(d) Upon any exchange of a portion of a temporary Global Security for a definitive Global Security or for the individual Securities represented thereby pursuant to this Section 3.04 or Section 3.06, the temporary Global Security shall be endorsed by the Trustee to reflect the reduction of the principal amount evidenced thereby, whereupon the principal amount of such temporary Global Security shall be reduced for all purposes by the amount so exchanged and endorsed.

SECTION 3.05. Registrar and Paying Agent.

(a) The Company will maintain an office or agency in the Borough of Manhattan, the City of New York, or in any other office or agency of the Company in a Place of Payment, where Registered Securities may be presented for registration or presented and surrendered for registration of transfer or of exchange (the "Registrar"), where Registered Securities may be presented for payment (the "Paying Agent") and for the service of notices and demands to or upon the Company in respect of the Registered Securities and of their transfer or

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exchange. The Registrar shall keep a security register for the registration of and the registration of transfer or of exchange of the Registered Securities (the registers maintained in such office and in any other office or agency of the Company in a Place of Payment being herein sometimes collectively referred to as the "Register"), as in this Indenture provided, which Register shall at all reasonable times be open for inspection by the Trustee. Such Register shall be in written form or in any other form capable of being converted into written form within a reasonable time. The Company may have one or more co-Registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent.

(b) The Company shall enter into an appropriate agency agreement with any Registrar, Paying Agent or co-Registrar not a party to this Indenture. The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall notify the Trustee of the name and address of each such agent. If the Company fails to maintain a Registrar or Paying Agent, the

Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 11.01. The Company or the Guarantor may act as Paying Agent, Registrar, co-Registrar or transfer agent.

(c) The Company hereby appoints the Trustee at its Corporate Trust Office as Registrar, Paying Agent and agent for service of demands and notices in connection with the Securities and this Indenture, until such time as another Person is appointed as such.

SECTION 3.06. Transfer and Exchange.

(a) Transfer.

(i) Upon surrender for registration of transfer of any Registered Security of any series at the Registrar the Company shall execute, and the Trustee or any Authenticating Agent shall authenticate and deliver, in the name of the designated transferee, one or more new Registered Securities of the same series for like aggregate principal amount of any authorized denomination or denominations. The transfer of any Security shall not be valid as against the Company, the Guarantor or the Trustee unless registered at the Registrar by the registered holder, or by his or her attorney duly authorized in writing. Except as otherwise specified pursuant to Section 3.01, in no event may Registered Securities, including Registered Securities received in exchange for Bearer Securities, be exchanged for Bearer Securities.

(ii) Notwithstanding any other provision of this Section, unless and until it is exchanged in whole or in part for the individual Securities represented thereby, a Global Security representing all or a portion of the Securities of a series may not be transferred except as a whole by the Depositary for such series to a nominee of such Depositary or by a nominee of such Depositary to such Depositary or another nominee of such Depositary or by such Depositary or any such nominee to a successor Depositary for such series or a nominee of such successor Depositary.

(b) Exchange.

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(i) At the option of the holder, Registered Securities of any series (other than a Global Security, except as set forth below) may be exchanged for other Registered Securities of the same series for like aggregate principal amount of any authorized denomination or denominations, upon surrender of the Registered Securities to be exchanged at the Registrar.

(ii) At the option of the holder, except as otherwise specified as contemplated by Section 3.01(o) or 3.01(q) with respect to a Global

Security representing Bearer Securities, Bearer Securities of any series may be exchanged for Registered Securities (if the Securities of such series are issuable as Registered Securities) or Bearer Securities of the same series, for like aggregate principal amount of any authorized denomination or denominations, upon surrender of the Bearer Securities to be exchanged at the office or agency of the Company maintained for such purpose, with all unmatured Coupons and all matured Coupons in Default thereto appertaining; provided, however, that delivery of a Bearer Security shall occur only outside the United States. If the holder of a Bearer Security is unable to produce any such unmatured Coupon or Coupons or matured Coupon or Coupons in Default, such exchange may be effected if the Bearer Securities are accompanied by payment in funds acceptable to the Company and the Trustee in an amount equal to the face amount of such missing Coupon or Coupons, or the surrender of such missing Coupon or Coupons may be waived by the Company and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the holder of such Bearer Security shall surrender to any Paying Agent any such missing Coupon in respect of which such a payment shall have been made, such holder shall be entitled to receive the amount of such payment; provided, however, that, except as otherwise provided in Section 3.08, interest represented by Coupons shall be payable only upon presentation and surrender of those Coupons at an office or agency located outside the United States.

(iii) Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities that the holder making the exchange is entitled to receive.

(iv) Notwithstanding the foregoing, the exchange of Bearer Securities for Registered Securities will be subject to the provisions of United States income tax laws and regulations applicable to Securities in effect at the time of such exchange.

(c) Exchange of Global Securities for Individual Securities.
Except as provided below, owners of beneficial interests in Global Securities will not be entitled to receive individual Securities.

(i) Individual Securities shall be issued to all owners of beneficial interests in a Global Security in exchange for such interests if:

(A) at any time the Depositary for the Securities of a series notifies the Company that it is unwilling or unable to continue as Depositary for the Securities of such series or if at any time the Depositary for the Securities of such series shall no longer be eligible under Section 3.03(h) and, in each case, a successor Depositary is not appointed by the Company within 90 days of such notice, or

(B) the Company executes and delivers to the Trustee and the Registrar an Officers' Certificate stating that such Global Security shall be so exchangeable.

In connection with the exchange of an entire Global Security for individual Securities pursuant to this subsection (c), such Global Security shall be deemed to be surrendered to the Trustee for cancellation, and the Company shall execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of individual Securities of such series, will authenticate and deliver to each beneficial owner identified by the Depositary in exchange for its beneficial interest in such Global Security, an equal aggregate principal amount of individual Securities of authorized denominations.

(ii) The owner of a beneficial interest in a Global Security will be entitled to receive an individual Security in exchange for such interest if an Event of Default has occurred and is continuing. Upon receipt by the Security Custodian and Registrar of instructions from the holder of a Global Security directing the Security Custodian and Registrar to (x) issue one or more individual Securities in the amounts specified to the owner of a beneficial interest in such Global Security and (y) debit or cause to be debited an equivalent amount of beneficial interest in such Global Security, subject to the rules and regulations of the Depositary:

(A) the Security Custodian and Registrar shall notify the Company and the Trustee of such instructions, identifying the owner and amount of such beneficial interest in such Global Security;

(B) the Company shall promptly execute and the Trustee, upon receipt of a Company Order for the authentication and delivery of individual Securities of such series, shall authenticate and deliver to such beneficial owner individual Securities in an equivalent amount to such beneficial interest in such Global Security; and

(C) the Security Custodian and Registrar shall decrease such Global Security by such amount in accordance with the foregoing.

In the event that the individual Securities are not issued to each such beneficial owner promptly after the Registrar has received a request from the holder of a Global Security to issue such individual Securities, the Company expressly acknowledges, with respect to the right of any holder to pursue a remedy pursuant to Section 7.07 hereof, the right of any beneficial holder of Securities to pursue such remedy with respect to the portion of the Global Security that represents such beneficial holder's Securities as if such

individual Securities had been issued.

(iii) If specified by the Company pursuant to Section 3.01 with respect to a series of Securities, the Depositary for such series of Securities may surrender a Global Security for such series of Securities in exchange in whole or in part for individual Securities of such series on such terms as are acceptable to the Company and such Depositary. Thereupon, the Company shall execute, and the Trustee shall authenticate and deliver, without service charge,

(A) to each Person specified by such Depositary a new individual Security or Securities of the same series, of any authorized denomination as requested by such

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Person in aggregate principal amount equal to and in exchange for such Person's beneficial interest in the Global Security; and

(B) to such Depositary a new Global Security in a denomination equal to the difference, if any, between the principal amount of the surrendered Global Security and the aggregate principal amount of individual Securities delivered to holders thereof.

(iv) In any exchange provided for in clauses (i) through (iii), the Company will execute and the Trustee will authenticate and deliver individual Securities (a) in registered form in authorized denominations, if the Securities of such series are issuable as Registered Securities, (b) in bearer form in authorized denominations, with or without Coupons attached, if the Securities of such series are issuable as Bearer Securities or (c) as either Registered or Bearer Securities, if the Securities of such series are issuable in either form; provided, however, that individual Bearer Securities shall be delivered in exchange for a Global Security only in accordance with the procedures specified pursuant to Section 3.01.

(v) Upon the exchange of a Global Security for individual Securities, such Global Security shall be canceled by the Trustee. Individual Registered Securities issued in exchange for a Global Security pursuant to this Section shall be registered in such names and in such authorized denominations as the Depositary for such Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such

Registered Securities to the Persons in whose names such Registered Securities are so registered. The Trustee shall deliver individual Bearer Securities issued in exchange for a Global Security pursuant to this Section to the Persons and in such authorized denominations as the Depositary for such Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee; provided, however, that individual Bearer Securities shall be delivered in exchange for a Global Security only in accordance with the procedures as may be specified pursuant to Section 3.01.

(d) Notwithstanding the foregoing, the exchange of Bearer Securities for Registered Securities will be subject to the provisions of United States income tax laws and regulations applicable to Securities in effect at the time of such exchange.

(e) All Securities issued upon any transfer or exchange of Securities shall be valid obligations of the Company (and, as with respect to the Guarantee, the Guarantor) evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered for such registration of transfer or exchange.

(f) Every Registered Security presented or surrendered for registration of transfer, or for exchange or payment shall (if so required by the Company, the Trustee or the Registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company, the Trustee and the Registrar, duly executed, by the holder thereof or by his or her attorney duly authorized in writing.

(g) No service charge will be made for any registration of transfer or exchange of Securities except as provided in Section 3.04(b) or 3.07. The Company

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may require payment of a sum sufficient to cover any tax, assessment or other governmental charge that may be imposed in connection with any registration, transfer or exchange of Securities, other than those expressly provided in this Indenture to be made at the Company's own expense or without expense or without charge to the holders.

(h) The Company shall not be required to (i) register, transfer or exchange Securities of any series during a period beginning at the opening of business 15 days before the day of the transmission of a notice of redemption of

Securities of such series selected for redemption under Section 4.03 and ending at the close of business on the day of such transmission, or (ii) register, transfer or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part; provided, however, that, if specified pursuant to Section 4.02, any Bearer Securities of any series that are exchangeable for Registered Securities and that are called for redemption pursuant to Section 4.02 may, to the extent permitted by applicable law, be exchanged for one or more Registered Securities of such series during the period preceding the Redemption Date.

(i) Prior to the due presentation for registration of transfer or exchange of any Security, the Company, the Guarantor, the Trustee, the Paying Agent, the Registrar or any co-Registrar may deem and treat the Person in whose name a Security is registered as the absolute owner of such Security (whether or not such Security shall be overdue and notwithstanding any notation of ownership or other writing thereon) for all purposes whatsoever, and none of the Company, the Guarantor, the Trustee, the Paying Agent, the Registrar or any co-Registrar shall be affected by any notice to the contrary.

(j) In case a successor Company ("Successor Company") has executed an indenture supplemental hereto with the Trustee pursuant to Article Fourteen, any of the Securities authenticated or delivered pursuant to such transaction may, from time to time, at the request of the Successor Company, be exchanged for other Securities executed in the name of the Successor Company with such changes in phraseology and form as may be appropriate, but otherwise identical to the Securities surrendered for such exchange and of like principal amount; and the Trustee, upon Company Order of the Successor Company, shall authenticate and deliver Securities as specified in such order for the purpose of such exchange. If Securities shall at any time be authenticated and delivered in any new name of a Successor Company pursuant to this Section 3.06 in exchange or substitution for or upon registration of transfer of any Securities, such Successor Company, at the option of the holders but without expense to them, shall provide for the exchange of all Securities at the time Outstanding for Securities authenticated and delivered in such new name.

(k) Each holder of a Security agrees to indemnify the Company and the Trustee against any liability that may result from the transfer, exchange or assignment of such holder's Security in violation of any provision of this Indenture and/or applicable United States federal or state securities laws.

(l) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Security other than to require delivery of such certificates and other documentation or evidence as are expressly required by,

and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the

express requirements hereof.

(m) Neither the Trustee nor any agent of the Trustee shall have any responsibility for any actions taken or not taken by the Depositary.

SECTION 3.07. Mutilated, Destroyed, Lost and Stolen Securities.

(a) If (i) any mutilated Security or any mutilated Coupon with the Coupon Security to which it appertains (and all unmatured Coupons attached thereto) is surrendered to the Trustee at its Corporate Trust Office (in the case of Registered Securities) or at its principal London office (in the case of Bearer Securities) or (ii) the Company and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Security or any Coupon, and there is delivered to the Company and the Trustee security or indemnity satisfactory to them to save each of them and any Paying Agent harmless, and neither the Company nor the Trustee receives notice that such Security or Coupon has been acquired by a protected purchaser, then the Company shall execute and upon Company Request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Security or in exchange for the Coupon Security to which such mutilated, destroyed, lost or stolen Coupon appertains, a new Security of the same series of like tenor, form, terms and principal amount, bearing a number not contemporaneously Outstanding, and, in the case of a Coupon Security, with such Coupons attached thereto that neither gain nor loss in interest shall result from such exchange or substitution.

(b) In case any such mutilated, destroyed, lost or stolen Security or Coupon has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay the amount due on such Security or Coupon in accordance with its terms; provided, however, that payment of principal and premium, if any, and any interest on Bearer Securities or payment of Coupons shall, except as otherwise provided in Section 3.08, be payable only at an office or agency located outside the United States.

(c) Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in respect thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

(d) Every new Security of any series, with its Coupons, if any, issued pursuant to this Section shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Security or Coupon shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series and their Coupons, if any, duly issued hereunder.

(e) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the

replacement or payment of mutilated, destroyed, lost or stolen Securities or Coupons.

SECTION 3.08. Payment of Interest; Interest Rights Preserved.

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(a) Interest on any Registered Security that is payable and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the Person in whose name such Registered Security (or one or more Predecessor Securities) is registered at the close of business on the Record Date for such interest notwithstanding the cancellation of such Registered Security upon any transfer or exchange subsequent to the Record Date. In case a Coupon Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at an office or agency in a Place of Payment for such series) on any Record Date and before the opening of business (at such office or agency) on the next succeeding Interest Payment Date, such Coupon Security shall be surrendered without the Coupon relating to such Interest Payment Date and interest will not be payable on such Interest Payment Date in respect of the Registered Security issued in exchange for such Coupon Security, but will be payable only to the bearer of such Coupon when due in accordance with the provisions of this Indenture. Payment of interest on Registered Securities shall be made at the Corporate Trust Office (except as otherwise specified pursuant to Section 3.01) or, at the option of the Company, by check mailed to the address of the Person entitled thereto as such address shall appear in the Register or, if provided pursuant to Section 3.01 and in accordance with arrangements satisfactory to the Trustee, at the option of the Registered Holder by wire transfer to an account designated by the Registered Holder.

(b) Interest on any Coupon Security that is payable and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the holder of the Coupon that has matured on such Interest Payment Date upon surrender of such Coupon on such Interest Payment Date at the principal London office of the Trustee or at such other Place of Payment outside the United States specified pursuant to Section 3.01.

(c) Interest on any Bearer Security (other than a Coupon Security) that is payable and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the holder of the Bearer Security upon presentation of such Bearer Security and notation thereon on such Interest Payment Date at the principal London office of the Trustee or at such other Place of Payment outside the United States specified pursuant to Section 3.01.

(d) Unless otherwise specified pursuant to Section 3.01, at the direction of the holder of any Bearer Security or Coupon payable in U.S. Dollars, and subject to applicable laws and regulations, payments in respect of such Bearer Security or Coupon will be made by check drawn on a bank in the City of New York or, in accordance with arrangements satisfactory to the Trustee, by wire transfer to a U.S. Dollars account maintained by such holder with a bank

outside the United States. If such payment at the offices of all Paying Agents outside the United States becomes illegal or is effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. Dollars, the Company will appoint an office or agent in the United States at which such payment may be made. Unless otherwise specified pursuant to Section 3.01, at the direction of the holder of any Bearer Security or Coupon payable in a Foreign Currency, payment on such Bearer Security or Coupon will be made by a check drawn on a bank outside the United States or, in accordance with arrangements satisfactory to the Trustee, by wire transfer to an appropriate account maintained by such holder outside the United States. Except as provided in this paragraph, no payment on any Bearer Security or Coupon will be made by mail to an address in the United States or by transfer to an account maintained by the bearer thereof in the United States.

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(e) Any interest on any Security that is payable but is not punctually paid or duly provided for on any Interest Payment Date (herein called "Defaulted Interest") shall, if such Security is a Registered Security, forthwith cease to be payable to the Registered Holder on the relevant Record Date by virtue of his or her having been such a Registered Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (i) or (ii) below:

(i) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names such Registered Securities (or their respective Predecessor Securities) are registered at the close of business on a special record date for the payment of such Defaulted Interest (a "Special Record Date"), which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each such Registered Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 calendar days and not less than 10 calendar days prior to the date of the proposed payment and not less than 10 calendar days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to the holders of such Registered Securities at their addresses as they appear in the Register, not less than 10 calendar days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be

paid to the Persons in whose names such Registered Securities (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (B). In case a Coupon Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at the office or agency in a Place of Payment for such series) on any Special Record Date and before the opening of business (at such office or agency) on the related proposed date of payment of Defaulted Interest, such Coupon Security shall be surrendered without the Coupon relating to such proposed date of payment and Defaulted Interest will not be payable on such proposed date of payment in respect of the Registered Security issued in exchange for such Coupon Security, but will be payable only to the holder of such Coupon when due in accordance with the provisions of this Indenture.

(ii) The Company may make payment of any Defaulted Interest on Registered Securities in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Registered Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the

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Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

(f) Any Defaulted Interest payable in respect of Bearer Securities of any series shall be payable pursuant to such procedures as may be satisfactory to the Trustee in such manner that there is no discrimination between the holders of Registered Securities (if any) and Bearer Securities of such series, and notice of the payment date therefor shall be given by the Trustee, in the name and at the expense of the Company, in the manner provided in Section 16.08, not more than 25 days and not less than 20 days prior to the date of the proposed payment.

(g) Subject to the provisions set forth herein relating to Record Dates, each Security delivered pursuant to any provision of this Indenture in exchange or substitution for, or upon registration of transfer of, any other Security shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 3.09. Cancellation. Unless otherwise specified pursuant to Section 3.01 for Securities of any series, all Securities surrendered for payment, redemption, transfer, exchange or credit against any sinking fund or otherwise and all Coupons surrendered for payment or exchange shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee for cancellation and shall be promptly canceled by it or, if surrendered to the Trustee, shall be promptly canceled by it. The Company may at any time deliver to the Trustee for cancellation any Securities or Coupons previously authenticated and delivered hereunder that the Company may have acquired in any

manner whatsoever, and all Securities or Coupons so delivered shall be promptly canceled by the Trustee. No Securities or Coupons shall be authenticated in lieu of or in exchange for any Securities or Coupons canceled as provided in this Section, except as expressly permitted by this Indenture. The Trustee shall dispose of all canceled Securities and Coupons held by it in accordance with its then customary procedures and deliver a certificate of such disposal to the Company. The acquisition of any Securities or Coupons by the Company shall not operate as a redemption or satisfaction of the indebtedness represented thereby unless and until such Securities or Coupons are surrendered to the Trustee for cancellation.

SECTION 3.10. Computation of Interest. Except as otherwise specified pursuant to Section 3.01 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 3.11. Currency of Payments in Respect of Securities.

(a) Except as otherwise specified pursuant to Section 3.01 for Bearer Securities of any series, payment of the principal of and premium, if any, and interest on Bearer Securities of such series denominated in any Currency will be made in such Currency.

(b) Except as otherwise specified pursuant to Section 3.01 for Registered Securities of any series, payment of the principal of and premium, if any, and interest on Registered Securities of such series will be made in U.S. Dollars.

(c) For purposes of any provision of the Indenture where the holders of Outstanding Securities may perform an action that requires that a specified percentage of the

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Outstanding Securities of all series perform such action and for purposes of any decision or determination by the Trustee of amounts due and unpaid for the principal of and premium, if any, and interest on the Securities of all series in respect of which moneys are to be disbursed ratably, the principal of and premium, if any, and interest on the Outstanding Securities denominated in a Foreign Currency will be the amount in U.S. Dollars based upon exchange rates, determined as specified pursuant to Section 3.01 for Securities of such series, as of the date for determining whether the holders entitled to perform such action have performed it or as of the date of such decision or determination by the Trustee, as the case may be.

(d) Any decision or determination to be made regarding exchange rates shall be made by an agent appointed by the Company; provided, that such agent shall accept such appointment in writing and the terms of such appointment shall, in the opinion of the Company at the time of such appointment, require such agent to make such determination by a method consistent with the method

provided pursuant to Section 3.01 for the making of such decision or determination. All decisions and determinations of such agent regarding exchange rates shall be in its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and irrevocably binding upon the Company, the Guarantor, the Trustee and all holders of the Securities.

SECTION 3.12. Judgments. The Company and the Guarantor may provide pursuant to Section 3.01 for Securities of any series that (a) the obligation, if any, of the Company or the Guarantor, as applicable, to pay the principal of, premium, if any, and interest on the Securities of any series in a Foreign Currency or U.S. Dollars (the "Designated Currency") as may be specified pursuant to Section 3.01 is of the essence and agrees that, to the fullest extent possible under applicable law, judgments in respect of such Securities shall be given in the Designated Currency; (b) the obligation of the Company or the Guarantor, as applicable, to make payments in the Designated Currency of the principal of and premium, if any, and interest on such Securities shall, notwithstanding any payment in any other Currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the Designated Currency that the holder receiving such payment may, in accordance with normal banking procedures, purchase with the sum paid in such other Currency (after any premium and cost of exchange) on the business day in the country of issue of the Designated Currency or in the international banking community (in the case of a composite currency) immediately following the day on which such holder receives such payment; (c) if the amount in the Designated Currency that may be so purchased for any reason falls short of the amount originally due, the Company or the Guarantor, as applicable, shall pay such additional amounts as may be necessary to compensate for such shortfall; and (d) any obligation of the Company or the Guarantor, as applicable, not discharged by such payment shall be due as a separate and independent obligation and, until discharged as provided herein, shall continue in full force and effect.

SECTION 3.13. CUSIP Numbers. The Company in issuing any Securities may use CUSIP numbers, if then generally in use, and thereafter with respect to such series, the Trustee may use such numbers in any notice of redemption or exchange with respect to such series provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such

numbers. The Company will promptly notify the Trustee in writing of any change in the CUSIP numbers.

ARTICLE IV

REDEMPTION OF SECURITIES

SECTION 4.01. Applicability of Right of Redemption. Redemption of Securities (other than pursuant to a sinking fund or analogous provision) permitted by the terms of any series of Securities shall be made in accordance with such terms (except as otherwise specified pursuant to Section 3.01 for Securities of any series) in accordance with this Article; provided, however, that if any such terms of a series of Securities shall conflict with any provision of this Article, the terms of such series shall govern.

SECTION 4.02. Tax Redemption; Special Tax Redemption.

(a) Unless otherwise specified pursuant to Section 3.01, Bearer Securities of any series may be redeemed at the option of the Company in whole, but not in part, at any time, at the Redemption Price thereof (calculated without premium), if the Company has or will become obligated to pay additional interest on such Bearer Securities pursuant to Section 6.02 as a result of any change in, or amendment to, the laws (or any regulation or ruling promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date on which any Person (including any Person acting as underwriter, broker or dealer) agrees to purchase any of such Bearer Securities pursuant to their original issuance, and such obligation cannot be avoided by the Company taking reasonable measures available to it. If the Company elects to redeem Bearer Securities pursuant to this Section 4.02, it shall notify the Trustee and the holders of such Bearer Securities in accordance with Sections 4.03 and 4.04; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of the Bearer Securities of that series then due. Prior to the publication of any notice of redemption pursuant to this Section 4.02(a), the Company shall deliver to the Trustee (i) an Officers' Certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred and (ii) an Opinion of Counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

(b) Unless otherwise specified pursuant to Section 3.01, if the Company shall determine that any payment made outside the United States by the Company or any of its Paying Agents in respect of any Bearer Security or Coupon, if any, that is not a Floating Rate Security (an "Affected Security") would, under any present or future laws or regulations in the United States, be subject to any certification, documentation, information or other reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any Paying Agent or any governmental authority of the nationality, residence or identity of a beneficial owner of such Affected Security that is a United States Alien (other than such a requirement (i) that would not be applicable to a payment made by the Company or any one of its Paying Agents (A) directly to the beneficial owner or (B) to a custodian, nominee or other agent of the beneficial

owner, or (ii) that can be satisfied by such custodian, nominee or other agent certifying to the effect that the beneficial owner is a United States Alien; provided that, in any case referred to in clause (i)(B) or (ii), payment by the custodian, nominee or agent to the beneficial owner is not otherwise subject to any such requirement), then the Company shall elect either (x) to redeem such Affected Securities in whole, but not in part, at the Redemption Price thereof (calculated without premium) or (y) if the conditions of the next succeeding paragraph are satisfied, to pay the additional interest specified in such paragraph. The Company shall make such determination as soon as practicable and publish prompt notice thereof (the "Determination Notice"), stating the effective date of such certification, documentation, information or other reporting requirement, whether the Company elects to redeem the Affected Securities or to pay the additional interest specified in the next succeeding paragraph and (if applicable) the last date by which the redemption of the Affected Securities must take place, as provided in the next succeeding sentence. If any Affected Securities are to be redeemed pursuant to this paragraph, the redemption shall take place on such date, not later than one year after the publication of the Determination Notice, as the Company shall specify by notice given to the Trustee and the holders of the Affected Securities in accordance with Sections 4.03 and 4.04. Notwithstanding the foregoing, the Company shall not so redeem the Affected Securities if the Company shall subsequently determine, not less than 30 days prior to the Redemption Date, that subsequent payments on the Affected Securities would not be subject to any such certification, documentation, information or other reporting requirement, in which case the Company shall publish prompt notice of such subsequent determination, and any earlier redemption notice given pursuant to this paragraph shall be revoked and of no further effect. Prior to the publication of any Determination Notice pursuant to this paragraph, the Company shall deliver to the Trustee (i) an Officers' Certificate stating that the Company is entitled to make such determination and setting forth a statement of facts showing that the conditions precedent to the obligation of the Company to redeem the Affected Securities or to pay the additional interest specified in the next succeeding paragraph have occurred and (ii) an Opinion of Counsel to the effect that such conditions have occurred.

(c) If and so long as the certification, documentation, information or other reporting requirements referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect to pay as additional interest such amounts as may be necessary so that every net payment made outside the United States following the effective date of such requirement by the Company or any of its Paying Agents in respect of any Affected Security of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to the Company, any Paying Agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge that (i) would not be applicable in the circumstances referred to in the parenthetical clause of the first sentence of the preceding

paragraph or (ii) is imposed as a result of presentation of any such Affected Security for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount provided in any such Affected Security to be then due and payable. If the Company elects to pay additional interest pursuant to this paragraph, then the Company shall have the right, but shall not be required, to redeem the Affected Securities at any time in whole, but not in part, at the Redemption Price thereof (calculated without premium), subject to the provisions of

the last three sentences of the immediately preceding paragraph. If the Company elects to pay additional interest pursuant to this paragraph and the condition specified in the first sentence of this paragraph should no longer be satisfied, then the Company shall redeem the Affected Securities in whole, but not in part, at the Redemption Price thereof (calculated without premium), subject to the provisions of the last three sentences of the immediately preceding paragraph. Any redemption payments made by the Company pursuant to the two immediately preceding sentences shall be subject to the continuing obligation of the Company to pay additional interest pursuant to this paragraph. If the Company elects to, or is required to, redeem the Affected Securities pursuant to this paragraph, it shall notify the Trustee and the holders of the Affected Securities thereof in accordance with Sections 4.03 and 4.04.

SECTION 4.03. Selection of Securities to be Redeemed.

(a) If the Company shall at any time elect to redeem all or any portion of the Securities of a series then Outstanding, it shall at least 45 days prior to the Redemption Date fixed by the Company (unless a shorter period shall be satisfactory to the Trustee) notify the Trustee of such Redemption Date and of the principal amount of Securities to be redeemed, and thereupon the Trustee shall select, in such manner as the Trustee shall deem appropriate and fair, the Securities (or portions thereof) of such series to be redeemed. Unless otherwise provided in the Officers' Certificate or supplemental indenture provided for in Section 3.01, no Security of a denomination of \$1,000 shall be redeemed in part and Securities may be redeemed in part only in integral multiples of \$1,000. In any case where more than one Registered Security of such series is registered in the same name, the Trustee in its discretion may treat the aggregate principal amount so registered as if it were represented by one Registered Security of such series. The Trustee shall, as soon as practicable, notify the Company in writing of the Securities and portions of Securities so selected.

(b) For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Security redeemed or to be redeemed only in part, to the portion of the principal amount of such Security that has been or is to be redeemed.

(a) The election of the Company to redeem any Securities of any series shall be evidenced by a Board Resolution. Notice of redemption shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company, not less than 30 nor more than 60 days prior to the Redemption Date, to the holders of Securities of any series to be redeemed in whole or in part pursuant to this Article, in the manner provided in Section 16.08. Any notice so given shall be conclusively presumed to have been duly given, whether or not the holder receives such notice. Failure to give such notice, or any defect in such notice to the holder of any Security of a series designated for redemption, in whole or in part, shall not affect the sufficiency of any notice of redemption with respect to the holder of any other Security of such series.

(b) All notices of redemption shall identify the Securities to be redeemed (including CUSIP numbers) and shall state:

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(i) such election by the Company to redeem Securities of such series pursuant to provisions contained in this Indenture or the terms of the Securities of such series or a supplemental indenture establishing such series, if such be the case;

(ii) the Redemption Date;

(iii) the Redemption Price;

(iv) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Securities to be redeemed;

(v) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed, and that interest thereon, if any, shall cease to accrue on and after said date;

(vi) that, unless otherwise specified in such notice, Coupon Securities of any series, if any, surrendered for redemption must be accompanied by all Coupons maturing subsequent to the date fixed for redemption, failing which the amount of any such missing Coupon or Coupons will be deducted from the Redemption Price;

(vii) the Place or Places of Payment where such Securities are to be surrendered for payment of the Redemption Price, and that the Securities designated in such notice for redemption are required to be presented on or after such Redemption Date at the designated Place of Payment;

(viii) if Bearer Securities of any series are to be redeemed and any Registered Securities of such series are not to be redeemed, and if such

Bearer Securities may be exchanged for Registered Securities not subject to redemption on this Redemption Date pursuant to Section 3.06(c) or otherwise, the last date on which such exchanges may be made;

(ix) that the redemption is for a sinking fund, if such is the case; and

(x) if any Security of any series is to be redeemed in part, that on and after the Redemption Date, upon surrender of such Security and any Coupons appertaining thereto, such Security and any Coupons appertaining thereto will be canceled and a new Security or Securities of such series in aggregate principal amount equal to the unredeemed portion thereof and with appropriate Coupons will be issued and delivered without charge to the holder or, in the case of Securities providing appropriate space for such notation, at the option of the holders, the Trustee, in lieu of delivering a new Security or Securities as aforesaid, may make a notation on such Security of the payment of the redeemed portion thereof.

SECTION 4.05. Deposit of Redemption Price. On or prior to 10 a.m., New York City time, on the Redemption Date for any Registered Securities, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 6.04) an amount of money in the

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Currency in which such Securities are denominated (except as provided pursuant to Section 3.01) sufficient to pay the Redemption Price of such Securities or any portions thereof that are to be redeemed on that date. In the case of any redemption pertaining to Bearer or Coupon Securities, the Company shall, no later than the Business Day prior to such Redemption Date, deposit with the Trustee or with a Paying Agent (other than the Company) an amount of money in the Currency in which such Securities are denominated (except as provided pursuant to Section 3.01) sufficient to pay the Redemption Price of such Securities or any portion thereof that are to be redeemed on the Redemption Date.

SECTION 4.06. Securities Payable on Redemption Date. Notice of redemption having been given as aforesaid, any Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price and from and after such date (unless the Company shall Default in the payment of the Redemption Price) such Securities shall cease to bear interest and any Coupons for such interest appertaining to any such Securities to be redeemed, except to the extent described below, shall be void. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price; provided, however, that installments of interest that have a Stated Maturity on or prior to the

Redemption Date for such Securities shall be payable according to the terms of such Securities and the provisions of Section 3.08.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and premium, if any, shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

If any Coupon Security surrendered for redemption shall not be accompanied by all Coupons appertaining thereto maturing on or after the Redemption Date, the Redemption Price for such Coupon Security may be reduced by an amount equal to the face amount of all such missing Coupons. If thereafter the holder of such Coupon shall surrender to any Paying Agent outside the United States any such missing Coupon in respect of which a deduction shall have been made from the Redemption Price, such holder shall be entitled to receive the amount so deducted. The surrender of such missing Coupon or Coupons may be waived by the Company and the Trustee, if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless.

SECTION 4.07. Securities Redeemed in Part. Any Security that is to be redeemed only in part shall be surrendered at the Corporate Trust Office or such other office or agency of the Company as is specified pursuant to Section 3.01 (in the case of Registered Securities) and at the principal London office of the Trustee or such other office or agency of the Company outside the United States as is specified pursuant to Section 3.01 (in the case of Bearer Securities) with, if the Company, the Registrar or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company, the Registrar and the Trustee duly executed by, the holder thereof or his attorney duly authorized in writing, and the Company shall execute, and the Trustee shall authenticate and deliver to the holder of such Security without service charge, a new Security or Securities of the same series, of like tenor and form, of any authorized denomination as requested by such holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered, and, in the case of a Coupon Security, with appropriate Coupons attached; except that if a Global Security is so surrendered, the Company shall execute, and the Trustee shall

authenticate and deliver to the Depositary for such Global Security, without service charge, a new Global Security in a denomination equal to and in exchange for the unredeemed portion of the principal of the Global Security so surrendered. In the case of a Security providing appropriate space for such notation, at the option of the holder thereof, the Trustee, in lieu of delivering a new Security or Securities as aforesaid, may make a notation on such Security of the payment of the redeemed portion thereof.

ARTICLE V

SINKING FUNDS

SECTION 5.01. Applicability of Sinking Fund.

(a) Redemption of Securities permitted or required pursuant to a sinking fund for the retirement of Securities of a series by the terms of such series of Securities shall be made in accordance with such terms of such series of Securities and this Article, except as otherwise specified pursuant to Section 3.01 for Securities of such series, provided, however, that if any such terms of a series of Securities shall conflict with any provision of this Article, the terms of such series shall govern.

(b) The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "Mandatory Sinking Fund Payment," and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an "Optional Sinking Fund Payment." If provided for by the terms of Securities of any series, the cash amount of any Mandatory Sinking Fund Payment may be subject to reduction as provided in Section 5.02.

SECTION 5.02. Mandatory Sinking Fund Obligation. The Company may, at its option, satisfy any Mandatory Sinking Fund Payment obligation, in whole or in part, with respect to a particular series of Securities by (1) delivering to the Trustee Securities of such series in transferable form (together with the unmatured Coupons, if any, appertaining thereto) theretofore purchased or otherwise acquired by the Company or redeemed at the election of the Company pursuant to Section 4.03 or (2) receiving credit for Securities of such series (together with the unmatured Coupons, if any, appertaining thereto) (not previously so credited) acquired by the Company and theretofore delivered to the Trustee. The Trustee shall credit such Mandatory Sinking Fund Payment obligation with an amount equal to the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such Mandatory Sinking Fund Payment shall be reduced accordingly. If the Company shall elect to so satisfy any Mandatory Sinking Fund Payment obligation, it shall deliver to the Trustee not less than 45 days prior to the relevant sinking fund payment date a written notice signed on behalf of the Company by its Chairman of the Board of Directors, its President, one of its Vice Presidents, its Treasurer or one of its Assistant Treasurers, which shall designate the Securities (and portions thereof, if any) so delivered or credited and which shall be accompanied by such Securities (together with the unmatured Coupons, if any, appertaining thereto) (to the extent not theretofore delivered) in transferable form. In case of the failure of the Company, at or before the time so required, to give such notice and deliver such Securities the Mandatory Sinking Fund Payment obligation shall be paid entirely in moneys.

SECTION 5.03. Optional Redemption at Sinking Fund Redemption Price. In addition to the sinking fund requirements of Section 5.02, to the extent, if any, provided for by the terms of a particular series of Securities, the Company may, at its option, make an Optional Sinking Fund Payment with respect to such Securities. Unless otherwise provided by such terms, (a) to the extent that the right of the Company to make such Optional Sinking Fund Payment shall not be exercised in any year, it shall not be cumulative or carried forward to any subsequent year, and (b) such optional payment shall operate to reduce the amount of any Mandatory Sinking Fund Payment obligation as to Securities of the same series. If the Company intends to exercise its right to make such optional payment in any year it shall deliver to the Trustee not less than 45 days prior to the relevant sinking fund payment date a certificate signed by its Chairman of the Board of Directors, its President, one of its Vice President, its Treasurer or one of its Assistant Treasurers stating that the Company will exercise such optional right, and specifying the amount which the Company will pay on or before the next succeeding sinking fund payment date. Such certificate shall also state that no Event of Default has occurred and is continuing.

SECTION 5.04. Application of Sinking Fund Payment.

(a) If the sinking fund payment or payments made in funds pursuant to either Section 5.02 or 5.03 with respect to a particular series of Securities plus any unused balance of any preceding sinking fund payments made in funds with respect to such series shall exceed \$50,000 (or a lesser sum if the Company shall so request, or such equivalent sum for Securities denominated other than in U.S. Dollars), it shall be applied by the Trustee on the sinking fund payment date next following the date of such payment, unless the date of such payment shall be a sinking fund payment date, in which case such payment shall be applied on such sinking fund payment date, to the redemption of Securities of such series at the redemption price specified in Section 4.04(b). The Trustee shall select, in the manner provided in Section 4.03, for redemption on such sinking fund payment date, a sufficient principal amount of Securities of such series to absorb said funds, as nearly as may be, and shall, at the expense and in the name of the Company, thereupon cause notice of redemption of the Securities to be given in substantially the manner provided in Section 4.04(a) for the redemption of Securities in part at the option of the Company, except that the notice of redemption shall also state that the Securities are being redeemed for the sinking fund. Any sinking fund moneys not so applied by the Trustee to the redemption of Securities of such series shall be added to the next sinking fund payment received in funds by the Trustee and, together with such payment, shall be applied in accordance with the provisions of this Section 5.04. Any and all sinking fund moneys held by the Trustee on the last sinking fund payment date with respect to Securities of such series, and not held for the payment or redemption of particular Securities of such series, shall be applied by the Trustee to the payment of the principal of the Securities of such series at maturity.

(b) On or prior to each sinking fund payment date, the Company shall pay to the Trustee a sum equal to all interest accrued to the date fixed for

redemption on Securities to be redeemed on such sinking fund payment date pursuant to this Section 5.04.

(c) The Trustee shall not redeem any Securities of a series with sinking fund moneys or mail any notice of redemption of Securities of such series by operation of the sinking fund during the continuance of a Default in payment of interest on any Securities of such series or of any Event of Default (other than an Event of Default occurring as a consequence of this

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paragraph) of which the Trustee has actual knowledge, except that if the notice of redemption of any Securities of such series shall theretofore have been mailed in accordance with the provisions hereof, the Trustee shall redeem such Securities if funds sufficient for that purpose shall be deposited with the Trustee in accordance with the terms of this Article. Except as aforesaid, any moneys in the sinking fund at the time any such default or Event of Default shall occur and any moneys thereafter paid into the sinking fund shall, during the continuance of such default or Event of Default, be held as security for the payment of all the Securities of such series; provided, however, that in case such default or Event of Default shall have been cured or waived as provided herein, such moneys shall thereafter be applied on the next sinking fund payment date on which such moneys are required to be applied pursuant to the provisions of this Section 5.04.

ARTICLE VI

PARTICULAR COVENANTS OF THE COMPANY

The Company hereby covenants and agrees as follows:

SECTION 6.01. Payments of Securities. The Company will duly and punctually pay the principal of and premium, if any, on each series of Securities, and the interest which shall have accrued thereon, and pay any Coupons, at the dates and place and in the manner provided in the Securities, the Coupons and in this Indenture. Any interest due on Coupon Securities on or before Maturity, other than additional interest, if any, payable as provided in Section 6.02 in respect of principal of (or premium, if any, on) such a Security, shall be payable only upon presentation and surrender of the several Coupons for such interest installments as are evidenced thereby as they severally mature.

SECTION 6.02. Payment of Additional Interest. Unless otherwise provided pursuant to Section 3.01, the provisions of this Section 6.02 shall be applicable to Bearer Securities of any series.

(a) The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the holder of any Bearer Security or

Coupon that is a United States Alien such amounts as may be necessary so that every net payment on such Bearer Security or Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided in such Bearer Security or Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest for or on account of:

(i) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such holder (or between a fiduciary, settlor or beneficiary of, or a person holding a power over, such holder, if such holder is an estate or a trust, or a member or shareholder of such holder, if such holder is a partnership or corporation) and the United States, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, person holding a power, member or shareholder) being or having been a citizen or resident thereof or

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being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such holder's past or present status as a personal holding company, foreign personal holding company or private foundation or other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(ii) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(iii) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of a Bearer Security or Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurs later;

(iv) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on a Bearer Security or Coupon;

(v) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on a Bearer Security or Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent;

(vi) any tax, assessment or other governmental charge that would not have been imposed but for a failure to comply with applicable certification, documentation, information or other reporting requirement concerning the nationality, residence, identity or connection with the

United States of the holder or beneficial owner of a Bearer Security or Coupon if, without regard to any tax treaty, such compliance is required by statute or regulation of the United States as a condition to relief or exemption from such tax, assessment or other governmental charge; or

(vii) any tax, assessment or other governmental charge imposed on a holder that actually or constructively owns 10 percent or more of the combined voting power of all classes of stock of the Company or that is a controlled foreign corporation related to the Company through stock ownership;

nor shall additional interest be paid with respect to a payment on a Bearer Security or Coupon to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the holder of such Bearer Security or Coupon.

(b) Whenever in this Indenture there is mentioned, in any context, the payment of the principal of or premium, if any, or interest on any Security or payment with respect to any Coupon of any series, such mention shall be deemed to include mention of the payment of additional interest provided for in the terms of such Securities and this Section to the extent that, in such context, additional interest is, was or would be payable in respect thereof pursuant to the provisions of this Section and express mention of the payment of additional

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interest (if applicable) in any provisions hereof shall not be construed as excluding additional interest in those provisions hereof where such express mention is not made.

(c) If the payment of additional interest becomes required in respect of the Securities of a series, at least ten days prior to the first Interest Payment Date with respect to which such additional interest will be payable (or if the Securities of that series will not bear interest prior to Maturity, the first day on which a payment of principal and premium, if any, is made and on which such additional interest will be payable), and at least ten days prior to each date of payment of principal and premium, if any, or interest if there has been any change with respect to the matters set forth in the below mentioned Officers' Certificate, the Company will furnish the Trustee and each Paying Agent with an Officers' Certificate that shall specify by country the amount, if any, required to be withheld on such payments to holders of Securities or Coupons that are United States Aliens, and the Company will pay to the Trustee or such Paying Agent the additional interest, if any, required by the terms of such Securities and this Section. The Company covenants to indemnify the Trustee and any Paying Agent for, and to hold them harmless against, any loss, liability or expense reasonably incurred without negligence

or bad faith on their part arising out of or in connection with actions taken or omitted by any of them in reliance on any Officers' Certificate furnished pursuant to this Section 6.02.

SECTION 6.03. Paying Agent.

(a) The Company will maintain in each Place of Payment for any series of Securities and Coupons, if any, an office or agency where Securities and Coupons of such series (but, except as otherwise provided in Section 3.08, unless such Place of Payment is located outside the United States, not Bearer Securities or Coupons) may be presented or surrendered for payment, where Securities of such series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities and Coupons of such series and this Indenture may be served (the "Paying Agent"). So long as any Bearer Securities of any series remain outstanding, the Company will maintain for such purposes one or more offices or agencies outside the United States in such city or cities specified pursuant to Section 3.01 and, if any Bearer Securities are listed on a securities exchange that requires an office or agency for the payment of principal of and premium, if any, or interest on such Bearer Securities in a location other than the location of an office or agency specified pursuant to Section 3.01, the Company will maintain for such purposes an office or agency in such location so long as any Bearer Securities are listed on such securities exchange and such exchange so requires. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee (in the case of Registered Securities) and at the principal London office of the Trustee (in the case of Bearer Securities), and the Company hereby appoints the Trustee as its agent to receive all presentations, surrenders, notices and demands.

(b) The Company may also from time to time designate different or additional offices or agencies to be maintained for such purposes (in or outside of such Place of Payment), and may from time to time rescind any such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligations described in

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the preceding paragraph. The Company will give prompt written notice to the Trustee of any such additional designation or rescission of designation and any change in the location of any such different or additional office or agency.

SECTION 6.04. To Hold Payment in Trust.

(a) If the Company, the Guarantor or an Affiliate of either the Company or the Guarantor shall at any time act as Paying Agent with respect to any series of Securities and Coupons, if any, then, on or before the date on

which the principal of and premium, if any, or interest on any of the Securities of that series by their terms or as a result of the calling thereof for redemption shall become payable, the Company, the Guarantor or such Affiliate will set apart and segregate and hold in trust for the benefit of the holders of such Securities or the Trustee a sum sufficient to pay such principal and premium, if any, or interest which shall have so become payable until such sums shall be paid to such holders or otherwise disposed of as herein provided, and will notify the Trustee of its action or failure to act in that regard and of any action or failure by the Company, the Guarantor or any other obligor upon the Securities of that series to make any such payment. Upon any proceeding under any federal bankruptcy laws with respect to the Company or the Guarantor or any Affiliate of the Company or the Guarantor, if the Company, the Guarantor or such Affiliate is then acting as Paying Agent, the Trustee shall replace the Company, the Guarantor or such Affiliate as Paying Agent.

(b) If the Company shall appoint, and at the time have, a Paying Agent for the payment of the principal of and premium, if any, or interest on any series of Securities and Coupons, then prior to 10 a.m., New York City time, on the date on which the principal of and premium, if any, or interest on any of the Securities of that series shall become payable as aforesaid, whether by their terms or as a result of the calling thereof for redemption, the Company will deposit with such Paying Agent a sum sufficient to pay such principal and premium, if any, or interest, such sum to be held in trust for the benefit of the holders of such Securities.

(c) If such Paying Agent shall be other than the Trustee, the Company will cause such Paying Agent to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section 6.03, that such Paying Agent shall:

(i) hold all moneys held by it for the payment of the principal of and premium, if any, or interest on the Securities of that series and any related Coupons in trust for the benefit of the holders of such Securities until such sums shall be paid to such holders or otherwise disposed of as herein provided;

(ii) give to the Trustee notice of any Default by the Company, the Guarantor or any other obligor upon the Securities of that series in the making of any payment of the principal of and premium, if any, or interest on the Securities of that series or any payment on any related Coupons when the same shall have become due and payable; and

(iii) at any time during the continuance of any such Default, upon the written request of the Trustee, pay to the Trustee all sums so held in trust by such Paying Agent.

(d) Anything in this Section 6.04 to the contrary notwithstanding, the Company may at any time, for the purpose of obtaining a release, satisfaction or discharge of this Indenture or for any other reason, pay or cause to be paid to the Trustee all sums held in trust by the Company or by any Paying Agent other than the Trustee as required by this Section 6.04, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent.

(e) Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of and premium, if any, or interest on any Security of any series or the payment of any related Coupon and remaining unclaimed for two years after such principal and premium, if any, or interest has become due and payable shall be paid to the Company upon Company Request, or (if then held by the Company) shall be discharged from such trust, and the holder of such Security or Coupon shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof (except as with regards to the Guarantee), and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent before being required to make any such repayment, may at the expense of the Company cause to be transmitted in the manner and to the extent provided by Section 16.08, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification, any unclaimed balance of such money then remaining will be repaid to the Company.

SECTION 6.05. Merger, Consolidation and Sale of Assets.

(a) The Company will not consolidate with any other entity or accept a merger of any other entity into the Company or permit the Company to be merged into any other entity, or sell other than for cash or lease all or substantially all its assets to another entity, or purchase all or substantially all the assets of another entity, unless (i) either the Company shall be the continuing entity, or the successor, transferee or lessee entity (if other than the Company) shall expressly assume, by indenture supplemental hereto satisfactory to the Trustee, executed and delivered by such entity prior to or simultaneously with such consolidation, merger, sale or lease, the due and punctual payment of the principal of and interest and premium, if any, on all the Securities (and Coupons, if any), according to their tenor, and the due and punctual performance and observance of all other obligations to the holders and the Trustee under this Indenture or under the Securities (and Coupons, if any) to be performed or observed by the Company; and (ii) immediately after such consolidation, merger, sale, lease or purchase the Company or the successor, transferee or lessee entity (if other than the Company) would not be in Default in the performance of any covenant or condition of this Indenture. A purchase by a Subsidiary of all or substantially all of the assets of another entity shall not be deemed to be a purchase of such assets by the Company.

(b) Upon any consolidation with or merger into any other entity, or

any conveyance or lease of all or substantially all of the assets of the Company in accordance with this Section 6.05, the successor entity formed by such consolidation or into or with which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor entity had been named as the Company herein, and

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thereafter, except in the case of a lease, the predecessor Company shall be relieved of all obligations and covenants under this Indenture and the Securities and Coupons.

SECTION 6.06. Compliance Certificate. The Company shall furnish to the Trustee annually, within 120 days after the end of each fiscal year, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer as to his or her knowledge of the Company's compliance with all conditions and covenants under this Indenture (which compliance shall be determined without regard to any period of grace or requirement of notice provided under this Indenture) and, in the event of any Default, specifying each such Default and the nature and status thereof of which such person may have knowledge. Such certificates need not comply with Section 16.02 of this Indenture.

SECTION 6.07. Conditional Waiver by Holders of Securities. Anything in this Indenture to the contrary notwithstanding, the Company or any Subsidiary may fail or omit in any particular instance to comply with a covenant or condition set forth in Section 6.05 with respect to any series of Securities if the Company shall have obtained and filed with the Trustee, prior to the time of such failure or omission, evidence (as provided in Article Eight) of the consent of the holders of a majority in aggregate principal amount of the Securities of such series at the time Outstanding, either waiving such compliance in such instance or generally waiving compliance with such covenant or condition, but no such waiver shall extend to or affect any obligation not waived by the terms of such waiver or impair any right consequent thereon.

SECTION 6.08. Statement by Officers as to Default. The Company shall deliver to the Trustee and the Guarantor, as soon as possible and in any event within five days after the Company becomes aware of the occurrence of any Event of Default or an event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default, an Officer's Certificate setting forth the details of such Event of Default or Default and the action which the Company proposes to take with respect thereto.

ARTICLE VII

SECTION 7.01. Events of Default. Except where otherwise indicated by the context or where the term is otherwise defined for a specific purpose, the term "Event of Default" as used in this Indenture with respect to Securities of any series shall mean one of the following described events unless it is either inapplicable to a particular series or it is specifically deleted or modified in the supplemental indenture, if any, under which such series of Securities is issued:

(a) the failure of the Company to pay any installment of interest on any Security of such series or to make any payment with respect to the related Coupons, if any, when and as the same shall become payable, which failure shall have continued unremedied for a period of 30 days;

(b) the failure of the Company to pay the principal of (and premium, if any, on) any Security of such series, when and as the same shall become payable, whether at Maturity

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as therein expressed, by call for redemption (otherwise than pursuant to a sinking fund), by declaration as authorized by this Indenture or otherwise;

(c) the failure of the Company to pay a sinking fund installment, if any, when and as the same shall become payable by the terms of a Security of such series, which failure shall have continued unremedied for a period of 30 days;

(d) the failure of the Company, subject to the provisions of Section 6.08, or the Guarantor to observe and perform any other of the covenants or agreements on the part of the Company or the Guarantor, as applicable, contained in this Indenture (including any indenture supplemental hereto pursuant to which the Securities of such series were issued as contemplated by Section 3.01) (other than a covenant or agreement which has been expressly included in this Indenture solely for the benefit of a series of Securities other than that series), which failure shall not have been remedied to the satisfaction of the Trustee, or without provision deemed by the Trustee to be adequate for the remedying thereof having been made, for a period of 90 days after written notice shall have been given to the Company and the Guarantor by the Trustee or shall have been given to the Company, the Guarantor and the Trustee by holders of 25% or more in aggregate principal amount of the Securities of such series then Outstanding, specifying such failure and requiring the Company or the Guarantor to remedy the same;

(e) the entry by a court having jurisdiction in the premises of a decree or order for relief in respect of the Company and the Guarantor in an

involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Company and the Guarantor or of substantially all the property of the Company and the Guarantor or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of 90 consecutive days;

(f) the commencement by the Company and the Guarantor of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or the consent by the Company and the Guarantor to the entry of an order for relief in an involuntary case under any such law, or the consent by the Company and the Guarantor to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator (or similar official) of the Company and the Guarantor or of substantially all the property of the Company and the Guarantor or the making by it of an assignment for the benefit of creditors or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company and the Guarantor in furtherance of any action; or

(g) the occurrence of any other Event of Default with respect to Securities of such series as provided in a supplemental indenture or Officers' Certificate, if any, applicable to such series of Securities.

SECTION 7.02. Acceleration; Recission and Annulment.

(a) If any one or more of the above-described Events of Default shall happen with respect to Securities of any series at the time Outstanding, then, and in each and every such

case, during the continuance of any such Event of Default, the Trustee or the holders of 25% or more in principal amount of the Securities of such series then Outstanding may (and upon the written request of the holders of a majority in principal amount of such Securities then Outstanding, the Trustee shall) declare the principal (or, if the Securities of that series are Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of that series) of and all accrued but unpaid interest on all the Securities of such series then Outstanding, if not then due and payable, to be due and payable, and upon any such declaration the same shall become and be immediately due and payable, anything in this Indenture or in the Securities of such series contained to the contrary notwithstanding; provided that no Event of Default with respect to Securities of a series, except with respect to an Event

of Default under subsections (e) and (f) of Section 7.01 and except to the extent otherwise provided in subsection (d) of Section 7.01, shall constitute an Event of Default with respect to Securities of any other series. Upon payment of such amounts in the Currency in which such Securities are denominated (except as otherwise provided pursuant to Section 3.01), all obligations of the Company in respect of the payment of principal of and interest on the Securities of such series shall terminate.

(b) This provision, however, is subject to the condition that, if at any time after the principal of all the Securities of such series, to which any one or more of the above-described Events of Default is applicable, shall have been so declared to be due and payable, and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided,

(i) the Company has paid or deposited with the Paying Agent a sum in the Currency in which such Securities are denominated (except as otherwise provided pursuant to Section 3.01) sufficient to pay

(A) all arrears of interest, if any, upon all the Securities of such series (and all overdue payments with respect to any related Coupons) (with interest, to the extent that interest thereon shall be legally enforceable, on any overdue installment of interest at the rate borne by the Securities or Coupons of such series);

(B) the principal of and premium, if any, on any Securities of such series that have become due otherwise than by such declaration of acceleration and interest thereon;

(C) all amounts owing the Trustee and any predecessor trustee hereunder under Section 11.01(a) (provided, however, that all sums payable under this clause (C) shall be paid in U.S. Dollars); and

(D) all other sums payable under this Indenture (except the principal of the Securities of such series which would not be due and payable were it not for such declaration), shall be paid by the Company or the Guarantor; and

(ii) every other Default and Event of Default under this Indenture shall have been made good to the reasonable satisfaction of the Trustee or of the holders of a majority in principal amount of the Securities of such series then Outstanding, or provision deemed by the Trustee or by such holders to be adequate therefor shall have been made, then and in every such case the holders of a majority in principal amount of

the Securities of such series then Outstanding may, by written notice to the Company, the Guarantor and the Trustee, on behalf of the holders of

all the Securities of such series, waive the Event of Default by reason of which the principal of the Securities of such series shall have been so declared to be due and payable and may rescind and annul such declaration and its consequences; provided, however, that no such waiver, rescission or annulment shall extend to or affect any subsequent Default or Event of Default or impair any right consequent thereon.

(c) Any declaration by the Trustee pursuant to this Section 7.02 shall be by written notice to the Company and the Guarantor, and any declaration or waiver by the holders of Securities of any series pursuant to this Section 7.02 shall be by written notice to the Company, the Guarantor and the Trustee.

(d) For all purposes under this Indenture, if a portion of the principal of any Discount Securities shall have been accelerated and declared due and payable pursuant to the provisions hereof, then, from and after such declaration, unless such declaration has been rescinded and annulled, the principal amount of such Discount Securities shall be deemed, for all purposes hereunder, to be such portion of the principal thereof as shall be due and payable as a result of such acceleration, and payment of such portion of the principal thereof as shall be due and payable as a result of such acceleration, together with interest, if any, thereon and all other amounts owing thereunder, shall constitute payment in full of such Discount Securities.

(e) The Company, the Guarantor and the Trustee may, to the extent provided in Section 14.01, enter into one or more indentures supplemental hereto with respect to any series of the Securities which may provide for additional or different Events of Default with respect to such series of Securities.

SECTION 7.03. Other Remedies. If the Company shall fail for a period of 30 days to pay any installment of interest on the Securities (and Coupons, if any) of any series or shall fail to pay the principal of and premium, if any, on any of the Securities of such series when and as the same shall become due and payable, whether at Maturity, or by call for redemption (other than pursuant to the sinking fund), by declaration as authorized by this Indenture, or otherwise, or shall fail for a period of 30 days to make any sinking fund payment as to a series of Securities, then, upon demand of the Trustee, the Company will pay to the Paying Agent for the benefit of the holders of Securities of such series then Outstanding the whole amount which then shall have become due and payable on all the Securities of such series, with interest on the overdue principal and premium, if any, and (so far as the same may be legally enforceable) on the overdue installments of interest at the rate borne by the Securities of such series, and all amounts owing the Trustee and any predecessor trustee hereunder under Section 11.01(a).

In case the Company shall fail forthwith to pay such amounts upon such

demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceeding at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Company or any other obligor upon the Securities of such series, and collect the moneys adjudged or decreed to be payable out of the property of the Company or any other obligor upon the Securities of such series, wherever

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situated, in the manner provided by law. Every recovery of judgment in any such action or other proceeding, subject to the payment to the Trustee of all amounts owing the Trustee and any predecessor trustee hereunder under Section 11.01(a), shall be for the ratable benefit of the holders of such series of Securities which shall be the subject of such action or proceeding. All rights of action upon or under any of the Securities or this Indenture may be enforced by the Trustee without the possession of any of the Securities and without the production of any thereof at any trial or any proceeding relative thereto.

SECTION 7.04. Trustee as Attorney-in-Fact. The Trustee is hereby appointed, and each and every holder of the Securities, by receiving and holding the same, shall be conclusively deemed to have appointed the Trustee, the true and lawful attorney-in-fact of such holder, with authority to make or file (whether or not the Company shall be in Default in respect of the payment of the principal of, or interest on, any of the Securities), in its own name and as trustee of an express trust or otherwise as it shall deem advisable, in any receivership, insolvency, liquidation, bankruptcy, reorganization or other judicial proceeding relative to the Company or any other obligor upon the Securities or to their respective creditors or property, any and all claims, proofs of claim, proofs of debt, petitions, consents, other papers and documents and amendments of any thereof, as may be necessary or advisable in order to have the claims of the Trustee and any predecessor trustee hereunder and of the holders of the Securities allowed in any such proceeding and to collect and receive any moneys or other property payable or deliverable on any such claim, and to execute and deliver any and all other papers and documents and to do and perform any and all other acts and things, as it may deem necessary or advisable in order to enforce in any such proceeding any of the claims of the Trustee and any predecessor trustee hereunder and of any of such holders in respect of any of the Securities; and any receiver, assignee, trustee, custodian or debtor in any such proceeding is hereby authorized, and each and every taker or holder of the Securities, by receiving and holding the same, shall be conclusively deemed to have authorized any such receiver, assignee, trustee, custodian or debtor, to make any such payment or delivery only to or on the order of the Trustee, and to pay to the Trustee any amount due it and any predecessor trustee hereunder under Section 11.01(a); provided, however, that nothing herein contained shall be deemed to authorize or empower the Trustee to consent to or accept or adopt, on behalf of any holder of Securities, any plan of reorganization or readjustment affecting the Securities or the rights of any holder thereof, or to authorize or

empower the Trustee to vote in respect of the claim of any holder of any Securities in any such proceeding.

SECTION 7.05. Priorities. Any moneys collected by the Trustee with respect to a series of Securities under this Article Seven shall be applied in the order following, at the date or dates fixed by the Trustee for the distribution of such moneys, upon presentation of the several Securities, and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

First: To the payment of all amounts due to the Trustee and any predecessor trustee hereunder under Section 11.01(a).

Second: In case the principal of the Outstanding Securities of such series shall not have become due and be unpaid, to the payment of interest on the Securities of such series, in the order of the Maturity of the installments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue

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installments of interest at the rate borne by such Securities, such payments to be made ratably to the Persons entitled thereto.

Third: In case the principal of the Outstanding Securities of such series shall have become due, by declaration or otherwise, to the payment of the whole amount then owing and unpaid upon the Securities of such series for principal and premium, if any, and interest, with interest on the overdue principal and premium, if any, and (to the extent that such interest has been collected by the Trustee) upon overdue installments of interest at the rate borne by the Securities of such series, and in case such moneys shall be insufficient to pay in full the whole amounts so due and unpaid upon the Securities of such series, then to the payment of such principal and premium, if any, and interest without preference or priority of principal and premium, if any, over interest, or of interest over principal and premium, if any, or of any installment of interest over any other installment of interest, or of any Security of such series over any other Security of such series, ratably to the aggregate of such principal and premium, if any, and accrued and unpaid interest.

Any surplus then remaining shall be paid to the Company or to such other Persons as shall be entitled to receive it.

SECTION 7.06. Waiver of Past Defaults. The holders of a majority in principal amount of the Securities of any series at the time Outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee hereunder, or of exercising any trust or power hereby conferred upon the Trustee with respect to the Securities of such series, provided, however, that, subject to the provisions of Sections 11.01 and 11.02,

the Trustee shall have the right to decline to follow any such direction if the Trustee being advised by counsel determines that the action so directed may not lawfully be taken or would be unduly prejudicial to holders not joining in such direction or would involve the Trustee in personal liability. Prior to any declaration accelerating the Maturity of the Securities of any series, the holders of a majority in aggregate principal amount of such series of Securities at the time Outstanding may on behalf of the holders of all of the Securities of such series waive any past Default or Event of Default hereunder and its consequences except a Default in the payment of interest or any premium on or the principal of the Securities of such series. Upon any such waiver the Company, the Guarantor, the Trustee and the holders of the Securities of such series shall be restored to their former positions and rights hereunder, respectively; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. Whenever any Default or Event of Default hereunder shall have been waived as permitted by this Section 7.06, said Default or Event of Default shall for all purposes of the Securities of such series and this Indenture be deemed to have been cured and to be not continuing.

SECTION 7.07. Control by Holders. No holder of any Security of any series shall have any right to institute any action, suit or proceeding at law or in equity for the execution of any trust hereunder or for the appointment of a receiver or for any other remedy hereunder, in each case with respect to an Event of Default with respect to such series of Securities, unless such holder previously shall have given to the Trustee written notice of the happening of one or more of the Events of Default herein specified with respect to such series of Securities, and unless also the holders of 25% in principal amount of the Securities of such series

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then Outstanding shall have requested the Trustee in writing to take action in respect of the matter complained of, and unless also there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee, for 60 days after receipt of such notification, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding; and such notification, request and offer of indemnity are hereby declared in every such case to be conditions precedent to any such action, suit or proceeding by any holder of any Security of such series; it being understood and intended that no one or more of the holders of Securities of such series shall have any right in any manner whatsoever by his or their action to enforce any right hereunder, except in the manner herein provided, and that every action, suit or proceeding at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of the Outstanding Securities of such series; provided, however, that nothing in this Indenture or in the Securities of such series shall affect or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, premium, if any, and interest on the Securities of such series to the respective holders of such Securities at the respective due dates

in such Securities stated, or affect or impair the right, which is also absolute and unconditional, of such holders to institute suit to enforce the payment thereof.

SECTION 7.08. Legal Fees. All parties to this Indenture and the holders of the Securities agree that the court may in its discretion require, in any action, suit or proceeding for the enforcement of any right or remedy under this Indenture, or in any action, suit or proceeding against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such action, suit or proceeding of an undertaking to pay the costs of such action, suit or proceeding, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such action, suit or proceeding, having due regard to the merits and good faith of the claims or defenses made by such party litigant; provided, however, that the provisions of this Section 7.08 shall not apply to any action, suit or proceeding instituted by the Trustee, to any action, suit or proceeding instituted by any one or more holders of Securities holding in the aggregate more than 10% in principal amount of the Securities of any series Outstanding, or to any action, suit or proceeding instituted by any holder of Securities of any series for the enforcement of the payment of the principal of or premium, if any, or the interest on, any of the Securities of such series, on or after the respective due dates expressed in such Securities.

SECTION 7.09. Remedies Cumulative. No remedy herein conferred upon or reserved to the Trustee or to the holders of Securities of any series is intended to be exclusive of any other remedy or remedies, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of the Trustee or of any holder of the Securities of any series to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Default or Event of Default or an acquiescence therein; and every power and remedy given by this Article Seven to the Trustee and to the holders of Securities of any series, respectively, may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the holders of Securities of such series, as the case may be. In case the Trustee or any holder of Securities of any series shall have proceeded to enforce any right under this Indenture and the proceedings for the enforcement thereof shall have been discontinued or abandoned because of waiver or for any

other reason or shall have been adjudicated adversely to the Trustee or to such holder of Securities, then and in every such case the Company, the Guarantor, the Trustee and the holders of the Securities of such series shall severally and respectively be restored to their former positions and rights hereunder and thereafter all rights, remedies and powers of the Trustee and the holders of the Securities of such series shall continue as though no such proceedings had been taken, except as to any matters so waived or adjudicated.

ARTICLE VIII

CONCERNING THE SECURITYHOLDERS

SECTION 8.01. Evidence of Action of Securityholders. Whenever in this Indenture it is provided that the holders of a specified percentage or a majority in aggregate principal amount of the Securities or of any series of Securities may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage or majority have joined therein may be evidenced by (a) any instrument or any number of instruments of similar tenor executed by Securityholders in person or by agent or proxy appointed in writing (such action becoming effective, except as herein otherwise expressly provided, when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company), or (b) by the record of the holders of Securities voting in favor thereof at any meeting of Securityholders duly called and held in accordance with the provisions of Article Seven, or (c) by a combination of such instrument or instruments and any such record of such a meeting of Securityholders.

SECTION 8.02. Proof of Execution or Holding of Securities. Proof of the execution of any instrument by a Securityholder or his agent or proxy and proof of the holding by any Person of any of the Securities shall be sufficient if made in the following manner:

(a) The fact and date of the execution by any Person of any such instrument may be proved (a) by the certificate of any notary public or other officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments or proof of deeds to be recorded within such jurisdiction, that the Person who signed such instrument did acknowledge before such notary public or other officer the execution thereof, or (b) by the affidavit of a witness of such execution sworn to before any such notary or other officer. Where such execution is by a Person acting in other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The ownership of Registered Securities of any series shall be proved by the Register of such Securities or by a certificate of the Registrar for such series.

(c) The ownership of Bearer Securities shall be proved by production of such Bearer Securities or by a certificate executed by any bank or trust company, which certificate shall be dated and shall state on the date thereof a Bearer Security bearing a specified identifying number or other mark was deposited with or exhibited to the person executing such certificate by the person named in such certificate, or by any other proof of possession reasonably satisfactory to the Trustee. The holding by the person named in any such certificate of any Bearer Security specified therein shall be presumed to continue for a period of one year unless at the time of

determination of such holding (1) another certificate bearing a later date issued in respect of the same Bearer Securities shall be produced, (2) such Bearer Security shall be produced by some other Person, (3) such Bearer Security shall have been registered on the Register, if, pursuant to Section 3.01, such Bearer Security can be so registered, or (4) such Bearer Security shall have been canceled or paid.

(d) The record of any holders' meeting shall be proved in the manner provided in Section 9.06.

(e) The Trustee may require such additional proof of any matter referred to in this Section 8.02 as it shall deem appropriate or necessary, so long as the request is a reasonable one.

(f) If the Company shall solicit from the holders of Securities of any series any action, the Company may, at its option, by Board Resolution, fix in advance a record date for the determination of holders of Registered Securities entitled to take such action, but the Company shall have no obligation to do so. Any such record date shall be fixed at the Company's discretion. If such a record date is fixed, such action may be sought or given before or after the record date, but only the holders of Registered Securities of record at the close of business on such record date shall be deemed to be holders of Registered Securities for the purpose of determining whether holders of the requisite proportion of Outstanding Securities of such series have authorized or agreed or consented to such action, and for that purpose the Outstanding Registered Securities of such series shall be computed as of such record date.

SECTION 8.03. Persons Deemed Owners.

(a) The Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name any Registered Security is registered as the owner of such Registered Security for the purpose of receiving payment of principal of and premium, if any, and (subject to Section 3.08) interest, if any, on, such Registered Security and for all other purposes whatsoever, whether or not such Registered Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary. The Company, the Trustee, and any agent of the Company or the Trustee may treat the holder of any Bearer Security or of any Coupon as the absolute owner of such Bearer Security or Coupon for the purposes of receiving payment thereof or on account thereof and for all other purposes whatsoever, whether or not such Bearer Security or Coupon be overdue, and neither the Company, the Trustee nor any agent of the Company or any Trustee shall be affected by notice to the contrary. All payments made to any holder, or upon his order, shall be valid, and, to the extent of the sum or sums paid, effectual to satisfy and discharge the liability for moneys payable upon such Security or Coupon.

(b) None of the Company, the Trustee, any Paying Agent or the

Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

SECTION 8.04. Revocation of Consents. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01, of the taking of any action by the

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holders of the percentage in aggregate principal amount of the Securities or of any series of Securities specified in this Indenture in connection with such action, any holder of a Security which is shown by the evidence to be included in the Securities the holders of which have consented to such action may, by filing written notice with the Trustee at its principal office and upon proof of holding as provided in Section 8.02, revoke such action so far as concerns such Security. Except as aforesaid, any such action taken by the holder of any Security shall be conclusive and binding upon such holder and upon all future holders of such Security, and all past, present and future holders of Coupons, if any, appertaining thereto and of any Securities and Coupons issued on transfer or in lieu thereof or in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon such Security or Coupons or such other Securities or Coupons or any Security or Coupons issued in exchange or substitution therefor.

ARTICLE IX

SECURITYHOLDERS' MEETINGS

SECTION 9.01. Purposes of Meetings. A meeting of Securityholders of any or all series may be called at any time and from time to time pursuant to the provisions of this Article Nine for any of the following purposes:

(a) to give any notice to the Company, the Guarantor or to the Trustee, or to give any directions to the Trustee, or to consent to the waiving of any Default hereunder and its consequences, or to take any other action authorized to be taken by Securityholders pursuant to any of the provisions of Article Eight;

(b) to remove the Trustee and nominate a successor trustee pursuant to the provisions of Article Eleven;

(c) to consent to the execution of an Indenture or of indentures supplemental hereto pursuant to the provisions of Section 14.02; or

(d) to take any other action authorized to be taken by or on behalf of the holders of any specified aggregate principal amount of the Securities of any one or more or all series, as the case may be, under any other provision of this Indenture or under applicable law.

SECTION 9.02. Call of Meetings by Trustee. The Trustee may at any time call a meeting of all Securityholders of all series that may be affected by the action proposed to be taken, to take any action specified in Section 8.01, to be held at such time and at such place in the Borough of Manhattan, The City of New York, as the Trustee shall determine. Notice of every meeting of the Securityholders of a series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be mailed to holders of Securities of such series at their addresses as they shall appear on the Register of the Company. Such notice shall be mailed not less than 20 nor more than 90 days prior to the date fixed for the meeting.

SECTION 9.03. Call of Meetings by Company or Securityholders. In case at any time the Company, pursuant to a resolution of its Board of Directors, or the holders of at

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least 10% in aggregate principal amount of the Securities of a series (or of all series, as the case may be) then Outstanding that may be affected by the action proposed to be taken, shall have requested the Trustee to call a meeting of Securityholders of such series (or of all series), by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have mailed the notice of such meeting within 20 days after receipt of such request, then the Company or such Securityholders may determine the time and the place in said Borough of Manhattan for such meeting and may call such meeting to take any action authorized in Section 9.01, by mailing notice thereof as provided in Section 9.02.

SECTION 9.04. Qualifications for Voting. To be entitled to vote at any meeting of Securityholders, a Person shall (a) be a holder of one or more Securities affected by the action proposed to be taken at the meeting or (b) be a Person appointed by an instrument in writing as proxy by a holder of one or more such Securities. The only Persons who shall be entitled to be present or to speak at any meeting of Securityholders shall be the Persons entitled to vote at such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Company, the Guarantor and their respective counsel.

SECTION 9.05. Regulation of Meetings.

(a) Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Securityholders, in regard to proof of the holding of Securities and of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit.

(b) The Trustee shall, by an instrument in writing, appoint a

temporary chairman of the meeting, unless the meeting shall have been called by the Company or by Securityholders as provided in Section 9.03, in which case the Company or the Securityholders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by majority vote of the meeting.

(c) At any meeting of Securityholders of a series, each Securityholder of such series of such Securityholder's proxy shall be entitled to one vote for each \$1,000 principal amount of Securities of such series Outstanding held or represented by him; provided, however, that no vote shall be cast or counted at any meeting in respect of any Security challenged as not Outstanding and ruled by the chairman of the meeting to be not Outstanding. The chairman of the meeting shall have no right to vote other than by virtue of Securities of such series held by him or her or instruments in writing as aforesaid duly designating him or her as the Person to vote on behalf of other Securityholders. At any meeting of the Securityholders duly called pursuant to the provisions of Section 9.02 or 9.03 the presence of Persons holding or representing Securities in an aggregate principal amount sufficient to take action upon the business for the transaction of which such meeting was called shall be necessary to constitute a quorum, and any such meeting may be adjourned from time to time by a majority of those present, whether or not constituting a quorum, and the meeting may be held as so adjourned without further notice.

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SECTION 9.06. Voting. The vote upon any resolution submitted to any meeting of Securityholders of a series shall be by written ballots on which shall be subscribed the signatures of the holders of Securities of such series or of their representatives by proxy and the principal amounts of the Securities of such series held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of each meeting of Securityholders shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more Persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in Section 9.02. The record shall show the principal amounts of the Securities voting in favor of or against any resolution. The record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one of the duplicates shall be delivered to the Company and the other to the Trustee to be preserved by the Trustee.

Any record so signed and verified shall be conclusive evidence of the matters therein stated.

SECTION 9.07. No Relay of Rights by Meeting. Nothing contained in this Article Nine shall be deemed or construed to authorize or permit, by reason

of any call of a meeting of Securityholders of any series or any rights expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Securityholders of such series under any of the provisions of this Indenture or of the Securities of such series.

ARTICLE X

REPORTS BY THE COMPANY, THE GUARANTOR AND THE TRUSTEE AND SECURITYHOLDERS' LISTS

SECTION 10.01. Reports by Trustee.

(a) The Trustee shall transmit to holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided thereto. If required by Section 313(a) of the Trust Indenture Act, the Trustee shall, within 60 days after each May 15 following the date of this Indenture deliver to holders a brief report, dated as of such May 15, which complies with the provisions of such Section 313(a).

(b) The Trustee shall, at the time of the transmission to the holders of Securities of any report pursuant to the provisions of this Section 10.01, file a copy of such report with each stock exchange upon which the Securities are listed and also with the SEC in respect of a Security listed and registered on a national securities exchange. The Company agrees to notify the Trustee when, as and if the Securities become listed on any stock exchange.

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The Company will reimburse the Trustee for all expenses incurred in the preparation and transmission of any report pursuant to the provisions of this Section 10.01 and of Section 10.02.

SECTION 10.02. Reports by the Company and the Guarantor.

(a) Unless available on EDGAR, the Company and the Guarantor shall file with the Trustee, within 30 days after the Company or the Guarantor, as applicable, shall be required so to file the same with the SEC, copies of the annual reports and of the information, documents and other reports which the Company or the Guarantor may be required to file with the SEC pursuant to the provisions of Section 13 or Section 15(d) of the Exchange Act (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe); or, if either the Company or the Guarantor is not required to file information, documents or reports pursuant to the provisions of either of such Sections, then the Company or the Guarantor, as applicable, will file with the Trustee and the SEC, in accordance with rules and regulations prescribed by the SEC, such of the supplementary and periodic information, documents and reports which may be required pursuant to the provisions of Section 13 of the Exchange Act, in respect of a Security listed and registered on a national securities

exchange, as may be prescribed in such rules and regulations.

(b) The Company and the Guarantor shall file with the Trustee and the SEC, in accordance with rules and regulations prescribed by the SEC, such additional information, documents and reports with respect to compliance by the Company and the Guarantor, as applicable, with the conditions and covenants provided for in this Indenture as may be required by such rules and regulations.

(c) The Company and the Guarantor shall transmit to the holders of Securities, within 30 days after the filing thereof with the Trustee (unless some other time shall be fixed by the SEC in respect of a Security listed and registered on a national securities exchange), in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, such summaries of any information, documents and reports required to be filed by the Company or the Guarantor, as applicable, pursuant to the provisions of subdivisions (a) and (b) of this Section 10.02 as may be required by rules and regulations prescribed from time to time by the SEC.

(d) Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's and the Guarantor's compliance, as applicable, with any of its covenants hereunder (as to which the Trustee is entitled to conclusively rely exclusively on Officer's Certificates).

SECTION 10.03. Securityholders' Lists. The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee:

(a) semi-annually, within 15 days after each Record Date, but in any event not less frequently than semi-annually, a list in such form as the Trustee may reasonably require of the names and addresses of the holders of Securities to which such Record Date applies, as of such Record Date, and

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(b) at such other times as the Trustee may request in writing, within 30 days after receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished;

provided, however, that so long as the Trustee shall be the Registrar, such lists shall not be required to be furnished.

ARTICLE XI

CONCERNING THE TRUSTEE

SECTION 11.01. Rights of Trustees; Compensation and Indemnity. The

Trustee accepts the trusts created by this Indenture upon the terms and conditions hereof, including the following, to all of which the parties hereto and the holders from time to time of the Securities agree:

(a) The Trustee shall be entitled to such compensation as the Company and the Trustee shall from time to time agree in writing for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and such compensation, as well as the reasonable compensation of its counsel, and all other reasonable expenses, disbursements and advances incurred or made by the Trustee hereunder, the Company agrees to pay promptly on demand from time to time as such services shall be rendered and as such expenses shall be incurred. The Company also agrees to indemnify each of the Trustee and any predecessor Trustee hereunder for, and to hold it harmless against, any and all loss, liability, damage, claim, or expense incurred without its own negligence or bad faith, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder and the performance of its duties, as well as the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder. As security for the performance of the obligations of the Company under this subdivision (a) the Trustee shall have a lien therefor on any moneys held by the Trustee hereunder prior to any rights therein of the holders of the Securities. Notwithstanding any provisions of this Indenture to the contrary, the obligations of the Company to compensate and indemnify the Trustee under this Section 11.01(a) shall survive the resignation or removal of the Trustee and any satisfaction and discharge under Article Twelve.

When the Trustee incurs expenses or renders services after an Event of Default specified in clause (e) or (f) of Section 7.01 occurs, the expenses and compensation for the services are intended to constitute expenses of administration under any applicable federal or state bankruptcy, insolvency or similar laws.

(b) The Trustee may execute any of the trusts or powers hereof and perform any duty hereunder either directly or by its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(c) The Trustee shall not be responsible in any manner whatsoever for the correctness of the recitals herein or in the Securities (except its certificates of authentication thereon) contained, all of which are made solely by the Company or the Guarantor; and the

Trustee shall not be responsible or accountable in any manner whatsoever for or with respect to the validity or execution or sufficiency of this Indenture or of the Securities (except its certificates of authentication thereon), and the Trustee makes no representation with respect thereto. The Trustee shall not be accountable for the use or application by the Company of any Securities, or the

proceeds of any Securities, authenticated and delivered by the Trustee in conformity with the provisions of this Indenture.

(d) The Trustee may consult with counsel of its selection, and, to the extent permitted by Section 11.02, any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in good faith and in accordance with such Opinion of Counsel.

(e) The Trustee, to the extent permitted by Section 11.02, may rely upon the certificate of the Secretary or one of the Assistant Secretaries of the Company or the Guarantor, as applicable, as to the adoption of any resolution by the Board of Directors or stockholders of the Company or the Guarantor, and any request, direction, order or demand of the Company or the Guarantor mentioned herein shall be sufficiently evidenced by, and whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, offering or omitting any action hereunder, the Trustee may rely upon, an Officers' Certificate (unless other evidence in respect thereof be herein specifically prescribed).

(f) The Trustee or any agent of the Trustee, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with each of the Company and the Guarantor with the same rights it would have had if it were not the Trustee or such agent.

(g) Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

(h) Any action taken by the Trustee pursuant to any provision hereof at the request or with the consent of any Person who at the time is the holder of any Security shall be conclusive and binding in respect of such Security upon all future holders thereof or of any Security or Securities which may be issued for or in lieu thereof in whole or in part, whether or not such Security shall have noted thereon the fact that such request or consent had been made or given.

(i) Subject to the provisions of Section 11.02, the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(j) Subject to the provisions of Section 11.02, the Trustee shall not be under any obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the holders of the Securities, pursuant to any provision of this Indenture, unless one or more of the holders of the Securities shall have offered to the Trustee

security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred by it therein or thereby.

(k) Subject to the provisions of Section 11.02, the Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within its discretion or within the rights or powers conferred upon it by this Indenture.

(l) Subject to the provisions of the first paragraph of Section 11.02, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, debenture or other paper or document.

(m) Subject to the provisions of Section 11.02, the Trustee shall not be deemed to have knowledge or notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless the holders of not less than 25% of the Outstanding Securities notify the Trustee thereof.

(n) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(o) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder.

(p) The Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture.

SECTION 11.02. Duties of Trustee.

(a) If one or more of the Events of Default specified in Section 7.01 with respect to the Securities of any series shall have happened, then, during the continuance thereof, the Trustee shall, with respect to such Securities, exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of

such person's own affairs.

(b) None of the provisions of this Indenture shall be construed as relieving the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that, anything in this Indenture contained to the contrary notwithstanding,

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(i) unless and until an Event of Default specified in Section 7.01 with respect to the Securities of any series shall have happened which at the time is continuing,

(A) the Trustee undertakes to perform such duties and only such duties with respect to the Securities of that series as are specifically set out in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee, whose duties and obligations shall be determined solely by the express provisions of this Indenture; and

(B) the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, in the absence of bad faith on the part of the Trustee, upon certificates and opinions furnished to it pursuant to the express provisions of this Indenture; but in the case of any such certificates or opinions which, by the provisions of this Indenture, are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein);

(ii) the Trustee shall not be liable to any holder of Securities or to any other Person for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable to any holder of Securities or to any other Person with respect to any action taken or omitted to be taken by it in good faith, in accordance with the direction of Securityholders given as provided in Section 7.06, relating to the time, method and place of conducting any proceeding for any remedy available to it or exercising any trust or power conferred upon it by this Indenture.

(c) None of the provisions of this Indenture shall be construed as requiring the Trustee to expend or risk its own funds or otherwise to incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if there shall be reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 11.02.

SECTION 11.03. Notice of Defaults. Within 90 days after the occurrence thereof, the Trustee shall give to the holders of the Securities and Coupons of a series notice of each Default with respect to the Securities or Coupons, if any, of such series known to the Trustee, by transmitting such notice to holders at their addresses as the same shall then appear on the Register of the Company, unless such Default shall have been cured before the giving of such notice (the term "Default" being hereby defined to be the events specified in Section 7.01, which are, or after notice or lapse of time or both would become, Events of Default as defined in said Section); but, unless such Default be the failure to pay the principal of, premium, if any, or interest on any of the Securities or Coupons, if any, of

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such series when and as the same shall become payable, or to make any sinking fund payment as to Securities of the same series, the Trustee shall be protected in withholding such notice, if and so long as the Board of Directors, the executive committee or a trust committee of directors or Responsible Officers of the Trustee in good faith determines that the withholding of such notice is in the interests of the holders of the Securities of such series.

SECTION 11.04. Eligibility; Disqualification.

(a) The Trustee shall at all times satisfy the requirements of TIA Section 310(a). The Trustee shall have a combined capital and surplus of at least \$50 million as set forth in its more recent published annual report of condition, and shall have its Corporate Trust Office or an agency in New York, New York; provided, however, that if Section 310(a) of the Trust Indenture Act or the rules and regulations of the Commission under the Trust Indenture Act at any time permit a corporation organized and doing business under the laws of any other jurisdiction to serve as trustee of an indenture qualified under the Trust Indenture Act, this Section 11.04 shall be automatically amended to permit a corporation organized and doing business under the laws of any such other jurisdiction to serve as Trustee hereunder. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

(b) The Trustee shall comply with TIA Section 310(b); provided, however, that there shall be excluded from the operation of TIA Section 310(b)(i) any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company or the Guarantor are outstanding if the requirements for such exclusion set forth in TIA Section 310(b)(i) are met. If the Trustee has or shall acquire a conflicting interest within the meaning of Section 310(b) of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. If Section 310(b) of the Trust Indenture Act is amended any time after the date of this Indenture to change the circumstances under which a Trustee shall be deemed to have a conflicting interest with respect to the Securities of any series or to change any of the definitions in connection therewith, this Section 11.04 shall be automatically amended to incorporate such changes.

SECTION 11.05. Registration and Notice; Removal. The Trustee, or any successor to it hereafter appointed, may at any time resign and be discharged of the trusts hereby created with respect to any one or more or all series of Securities by giving to the Company and to the Guarantor notice in writing and by mailing notice thereof to the holders of Securities of such series at their addresses as the same shall then appear in the Register of the Company. Such resignation shall take effect upon the appointment of a successor Trustee and the acceptance of such appointment by such successor Trustee. Any Trustee hereunder may be removed with respect to any series of Securities at any time by the filing with such Trustee and the delivery to the Company and to the Guarantor of an instrument or instruments in writing signed by the holders of a majority in principal amount of the Securities of such series then Outstanding, specifying such removal and the date when it shall become effective.

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Upon its resignation or removal, any Trustee shall be entitled to the payment of reasonable compensation for the services rendered hereunder by such Trustee and to the payment of all reasonable expenses incurred hereunder and all moneys then due to it hereunder. The Trustee's rights to indemnification provided in Section 11.01(a) shall survive its resignation or removal.

SECTION 11.06. Successor Trustee by Appointment.

(a) In case at any time the Trustee shall resign, or shall be removed (unless the Trustee shall be removed as provided in Section 11.04(b), in which event the vacancy shall be filled as provided in said subdivision), or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation with respect to the Securities of one or more series, a successor Trustee with

respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any series) may be appointed by the holders of a majority in principal amount of the Securities of that or those series then Outstanding, by an instrument or instruments in writing signed in duplicate by such holders and filed, one original thereof with the Company and the other with the successor Trustee; but, until a successor Trustee shall have been so appointed by the holders of Securities of that or those series as herein authorized, the Company by a resolution of its Board of Directors, or, in case all or substantially all the assets of the Company shall be in the possession of one or more custodians or receivers lawfully appointed, or of trustees in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of the federal bankruptcy laws, as now or hereafter constituted), or of assignees for the benefit of creditors, such receivers, custodians, trustees or assignees, as the case may be, by an instrument in writing, shall appoint a successor Trustee with respect to the Securities of such series. Subject to the provisions of Sections 11.04 and 11.05, upon the appointment as aforesaid of a successor Trustee with respect to the Securities of any series, the Trustee with respect to the Securities of such series shall cease to be Trustee hereunder. After any such appointment other than by the holders of Securities of that or those series, the Person making such appointment shall forthwith cause notice thereof to be mailed to the holders of Securities of such series at their addresses as the same shall then appear on the Register of the Company but any successor Trustee with respect to the Securities of such series so appointed shall, immediately and without further act, be superseded by a successor Trustee appointed by the holders of Securities of such series in the manner above prescribed, if such appointment be made prior to the expiration of one year from the date of the mailing of such notice by the Company, or by such receivers, trustees or assignees.

(b) If any Trustee with respect to the Securities of one or more series shall resign because of conflicting interest as provided in Section 11.04(b) and a successor Trustee shall not have been appointed by the Company or by the holders of the Securities of such series or, if any successor Trustee so appointed shall not have accepted its appointment within 30 days after such appointment shall have been made, the resigning Trustee at the expense of the Company may apply to any court of competent jurisdiction for the appointment of a successor Trustee. If in any other case a successor Trustee shall not be appointed pursuant to the foregoing provisions of this Section 11.06 within three months after such appointment might have been

made hereunder, the holder of any Security of the applicable series or any retiring Trustee at the expense of the Company may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, in any such case, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(c) Any successor Trustee appointed hereunder with respect to the Securities of one or more series shall execute, acknowledge and deliver to its predecessor Trustee and to the Company, or to the receivers, trustees, assignees or court appointing it, as the case may be, an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations with respect to such series of such predecessor Trustee with like effect as if originally named as Trustee hereunder, and such predecessor Trustee, upon payment of its charges and disbursements then unpaid, shall thereupon become obligated to pay over, and such successor Trustee shall be entitled to receive, all moneys and properties held by such predecessor Trustee as Trustee hereunder. Nevertheless, on the written request of the Company or of the successor Trustee or of the holders of at least 10% in principal amount of the Securities of such series then Outstanding, such predecessor Trustee, upon payment of its said charges and disbursements, shall execute and deliver an instrument transferring to such successor Trustee upon the trusts herein expressed all the rights, powers and trusts of such predecessor Trustee and shall assign, transfer and deliver to the successor Trustee all moneys and properties held by such predecessor Trustee; and, upon request of any such successor Trustee, the Company and the Guarantor shall make, execute, acknowledge and deliver any and all instruments in writing for more fully and effectually vesting in and confirming to such successor Trustee all such authority, rights, powers, trusts, immunities, duties and obligations.

SECTION 11.07. Successor Trustee by Merger. Any corporation into which the Trustee or any successor to it in the trusts created by this Indenture shall be merged or converted, or any corporation with which it or any successor to it shall be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee or any such successor to it shall be a party, or any corporation to which the Trustee or any successor to it shall sell or otherwise transfer all or substantially all of the corporate trust business of the Trustee, shall be the successor Trustee under this Indenture without the execution or filing of any paper or any further act on the part of any of the parties hereto; provided that such corporation shall be otherwise qualified and eligible under this Article. In case at the time such successor to the Trustee shall succeed to the trusts created by this Indenture with respect to one or more series of Securities, any of such Securities shall have been authenticated but not delivered by the Trustee then in office, any successor to such Trustee may adopt the certificate of authentication of any predecessor Trustee, and deliver such Securities so authenticated; and in case at that time any of the Securities shall not have been authenticated, any successor to the Trustee may authenticate such Securities either in the name of any predecessor hereunder or in the name of the successor Trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Securities or in this Indenture provided that the certificate of the Trustee shall have; provided, however, that the right to adopt the certificate of authentication of any predecessor Trustee or authenticate Securities in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

SECTION 11.08. Right to Rely on Officer's Certificate. Subject to Section 11.02, and subject to the provisions of Section 16.02 with respect to the certificates required thereby, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate with respect thereto delivered to the Trustee, and such Officers' Certificate, in the absence of negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted by it under the provisions of this Indenture upon the faith thereof.

SECTION 11.09. Appointment of Authenticating Agent. The Trustee may appoint an agent (the "Authenticating Agent") reasonably acceptable to the Company to authenticate the Securities. Unless limited by the terms of such appointment, any such Authenticating Agent may authenticate Securities whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by the Authenticating Agent.

SECTION 11.10. Communications by Holders with Other Holders. Holders may communicate pursuant to Section 312(b) of the Trust Indenture Act with other holders with respect to their rights under this Indenture or the Securities. The Company, the Guarantor, the Trustee, the Registrar and anyone else shall have the protection of Section 312(c) of the Trust Indenture Act with respect to such communications.

ARTICLE XII

SATISFACTION AND DISCHARGE; DEFEASANCE

SECTION 12.01. Applicability of Article. If, pursuant to Section 3.01, provision is made for the defeasance of Securities of a series and if the Securities of such series are Registered Securities and denominated and payable only in U.S. Dollars (except as provided pursuant to Section 3.01), then the provisions of this Article shall be applicable except as otherwise specified pursuant to Section 3.01 for Securities of such series. Defeasance provisions, if any, for Securities denominated in a Foreign Currency or for Bearer Securities may be specified pursuant to Section 3.01.

SECTION 12.02. Satisfaction and Discharge of Indenture. This Indenture, with respect to the Securities of any series (if all series issued under this Indenture are not to be affected), shall, upon Company Request, cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of such Securities herein expressly provided for and rights to receive payments of principal of and premium, if any, and interest on such Securities and any right to receive additional interest as provided in Section 6.02) and the Trustee, at the expense of the Company, shall execute proper

instruments acknowledging satisfaction and discharge of this Indenture, when,

(a) either:

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(i) all Securities and the Coupons, if any, of such series theretofore authenticated and delivered (other than (i) Coupons appertaining to Bearer Securities of such series surrendered in exchange for Registered Securities of such series and maturing after such exchange, surrender of which is not required or has been waived as provided in Section 3.06, (ii) Securities and Coupons of such series that have been destroyed, lost or stolen and that have been replaced or paid as provided in Section 3.07, (iii) Coupons appertaining to Bearer Securities of such series called for redemption and maturing after the relevant Redemption Date, surrender of which has been waived as provided in Section 4.06 and (iv) Securities and Coupons of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 6.04) have been delivered to the Trustee for cancellation; or

(ii) all Securities and the Coupons, if any, of such series not theretofore delivered to the Trustee for cancellation,

(A) have become due and payable, or

(B) will become due and payable at their Stated Maturity within one year, or

(C) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (i), (ii) or (iii) above, has irrevocably deposited or caused to be deposited with the Paying Agent as trust funds in trust for the purpose an amount in the Currency in which such Securities are denominated (except as otherwise provided pursuant to Section 3.01) sufficient to pay and discharge the entire indebtedness on such Securities for principal and premium, if any, and interest to the date of such deposit (in the case of Securities and Coupons that have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be; provided, however, in the event a petition for relief under federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, is filed with respect to the Company within 91 days after the deposit and the Trustee is required to return the moneys then on deposit with the Trustee to the Company, the obligations of the Company under this Indenture with respect to such Securities shall not be deemed terminated or discharged;

(b) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(c) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture with respect to such series have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 11.01 are, if money shall have been deposited with the Trustee

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pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 12.07 and the last paragraph of Section 6.04(e) shall survive.

SECTION 12.03. Defeasance upon Deposit of Moneys or U.S Government Obligations. At the Company's option, either (a) the Company shall be deemed to have been Discharged (as defined below) from its obligations with respect to Securities of any series on the first day after the applicable conditions set forth below have been satisfied or (b) the Company shall cease to be under any obligation to comply with any term, provision or condition set forth in Section 6.05 with respect to Securities of any series (and, if so specified pursuant to Section 3.01, any other restrictive covenant added for the benefit of such series pursuant to Section 3.01) at any time after the applicable conditions set forth below have been satisfied:

(a) The Company shall have deposited or caused to be deposited irrevocably with the Paying Agent as trust funds in trust, specifically pledged as security for, and dedicated solely to, the benefit of the holders of the Securities of such series (i) money in an amount, or (ii) U.S. Government Obligations (as defined below) that through the payment of interest and principal in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount or (iii) a combination of (i) and (ii), sufficient to pay and discharge each installment of principal (including any mandatory sinking fund payments) of and premium, if any, and interest on, the Outstanding Securities of such series on the dates such installments of interest or principal and premium are due;

(b) If the Securities of such series are then listed on the New York Stock Exchange, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Company's exercise of its option under this Section would not cause such Securities to be delisted;

(c) No Event of Default or event (including such deposit) that, with notice or lapse of time, or both, would become an Event of Default with respect to the Securities of such series shall have occurred and be continuing on the

date of such deposit; and

(d) The Company shall have delivered to the Trustee an Opinion of Counsel to the effect that holders of the Securities of such series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the Company's exercise of its option under this Section and will be subject to federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such action had not been exercised and, in the case of the Securities of such series being Discharged accompanied by a ruling to that effect received from or published by the Internal Revenue Service.

"Discharged" means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by, and obligations under, the Securities of such series and to have satisfied all the obligations under this Indenture relating to the Securities of such series (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), except (A) the rights of holders of Securities of such series to receive, from the trust fund described in clause (a) above, payment of the principal of and premium, if any, and interest on such Securities when such payments are due, (B) the Company's obligations with respect to Securities of such series under Sections 3.04, 3.06, 3.07, 6.03, 12.06 and 12.07 and (C) the rights, powers, trusts, duties and immunities of the Trustee hereunder.

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"U.S. Government Obligations" means securities that are (i) direct obligations of the United States for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States the timely of payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States, that, in either case under clauses (i) or (ii) are not callable or redeemable at the action of the issuer thereof, and shall also include a depositary receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depositary receipt; provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of the U.S. Government Obligation evidenced by such depositary receipt.

SECTION 12.04. Repayment to Company. The Trustee and any Paying Agent shall promptly pay to the Company (or to its designee) upon Company Request any excess moneys or U.S. Government Obligations held by them at any time, including any such moneys or obligations held by the Trustee under any escrow trust agreement entered into pursuant to Section 12.06. The provisions of

the last paragraph of Section 6.04 shall apply to any money held by the Trustee or any Paying Agent under this Article that remains unclaimed for two years after the Maturity of any series of Securities for which money or U.S. Government Obligations have been deposited pursuant to Section 12.03.

SECTION 12.05. Indemnity for U.S. Government Obligations. The Company shall pay and shall indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the deposited U.S. Government Obligations or the principal or interest received on such U.S. Government Obligations.

SECTION 12.06. Deposits to Be Held in Escrow. Any deposits with the Paying Agent referred to in Section 12.03 above shall be irrevocable (except to the extent provided in Sections 12.04 and 12.07) and shall be made under the terms of an escrow trust agreement in form and substance satisfactory to the Trustee. If any Outstanding Securities of a series are to be redeemed prior to their Stated Maturity, whether pursuant to any optional redemption provisions or in accordance with any mandatory or optional sinking fund requirement, the applicable escrow trust agreement shall provide therefor and the Company shall make such arrangements as are satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company. The agreement shall provide that, upon satisfaction of any mandatory sinking fund payment requirements, whether by deposit of moneys, application of proceeds of deposited U.S. Government Obligations or, if permitted, by delivery of Securities, the Trustee shall pay or deliver over to the Company as excess moneys pursuant to Section 12.04 all funds or obligations then held under the agreement and allocable to the sinking fund payment requirements so satisfied.

If Securities of a series with respect to which such deposits are made may be subject to later redemption at the option of the Company or pursuant to optional sinking fund payments, the applicable escrow trust agreement may, at the option of the Company, provide therefor. In the case of an optional redemption in whole or in part, such agreement shall require the Company to deposit with the Trustee on or before the date notice of redemption is given funds sufficient to

pay the Redemption Price of the Securities to be redeemed together with all unpaid interest thereon to the Redemption Date. Upon such deposit of funds, the Trustee shall pay or deliver over to the Company as excess funds pursuant to Section 12.04 all funds or obligations then held under such agreement and allocable to the Securities to be redeemed. In the case of exercise of optional sinking fund payment rights by the Company, such agreement shall, at the option of the Company, provide that upon deposit by the Company with the Trustee of funds pursuant to such exercise the Trustee shall pay or deliver over to the Company as excess funds pursuant to Section 12.04 all funds or obligations then held under such agreement for such series and allocable to the Securities to be redeemed.

SECTION 12.07. Application of Trust Money.

(a) Neither the Trustee nor any other paying agent shall be required to pay interest on any moneys deposited pursuant to the provisions of this Indenture, except such as it shall agree with the Company to pay thereon. Any moneys so deposited for the payment of the principal of, or premium, if any, or interest on the Securities of any series and remaining unclaimed for two years after the date of the maturity of the Securities of such series or the date fixed for the redemption of all the Securities of such series at the time outstanding, as the case may be, shall be repaid by the Trustee or such other paying agent to the Company upon its written request and thereafter, anything in this Indenture to the contrary notwithstanding, any rights of the holders of Securities of such series in respect of which such moneys shall have been deposited shall be enforceable only against the Company, and all liability of the Trustee or such other paying agent with respect to such moneys shall thereafter cease.

(b) Subject to the provisions of the foregoing paragraph, any moneys which at any time shall be deposited by the Company or on its behalf with the Trustee or any other paying agent for the purpose of paying the principal of, premium, if any, and interest on any of the Securities shall be and are hereby assigned, transferred and set over to the Trustee or such other paying agent in trust for the respective holders of the Securities for the purpose for which such moneys shall have been deposited; but such moneys need not be segregated from other funds except to the extent required by law.

SECTION 12.08. Deposits of Non-U.S. Currencies. Notwithstanding the foregoing provisions of this Article, if the Securities of any series are payable in a Currency other than U.S. Dollars, the Currency or the nature of the government obligations to be deposited with the Trustee under the foregoing provisions of this Article shall be as set forth in the Officers' Certificate or established in the supplemental indenture under which the Securities of such series are issued.

ARTICLE XIII

IMMUNITY OF CERTAIN PERSONS

SECTION 13.01. No Personal Liability. No recourse shall be had for the payment of the principal of, or the premium, if any, or interest on, any Security or Coupon or for any claim based thereon or otherwise in respect thereof or of the indebtedness represented thereby, or upon any obligation, covenant or agreement of this Indenture, against any incorporator, stockholder, officer or director, as such, past, present or future, of the Company,

the Guarantor or of any successor corporation, either directly or through the Company, the Guarantor or any successor corporation, whether by virtue of any

constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that this Indenture, the Securities and the Guarantee endorsed thereon are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any incorporator, stockholder, officer or director, as such, past, present or future, of the Company, the Guarantor or of any successor corporation, either directly or through the Company, the Guarantor or any successor corporation, because of the incurring of the indebtedness hereby authorized or under or by reason of any of the obligations, covenants, promises or agreements contained in this Indenture or in any of the Securities or Coupons or the Guarantee endorsed thereon, or to be implied herefrom or therefrom, and that all liability, if any, of that character against every such incorporator, stockholder, officer and director is, by the acceptance of the Securities and the Guarantee endorsed thereon and as a condition of, and as part of the consideration for, the execution of this Indenture and the issue of the Securities expressly waived and released.

ARTICLE XIV

SUPPLEMENTAL INDENTURES

SECTION 14.01. Without Consent of Holders. The Company (when authorized by resolution of its Board of Directors), the Guarantor and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any one or more of or all the following purposes:

(a) to add to the covenants and agreements of the Company or the Guarantor, to be observed thereafter and during the period, if any, in such supplemental indenture or indentures expressed, and to add Events of Default, in each case for the protection or benefit of the holders of all or any series of the Securities (and if such covenants, agreements and Events of Default are to be for the benefit of fewer than all series of Securities, stating that such covenants, agreements and Events of Default are expressly being included for the benefit of such series as shall be identified therein), or to surrender any right or power herein conferred upon the Company or the Guarantor;

(b) to delete or modify any Events of Default with respect to all or any series of the Securities, the form and terms of which are being established pursuant to such supplemental indenture as permitted in Section 3.01 (and, if any such Event of Default is applicable to fewer than all such series of the Securities, specifying the series to which such Event of Default is applicable), and to specify the rights and remedies of the Trustee and the holders of such Securities in connection therewith;

(c) to add to or change any of the provisions of this Indenture to provide that Bearer Securities may be registrable as to principal, to change or eliminate any restrictions on the payment of principal of or premium, if any, on Registered Securities or of principal of or premium, if any, or any interest on

Bearer Securities or to permit Registered Securities to be exchanged for Bearer Securities; provided that any such action shall not adversely affect the interests of the holders of Securities or any Coupons of any series in any material respect, or to permit or facilitate the issuer of Securities of any series in uncertificated form;

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(d) to change or eliminate any of the provisions of this Indenture; provided that any such change or elimination shall become effective only when there is no Outstanding Security or Coupon of any series created prior to the execution of such supplemental indenture that is entitled to the benefit of such provision and as to which such supplemental indenture would apply;

(e) to evidence the succession of another corporation to the Company or the Guarantor, or successive successions, and the assumption by a successor, transferee or lessee corporation of the covenants and obligations of the Company or the Guarantor, as applicable, contained in the Securities of one or more series and in this Indenture or any supplemental indenture;

(f) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to one or more series of Securities and to add to or change any of the provisions of this Indenture as shall be necessary for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 11.06(c);

(g) to secure the Securities pursuant to the requirements of Section 15.04;

(h) to evidence any changes to Section 11.05 permitted by the terms thereof;

(i) to cure any ambiguity or to correct or supplement any provision contained herein or in any indenture supplemental hereto which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make any other provision in regard to matters or questions arising under this Indenture which the Board of Directors of the Company and the Guarantor may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Outstanding Securities or Coupons, if any;

(j) to convey, transfer, assign, mortgage or pledge to the Trustee as security for the Securities any property or assets which the Guarantor may be required to convey, transfer, assign, mortgage or pledge in accordance with the provisions of Section 15.04;

(k) to add to or change or eliminate any provision of this Indenture as shall be necessary or desirable in accordance with any amendments to the Trust Indenture Act, provided such action shall not adversely affect the interests of the holders of the Securities of any series or any appurtenant

Coupons in any material respects;

(l) to prohibit the authentication and delivery of additional series of Securities; or

(m) to establish the form and terms of the Securities of Coupons, if any, of any series as permitted in Section 3.01, or to authorize the issuance of additional Securities of a series previously authorized or to add to the conditions, limitations or restrictions on the authorized amount, terms or purposes of issue, authentication or delivery of the Securities of any series, as herein set forth, or other conditions, limitations or restrictions thereafter to be observed.

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Subject to the provisions of Section 14.03, the Trustee is authorized to join with the Company and the Guarantor in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained and to accept the conveyance, transfer, assignment, mortgage or pledge of any property or assets thereunder.

Any supplemental indenture authorized by the provisions of this Section 14.01 may be executed by the Company, the Guarantor and the Trustee without the consent of the holders of any of the Securities at the time Outstanding, notwithstanding any of the provisions of Section 14.02.

SECTION 14.02. With Consent of Holders; Limitations.

(a) With the consent (evidenced as provided in Article Eight) of the holders of a majority in aggregate principal amount of the Outstanding Securities of each series affected by such supplemental indenture voting separately, the Company (when authorized by a resolution of the Board of Directors), the Guarantor and the Trustee may, from time to time and at any time, enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any provisions of this Indenture or of modifying in any manner the rights of the holders of the Securities of such series to be affected; provided, however, that no such supplemental indenture shall, without the consent of the holder of each Outstanding Security of each such series affected thereby,

(i) extend the Stated Maturity of the principal of, or any installment of interest on, any Security, or reduce the principal amount thereof or the interest thereon or any premium payable upon redemption thereof, or extend the Stated Maturity of or reduce the amount of any payment to be made with respect to any Coupon, or change the Currency in which the principal of and premium, if any, or interest on such Security is denominated or payable, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 7.02, or impair the right to institute suit for the enforcement of any

payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or change any obligation of the Company to pay additional interest pursuant to Section 6.02 (except as contemplated by Section 6.05(b) and permitted by Section 14.01(e)), or limit the obligation of the Company to maintain a paying agency outside the United States for payment on Bearer Securities as provided in Section 6.03, or limit the obligation of the Company to redeem an Affected Security as provided in Section 4.02(b); or

(ii) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose holders is required for any supplemental indenture, or the consent of whose holders is required for any waiver of compliance with certain provisions of this Indenture or certain Defaults hereunder and their consequences provided for in this Indenture; or

(iii) modify any of the provisions of this Section, Section 7.06 or Section 6.08, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the holder of each Outstanding Security affected thereby; provided, however, that this clause shall not be

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deemed to require the consent of any holder with respect to changes in the references to "the Trustee" and concomitant changes in this Section and Section 6.08, or the deletion of this proviso, in accordance with the requirements of Sections 11.06 and 14.01(f); or

(iv) modify, without the written consent of the Trustee, the rights, duties or immunities of the Trustee.

(b) A supplemental indenture that changes or eliminates any provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities and Coupons, if any, or which modifies the rights of the holders of Securities and Coupons, if any, of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the holders of Securities and Coupons, if any, of any other series.

(c) It shall not be necessary for the consent of the Securityholders under this Section 4.02 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(d) The Company may set a record date for purposes of determining the identity of the holders of each series of Securities entitled to give a written consent or waive compliance by the Company or the Guarantor as

authorized or permitted by this Section. Such record date shall not be more than 30 days prior to the first solicitation of such consent or waiver or the date of the most recent list of holders furnished to the Trustee prior to such solicitation pursuant to Section 312 of the Trust Indenture Act.

(e) Promptly after the execution by the Company, the Guarantor and the Trustee of any supplemental indenture pursuant to the provisions of this Section 4.02, the Company shall mail a notice, setting forth in general terms the substance of such supplemental indenture, to the holders of Securities at their addresses as the same shall then appear in the Register of the Company. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

SECTION 14.03. Trustee Protected. Upon the request of the Company or the Guarantor, accompanied by the Officers' Certificate and Opinion of Counsel required by Section 16.02 and by:

(a) a supplemental indenture duly executed on behalf of the Company and the Guarantor;

(b) a copy of a resolution of the Board of Directors of the Company, certified by the Secretary or an Assistant Secretary of the Company and a copy of an Officer's Certificate of the Company, authorizing the execution of said supplemental indenture;

(c) a copy of a resolution of the Board of Directors of the Guarantor, certified by the Secretary or an Assistant Secretary of the Guarantor and a copy of an Officer's Certificate of the Guarantor, authorizing the execution of said supplemental indenture;

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(d) an Opinion of Counsel, stating that said supplemental indenture complies with, and that the execution thereof is authorized or permitted by, the provisions of this Indenture; and

(e) if said supplemental indenture shall be executed pursuant to Section 4.02, evidence (as provided in Article Eight) of the consent thereto of the Securityholders required to consent thereto as in Section 4.02 provided,

the Trustee shall join with the Company and the Guarantor in the execution of said supplemental indenture unless said supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into said supplemental indenture.

SECTION 14.04. Effect of Execution of Supplemental Indenture. Upon the execution of any supplemental indenture pursuant to the provisions of this Article Fourteen, this Indenture shall be deemed to be modified and amended in

accordance therewith and, except as herein otherwise expressly provided, the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company, the Guarantor and the holders of all of the Securities or of the Securities of any series affected, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 14.05. Notation on or Exchange of Securities. Securities and Coupons, if any, of any series authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company or the Trustee shall so determine, new Securities and Coupons, if any, so modified as to conform, in the opinion of the Trustee and the Board of Directors of the Company, to any modification of this Indenture contained in any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for the Securities and Coupons, if any, then Outstanding in equal aggregate principal amounts, and such exchange shall be made without cost to the holders of the Securities.

SECTION 14.06. Conformity with TIA. Every supplemental indenture executed pursuant to the provisions of this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

ARTICLE XV

GUARANTEE

SECTION 15.01. Unconditional Guarantee.

(a) The Guarantor does hereby fully and unconditionally guarantee (the "Guarantee") to the holders all payments on the Securities when due, in accordance with the provisions of this Indenture, as provided below.

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(b) The Guarantor hereby waives notice of acceptance of the Guarantee and of Default of performance by the Company, and hereby agrees that payment under the Guarantee shall be subject to no condition other than the giving of a written request for payment, stating the fact of Default of performance, in the manner provided in Section 16.07. This Guarantee is a guarantee of payment and not of collection.

(c) The obligations of the Guarantor under the Guarantee shall in no way be impaired by: (1) any extension, amendment, modification or renewal of the Securities; (2) any waiver of any Event of Default, extension of time or failure

to enforce any of the Securities; or (3) any extension, moratorium or other relief granted to the Company pursuant to any applicable law or statute.

(d) The Guarantor shall be obligated to make payment under the Guarantee, for the benefit of the holders, at the same address as the Company is obligated to make payment.

(e) Subject to clause (f) below, the Guarantor hereby agrees that:

(i) the Securities will be paid strictly in accordance with the terms of this Indenture, regardless of the value, genuineness, validity, regularity or enforceability of the Securities, and of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the trustee with respect thereto; and

(ii) the liability of the Guarantor to the extent herein set forth shall be absolute and unconditional, not subject to any reduction, limitation, impairment, termination, defense, offset, counterclaim or recoupment whatsoever (all of which are hereby expressly waived by the Guarantor) whether by reason of any claim of any character whatsoever, including, without limitation, any claim of waiver, release, surrender, alteration or compromise, or by reason of any liability at any time to the Guarantor or otherwise, whether based upon any obligations or any other agreement or otherwise, and howsoever arising, whether out of action or inaction or otherwise and whether resulting from Default, willful misconduct, negligence or otherwise, and without limiting the foregoing, irrespective of:

(A) any lack of validity or enforceability of any agreement or instrument relating to the Securities;

(B) any change in the time, manner or place of payment of, or in any other term in respect of, all or any of the Securities, or any other amendment or waiver of or consent to any departure from any other agreement relating to any Securities; any change in the time, manner or place of payment of, or in any other term in respect of, all or any of the Securities, or any other amendment or waiver of or consent to any departure from any other agreement relating to any Securities;

(C) any increase in, addition to, exchange or release of, or nonperfection of any lien on or security interest in, any collateral, or any release or amendment or waiver of or consent to any departure from or failure to enforce any other guarantee, for all or any of the indebtedness;

(D) any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Company in respect of the Securities;

(E) the absence of any action on the part of the Trustee to obtain payment of the Securities from the Company;

(F) any insolvency, bankruptcy, reorganization or dissolution, or any similar proceeding of the Company, including, without limitation, rejection of the Securities in such bankruptcy; or

(G) the absence of notice or any delay in any action to enforce any Securities or to exercise any right or remedy against the Guarantor or the Company, whether hereunder, under any Securities or any agreement or any indulgence, compromise or extension granted.

(f) Notwithstanding anything to the contrary in this Guarantee, the Guarantor does not waive any defense that would be available to the Company based on a breach, default or misrepresentation by the Trustee, or failure of any condition to the Company's obligations under this Indenture or the illegality of any provision of this Indenture.

(g) The Guarantor further agrees that, to the extent that the Company or the Guarantor makes a payment or payments to the Trustee, which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to the Company or the Guarantor or their respective estate, trustee, receiver or any other party under any federal bankruptcy laws, state or federal law, common law or equitable cause, then to the extent of such payment or repayment, this Guarantee and the advances or part thereof which have been paid, reduced or satisfied by such amount shall be reinstated and continued in full force and effect as of the date such initial payment, reduction or satisfaction occurred.

SECTION 15.02. Execution and Delivery of Guarantee.

(a) If an officer whose signature is on this Indenture or the Guarantee no longer holds that office at the time the Trustee authenticates the Security on which the Guarantee is endorsed or at any time thereafter, the Guarantee shall be valid nevertheless.

(b) The delivery of any Security by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantee set forth in this Indenture on behalf of the Guarantor.

SECTION 15.03. Waiver of Subrogation. The Guarantor shall be subrogated to all rights of the holders of Securities and the Trustee against the Company in respect of any amounts paid to such holders by the Guarantor pursuant to the provisions of the Guarantee; provided, however, that the Guarantor shall not be entitled to enforce, or to receive any payments arising out of or based upon such right of subrogation until the principal of, interest on and additional interest, if any, payable in respect of all Securities of the same series issued under such Indenture shall have been paid in full.

SECTION 15.04. Limitation on Liens.

(a) The Guarantor will not, and will not permit any Subsidiary to, incur, issue, assume or guarantee any Indebtedness if such Indebtedness is secured by a pledge of, lien on, or security interest in any shares of Voting Stock of any Significant Subsidiary, whether such Voting Stock is now owned or shall hereafter be acquired, without effectively providing that the Securities (together with, if the Guarantor shall so determine, any other indebtedness or obligations of the Guarantor or any Subsidiary ranking equally with such Securities and then existing or thereafter created) shall be secured equally and ratably with such Indebtedness. For the purposes of the foregoing, pledging, placing a lien on or creating a security interest in any shares of Voting Stock of a Significant Subsidiary in order to secure then Outstanding Indebtedness of the Guarantor or any Subsidiary shall be deemed to be the incurrence, issuance, assumption or guarantee (as the case may be) of such Indebtedness, but the foregoing shall not apply to Indebtedness secured by a pledge of, lien on or security interest in any shares of Voting Stock of any corporation at the time it becomes a Significant Subsidiary, including extensions, renewals and replacements of such Indebtedness without increase in the amount thereof.

(b) For the purposes of subsection (a) of this Section 15.04, the term "Voting Stock" shall mean capital stock the holders of which have general voting power under ordinary circumstances to elect a majority of the board of directors of a corporation provided that, for the purposes hereof, capital stock which carries only the right to vote conditioned on the happening of an event shall not be considered voting stock whether or not such event shall have happened.

(c) For the purposes of subsection (a) of this Section 15.04, the term "Significant Subsidiary" shall mean a Subsidiary, including its Subsidiaries, which meets any of the following conditions:

(i) The Guarantor's and its Subsidiaries' investments in and advances to the Subsidiary exceed 10 percent of the total assets of the Guarantor and its Subsidiaries consolidated as of the end of the most recently completed fiscal year;

(ii) The Guarantor's and its Subsidiaries' proportionate share of the total assets (after inter-company eliminations) of the Subsidiary exceeds 10 percent of the total assets of the Guarantor and its Subsidiaries consolidated as of the end of the most recently completed fiscal year; or

(iii) The Guarantor's and its Subsidiaries' equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle of the Subsidiary exceeds 10 percent of such income of the Guarantor and its Subsidiaries

consolidated for the most recently completed fiscal year.

(d) For the purposes of making the prescribed income test in clause (iii) of subsection (c) of this Section 15.04, the following shall be applicable:

(i) When a loss has been incurred by either the Guarantor and its Subsidiaries consolidated or the tested Subsidiary, but not both, the equity in the income or loss of the

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tested Subsidiary shall be excluded from the income of the Guarantor and its Subsidiaries consolidated for purposes of the computation; and

(ii) If income of the Guarantor and its Subsidiaries consolidated for the most recent fiscal year is at least 10 percent lower than the average of the income for the last five fiscal years, such average income shall be substituted for purposes of the computation. Any loss years shall be omitted for purposes of computing average income.

SECTION 15.05. Merger, Consolidation and Sale of Assets.

(a) The Guarantor will not consolidate with any other entity or accept a merger of any other entity into the Guarantor or permit the Guarantor to be merged into any other entity, or sell other than for cash or lease all or substantially all its assets to another entity, or purchase all or substantially all the assets of another entity, unless (i) either the Guarantor shall be the continuing entity, or the successor, transferee or lessee entity (if other than the Guarantor) shall expressly assume, by indenture supplemental hereto satisfactory to the Trustee, executed and delivered by such entity prior to or simultaneously with such consolidation, merger, sale or lease, the full, irrevocable and unconditional guarantee of the payment of principal of and interest and premium, if any, on all the Securities (and Coupons, if any) when due, and the performance and observance of all other obligations of the Company to the holders and the Trustee under this Indenture or under the Securities (and Coupons, if any), all in accordance with the terms hereof and thereof; and (ii) immediately after such consolidation, merger, sale, lease or purchase the Guarantor or the successor, transferee or lessee entity (if other than the Guarantor) would not be in Default in the performance of any covenant or condition of this Indenture. A purchase by a Subsidiary of all or substantially all of the assets of another entity shall not be deemed to be a purchase of such assets by the Guarantor.

(b) Upon any consolidation with or merger into any other entity, or any sale, conveyance or lease of all or substantially all of the assets of the Guarantor in accordance with this Section 15.05, the successor entity formed by such consolidation or into or with which the Guarantor is merged or to which

such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Guarantor under this Indenture with the same effect as if such successor entity had been named as the Guarantor herein, and thereafter, except in the case of a lease, the predecessor Guarantor shall be relieved of all obligations and covenants under the Guarantee.

SECTION 15.06. Assumption by Guarantor.

(a) The Guarantor may, without the consent of the holders, assume all of the rights and obligations of the Company hereunder with respect to a series of Securities and under the Securities of such series if, after giving effect to such assumption, no Event of Default or event which with the giving of notice or lapse of time, or both, would become an Event of Default, shall have occurred and shall be continuing. Upon such an assumption, the Guarantor shall execute a supplemental indenture evidencing its assumption of all such rights and obligations of the Company and the Company shall be released from its liabilities hereunder and under such Securities as obligor on the Securities of such series.

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(b) The Guarantor shall assume all of the rights and obligations of the Company hereunder with respect to a series of Securities and under the Securities of such series, if, upon a Default by the Company in the due and punctual payment of the principal, sinking fund payment, if any, premium, if any, or interest on such Securities, the Guarantor is prevented by any court order or judicial proceeding from fulfilling its obligations under Section 15.01 with respect to such series of Securities. Such assumption shall result in the Securities of such series becoming the direct obligations of the Guarantor and shall be effected without the consent of the holders of the Securities of any series. Upon such an assumption, the Guarantor shall execute a supplemental indenture evidencing its assumption of all such rights and obligations of the Company, and the Company shall be released from its liabilities hereunder and under such Securities as obligor on the Securities of such series.

SECTION 15.07. Article Fifteen Applicable to Paying Agent. At any time that a Paying Agent other than the Trustee shall have been appointed by the Company and be then acting hereunder, the term "Trustee" as used in this Article Fifteen shall in such case (unless the context otherwise requires) be construed as extending to and including such Paying Agent within its meaning as fully for all intents and purposes as if such Paying Agent were named in this Article Fifteen in addition to or in place of the Trustee.

SECTION 15.08. No Suspension of Remedies. Nothing contained in this Article Fifteen shall limit the right of the Trustee or the holders of Securities to take any action to accelerate the maturity of the Securities pursuant to Article Seven or to pursue any rights or remedies hereunder or under

ARTICLE XVI

MISCELLANEOUS PROVISIONS

SECTION 16.01. Consolidation, Merger, Sale or Lease.

(a) Subject to the provisions of Sections 6.05 and 15.05, nothing contained in this Indenture or in the Securities shall be deemed to prevent the consolidation or merger of the Company or the Guarantor with or into any entity, or the merger into the Company or the Guarantor of any entity, or the sale or lease by the Company or the Guarantor of their respective property and assets as, or substantially as, an entirety, or otherwise.

(b) Upon any consolidation or merger, or any sale other than for cash or lease of all or substantially all of the assets of the Company or the Guarantor in accordance with the provisions of Sections 6.05 and 15.05, as applicable, the entity formed by such consolidation or into which the Company or the Guarantor shall have been merged or to which such sale or lease shall have been made shall succeed to and be substituted for the Company or the Guarantor, as applicable, with the same effect as if it had been named herein as a party hereto, and thereafter from time to time such entity may exercise each and every right and power of the Company or the Guarantor, as applicable, under this Indenture, in the name of the Company or the Guarantor, or in its own name; and any act or proceeding by any provision of this Indenture required or permitted to be done by the Board of Directors or any officer of the Company or the Guarantor may be done with like force and effect by the like board or officer of any entity that shall at the time be the successor of the Company or the Guarantor hereunder. In the event of any such sale

or conveyance, but not any such lease, the Company or the Guarantor (or any successor entity which shall theretofore have become such in the manner described in Sections 6.05 and 15.05, as applicable) shall be discharged from all obligations and covenants under this Indenture and the Securities and may thereupon be dissolved and liquidated.

SECTION 16.02. Certificates and Opinions as to Conditions Precedent.

(a) Upon any request or application by the Company to the Trustee to take any action under any of the provisions of this Indenture, the Company or the Guarantor shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent have been complied with, except that in the case of any such application or demand as to which the furnishing of such document is specifically required by any provision of this

Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

(b) Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture (other than the certificates provided pursuant to Section 6.06 of this Indenture) shall include (i) a statement that the Person making giving such certificate or opinion has read such covenant or condition; (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (iii) a statement that, in the view or opinion of such Person, he or she has made such examination or investigation as is necessary to enable such Person to express an informed view or opinion as to whether or not such covenant or condition has been complied with; and (iv) a statement as to whether or not, in the view or opinion of such Person, such condition or covenant has been complied with.

(c) Any certificate, statement or opinion of an officer of the Company or the Guarantor may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his or certificate, statement or opinion is based are erroneous. Any certificate, statement or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate, statement or opinion of, or representations by, an officer or officers of the Company or the Guarantor stating that the information with respect to such factual matters is in the possession of the Company or the Guarantor, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate, statement or opinion or representations with respect to such matters are erroneous.

(d) Any certificate, statement or opinion of an officer of the Company, the Guarantor or of counsel to the Company or the Guarantor may be based, insofar as it relates to accounting matters, upon a certificate or opinion of, or representations by, an accountant or firm of accountants, unless such officer or counsel, as the case may be, knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the accounting matters upon which his or her certificate, statement or opinion may be based are erroneous. Any certificate or opinion of any firm of independent registered public accountants filed with the Trustee shall contain a statement that such firm is independent.

(e) In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one

such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

(f) Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 16.03. Trust Indenture Act Controls. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with the duties imposed by, or another provision included in this Indenture which is required to be included in this Indenture by any of the provisions of Sections 310 to 318, inclusive, of the Trust Indenture Act, such imposed duties or incorporated provision shall control.

SECTION 16.04. What Constitutes Action by Board of Directors. Whenever action is required by this Indenture by the Board of Directors of the Company or the Guarantor and there is at the time constituted a committee of the Board of Directors duly authorized to take such action, or a committee of officers or other representatives of the Company or the Guarantor so authorized by the Board of Directors, such action by such a committee shall be deemed to be the action of the Board of Directors and shall be sufficient for all purposes of this Indenture where action by the Board of Directors is specified.

SECTION 16.05. Notices to the Company, Guarantor and Trustee. Any notice or demand authorized by this Indenture to be made upon, given or furnished to, or filed with, the Company, the Guarantor or the Trustee shall be sufficiently made, given, furnished or filed for all purposes if it shall be mailed, delivered or telefaxed to:

(a) the Company, at [1] to the attention of [], fax: [] or at such other address or facsimile number as may have been furnished in writing to the Trustee by the Company.

(b) the Guarantor, at [Citicorp Treasury Department, 153 East 53rd Street, 6th Floor, New York, New York 10043, Fax: (212) 793-[]], with a copy to Citigroup Corporate Law Department, 425 Park Avenue, 2nd Floor - Zone 3C, New York, New York 10022, Attention: General Counsel - Capital Markets, Fax: (212) 793-7600.

(c) the Trustee, at the Corporate Trust Office of the Trustee.

Any such notice, demand or other document shall be in the English language.

SECTION 16.06. Notices to Holders; Waiver. Any notice required or permitted to be given to Securityholders shall be sufficiently given (unless otherwise herein expressly provided),

(a) if to Registered Holders, if given in writing by first class mail, postage prepaid, to such holders at their addresses as the same shall appear on the Register of the Company, and

(b) if to holders of Bearer Securities, if published on two separate Business Days in an Authorized Newspaper or Newspapers in such Place or Places of Payment specified pursuant to Section 3.01, the first such publication to be not earlier than the earliest date and not later than two Business Days prior to the latest date prescribed for the giving of such notice;

provided, however, that, in any case, any notice to holders of Floating Rate Securities regarding the determination of a periodic rate of interest, if such notice is required pursuant to Section 3.01, shall be sufficiently given if given in the manner specified pursuant to Section 3.01.

(c) In the event of suspension of regular mail service or by reason of any other cause it shall be impracticable to give notice by mail, then such notification as shall be given with the approval of the Trustee shall constitute sufficient notice for every purpose hereunder.

(d) In the event of suspension of publication of any Authorized Newspapers or by reason of any other cause it shall be impractical to give notice by publication, then such notification as shall be given with the approval of the Trustee shall constitute sufficient notice for every purpose hereunder.

(e) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance on such waiver. In any case where notice to holders is given by mail; neither the failure to mail such notice nor any defect in any notice so mailed to any particular holder shall affect the sufficiency of such notice with respect to other holders, and any notice that is mailed in the manner herein provided shall be conclusively presumed to have been duly given. In any case where notice to holders is given by publication, any defect in any notice so published as to any particular holder shall not affect the sufficiency of such notice with respect to other holders, and any notice that is published in the manner herein provided shall be conclusively presumed to have been duly given.

SECTION 16.07. Legal Holiday. Unless otherwise specified pursuant to Section 3.01, in any case where any Interest Payment Date, Redemption Date or Maturity of any Security of any series shall not be a Business Day at any Place of Payment for the Securities of that series, then payment of principal and premium, if any, or interest need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on such Interest Payment Date, Redemption Date or Maturity and no interest shall accrue on such payment for the period from and after such Interest Payment Date, Redemption Date or Maturity, as the case may be, to such Business Day if such payment is made or duly

provided for on such Business Day.

SECTION 16.08. Effects of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

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SECTION 16.09. Successors and Assigns. All covenants and agreements in this Indenture by the parties hereto shall bind their respective successors and assigns and inure to the benefit of their permitted successors and assigns, whether so expressed or not.

SECTION 16.10. Separability Clause. In case any provision in this Indenture or in the Securities or Coupons shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 16.11. Benefits of Indenture. Nothing in this Indenture expressed and nothing that may be implied from any of the provisions hereof is intended, or shall be construed, to confer upon, or to give to, any Person or corporation other than the parties hereto and their successors and the holders of the Securities any benefit or any right, remedy or claim under or by reason of this Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all covenants, conditions, stipulations, promises and agreements in this Indenture contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Securities.

SECTION 16.12. Counterparts Originals. This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 16.13. Governing Law. This Indenture, the Securities and the Coupons shall be deemed to be contracts made under the law of the State of New York, and for all purposes shall be governed by and construed in accordance with the law of said State.

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IN WITNESS WHEREOF, the parties have caused this Indenture to be duly executed as of the date first written above.

CITIGROUP FUNDING INC.,
as Issuer

By:

Name:

Title:

[Corporate Seal]

Attest:

CITIGROUP INC.,
as Guarantor

By:

Name:

Title:

[Corporate Seal]

Attest:

THE BANK OF NEW YORK,
as Trustee

By:

Name:

Title:

CITIGROUP FUNDING INC.

Issuer

CITIGROUP INC.

Guarantor

INDENTURE

Dated as of May [], 2005

Senior Securities

JPMORGAN CHASE BANK, N.A.

Trustee

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INDENTURE dated as of May [], 2005, among Citigroup Funding Inc., a corporation organized and existing under the laws of the State of Delaware (the "Company"), Citigroup Inc., a corporation organized and existing under the laws of the State of Delaware, as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., a national banking association, as trustee (the "Trustee").

W I T N E S S E T H:

WHEREAS, the Company is authorized and empowered to borrow money for its purposes and to issue its bonds, debentures, notes and other obligations for money so borrowed; and

WHEREAS, the Company has duly authorized the issue, in one or more series as in this Indenture provided, from time to time of its debt securities (the "Securities") and, to provide the general terms and conditions upon which the Securities are to be authenticated, issued and delivered, the Company has duly authorized the execution and delivery of this Indenture;

WHEREAS, the Guarantor has duly authorized the full and unconditional guarantee of the Securities, and to provide the general terms and conditions of the Securities and the guarantee of same, the Guarantor has duly authorized the execution and delivery of this Indenture;

WHEREAS, the Trustee has power to enter into this Indenture and to accept and execute the trust herein created;

WHEREAS, each of the Company and the Guarantor jointly and severally represents that all acts and things necessary to make the Securities, when executed by the Company and authenticated and delivered by the Trustee as in this Indenture provided, and issued, the valid, binding and legal obligation of the Company, will, at the time of such execution, authentication and delivery, have been done and performed, that all acts and things necessary to constitute these presents a valid indenture and agreement according to its terms, have been done and performed, that the execution of this Indenture has in all respects been duly authorized and that the issue hereunder of the Securities will, at the time of the issue thereof, have in all respects been duly authorized, and each of the Company and the Guarantor, in the exercise of each and every legal right and power in it vested, executes this Indenture and proposes to make, execute, issue and deliver, in case of the Company, and guarantee, in the case of the Guarantor, the Securities;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That, for the benefit of the other parties and for the equal and proportionate benefit of all of the present and future holders of the Securities, each party agrees and covenants as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions.

(a) Unless otherwise defined in this Indenture or the context otherwise requires, all terms used herein shall have the meanings assigned to them in the Trust Indenture Act of 1939.

(b) Unless the context otherwise requires, the terms defined in this Section 1.01(b) shall for all purposes of this Indenture have the meanings hereinafter set forth, the following definitions to be equally applicable to both the singular and the plural forms of any of the terms herein defined:

Affected Security:

The term "Affected Security" shall have the meaning specified in Section 4.02(b) .

Affiliate:

The term "Affiliate," with respect to any specified Person shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

Authenticating Agent:

The term "Authenticating Agent" shall have the meaning assigned to it in Section 11.09.

Authorized Newspaper:

The term "Authorized Newspaper" shall mean a newspaper in an official language of the country of publication customarily published at least once a day, and customarily published for at least five days in each calendar week, and of general circulation in such city or cities specified pursuant to Section 3.01 with respect to the Securities of any series. Where successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different newspapers in the same city meeting the foregoing requirements and in each case on any Business Day in such city.

Bearer Security:

The term "Bearer Security" shall mean any Security (with or without Coupons), title to which passes by delivery only, but does not include any Coupons.

Board of Directors:

The term "Board of Directors" shall mean either the board of directors of the Company or the Guarantor, as applicable, or the executive or any other committee of that board duly authorized to act in respect hereof.

Board Resolution:

The term "Board Resolution" shall mean a copy of a resolution or resolutions certified by the Secretary or an Assistant Secretary of the Company or the Guarantor, as applicable, to have been duly adopted by the Board of Directors (or by the Finance Committee of the Board of Directors or any other committee of the Board of Directors or committee of officers or other representatives of the Company or the Guarantor, as applicable, to the extent that any such other committee or committees have been authorized by the Board of Directors to establish or approve the matters contemplated and to be in full force and effect on the date of such certification) and delivered to the Trustee.

Business Day:

The term "Business Day," when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities, shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment or other location are authorized or obligated by law to close.

Code:

The term "Code" shall mean the Internal Revenue Code of 1986 as in effect on the date hereof.

Company:

The term "Company" shall mean Citigroup Funding Inc., a corporation organized and existing under the laws of the State of Delaware and, subject to the provisions of Section 16.01, shall also include its successors and assigns.

Company Order; Company Request:

The term "Company Order" or "Company Request" shall mean, respectively, a written order or request signed in the name of the Company by the Chairman, a Vice Chairman, the President or a Vice President (any reference to a Vice President of the Company herein shall be deemed to include any Vice President of the Company whether or not designated by a number or word or words and before or after the title "Vice President"), and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secretary or an Assistant Secretary of the Company, and delivered to the Trustee.

Corporate Trust Office:

The term "Corporate Trust Office," or other similar term, shall mean the

principal office of the Trustee in the Borough of Manhattan, The City of New York, at which at any particular

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time its corporate trust business shall be administered, which office at the date hereof is located at 4 New York Plaza, 15th Floor, New York, New York 10004, Attention: WSS/Trust Company - Global Debt, or such other address as the Trustee may designate from time to time by notice to the holders, the Company and the Guarantor, or the principal corporate trust officer of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the holders, the Company and the Guarantor).

Coupon:

The term "Coupon" shall mean any interest coupon appertaining to any Bearer Security.

Coupon Security:

The term "Coupon Security" shall mean any Bearer Security authenticated and delivered with one or more Coupons appertaining thereto.

Currency:

The term "Currency" shall mean U.S. Dollars or Foreign Currency.

Default:

The term "Default" shall have the meaning assigned to it in Section 11.03.

Defaulted Interest:

The term "Defaulted Interest" shall have the same meaning assigned to it in Section 3.08(e).

Depository:

The term "Depository" shall mean, with respect to the Securities of any series issuable in whole or in part in the form of one or more Global Securities, the Person designated as Depository by the Company pursuant to Section 3.01 until a successor Depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Depository" shall mean or include each Person who is then a Depository hereunder, and if at any time there is more than one such Person, "Depository" as used with respect to the Securities of any such series shall mean the Depository with respect to the Securities of that series.

Discharged:

The term "Discharged" shall have the meaning assigned to it in Section 12.03.

Event of Default:

The term "Event of Default" shall have the meaning specified in Section 7.01.

Exchange Act:

The term "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

Fixed Rate Security:

The term "Fixed Rate Security" shall mean a Security that provides for the payment of interest at a fixed rate (excluding interest payable pursuant to Section 6.02 or 4.02).

Floating Rate Security:

The term "Floating Rate Security" shall mean a Security that provides for the payment of interest at a variable rate determined periodically by reference to an interest rate index specified pursuant to Section 3.01.

Foreign Currency:

The term "Foreign Currency" shall mean a currency issued by the government of any country other than the United States or a composite currency, the value of which is determined by reference to the values of the currencies of any group of countries.

GAAP:

The term "GAAP" shall mean generally accepted accounting principles in effect in the United States of America which are applicable as of the Closing Date and which are consistently applied for all applicable periods.

Global Security:

The term "Global Security" shall mean any Registered or Bearer Security evidencing all or part of a series of Securities, issued in fully-registered certificated form to the Depositary for such series in accordance with Section 3.03 and bearing the legend prescribed in Section 3.03(g).

Guarantee:

The term "Guarantee" shall mean the guarantee of the Company's obligations under this Indenture and the Securities by the Guarantor pursuant to Article Fifteen.

Guarantor:

The term "Guarantor" shall mean Citigroup Inc., a Delaware corporation, and its successors and permitted assigns.

Indebtedness:

The term "Indebtedness" shall mean any and all obligations of a Person for money borrowed which in accordance with GAAP would be reflected on the balance sheet of such Person as a liability on the date as of which Indebtedness is to be determined.

Indenture:

The term "Indenture" or "this Indenture" shall mean this instrument and all indentures supplemental thereto.

interest:

The term "interest" shall mean, with respect to an Original Issue Discount Security that by its terms bears interest only after Maturity, interest payable after Maturity, and, when used with respect to a Bearer Security, includes any additional interest payable on such Bearer Security pursuant to Section 4.02 and 6.02.

Interest Payment Date:

The term "Interest Payment Date" shall mean, with respect to any Security, the Stated Maturity of an installment of interest on such Security.

Mandatory Sinking Fund Payment:

The term "Mandatory Sinking Fund Payment" shall have the meaning assigned to it in Section 5.01.

Maturity:

The term "Maturity," with respect to any Security, shall mean the date on which the principal of such Security shall become due and payable as therein and herein provided, whether by declaration, call for redemption or otherwise.

Members:

The term "Members" shall have the meaning assigned to it in Section 3.03(i).

Officers' Certificate:

The term "Officers' Certificate" when used (i) with respect to the Company, shall mean a certificate signed by the Chairman, a Vice Chairman, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secretary or an Assistant Secretary of

the Company and (ii) with respect to the Guarantor, shall mean a certificate signed by the Chairman of the Board of Directors, the President or any Vice

Chairman, the Chief Financial Officer, the Chief Accounting Officer, the General Counsel or any Vice President and by the Treasurer, any Assistant Treasurer, the Controller or any Assistant Controller, the Secretary or any Assistant Secretary of the Guarantor and, in each case, delivered to the Trustee. Each such certificate shall include the statements provided for in Section 16.02 if and to the extent required by the provisions of such Section. One of the officers giving an Officers' Certificate pursuant to Section 6.08 shall be the principal executive officer, principal financial officer or principal accounting officer of the Company.

Opinion of Counsel:

The term "Opinion of Counsel" shall mean an opinion in writing signed by legal counsel, who may be an employee of or of counsel to the Company or Guarantor, or may be other counsel satisfactory to the Trustee. Each such opinion shall include the statements provided for in Section 16.02 if and to the extent required by the provisions of such Section.

Optional Sinking Fund Payment:

The term "Optional Sinking Fund Payment" shall have the meaning assigned to it in Section 5.01.

Original Issue Discount Security:

The term "Original Issue Discount Security" shall mean any Security that is issued with "original issue discount" within the meaning of Section 1273(a) of the Code and the regulations thereunder and any other Security designated by the Company as issued with original issue discount for United States federal income tax purposes.

Outstanding:

The term "Outstanding," when used with respect to Securities means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities or portions thereof for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the holders of such Securities or from its obligations with respect to which the Company shall have been Discharged; provided, however, that if such Securities or portions thereof are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(iii) Securities that have been paid pursuant to Section 3.07 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been

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presented to the Trustee proof satisfactory to it that such Securities are held by a protected purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the holders of the requisite principal amount of Securities Outstanding have performed any action hereunder, Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such action, only Securities that a Responsible Officer of the Trustee knows to be so owned shall be so disregarded. Securities so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor. In determining whether the holders of the requisite principal amount of Outstanding Securities have performed any action hereunder, the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding for such purpose shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon a declaration of acceleration of the Maturity thereof pursuant to Section 7.02 and the principal amount of a Security denominated in a Foreign Currency that shall be deemed to be Outstanding for such purpose shall be the amount calculated pursuant to Section 3.11(c).

Paying Agent:

The term "Paying Agent" shall mean any Person authorized by the Company to pay the principal of and premium, if any, or interest on any Securities or to pay Coupons on behalf of the Company.

Person:

The term "Person" shall mean an individual, a corporation, a limited liability company, a partnership, an association, a joint stock company, a trust, an unincorporated organization or a government or an agency or political subdivision thereof.

Place of Payment:

The term "Place of Payment" shall mean, when used with respect to the Securities of any series, the place or places where the principal of and premium, if any, and interest on the Securities of that series are payable as specified pursuant to Section 3.01.

Predecessor Security:

The term "Predecessor Security" shall mean, with respect to any Security, every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security, and, for the purposes of this definition, any Security authenticated and delivered under Section 3.07 in lieu of a lost, destroyed or stolen Security shall be deemed to evidence the same debt as the lost, destroyed or stolen Security.

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Record Date:

The term "Record Date" shall mean, with respect to any interest payable on any Registered Security on any Interest Payment Date, the close of business on the date specified in such Registered Security for the payment of interest pursuant to Section 3.01.

Redemption Date:

The term "Redemption Date" shall mean, when used with respect to any Security to be redeemed, in whole or in part, the date fixed for such redemption by or pursuant to this Indenture and the terms of such Security, which, in the case of a Floating Rate Security, unless otherwise specified pursuant to Section 3.01, shall be an Interest Payment Date only.

Redemption Price:

The term "Redemption Price" shall mean, in the case of an Original Issue Discount Security, the amount of the principal and interest that would be due and payable as of the Redemption Date upon a declaration of acceleration of the Maturity thereof pursuant to Section 7.02 and, in the case of any other Security, the principal amount thereof, plus, in each case, premium, if any, and accrued and unpaid interest, if any, to the Redemption Date.

Register:

The term "Register" shall have the meaning assigned to it in Section 3.05(a).

Registrar:

The term "Registrar" shall have the meaning assigned to it in Section 3.05.

Registered Security:

The term "Registered Security" shall mean any Security registered as to principal and interest in the Register.

Responsible Officers:

The term "Responsible Officers" of the Trustee hereunder shall mean any vice president, any assistant vice president, any assistant secretary, any assistant treasurer, any trust officer, any assistant trust officer or any other officer associated with the corporate trust department of the Trustee

customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of such person's knowledge of and familiarity with the particular subject and, in the case of any such officer, who shall have direct responsibility for the administration of this Indenture.

SEC:

The term "SEC" shall mean the Securities and Exchange Commission.

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Securities Act:

The term "Securities Act" shall mean the Securities Act of 1933, as amended.

Security:

The term "Security" shall mean one of the Securities duly authenticated by the Trustee and delivered pursuant to the provisions of this Indenture.

Security Custodian:

The term "Security Custodian" shall mean the custodian with respect to any Global Security appointed by the Depositary, or any successor Person thereto, and shall initially be the Paying Agent.

Securityholder; holder of Securities;
holder; registered holder:

The term "Securityholder" or "holder of Securities" or "holder" or "registered holder," with respect to a Registered Security, shall mean the Person in whose name such Securities shall be registered in the Register kept for that purpose hereunder and, with respect to a Bearer Security or Coupon, the bearer thereof.

Significant Subsidiary:

The term "Significant Subsidiary" shall have the meaning assigned to it in Section 15.04.

Special Record Date:

The term "Special Record Date" shall have the meaning assigned to it in Section 3.08(e)(i).

Stated Maturity:

The term "Stated Maturity" when used with respect to any Security or any installment of interest thereon, shall mean the date specified in such Security or the Coupons, if any, as the fixed date on which the principal (or any portion thereof) of or premium, if any, on such Security or such installment of interest is due and payable.

Subsidiary:

The term "Subsidiary," when used with respect to any Person, shall mean any corporation or other entity of which a majority of (a) the voting power of the voting equity securities or (b) in the case of a partnership or any other entity other than a corporation, the outstanding equity

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interests of which are owned, directly or indirectly, by such Person. For the purposes of this definition, "voting equity securities" means equity securities having voting power for the election of directors, whether at all times or only so long as no senior class of securities has such voting power by reason of any contingency.

Successor Company:

The term "Successor Company" shall have the meaning assigned to it in Section 3.06(j).

Trust Indenture Act; TIA:

The term "Trust Indenture Act" or "TIA" shall mean the Trust Indenture Act of 1939, as amended, except as otherwise provided in this Indenture.

Trustee:

The term "Trustee" shall mean the trustee hereunder for the time being, whether original or successor, and if at any time there is more than one such trustee, "Trustee" as used with respect to the Securities of any series shall mean the trustee with respect to Securities of that series.

U.S. Government Obligations:

The term "U.S. Government Obligations" shall mean either (i) direct obligations of the United States of America or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the payment of which is unconditionally guaranteed by the full faith and credit of the United States of America.

U.S. Dollars:

The term "U.S. Dollars" shall mean such currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

United States:

The term "United States" shall mean the United States of America (including the States and the District of Columbia), its territories and its possessions and other areas subject to its jurisdiction.

United States Alien:

The term "United States Alien" shall mean any Person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership, one or more members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

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Voting Stock:

The term "Voting Stock" shall have the meaning specified in Section 15.04.

Certain other terms, relating principally to provisions included in this Indenture in compliance with the Trust Indenture Act, are defined in Article Eleven.

ARTICLE II

FORMS OF SECURITIES

SECTION 2.01. Terms of the Securities.

(a) The Securities and the Coupons, if any, of each series shall be substantially in one of the forms established by or pursuant to a Board Resolution and set forth in an Officers' Certificate or in one or more indentures supplemental hereto, and shall have such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification or designation and such legends or endorsements placed thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange on which any series of the Securities may be listed or of any automated quotation system on which any such series may be quoted, or to conform to usage, all as determined by the officers executing such Securities and Coupons as conclusively evidenced by their execution of such Securities and Coupons. If the form of a series of Securities is established in or pursuant to a Board Resolution, a copy of such Board Resolution shall be delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the form of such series.

(b) The terms and provisions of the Securities shall constitute, and are hereby expressly made, a part of this Indenture, and, to the extent applicable, the Company, the Guarantor and the Trustee, by their execution and delivery of this Indenture expressly agree to such terms and provisions and to be bound thereby.

SECTION 2.02. Form of Bearer Security.

(a) Each Bearer Security and Coupon shall bear a legend substantially to the following effect:

"Any United States Person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1278(a) of the Internal Revenue Code."

(b) The definitive Securities and Coupons, if any, of each series shall be printed, lithographed or engraved or produced by any combination of these methods on steel engraved borders or may be produced in any other manner, provided that such manner is permitted by the rules of any securities exchange on which such series of Securities may be listed or of any automated quotation system on which such series may be quoted, all as determined by

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the officers executing such Securities and Coupons, as conclusively evidenced by their execution of such Securities and Coupons.

SECTION 2.03. Form of Trustee's Certificate of Authentication.

(a) Only such of the Securities as shall bear thereon a certificate substantially in the form of the Trustee's certificate of authentication hereinafter recited, executed by the Trustee by manual signature, shall be valid or become obligatory for any purpose or entitle the holder thereof to any right or benefit under this Indenture, and the certificate of authentication by the Trustee upon any such Security executed on behalf of the Company as aforesaid shall be conclusive evidence that the Security so authenticated has been duly authenticated and delivered hereunder and that the holder thereof is entitled to the benefits of this Indenture.

(b) Each Security shall be dated the date of its authentication, except that any Global Security shall be dated as of the date specified as contemplated in Section 3.01.

(c) The form of the Trustee's certificate of authentication to be borne by the Securities shall be substantially as follows:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities issued referred to in the within-mentioned Indenture.

JPMorgan Chase Bank, N.A.,
as Trustee

By:

Authorized Officer

SECTION 2.04. Form of Trustee's Certificate of Authentication by an Authenticating Agent. If at any time there shall be an Authenticating Agent

appointed with respect to any series of Securities, then the Trustee's Certificate of Authentication by such Authenticating Agent to be borne by Securities of each such series shall be substantially as follows:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities referred to in the within-mentioned Indenture.

JPMorgan Chase Bank, N.A., as Trustee

By:

Authorized Officer

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ARTICLE III

THE DEBT SECURITIES

SECTION 3.01. Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities that may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued in one or more series. There shall be established by or pursuant to a Board Resolution of the Company, and set forth in an Officers' Certificate of the Company, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series:

(a) the title of the Securities of the series (which shall distinguish the Securities of such series from the Securities of all other series, except to the extent that additional Securities of an existing series are being issued);

(b) any limit upon the aggregate principal amount of the Securities of the series that may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon transfer of, or in exchange for, or in lieu of, other Securities of such series pursuant to Section 3.04, 3.06, 3.07, 4.07, or 14.05;

(c) the dates on which or periods during which the Securities of the series may be issued, and the dates on, or the range of dates within, which the principal of and premium, if any, on the Securities and Coupons, if any, of such series are or may be payable;

(d) the rate or rates at which the Securities of the series shall bear interest, if any, or the method by which such rate or rates shall be determined, the date or dates from which such interest shall accrue, or the method by which such date or dates shall be determined, the Interest Payment Dates on which any such interest shall be payable, and, in the case of Registered Securities, the Record Dates for the determination of holders to whom interest is payable on such Interest Payment Dates;

(e) if other than U.S. Dollars, the Currency in which Securities of the series shall be denominated or in which payment of the principal and

premium, if any, or interest on the Securities of the series shall be payable and any other terms concerning such payment;

(f) if the amount of payment of principal of, premium, if any, or interest on the Securities of the series may be determined with reference to an index, formula or other method including, but not limited to, an index based on a Currency or Currencies other than that in which the Securities are stated to be payable, the manner in which such amounts shall be determined;

(g) if the principal of, premium, if any, or interest on Securities of the series are to be payable, at the election of the Company or a holder thereof, in a Currency other than that in which the Securities are denominated or stated to be payable, the period or periods within which, and the terms and conditions upon which such election may be made and the time and the manner of determining the exchange rate between the Currency in which the Securities are denominated or payable without such election and the Currency in which the Securities are to be paid if such election is made;

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(h) the place or places, if any, in addition to or instead of the Corporate Trust Office of the Trustee (in the case of Registered Securities) or the principal London office of the Trustee (in the case of Bearer Securities) where the principal of, premium, if any, and interest on Securities of the series shall be payable;

(i) the price or prices at which, the period or periods within which or the date or dates on which, and the terms and conditions upon which Securities of the series may be redeemed, in whole or in part, at the option of the Company, if the Company is to have that option;

(j) the obligation, if any, of the Company to redeem, purchase or repay Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a holder thereof and the price or prices at which, the period or periods within which or the date or dates on which, and the terms and conditions upon which Securities of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligation;

(k) if other than denominations of \$1,000 or any integral multiple thereof, the denominations in which Securities of the series shall be issuable;

(l) if other than the principal amount thereof, the portion of the principal amount of the Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 7.02;

(m) whether the Securities of the series are to be issued as Original Issue Discount Securities and the amount of discount with which such Securities may be issued;

(n) provisions, if any, for the defeasance of Securities of the series;

(o) whether the Securities of the series are to be issued in whole or in part in the form of one or more Global Securities and, in such case, the

Depository for such Global Security or Securities and the terms and conditions, if any, upon which interests in such Global Security or Securities may be exchanged in whole or in part for the individual Securities represented thereby;

(p) whether Securities of the series are to be issued as Registered Securities or Bearer Securities or both, and, if Bearer Securities are issued, whether Coupons will be attached thereto, whether Bearer Securities of the series may be exchanged for Registered Securities of the series and the circumstances under which and the places at which any such exchanges, if permitted, may be made;

(q) if any Securities of the series are to be issued as Bearer Securities or as one or more Global Securities representing individual Bearer Securities of the series, (i) whether the provisions of Sections 4.02 and 6.02 or other provisions for payment of additional interest or tax redemption shall apply and, if other provisions shall apply, such other provisions; (ii) whether interest in respect of any portion of a temporary Bearer Security of the series (delivered pursuant to Section 3.04) payable in respect of any Interest Payment Date prior to the exchange of such temporary Bearer Security for definitive Bearer Securities of the series shall be paid to any clearing organization with respect to the portion of such temporary Bearer Security

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held for its account and, in such event, the terms and conditions (including any certification requirements) upon which any such interest payment received by a clearing organization will be credited to the Persons entitled to interest payable on such Interest Payment Date; and (iii) the terms upon which a temporary Bearer Security may be exchanged for one or more definitive Bearer Securities of the series;

(r) the date as of which any Global Security of the series shall be dated if other than the original issuance of the first Security of the series to be issued;

(s) the form of the Securities of the series; and

(t) any other terms of the Securities of the series, including Events of Default and/or additional covenants of the Company and/or the Guarantor (which terms shall not be inconsistent with the provisions of this Indenture).

All Securities of any one series and the Coupons, if any, appertaining thereto shall be substantially identical except as to denomination and except as may otherwise be provided by or pursuant to such Board Resolution, and set forth in such Officers' Certificate, or in any such indenture supplemental hereto. If any of the terms of a series of Securities are established by action taken to a Board Resolution, a copy of such Board Resolution shall be delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of such series.

SECTION 3.02. Denominations. In the absence of any specification pursuant to Section 3.01 with respect to Securities of any series, the Securities of such series shall be issuable only as Registered Securities in

denominations of any integral multiple of \$1,000, and shall be payable only in U.S. Dollars.

SECTION 3.03. Execution, Authentication, Delivery and Dating.

(a) The Securities and the Coupons, if any, shall be executed in the name and on behalf of the Company by the manual or facsimile signature of its Chairman of the Board of Directors, a Vice Chairman, its President or one of its Vice Presidents, under its corporate seal (which may be printed, engraved or otherwise reproduced thereon, by facsimile or otherwise), which shall be attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries. If the Person whose signature is on a Security or Coupon, if any, no longer holds that office at the time the Security or Coupon, if any, is authenticated and delivered, the Security and Coupon, if any, shall nevertheless be valid.

(b) At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities, with appropriate Coupons, if any, of any series, executed by the Company, to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities and Coupons. The Trustee shall thereupon authenticate and deliver such Securities and Coupons without any further action by the Company. A Company Order shall specify the amount of the Securities (and Coupons) to be authenticated and the date on which the original issue of Securities (and Coupons) is to be authenticated.

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(c) In authenticating the first Securities and Coupons, if any, of any series and accepting the additional responsibilities under this Indenture in relation to such Securities and Coupons, if any, the Trustee shall receive, and (subject to Section 11.02) shall be fully protected in relying upon:

(i) the supplemental indenture or Board Resolution relating thereto and, if applicable, an appropriate record of any action taken pursuant to such supplemental indenture or resolution, certified by the Secretary or an Assistant Secretary of the Company;

(ii) an Officer's Certificate as to the absence of any event that is, or after notice or lapse of time or both would become, an Event of Default; and

(iii) an Opinion of Counsel prepared in accordance with Section 16.02, which shall state:

(A) that the form and terms of such Securities have been established by or pursuant to one or more Board Resolutions, by a supplemental indenture as permitted by Section 14.01(m), or by both such resolution or resolutions and such supplemental indenture, in conformity with the provisions of this Indenture;

(B) that the supplemental indenture, if any, when executed and delivered by the Company, the Guarantor and the Trustee, will constitute a valid and legally binding obligation of each of the Company and the

Guarantor;

(C)that such Securities, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, and will be entitled to the benefits of this Indenture;

(D)that the Company has the corporate power to issue the Securities, and has duly taken all necessary action with respect to such issuance;

(E)that the Guarantor has the corporate power to guarantee the Securities, and has duly taken all necessary action with respect to such guarantee;

(F)that the issuance of the Securities will not contravene the certificate of incorporation or By-laws of the Company or the Guarantor or result in any violation of any of the terms or provisions of any law or regulation or of any indenture, mortgage or other agreement by which the Company or the Guarantor is bound and, with respect to the Guarantor, under which long-term debt of the Guarantor as reflected in its latest financial statements on file with the SEC is outstanding;

(G)that all requirements of the Indenture applicable to the Company in respect of the execution and delivery by the Company of the Securities and applicable to the Guarantor in respect of the Guarantee and of such supplemental indenture, if any, have

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been complied with and, that assuming (a) all requisite corporate authorization on the part of the Trustee, (b) continued compliance by the Trustee with the terms of the Indenture specifically applicable to the Trustee, and (c) due authentication and delivery of the Securities by the Trustee, the execution and delivery of such supplemental indenture, if any, will not violate the terms of this Indenture, and that, other than compliance with federal and state securities laws, no authorization, approval or consent by any regulatory or statutory or other public authority is required in connection with the execution and delivery of such supplemental indenture or for the creation, issuance, authentication and delivery of the Securities pursuant to the Indenture;

(H)all conditions precedent provided for in the Indenture (including any covenants compliance with which constitutes a condition precedent) to the Trustee's authentication and delivery of the Securities have been complied with; and

(I)the amount of Securities Outstanding of such series, together with the amount of such Securities, does not exceed any limit established under the terms of this Indenture on the amount of Securities of such series that may be authenticated and delivered.

(d) The Trustee shall have the right to decline to authenticate and deliver the Securities under this Section if the issue of the Securities

pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

(e) Each Security shall be dated the date of its authentication, except as otherwise provided pursuant to Section 3.01 with respect to the Securities of such series.

(f) Notwithstanding the provisions of Section 3.01 and of this Section 3.03, if all of the Securities of a series are not to be originally issued at the same time, then the documents required to be delivered pursuant to this Section 3.03 must be delivered only once, prior to the authentication and delivery of the first Security of such series; provided, however, that any subsequent request by the Company to the Trustee to authenticate Securities of such series upon original issuance shall constitute a representation and warranty by the Company and the Guarantor that, as of the date of such request, the statements made in the Officers' Certificate delivered pursuant to this Section 3.03 shall be true and correct as if made on such date.

(g) If the Company shall establish pursuant to Section 3.01 that the Securities of a series are to be issued in whole or in part in the form of one or more Global Securities, then the Company shall execute and the Trustee shall authenticate and deliver one or more Global Securities that (i) shall represent an aggregate amount equal to the aggregate principal amount of the Outstanding Securities of such series to be represented by one or more Global Securities, (ii) shall be registered, if in registered form, in the name of the Depositary for such Global Security or Securities or the nominee of such Depositary, (iii) shall be delivered by the Trustee to such Depositary or pursuant to such Depositary's instruction and (iv) shall bear a legend substantially to the following effect: "Unless and until it is exchanged in whole or in part for the individual Securities represented hereby, this Global Security may not be transferred except as a whole by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary." The aggregate principal

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amount of each Global Security may from time to time be increased or decreased by adjustments made on the records of the Security Custodian, as provided in this Indenture.

(h) Each Depositary designated pursuant to Section 3.01 for a Global Security in registered form must, at the time of its designation and at all times while it serves as such Depositary, be a clearing agency registered under the Exchange Act and any other applicable statute or regulation.

(i) Members of, or participants in, the Depositary ("Members") shall have no rights under this Indenture with respect to any Global Security held on their behalf by the Depositary or by the Security Custodian under such Global

Security, and the Depositary may be treated by the Company, the Trustee, the Paying Agent and the Registrar and any of their agents as the absolute owner of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee, the Paying Agent or the Registrar or any of their agents from giving effect to any written certification, proxy or other authorization furnished by the Depositary or impair, as between the Depositary and its Members, the operation of customary practices of the Depositary governing the exercise of the rights of an owner of a beneficial interest in any Global Security. The registered holder of a Global Security may grant proxies and otherwise authorize any Person, including Members and Persons that may hold interests through Members, to take any action that a holder is entitled to take under this Indenture or the Securities.

(j) No Security or Coupon appertaining thereto shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in one of the forms provided for herein duly executed by the Trustee or by an Authenticating Agent by manual signature of one of its Responsible Officers, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security (and any Coupons appertaining thereto) has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. Except as permitted by Section 3.05, 3.07 or 3.08, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant Coupons then matured have been cleared and canceled.

SECTION 3.04. Temporary Securities.

(a) Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Securities that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, in registered form or, if authorized, in bearer form with one or more Coupons or without Coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities and Coupons, if any, may determine, as conclusively evidenced by their execution of such Securities and Coupons. Any such temporary Security may be in global form, representing all or a portion of the Outstanding Securities of such series. Every such temporary Security shall be executed by the Company and shall be authenticated and delivered by the Trustee upon the same conditions and in substantially the same manner, and with the same effect, as the definitive Security or Securities in lieu of which it is issued.

(b) If temporary Securities of any series are issued, the Company will cause definitive Securities of such series to be prepared without unreasonable delay. Except as otherwise specified as contemplated by Section 3.01(q) (iii) with respect to a series of Securities issuable as Bearer Securities or as one or more Global Securities representing individual Bearer Securities of the series, (a) after the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for

such series, without charge to the holder, except as provided in Section 3.06 in connection with a transfer and except that a Person receiving definitive Bearer Securities shall bear the cost of insurance, postage, transportation and the like unless otherwise specified pursuant to Section 3.01, and (b) upon surrender for cancellation of any one or more temporary Securities of any series (accompanied by any unmatured Coupons appertaining thereto), the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of the same series of authorized denominations and of like tenor; provided, however, that no definitive Bearer Security shall be delivered in exchange for a temporary Registered Security; and provided, further, that delivery of a Global Security representing individual Bearer Securities or a Bearer Security shall occur only outside the United States. Until so exchanged, temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series, except as otherwise specified as contemplated by Section 3.01(q) (ii) with respect to the payment of interest on Global Securities in temporary form.

(c) Unless otherwise specified pursuant to Section 3.01, the Company will execute and deliver each definitive Global Security representing individual Bearer Securities and each Bearer Security to the Trustee at its principal office in London or such other place outside the United States specified pursuant to Section 3.01.

(d) Upon any exchange of a portion of a temporary Global Security for a definitive Global Security or for the individual Securities represented thereby pursuant to this Section 3.04 or Section 3.06, the temporary Global Security shall be endorsed by the Trustee to reflect the reduction of the principal amount evidenced thereby, whereupon the principal amount of such temporary Global Security shall be reduced for all purposes by the amount so exchanged and endorsed.

SECTION 3.05. Registrar and Paying Agent.

(a) The Company will maintain an office or agency in the Borough of Manhattan, the City of New York, or in any other office or agency of the Company in a Place of Payment, where Registered Securities may be presented for registration or presented and surrendered for registration of transfer or of exchange (the "Registrar"), where Registered Securities may be presented for payment (the "Paying Agent") and for the service of notices and demands to or upon the Company in respect of the Registered Securities and of their transfer or exchange. The Registrar shall keep a security register for the registration of and the registration of transfer or of exchange of the Registered Securities (the registers maintained in such office and in any other office or agency of the Company in a Place of Payment being herein sometimes collectively referred to as the "Register"), as in this Indenture provided, which Register shall at all reasonable times be open for inspection by the Trustee. Such Register shall be in written form or in any other form capable of being converted into written form within a reasonable time.

The Company may have one or more co-Registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent.

(b) The Company shall enter into an appropriate agency agreement with any Registrar, Paying Agent or co-Registrar not a party to this Indenture. The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall notify the Trustee of the name and address of each such agent. If the Company fails to maintain a Registrar or Paying Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 11.01. The Company or the Guarantor may act as Paying Agent, Registrar, co-Registrar or transfer agent.

(c) The Company hereby appoints the Trustee at its Corporate Trust Office as Registrar, Paying Agent and agent for service of demands and notices in connection with the Securities and this Indenture, until such time as another Person is appointed as such.

SECTION 3.06. Transfer and Exchange .

(a) Transfer.

(i) Upon surrender for registration of transfer of any Registered Security of any series at the Registrar the Company shall execute, and the Trustee or any Authenticating Agent shall authenticate and deliver, in the name of the designated transferee, one or more new Registered Securities of the same series for like aggregate principal amount of any authorized denomination or denominations. The transfer of any Security shall not be valid as against the Company, the Guarantor or the Trustee unless registered at the Registrar by the registered holder, or by his or her attorney duly authorized in writing. Except as otherwise specified pursuant to Section 3.01, in no event may Registered Securities, including Registered Securities received in exchange for Bearer Securities, be exchanged for Bearer Securities.

(ii) Notwithstanding any other provision of this Section, unless and until it is exchanged in whole or in part for the individual Securities represented thereby, a Global Security representing all or a portion of the Securities of a series may not be transferred except as a whole by the Depositary for such series to a nominee of such Depositary or by a nominee of such Depositary to such Depositary or another nominee of such Depositary or by such Depositary or any such nominee to a successor Depositary for such series or a nominee of such successor Depositary.

(b) Exchange.

(i) At the option of the holder, Registered Securities of any series (other than a Global Security, except as set forth below) may be exchanged for other Registered Securities of the same series for like aggregate principal amount of any authorized denomination or denominations, upon surrender of the Registered Securities to be exchanged at the Registrar.

(ii) At the option of the holder, except as otherwise specified as

contemplated by Section 3.01(o) or 3.01(q) with respect to a Global Security representing Bearer Securities, Bearer Securities of any series may be exchanged for Registered Securities (if the Securities of such series are issuable as Registered Securities) or Bearer Securities of the same series, for like aggregate principal amount of any authorized denomination or denominations, upon surrender of the Bearer Securities to be exchanged at the office or agency of the Company maintained for such purpose, with all unmatured Coupons and all matured Coupons in Default thereto appertaining; provided, however, that delivery of a Bearer Security shall occur only outside the United States. If the holder of a Bearer Security is unable to produce any such unmatured Coupon or Coupons or matured Coupon or Coupons in Default, such exchange may be effected if the Bearer Securities are accompanied by payment in funds acceptable to the Company and the Trustee in an amount equal to the face amount of such missing Coupon or Coupons, or the surrender of such missing Coupon or Coupons may be waived by the Company and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the holder of such Bearer Security shall surrender to any Paying Agent any such missing Coupon in respect of which such a payment shall have been made, such holder shall be entitled to receive the amount of such payment; provided, however, that, except as otherwise provided in Section 3.08, interest represented by Coupons shall be payable only upon presentation and surrender of those Coupons at an office or agency located outside the United States.

(iii) Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities that the holder making the exchange is entitled to receive.

(iv) Notwithstanding the foregoing, the exchange of Bearer Securities for Registered Securities will be subject to the provisions of United States income tax laws and regulations applicable to Securities in effect at the time of such exchange.

(c) Exchange of Global Securities for Individual Securities. Except as provided below, owners of beneficial interests in Global Securities will not be entitled to receive individual Securities.

(i) Individual Securities shall be issued to all owners of beneficial interests in a Global Security in exchange for such interests if:

(A) at any time the Depositary for the Securities of a series notifies the Company that it is unwilling or unable to continue as Depositary for the Securities of such series or if at any time the Depositary for the Securities of such series shall no longer be eligible under Section 3.03(h) and, in each case, a successor Depositary is not appointed by the Company within 90 days of such notice, or

(B) the Company executes and delivers to the Trustee and the Registrar an Officers' Certificate stating that such Global Security shall be so exchangeable.

In connection with the exchange of an entire Global Security for individual Securities pursuant to this subsection (c), such Global Security shall be deemed to be surrendered to the

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Trustee for cancellation, and the Company shall execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of individual Securities of such series, will authenticate and deliver to each beneficial owner identified by the Depositary in exchange for its beneficial interest in such Global Security, an equal aggregate principal amount of individual Securities of authorized denominations.

(ii) The owner of a beneficial interest in a Global Security will be entitled to receive an individual Security in exchange for such interest if an Event of Default has occurred and is continuing. Upon receipt by the Security Custodian and Registrar of instructions from the holder of a Global Security directing the Security Custodian and Registrar to (x) issue one or more individual Securities in the amounts specified to the owner of a beneficial interest in such Global Security and (y) debit or cause to be debited an equivalent amount of beneficial interest in such Global Security, subject to the rules and regulations of the Depositary:

(A) the Security Custodian and Registrar shall notify the Company and the Trustee of such instructions, identifying the owner and amount of such beneficial interest in such Global Security;

(B) the Company shall promptly execute and the Trustee, upon receipt of a Company Order for the authentication and delivery of individual Securities of such series, shall authenticate and deliver to such beneficial owner individual Securities in an equivalent amount to such beneficial interest in such Global Security; and

(C) the Security Custodian and Registrar shall decrease such Global Security by such amount in accordance with the foregoing.

In the event that the individual Securities are not issued to each such beneficial owner promptly after the Registrar has received a request from the holder of a Global Security to issue such individual Securities, the Company expressly acknowledges, with respect to the right of any holder to pursue a remedy pursuant to Section 7.07 hereof, the right of any beneficial holder of Securities to pursue such remedy with respect to the portion of the Global Security that represents such beneficial holder's Securities as if such individual Securities had been issued.

(iii) If specified by the Company pursuant to Section 3.01 with respect to a series of Securities, the Depositary for such series of Securities may surrender a Global Security for such series of Securities in exchange in whole or in part for individual Securities of such series

on such terms as are acceptable to the Company and such Depositary. Thereupon, the Company shall execute, and the Trustee shall authenticate and deliver, without service charge,

(A) to each Person specified by such Depositary a new individual Security or Securities of the same series, of any authorized denomination as requested by such Person in aggregate principal amount equal to and in exchange for such Person's beneficial interest in the Global Security; and

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(B) to such Depositary a new Global Security in a denomination equal to the difference, if any, between the principal amount of the surrendered Global Security and the aggregate principal amount of individual Securities delivered to holders thereof.

(iv) In any exchange provided for in clauses (i) through (iii), the Company will execute and the Trustee will authenticate and deliver individual Securities (a) in registered form in authorized denominations, if the Securities of such series are issuable as Registered Securities, (b) in bearer form in authorized denominations, with or without Coupons attached, if the Securities of such series are issuable as Bearer Securities or (c) as either Registered or Bearer Securities, if the Securities of such series are issuable in either form; provided, however, that individual Bearer Securities shall be delivered in exchange for a Global Security only in accordance with the procedures specified pursuant to Section 3.01.

(v) Upon the exchange of a Global Security for individual Securities, such Global Security shall be canceled by the Trustee. Individual Registered Securities issued in exchange for a Global Security pursuant to this Section shall be registered in such names and in such authorized denominations as the Depositary for such Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Registered Securities to the Persons in whose names such Registered Securities are so registered. The Trustee shall deliver individual Bearer Securities issued in exchange for a Global Security pursuant to this Section to the Persons and in such authorized denominations as the Depositary for such Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee; provided, however, that individual Bearer Securities shall be delivered in exchange for a Global Security only in accordance with the procedures as may be specified pursuant to Section 3.01.

(d) Notwithstanding the foregoing, the exchange of Bearer Securities for Registered Securities will be subject to the provisions of United States income tax laws and regulations applicable to Securities in effect at the time

of such exchange.

(e) All Securities issued upon any transfer or exchange of Securities shall be valid obligations of the Company (and, as with respect to the Guarantee, the Guarantor) evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered for such registration of transfer or exchange.

(f) Every Registered Security presented or surrendered for registration of transfer, or for exchange or payment shall (if so required by the Company, the Trustee or the Registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company, the Trustee and the Registrar, duly executed, by the holder thereof or by his or her attorney duly authorized in writing.

(g) No service charge will be made for any registration of transfer or exchange of Securities except as provided in Section 3.04(b) or 3.07. The Company may require payment of a sum sufficient to cover any tax, assessment or other governmental charge that may be imposed in connection with any registration, transfer or

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exchange of Securities, other than those expressly provided in this Indenture to be made at the Company's own expense or without expense or without charge to the holders.

(h) The Company shall not be required to (i) register, transfer or exchange Securities of any series during a period beginning at the opening of business 15 days before the day of the transmission of a notice of redemption of Securities of such series selected for redemption under Section 4.03 and ending at the close of business on the day of such transmission, or (ii) register, transfer or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part; provided, however, that, if specified pursuant to Section 4.02, any Bearer Securities of any series that are exchangeable for Registered Securities and that are called for redemption pursuant to Section 4.02 may, to the extent permitted by applicable law, be exchanged for one or more Registered Securities of such series during the period preceding the Redemption Date.

(i) Prior to the due presentation for registration of transfer or exchange of any Security, the Company, the Guarantor, the Trustee, the Paying Agent, the Registrar or any co-Registrar may deem and treat the Person in whose name a Security is registered as the absolute owner of such Security (whether or not such Security shall be overdue and notwithstanding any notation of ownership or other writing thereon) for all purposes whatsoever, and none of the Company, the Guarantor, the Trustee, the Paying Agent, the Registrar or any co-Registrar shall be affected by any notice to the contrary.

(j) In case a successor Company ("Successor Company") has executed an indenture supplemental hereto with the Trustee pursuant to Article Fourteen,

any of the Securities authenticated or delivered pursuant to such transaction may, from time to time, at the request of the Successor Company, be exchanged for other Securities executed in the name of the Successor Company with such changes in phraseology and form as may be appropriate, but otherwise identical to the Securities surrendered for such exchange and of like principal amount; and the Trustee, upon Company Order of the Successor Company, shall authenticate and deliver Securities as specified in such order for the purpose of such exchange. If Securities shall at any time be authenticated and delivered in any new name of a Successor Company pursuant to this Section 3.06 in exchange or substitution for or upon registration of transfer of any Securities, such Successor Company, at the option of the holders but without expense to them, shall provide for the exchange of all Securities at the time Outstanding for Securities authenticated and delivered in such new name.

(k) Each holder of a Security agrees to indemnify the Company and the Trustee against any liability that may result from the transfer, exchange or assignment of such holder's Security in violation of any provision of this Indenture and/or applicable United States federal or state securities laws.

(l) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Security other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

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(m) Neither the Trustee nor any agent of the Trustee shall have any responsibility for any actions taken or not taken by the Depositary.

SECTION 3.07. Mutilated, Destroyed, Lost and Stolen Securities.

(a) If (i) any mutilated Security or any mutilated Coupon with the Coupon Security to which it appertains (and all unmatured Coupons attached thereto) is surrendered to the Trustee at its Corporate Trust Office (in the case of Registered Securities) or at its principal London office (in the case of Bearer Securities) or (ii) the Company and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Security or any Coupon, and there is delivered to the Company and the Trustee security or indemnity satisfactory to them to save each of them and any Paying Agent harmless, and neither the Company nor the Trustee receives notice that such Security or Coupon has been acquired by a protected purchaser, then the Company shall execute and upon Company Request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Security or in exchange for the Coupon Security to which such mutilated, destroyed, lost or stolen Coupon appertains, a new Security of the same series of like tenor, form, terms and principal amount, bearing a number not contemporaneously Outstanding, and, in the case of a Coupon Security, with such Coupons attached thereto that neither gain nor loss in interest shall result from such exchange or substitution.

(b) In case any such mutilated, destroyed, lost or stolen Security or Coupon has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay the amount due on such Security or Coupon in accordance with its terms; provided, however, that payment of principal and premium, if any, and any interest on Bearer Securities or payment of Coupons shall, except as otherwise provided in Section 3.08, be payable only at an office or agency located outside the United States.

(c) Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in respect thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

(d) Every new Security of any series, with its Coupons, if any, issued pursuant to this Section shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Security or Coupon shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series and their Coupons, if any, duly issued hereunder.

(e) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or Coupons.

SECTION 3.08. Payment of Interest; Interest Rights Preserved.

(a) Interest on any Registered Security that is payable and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the Person in whose name such Registered Security (or one or more Predecessor Securities) is registered at the close of

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business on the Record Date for such interest notwithstanding the cancellation of such Registered Security upon any transfer or exchange subsequent to the Record Date. In case a Coupon Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at an office or agency in a Place of Payment for such series) on any Record Date and before the opening of business (at such office or agency) on the next succeeding Interest Payment Date, such Coupon Security shall be surrendered without the Coupon relating to such Interest Payment Date and interest will not be payable on such Interest Payment Date in respect of the Registered Security issued in exchange for such Coupon Security, but will be payable only to the bearer of such Coupon when due in accordance with the provisions of this Indenture. Payment of interest on Registered Securities shall be made at the Corporate Trust Office (except as otherwise specified pursuant to Section 3.01) or, at the option of the Company, by check mailed to the address of the Person entitled thereto as such address shall appear in the Register or, if provided pursuant to Section 3.01 and in accordance with arrangements satisfactory to the Trustee, at the option of the Registered Holder by wire transfer to an account designated by the Registered Holder.

(b) Interest on any Coupon Security that is payable and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the holder of the Coupon that has matured on such Interest Payment Date upon surrender of such Coupon on such Interest Payment Date at the principal London office of the Trustee or at such other Place of Payment outside the United States specified pursuant to Section 3.01.

(c) Interest on any Bearer Security (other than a Coupon Security) that is payable and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the holder of the Bearer Security upon presentation of such Bearer Security and notation thereon on such Interest Payment Date at the principal London office of the Trustee or at such other Place of Payment outside the United States specified pursuant to Section 3.01.

(d) Unless otherwise specified pursuant to Section 3.01, at the direction of the holder of any Bearer Security or Coupon payable in U.S. Dollars, and subject to applicable laws and regulations, payments in respect of such Bearer Security or Coupon will be made by check drawn on a bank in the City of New York or, in accordance with arrangements satisfactory to the Trustee, by wire transfer to a U.S. Dollars account maintained by such holder with a bank outside the United States. If such payment at the offices of all Paying Agents outside the United States becomes illegal or is effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. Dollars, the Company will appoint an office or agent in the United States at which such payment may be made. Unless otherwise specified pursuant to Section 3.01, at the direction of the holder of any Bearer Security or Coupon payable in a Foreign Currency, payment on such Bearer Security or Coupon will be made by a check drawn on a bank outside the United States or, in accordance with arrangements satisfactory to the Trustee, by wire transfer to an appropriate account maintained by such holder outside the United States. Except as provided in this paragraph, no payment on any Bearer Security or Coupon will be made by mail to an address in the United States or by transfer to an account maintained by the bearer thereof in the United States.

(e) Any interest on any Security that is payable but is not punctually paid or duly provided for on any Interest Payment Date (herein called "Defaulted Interest") shall, if such Security is a Registered Security, forthwith cease to be payable to the Registered Holder on the

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relevant Record Date by virtue of his or her having been such a Registered Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (i) or (ii) below:

(i) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names such Registered Securities (or their respective Predecessor Securities) are registered at the close of business on a special record date for the payment of such Defaulted Interest (a "Special Record Date"), which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each such Registered Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make

arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 calendar days and not less than 10 calendar days prior to the date of the proposed payment and not less than 10 calendar days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to the holders of such Registered Securities at their addresses as they appear in the Register, not less than 10 calendar days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names such Registered Securities (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (B). In case a Coupon Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at the office or agency in a Place of Payment for such series) on any Special Record Date and before the opening of business (at such office or agency) on the related proposed date of payment of Defaulted Interest, such Coupon Security shall be surrendered without the Coupon relating to such proposed date of payment and Defaulted Interest will not be payable on such proposed date of payment in respect of the Registered Security issued in exchange for such Coupon Security, but will be payable only to the holder of such Coupon when due in accordance with the provisions of this Indenture.

(ii) The Company may make payment of any Defaulted Interest on Registered Securities in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Registered Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

(f) Any Defaulted Interest payable in respect of Bearer Securities of any series shall be payable pursuant to such procedures as may be satisfactory to the Trustee in such

manner that there is no discrimination between the holders of Registered Securities (if any) and Bearer Securities of such series, and notice of the payment date therefor shall be given by the Trustee, in the name and at the expense of the Company, in the manner provided in Section 16.08, not more than 25 days and not less than 20 days prior to the date of the proposed payment.

(g) Subject to the provisions set forth herein relating to Record Dates, each Security delivered pursuant to any provision of this Indenture in exchange or substitution for, or upon registration of transfer of, any other Security shall carry all the rights to interest accrued and unpaid, and to

accrue, which were carried by such other Security.

SECTION 3.09. Cancellation. Unless otherwise specified pursuant to Section 3.01 for Securities of any series, all Securities surrendered for payment, redemption, transfer, exchange or credit against any sinking fund or otherwise and all Coupons surrendered for payment or exchange shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee for cancellation and shall be promptly canceled by it or, if surrendered to the Trustee, shall be promptly canceled by it. The Company may at any time deliver to the Trustee for cancellation any Securities or Coupons previously authenticated and delivered hereunder that the Company may have acquired in any manner whatsoever, and all Securities or Coupons so delivered shall be promptly canceled by the Trustee. No Securities or Coupons shall be authenticated in lieu of or in exchange for any Securities or Coupons canceled as provided in this Section, except as expressly permitted by this Indenture. The Trustee shall dispose of all canceled Securities and Coupons held by it in accordance with its then customary procedures and deliver a certificate of such disposal to the Company. The acquisition of any Securities or Coupons by the Company shall not operate as a redemption or satisfaction of the indebtedness represented thereby unless and until such Securities or Coupons are surrendered to the Trustee for cancellation.

SECTION 3.10. Computation of Interest. Except as otherwise specified pursuant to Section 3.01 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 3.11. Currency of Payments in Respect of Securities.

(a) Except as otherwise specified pursuant to Section 3.01 for Bearer Securities of any series, payment of the principal of and premium, if any, and interest on Bearer Securities of such series denominated in any Currency will be made in such Currency.

(b) Except as otherwise specified pursuant to Section 3.01 for Registered Securities of any series, payment of the principal of and premium, if any, and interest on Registered Securities of such series will be made in U.S. Dollars.

(c) For purposes of any provision of the Indenture where the holders of Outstanding Securities may perform an action that requires that a specified percentage of the Outstanding Securities of all series perform such action and for purposes of any decision or determination by the Trustee of amounts due and unpaid for the principal of and premium, if any, and interest on the Securities of all series in respect of which moneys are to be disbursed ratably, the principal of and premium, if any, and interest on the Outstanding Securities denominated in a Foreign Currency will be the amount in U.S. Dollars based upon exchange rates, determined as

specified pursuant to Section 3.01 for Securities of such series, as of the date for determining whether the holders entitled to perform such action have performed it or as of the date of such decision or determination by the Trustee, as the case may be.

(d) Any decision or determination to be made regarding exchange rates shall be made by an agent appointed by the Company; provided, that such agent shall accept such appointment in writing and the terms of such appointment shall, in the opinion of the Company at the time of such appointment, require such agent to make such determination by a method consistent with the method provided pursuant to Section 3.01 for the making of such decision or determination. All decisions and determinations of such agent regarding exchange rates shall be in its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and irrevocably binding upon the Company, the Guarantor, the Trustee and all holders of the Securities.

SECTION 3.12. Judgments. The Company and the Guarantor may provide pursuant to Section 3.01 for Securities of any series that (a) the obligation, if any, of the Company or the Guarantor, as applicable, to pay the principal of, premium, if any, and interest on the Securities of any series in a Foreign Currency or U.S. Dollars (the "Designated Currency") as may be specified pursuant to Section 3.01 is of the essence and agrees that, to the fullest extent possible under applicable law, judgments in respect of such Securities shall be given in the Designated Currency; (b) the obligation of the Company or the Guarantor, as applicable, to make payments in the Designated Currency of the principal of and premium, if any, and interest on such Securities shall, notwithstanding any payment in any other Currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the Designated Currency that the holder receiving such payment may, in accordance with normal banking procedures, purchase with the sum paid in such other Currency (after any premium and cost of exchange) on the business day in the country of issue of the Designated Currency or in the international banking community (in the case of a composite currency) immediately following the day on which such holder receives such payment; (c) if the amount in the Designated Currency that may be so purchased for any reason falls short of the amount originally due, the Company or the Guarantor, as applicable, shall pay such additional amounts as may be necessary to compensate for such shortfall; and (d) any obligation of the Company or the Guarantor, as applicable, not discharged by such payment shall be due as a separate and independent obligation and, until discharged as provided herein, shall continue in full force and effect.

SECTION 3.13. CUSIP Numbers. The Company in issuing any Securities may use CUSIP numbers, if then generally in use, and thereafter with respect to such series, the Trustee may use such numbers in any notice of redemption or exchange with respect to such series provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee in writing of any change in the CUSIP numbers.

ARTICLE IV

REDEMPTION OF SECURITIES

SECTION 4.01. Applicability of Right of Redemption. Redemption of

Securities (other than pursuant to a sinking fund or analogous provision) permitted by the terms of any series of Securities shall be made in accordance with such terms (except as otherwise specified pursuant to Section 3.01 for Securities of any series) in accordance with this Article; provided, however, that if any such terms of a series of Securities shall conflict with any provision of this Article, the terms of such series shall govern.

SECTION 4.02. Tax Redemption; Special Tax Redemption.

(a) Unless otherwise specified pursuant to Section 3.01, Bearer Securities of any series may be redeemed at the option of the Company in whole, but not in part, at any time, at the Redemption Price thereof (calculated without premium), if the Company has or will become obligated to pay additional interest on such Bearer Securities pursuant to Section 6.02 as a result of any change in, or amendment to, the laws (or any regulation or ruling promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date on which any Person (including any Person acting as underwriter, broker or dealer) agrees to purchase any of such Bearer Securities pursuant to their original issuance, and such obligation cannot be avoided by the Company taking reasonable measures available to it. If the Company elects to redeem Bearer Securities pursuant to this Section 4.02, it shall notify the Trustee and the holders of such Bearer Securities in accordance with Sections 4.03 and 4.04; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of the Bearer Securities of that series then due. Prior to the publication of any notice of redemption pursuant to this Section 4.02(a), the Company shall deliver to the Trustee (i) an Officers' Certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred and (ii) an Opinion of Counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

(b) Unless otherwise specified pursuant to Section 3.01, if the Company shall determine that any payment made outside the United States by the Company or any of its Paying Agents in respect of any Bearer Security or Coupon, if any, that is not a Floating Rate Security (an "Affected Security") would, under any present or future laws or regulations in the United States, be subject to any certification, documentation, information or other reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any Paying Agent or any governmental authority of the nationality, residence or identity of a beneficial owner of such Affected Security that is a United States Alien (other than such a requirement (i) that would not be applicable to a payment made by the Company or any one of its Paying Agents (A) directly to the beneficial owner or (B) to a custodian, nominee or other agent of the beneficial owner, or (ii) that can be satisfied by such custodian, nominee or other agent certifying to the effect that the beneficial owner is a United States Alien; provided that, in any case referred to in clause (i)(B) or (ii), payment by the custodian, nominee or agent to the beneficial owner is not

otherwise subject to any such requirement), then the Company shall elect either (x) to redeem such Affected Securities in whole, but not in part, at the Redemption Price thereof (calculated without premium) or (y) if the conditions of the next succeeding paragraph are satisfied, to pay the additional interest specified in such paragraph. The Company shall make such determination as soon as practicable and publish prompt notice thereof (the "Determination Notice"), stating the effective date of such certification, documentation, information or other reporting requirement, whether the Company elects to redeem the Affected Securities or to pay the additional interest specified in the next succeeding paragraph and (if applicable) the last date by which the redemption of the Affected Securities must take place, as provided in the next succeeding sentence. If any Affected Securities are to be redeemed pursuant to this paragraph, the redemption shall take place on such date, not later than one year after the publication of the Determination Notice, as the Company shall specify by notice given to the Trustee and the holders of the Affected Securities in accordance with Sections 4.03 and 4.04. Notwithstanding the foregoing, the Company shall not so redeem the Affected Securities if the Company shall subsequently determine, not less than 30 days prior to the Redemption Date, that subsequent payments on the Affected Securities would not be subject to any such certification, documentation, information or other reporting requirement, in which case the Company shall publish prompt notice of such subsequent determination, and any earlier redemption notice given pursuant to this paragraph shall be revoked and of no further effect. Prior to the publication of any Determination Notice pursuant to this paragraph, the Company shall deliver to the Trustee (i) an Officers' Certificate stating that the Company is entitled to make such determination and setting forth a statement of facts showing that the conditions precedent to the obligation of the Company to redeem the Affected Securities or to pay the additional interest specified in the next succeeding paragraph have occurred and (ii) an Opinion of Counsel to the effect that such conditions have occurred.

(c) If and so long as the certification, documentation, information or other reporting requirements referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect to pay as additional interest such amounts as may be necessary so that every net payment made outside the United States following the effective date of such requirement by the Company or any of its Paying Agents in respect of any Affected Security of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to the Company, any Paying Agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge that (i) would not be applicable in the circumstances referred to in the parenthetical clause of the first sentence of the preceding paragraph or (ii) is imposed as a result of presentation of any such Affected Security for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount provided in any such Affected Security to be then due and payable. If the Company elects to pay additional interest pursuant to this paragraph, then the Company shall have the right, but shall not be required, to redeem the Affected Securities at any time in whole, but not in part, at the Redemption Price thereof (calculated without premium), subject to the provisions of the last three sentences of the immediately preceding paragraph. If the Company elects to pay additional interest pursuant to this paragraph and the condition specified in the first sentence of this paragraph should no longer be satisfied, then the Company shall

Securities in whole, but not in part, at the Redemption Price thereof (calculated without premium), subject to the provisions of the last three sentences of the immediately preceding paragraph. Any redemption payments made by the Company pursuant to the two immediately preceding sentences shall be subject to the continuing obligation of the Company to pay additional interest pursuant to this paragraph. If the Company elects to, or is required to, redeem the Affected Securities pursuant to this paragraph, it shall notify the Trustee and the holders of the Affected Securities thereof in accordance with Sections 4.03 and 4.04.

SECTION 4.03. Selection of Securities to be Redeemed.

(a) If the Company shall at any time elect to redeem all or any portion of the Securities of a series then Outstanding, it shall at least 45 days prior to the Redemption Date fixed by the Company (unless a shorter period shall be satisfactory to the Trustee) notify the Trustee of such Redemption Date and of the principal amount of Securities to be redeemed, and thereupon the Trustee shall select, in such manner as the Trustee shall deem appropriate and fair, the Securities (or portions thereof) of such series to be redeemed. Unless otherwise provided in the Officers' Certificate or supplemental indenture provided for in Section 3.01, no Security of a denomination of \$1,000 shall be redeemed in part and Securities may be redeemed in part only in integral multiples of \$1,000. In any case where more than one Registered Security of such series is registered in the same name, the Trustee in its discretion may treat the aggregate principal amount so registered as if it were represented by one Registered Security of such series. The Trustee shall, as soon as practicable, notify the Company in writing of the Securities and portions of Securities so selected.

(b) For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Security redeemed or to be redeemed only in part, to the portion of the principal amount of such Security that has been or is to be redeemed.

SECTION 4.04. Notice of Redemption.

(a) The election of the Company to redeem any Securities of any series shall be evidenced by a Board Resolution. Notice of redemption shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company, not less than 30 nor more than 60 days prior to the Redemption Date, to the holders of Securities of any series to be redeemed in whole or in part pursuant to this Article, in the manner provided in Section 16.08. Any notice so given shall be conclusively presumed to have been duly given, whether or not the holder receives such notice. Failure to give such notice, or any defect in such notice to the holder of any Security of a series designated for redemption, in whole or in part, shall not affect the sufficiency of any notice of redemption with respect to the holder of any other Security of such series.

(b) All notices of redemption shall identify the Securities to be

redeemed (including CUSIP numbers) and shall state:

(i) such election by the Company to redeem Securities of such series pursuant to provisions contained in this Indenture or the terms of the Securities of such series or a supplemental indenture establishing such series, if such be the case;

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(ii) the Redemption Date;

(iii) the Redemption Price;

(iv) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Securities to be redeemed;

(v) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed, and that interest thereon, if any, shall cease to accrue on and after said date;

(vi) that, unless otherwise specified in such notice, Coupon Securities of any series, if any, surrendered for redemption must be accompanied by all Coupons maturing subsequent to the date fixed for redemption, failing which the amount of any such missing Coupon or Coupons will be deducted from the Redemption Price;

(vii) the Place or Places of Payment where such Securities are to be surrendered for payment of the Redemption Price, and that the Securities designated in such notice for redemption are required to be presented on or after such Redemption Date at the designated Place of Payment;

(viii) if Bearer Securities of any series are to be redeemed and any Registered Securities of such series are not to be redeemed, and if such Bearer Securities may be exchanged for Registered Securities not subject to redemption on this Redemption Date pursuant to Section 3.06(c) or otherwise, the last date on which such exchanges may be made;

(ix) that the redemption is for a sinking fund, if such is the case; and

(x) if any Security of any series is to be redeemed in part, that on and after the Redemption Date, upon surrender of such Security and any Coupons appertaining thereto, such Security and any Coupons appertaining thereto will be canceled and a new Security or Securities of such series in aggregate principal amount equal to the unredeemed portion thereof and with appropriate Coupons will be issued and delivered without charge to the holder or, in the case of Securities providing appropriate space for such notation, at the option of the holders, the Trustee, in lieu of delivering a new Security or Securities as aforesaid, may make a notation on such Security of the payment of the redeemed portion thereof.

SECTION 4.05. Deposit of Redemption Price. On or prior to 10 a.m., New York City time, on the Redemption Date for any Registered Securities, the Company shall deposit with the Trustee or with a Paying Agent (or, if the

Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 6.04) an amount of money in the Currency in which such Securities are denominated (except as provided pursuant to Section 3.01) sufficient to pay the Redemption Price of such Securities or any portions thereof that are to be redeemed on that date. In the case of any redemption pertaining to Bearer or Coupon Securities, the Company shall, no later than the Business Day prior to such Redemption Date, deposit with

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the Trustee or with a Paying Agent (other than the Company) an amount of money in the Currency in which such Securities are denominated (except as provided pursuant to Section 3.01) sufficient to pay the Redemption Price of such Securities or any portion thereof that are to be redeemed on the Redemption Date.

SECTION 4.06. Securities Payable on Redemption Date. Notice of redemption having been given as aforesaid, any Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price and from and after such date (unless the Company shall Default in the payment of the Redemption Price) such Securities shall cease to bear interest and any Coupons for such interest appertaining to any such Securities to be redeemed, except to the extent described below, shall be void. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price; provided, however, that installments of interest that have a Stated Maturity on or prior to the Redemption Date for such Securities shall be payable according to the terms of such Securities and the provisions of Section 3.08.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and premium, if any, shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

If any Coupon Security surrendered for redemption shall not be accompanied by all Coupons appertaining thereto maturing on or after the Redemption Date, the Redemption Price for such Coupon Security may be reduced by an amount equal to the face amount of all such missing Coupons. If thereafter the holder of such Coupon shall surrender to any Paying Agent outside the United States any such missing Coupon in respect of which a deduction shall have been made from the Redemption Price, such holder shall be entitled to receive the amount so deducted. The surrender of such missing Coupon or Coupons may be waived by the Company and the Trustee, if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless.

SECTION 4.07. Securities Redeemed in Part. Any Security that is to be redeemed only in part shall be surrendered at the Corporate Trust Office or such other office or agency of the Company as is specified pursuant to Section 3.01 (in the case of Registered Securities) and at the principal London office of the Trustee or such other office or agency of the Company outside the United States as is specified pursuant to Section 3.01 (in the case of Bearer

Securities) with, if the Company, the Registrar or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company, the Registrar and the Trustee duly executed by, the holder thereof or his attorney duly authorized in writing, and the Company shall execute, and the Trustee shall authenticate and deliver to the holder of such Security without service charge, a new Security or Securities of the same series, of like tenor and form, of any authorized denomination as requested by such holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered, and, in the case of a Coupon Security, with appropriate Coupons attached; except that if a Global Security is so surrendered, the Company shall execute, and the Trustee shall authenticate and deliver to the Depositary for such Global Security, without service charge, a new Global Security in a denomination equal to and in exchange for the unredeemed portion of the principal of the Global Security so surrendered. In the case of a Security providing appropriate space for such notation, at the option of the holder thereof, the Trustee, in lieu of

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delivering a new Security or Securities as aforesaid, may make a notation on such Security of the payment of the redeemed portion thereof.

ARTICLE V

SINKING FUNDS

SECTION 5.01. Applicability of Sinking Fund.

(a) Redemption of Securities permitted or required pursuant to a sinking fund for the retirement of Securities of a series by the terms of such series of Securities shall be made in accordance with such terms of such series of Securities and this Article, except as otherwise specified pursuant to Section 3.01 for Securities of such series, provided, however, that if any such terms of a series of Securities shall conflict with any provision of this Article, the terms of such series shall govern.

(b) The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "Mandatory Sinking Fund Payment," and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an "Optional Sinking Fund Payment." If provided for by the terms of Securities of any series, the cash amount of any Mandatory Sinking Fund Payment may be subject to reduction as provided in Section 5.02.

SECTION 5.02. Mandatory Sinking Fund Obligation. The Company may, at its option, satisfy any Mandatory Sinking Fund Payment obligation, in whole or in part, with respect to a particular series of Securities by (1) delivering to the Trustee Securities of such series in transferable form (together with the unmatured Coupons, if any, appertaining thereto) theretofore purchased or otherwise acquired by the Company or redeemed at the election of the Company pursuant to Section 4.03 or (2) receiving credit for Securities of such series (together with the unmatured Coupons, if any, appertaining thereto) (not previously so credited) acquired by the Company and theretofore delivered to the Trustee. The Trustee shall credit such Mandatory Sinking Fund Payment obligation

with an amount equal to the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such Mandatory Sinking Fund Payment shall be reduced accordingly. If the Company shall elect to so satisfy any Mandatory Sinking Fund Payment obligation, it shall deliver to the Trustee not less than 45 days prior to the relevant sinking fund payment date a written notice signed on behalf of the Company by its Chairman of the Board of Directors, its President, one of its Vice Presidents, its Treasurer or one of its Assistant Treasurers, which shall designate the Securities (and portions thereof, if any) so delivered or credited and which shall be accompanied by such Securities (together with the unmatured Coupons, if any, appertaining thereto) (to the extent not theretofore delivered) in transferable form. In case of the failure of the Company, at or before the time so required, to give such notice and deliver such Securities the Mandatory Sinking Fund Payment obligation shall be paid entirely in moneys.

SECTION 5.03. Optional Redemption at Sinking Fund Redemption Price. In addition to the sinking fund requirements of Section 5.02, to the extent, if any, provided for by the terms of a particular series of Securities, the Company may, at its option, make an Optional Sinking Fund Payment with respect to such Securities. Unless otherwise provided by such

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terms, (a) to the extent that the right of the Company to make such Optional Sinking Fund Payment shall not be exercised in any year, it shall not be cumulative or carried forward to any subsequent year, and (b) such optional payment shall operate to reduce the amount of any Mandatory Sinking Fund Payment obligation as to Securities of the same series. If the Company intends to exercise its right to make such optional payment in any year it shall deliver to the Trustee not less than 45 days prior to the relevant sinking fund payment date a certificate signed by its Chairman of the Board of Directors, its President, one of its Vice President, its Treasurer or one of its Assistant Treasurers stating that the Company will exercise such optional right, and specifying the amount which the Company will pay on or before the next succeeding sinking fund payment date. Such certificate shall also state that no Event of Default has occurred and is continuing.

SECTION 5.04. Application of Sinking Fund Payment.

(a) If the sinking fund payment or payments made in funds pursuant to either Section 5.02 or 5.03 with respect to a particular series of Securities plus any unused balance of any preceding sinking fund payments made in funds with respect to such series shall exceed \$50,000 (or a lesser sum if the Company shall so request, or such equivalent sum for Securities denominated other than in U.S. Dollars), it shall be applied by the Trustee on the sinking fund payment date next following the date of such payment, unless the date of such payment shall be a sinking fund payment date, in which case such payment shall be applied on such sinking fund payment date, to the redemption of Securities of such series at the redemption price specified in Section 4.04(b). The Trustee shall select, in the manner provided in Section 4.03, for redemption on such sinking fund payment date, a sufficient principal amount of Securities of such series to absorb said funds, as nearly as may be, and shall, at the expense and in the name of the Company, thereupon cause notice of redemption of the

Securities to be given in substantially the manner provided in Section 4.04(a) for the redemption of Securities in part at the option of the Company, except that the notice of redemption shall also state that the Securities are being redeemed for the sinking fund. Any sinking fund moneys not so applied by the Trustee to the redemption of Securities of such series shall be added to the next sinking fund payment received in funds by the Trustee and, together with such payment, shall be applied in accordance with the provisions of this Section 5.04. Any and all sinking fund moneys held by the Trustee on the last sinking fund payment date with respect to Securities of such series, and not held for the payment or redemption of particular Securities of such series, shall be applied by the Trustee to the payment of the principal of the Securities of such series at maturity.

(b) On or prior to each sinking fund payment date, the Company shall pay to the Trustee a sum equal to all interest accrued to the date fixed for redemption on Securities to be redeemed on such sinking fund payment date pursuant to this Section 5.04.

(c) The Trustee shall not redeem any Securities of a series with sinking fund moneys or mail any notice of redemption of Securities of such series by operation of the sinking fund during the continuance of a Default in payment of interest on any Securities of such series or of any Event of Default (other than an Event of Default occurring as a consequence of this paragraph) of which the Trustee has actual knowledge, except that if the notice of redemption of any Securities of such series shall theretofore have been mailed in accordance with the provisions hereof, the Trustee shall redeem such Securities if funds sufficient for that purpose shall be deposited with the Trustee in accordance with the terms of this Article. Except as

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aforesaid, any moneys in the sinking fund at the time any such default or Event of Default shall occur and any moneys thereafter paid into the sinking fund shall, during the continuance of such default or Event of Default, be held as security for the payment of all the Securities of such series; provided, however, that in case such default or Event of Default shall have been cured or waived as provided herein, such moneys shall thereafter be applied on the next sinking fund payment date on which such moneys are required to be applied pursuant to the provisions of this Section 5.04.

ARTICLE VI

PARTICULAR COVENANTS OF THE COMPANY

The Company hereby covenants and agrees as follows:

SECTION 6.01. Payments of Securities. The Company will duly and punctually pay the principal of and premium, if any, on each series of Securities, and the interest which shall have accrued thereon, and pay any Coupons, at the dates and place and in the manner provided in the Securities, the Coupons and in this Indenture. Any interest due on Coupon Securities on or before Maturity, other than additional interest, if any, payable as provided in Section 6.02 in respect of principal of (or premium, if any, on) such a

Security, shall be payable only upon presentation and surrender of the several Coupons for such interest installments as are evidenced thereby as they severally mature.

SECTION 6.02. Payment of Additional Interest. Unless otherwise provided pursuant to Section 3.01, the provisions of this Section 6.02 shall be applicable to Bearer Securities of any series.

(a) The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the holder of any Bearer Security or Coupon that is a United States Alien such amounts as may be necessary so that every net payment on such Bearer Security or Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided in such Bearer Security or Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest for or on account of:

(i) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such holder (or between a fiduciary, settlor or beneficiary of, or a person holding a power over, such holder, if such holder is an estate or a trust, or a member or shareholder of such holder, if such holder is a partnership or corporation) and the United States, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such holder's past or present status as a personal holding company, foreign personal holding company or private foundation or

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other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(ii) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(iii) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of a Bearer Security or Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurs later;

(iv) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on a Bearer Security or Coupon;

(v) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on a Bearer Security or Coupon, if such payment can be made without such deduction or

withholding by any other Paying Agent;

(vi) any tax, assessment or other governmental charge that would not have been imposed but for a failure to comply with applicable certification, documentation, information or other reporting requirement concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of a Bearer Security or Coupon if, without regard to any tax treaty, such compliance is required by statute or regulation of the United States as a condition to relief or exemption from such tax, assessment or other governmental charge; or

(vii) any tax, assessment or other governmental charge imposed on a holder that actually or constructively owns 10 percent or more of the combined voting power of all classes of stock of the Company or that is a controlled foreign corporation related to the Company through stock ownership;

nor shall additional interest be paid with respect to a payment on a Bearer Security or Coupon to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the holder of such Bearer Security or Coupon.

(b) Whenever in this Indenture there is mentioned, in any context, the payment of the principal of or premium, if any, or interest on any Security or payment with respect to any Coupon of any series, such mention shall be deemed to include mention of the payment of additional interest provided for in the terms of such Securities and this Section to the extent that, in such context, additional interest is, was or would be payable in respect thereof pursuant to the provisions of this Section and express mention of the payment of additional interest (if applicable) in any provisions hereof shall not be construed as excluding additional interest in those provisions hereof where such express mention is not made.

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(c) If the payment of additional interest becomes required in respect of the Securities of a series, at least ten days prior to the first Interest Payment Date with respect to which such additional interest will be payable (or if the Securities of that series will not bear interest prior to Maturity, the first day on which a payment of principal and premium, if any, is made and on which such additional interest will be payable), and at least ten days prior to each date of payment of principal and premium, if any, or interest if there has been any change with respect to the matters set forth in the below mentioned Officers' Certificate, the Company will furnish the Trustee and each Paying Agent with an Officers' Certificate that shall specify by country the amount, if any, required to be withheld on such payments to holders of Securities or Coupons that are United States Aliens, and the Company will pay to the Trustee or such Paying Agent the additional interest, if any, required by the terms of such Securities and this Section. The Company covenants to indemnify the Trustee and any Paying Agent for, and to hold them harmless against, any loss, liability or expense reasonably incurred without negligence or bad faith on their part arising out of or in connection with actions taken or

omitted by any of them in reliance on any Officers' Certificate furnished pursuant to this Section 6.02.

SECTION 6.03. Paying Agent.

(a) The Company will maintain in each Place of Payment for any series of Securities and Coupons, if any, an office or agency where Securities and Coupons of such series (but, except as otherwise provided in Section 3.08, unless such Place of Payment is located outside the United States, not Bearer Securities or Coupons) may be presented or surrendered for payment, where Securities of such series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities and Coupons of such series and this Indenture may be served (the "Paying Agent"). So long as any Bearer Securities of any series remain outstanding, the Company will maintain for such purposes one or more offices or agencies outside the United States in such city or cities specified pursuant to Section 3.01 and, if any Bearer Securities are listed on a securities exchange that requires an office or agency for the payment of principal of and premium, if any, or interest on such Bearer Securities in a location other than the location of an office or agency specified pursuant to Section 3.01, the Company will maintain for such purposes an office or agency in such location so long as any Bearer Securities are listed on such securities exchange and such exchange so requires. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee (in the case of Registered Securities) and at the principal London office of the Trustee (in the case of Bearer Securities), and the Company hereby appoints the Trustee as its agent to receive all presentations, surrenders, notices and demands.

(b) The Company may also from time to time designate different or additional offices or agencies to be maintained for such purposes (in or outside of such Place of Payment), and may from time to time rescind any such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligations described in the preceding paragraph. The Company will give prompt written notice to the Trustee of any such additional designation or rescission of designation and any change in the location of any such different or additional office or agency.

SECTION 6.04. To Hold Payment in Trust.

(a) If the Company, the Guarantor or an Affiliate of either the Company or the Guarantor shall at any time act as Paying Agent with respect to any series of Securities and Coupons, if any, then, on or before the date on which the principal of and premium, if any, or interest on any of the Securities of that series by their terms or as a result of the calling thereof for redemption shall become payable, the Company, the Guarantor or such Affiliate will set apart and segregate and hold in trust for the benefit of the holders of such Securities or the Trustee a sum sufficient to pay such principal and premium, if any, or interest which shall have so become payable until such sums shall be paid to such holders or otherwise disposed of as herein provided, and

will notify the Trustee of its action or failure to act in that regard and of any action or failure by the Company, the Guarantor or any other obligor upon the Securities of that series to make any such payment. Upon any proceeding under any federal bankruptcy laws with respect to the Company or the Guarantor or any Affiliate of the Company or the Guarantor, if the Company, the Guarantor or such Affiliate is then acting as Paying Agent, the Trustee shall replace the Company, the Guarantor or such Affiliate as Paying Agent.

(b) If the Company shall appoint, and at the time have, a Paying Agent for the payment of the principal of and premium, if any, or interest on any series of Securities and Coupons, then prior to 10 a.m., New York City time, on the date on which the principal of and premium, if any, or interest on any of the Securities of that series shall become payable as aforesaid, whether by their terms or as a result of the calling thereof for redemption, the Company will deposit with such Paying Agent a sum sufficient to pay such principal and premium, if any, or interest, such sum to be held in trust for the benefit of the holders of such Securities.

(c) If such Paying Agent shall be other than the Trustee, the Company will cause such Paying Agent to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section 6.03, that such Paying Agent shall:

(i) hold all moneys held by it for the payment of the principal of and premium, if any, or interest on the Securities of that series and any related Coupons in trust for the benefit of the holders of such Securities until such sums shall be paid to such holders or otherwise disposed of as herein provided;

(ii) give to the Trustee notice of any Default by the Company, the Guarantor or any other obligor upon the Securities of that series in the making of any payment of the principal of and premium, if any, or interest on the Securities of that series or any payment on any related Coupons when the same shall have become due and payable; and

(iii) at any time during the continuance of any such Default, upon the written request of the Trustee, pay to the Trustee all sums so held in trust by such Paying Agent.

(d) Anything in this Section 6.04 to the contrary notwithstanding, the Company may at any time, for the purpose of obtaining a release, satisfaction or discharge of this Indenture or for any other reason, pay or cause to be paid to the Trustee all sums held in trust by the Company or by any Paying Agent other than the Trustee as required by this Section 6.04,

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such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent.

(e) Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of and premium, if any, or interest on any Security of any series or the payment of any related Coupon and remaining unclaimed for two years after such principal and premium, if any, or interest has become due and payable shall be paid to the

Company upon Company Request, or (if then held by the Company) shall be discharged from such trust, and the holder of such Security or Coupon shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof (except as with regards to the Guarantee), and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent before being required to make any such repayment, may at the expense of the Company cause to be transmitted in the manner and to the extent provided by Section 16.08, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification, any unclaimed balance of such money then remaining will be repaid to the Company.

SECTION 6.05. Merger, Consolidation and Sale of Assets.

(a) The Company will not consolidate with any other entity or accept a merger of any other entity into the Company or permit the Company to be merged into any other entity, or sell other than for cash or lease all or substantially all its assets to another entity, or purchase all or substantially all the assets of another entity, unless (i) either the Company shall be the continuing entity, or the successor, transferee or lessee entity (if other than the Company) shall expressly assume, by indenture supplemental hereto satisfactory to the Trustee, executed and delivered by such entity prior to or simultaneously with such consolidation, merger, sale or lease, the due and punctual payment of the principal of and interest and premium, if any, on all the Securities (and Coupons, if any), according to their tenor, and the due and punctual performance and observance of all other obligations to the holders and the Trustee under this Indenture or under the Securities (and Coupons, if any) to be performed or observed by the Company; and (ii) immediately after such consolidation, merger, sale, lease or purchase the Company or the successor, transferee or lessee entity (if other than the Company) would not be in Default in the performance of any covenant or condition of this Indenture. A purchase by a Subsidiary of all or substantially all of the assets of another entity shall not be deemed to be a purchase of such assets by the Company.

(b) Upon any consolidation with or merger into any other entity, or any conveyance or lease of all or substantially all of the assets of the Company in accordance with this Section 6.05, the successor entity formed by such consolidation or into or with which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor entity had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Company shall be relieved of all obligations and covenants under this Indenture and the Securities and Coupons.

SECTION 6.06. Compliance Certificate. The Company shall furnish to the Trustee annually, within 120 days after the end of each fiscal year, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer as to his or her knowledge of the Company's

compliance with all conditions and covenants under this Indenture (which compliance shall be determined without regard to any period of grace or requirement of notice provided under this Indenture) and, in the event of any Default, specifying each such Default and the nature and status thereof of which such person may have knowledge. Such certificates need not comply with Section 16.02 of this Indenture.

SECTION 6.07. Conditional Waiver by Holders of Securities. Anything in this Indenture to the contrary notwithstanding, the Company or any Subsidiary may fail or omit in any particular instance to comply with a covenant or condition set forth in Section 6.05 with respect to any series of Securities if the Company shall have obtained and filed with the Trustee, prior to the time of such failure or omission, evidence (as provided in Article Eight) of the consent of the holders of a majority in aggregate principal amount of the Securities of such series at the time Outstanding, either waiving such compliance in such instance or generally waiving compliance with such covenant or condition, but no such waiver shall extend to or affect any obligation not waived by the terms of such waiver or impair any right consequent thereon.

SECTION 6.08. Statement by Officers as to Default. The Company shall deliver to the Trustee and the Guarantor, as soon as possible and in any event within five days after the Company becomes aware of the occurrence of any Event of Default or an event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default, an Officer's Certificate setting forth the details of such Event of Default or Default and the action which the Company proposes to take with respect thereto.

ARTICLE VII

REMEDIES OF TRUSTEE AND SECURITYHOLDERS

SECTION 7.01. Events of Default. Except where otherwise indicated by the context or where the term is otherwise defined for a specific purpose, the term "Event of Default" as used in this Indenture with respect to Securities of any series shall mean one of the following described events unless it is either inapplicable to a particular series or it is specifically deleted or modified in the supplemental indenture, if any, under which such series of Securities is issued:

(a) the failure of the Company to pay any installment of interest on any Security of such series or to make any payment with respect to the related Coupons, if any, when and as the same shall become payable, which failure shall have continued unremedied for a period of 30 days;

(b) the failure of the Company to pay the principal of (and premium, if any, on) any Security of such series, when and as the same shall become payable, whether at Maturity as therein expressed, by call for redemption (otherwise than pursuant to a sinking fund), by declaration as authorized by this Indenture or otherwise;

(c) the failure of the Company to pay a sinking fund installment, if any, when and as the same shall become payable by the terms of a Security of such series, which failure shall have continued unremedied for a period of 30 days;

(d) the failure of the Company, subject to the provisions of Section 6.08, or the Guarantor to observe and perform any other of the covenants or agreements on the part of the Company or the Guarantor, as applicable, contained in this Indenture (including any indenture supplemental hereto pursuant to which the Securities of such series were issued as contemplated by Section 3.01) (other than a covenant or agreement which has been expressly included in this Indenture solely for the benefit of a series of Securities other than that series), which failure shall not have been remedied to the satisfaction of the Trustee, or without provision deemed by the Trustee to be adequate for the remedying thereof having been made, for a period of 90 days after written notice shall have been given to the Company and the Guarantor by the Trustee or shall have been given to the Company, the Guarantor and the Trustee by holders of 25% or more in aggregate principal amount of the Securities of such series then Outstanding, specifying such failure and requiring the Company or the Guarantor to remedy the same;

(e) the entry by a court having jurisdiction in the premises of a decree or order for relief in respect of the Company and the Guarantor in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Company and the Guarantor or of substantially all the property of the Company and the Guarantor or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of 90 consecutive days;

(f) the commencement by the Company and the Guarantor of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or the consent by the Company and the Guarantor to the entry of an order for relief in an involuntary case under any such law, or the consent by the Company and the Guarantor to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator (or similar official) of the Company and the Guarantor or of substantially all the property of the Company and the Guarantor or the making by it of an assignment for the benefit of creditors or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company and the Guarantor in furtherance of any action; or

(g) the occurrence of any other Event of Default with respect to Securities of such series as provided in a supplemental indenture or Officers' Certificate, if any, applicable to such series of Securities.

SECTION 7.02. Acceleration; Recission and Annulment.

(a) If any one or more of the above-described Events of Default shall happen with respect to Securities of any series at the time Outstanding, then, and in each and every such case, during the continuance of any such Event of Default, the Trustee or the holders of 25% or more in principal amount of the Securities of such series then Outstanding may (and upon the written request of the holders of a majority in principal amount of such Securities then

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Outstanding, the Trustee shall) declare the principal (or, if the Securities of that series are Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of that series) of and all accrued but unpaid interest on all the Securities of such series then Outstanding, if not then due and payable, to be due and payable, and upon any such declaration the same shall become and be immediately due and payable, anything in this Indenture or in the Securities of such series contained to the contrary notwithstanding; provided that no Event of Default with respect to Securities of a series, except with respect to an Event of Default under subsections (e) and (f) of Section 7.01 and except to the extent otherwise provided in subsection (d) of Section 7.01, shall constitute an Event of Default with respect to Securities of any other series. Upon payment of such amounts in the Currency in which such Securities are denominated (except as otherwise provided pursuant to Section 3.01), all obligations of the Company in respect of the payment of principal of and interest on the Securities of such series shall terminate.

(b) This provision, however, is subject to the condition that, if at any time after the principal of all the Securities of such series, to which any one or more of the above-described Events of Default is applicable, shall have been so declared to be due and payable, and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided,

(i) the Company has paid or deposited with the Paying Agent a sum in the Currency in which such Securities are denominated (except as otherwise provided pursuant to Section 3.01) sufficient to pay

(A) all arrears of interest, if any, upon all the Securities of such series (and all overdue payments with respect to any related Coupons) (with interest, to the extent that interest thereon shall be legally enforceable, on any overdue installment of interest at the rate borne by the Securities or Coupons of such series);

(B) the principal of and premium, if any, on any Securities of such series that have become due otherwise than by such declaration of acceleration and interest thereon;

(C) all amounts owing the Trustee and any predecessor trustee hereunder under Section 11.01(a) (provided, however, that all sums payable under this clause (C) shall be paid in U.S. Dollars); and

(D) all other sums payable under this Indenture (except the principal of the Securities of such series which would not be due and payable were

it not for such declaration), shall be paid by the Company or the Guarantor; and

(ii) every other Default and Event of Default under this Indenture shall have been made good to the reasonable satisfaction of the Trustee or of the holders of a majority in principal amount of the Securities of such series then Outstanding, or provision deemed by the Trustee or by such holders to be adequate therefor shall have been made, then and in every such case the holders of a majority in principal amount of the Securities of such series then Outstanding may, by written notice to the Company, the Guarantor and the Trustee, on behalf of the holders of all the Securities of such series, waive the Event of Default by reason of which the principal of the Securities of such

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series shall have been so declared to be due and payable and may rescind and annul such declaration and its consequences; provided, however, that no such waiver, rescission or annulment shall extend to or affect any subsequent Default or Event of Default or impair any right consequent thereon.

(c) Any declaration by the Trustee pursuant to this Section 7.02 shall be by written notice to the Company and the Guarantor, and any declaration or waiver by the holders of Securities of any series pursuant to this Section 7.02 shall be by written notice to the Company, the Guarantor and the Trustee.

(d) For all purposes under this Indenture, if a portion of the principal of any Discount Securities shall have been accelerated and declared due and payable pursuant to the provisions hereof, then, from and after such declaration, unless such declaration has been rescinded and annulled, the principal amount of such Discount Securities shall be deemed, for all purposes hereunder, to be such portion of the principal thereof as shall be due and payable as a result of such acceleration, and payment of such portion of the principal thereof as shall be due and payable as a result of such acceleration, together with interest, if any, thereon and all other amounts owing thereunder, shall constitute payment in full of such Discount Securities.

(e) The Company, the Guarantor and the Trustee may, to the extent provided in Section 14.01, enter into one or more indentures supplemental hereto with respect to any series of the Securities which may provide for additional or different Events of Default with respect to such series of Securities.

SECTION 7.03. Other Remedies. If the Company shall fail for a period of 30 days to pay any installment of interest on the Securities (and Coupons, if any) of any series or shall fail to pay the principal of and premium, if any, on any of the Securities of such series when and as the same shall become due and payable, whether at Maturity, or by call for redemption (other than pursuant to the sinking fund), by declaration as authorized by this Indenture, or otherwise, or shall fail for a period of 30 days to make any sinking fund payment as to a series of Securities, then, upon demand of the Trustee, the Company will pay to

the Paying Agent for the benefit of the holders of Securities of such series then Outstanding the whole amount which then shall have become due and payable on all the Securities of such series, with interest on the overdue principal and premium, if any, and (so far as the same may be legally enforceable) on the overdue installments of interest at the rate borne by the Securities of such series, and all amounts owing the Trustee and any predecessor trustee hereunder under Section 11.01(a).

In case the Company shall fail forthwith to pay such amounts upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceeding at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Company or any other obligor upon the Securities of such series, and collect the moneys adjudged or decreed to be payable out of the property of the Company or any other obligor upon the Securities of such series, wherever situated, in the manner provided by law. Every recovery of judgment in any such action or other proceeding, subject to the payment to the Trustee of all amounts owing the Trustee and any predecessor trustee hereunder under Section 11.01(a), shall be for the ratable benefit of the

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holders of such series of Securities which shall be the subject of such action or proceeding. All rights of action upon or under any of the Securities or this Indenture may be enforced by the Trustee without the possession of any of the Securities and without the production of any thereof at any trial or any proceeding relative thereto.

SECTION 7.04. Trustee as Attorney-in-Fact. The Trustee is hereby appointed, and each and every holder of the Securities, by receiving and holding the same, shall be conclusively deemed to have appointed the Trustee, the true and lawful attorney-in-fact of such holder, with authority to make or file (whether or not the Company shall be in Default in respect of the payment of the principal of, or interest on, any of the Securities), in its own name and as trustee of an express trust or otherwise as it shall deem advisable, in any receivership, insolvency, liquidation, bankruptcy, reorganization or other judicial proceeding relative to the Company or any other obligor upon the Securities or to their respective creditors or property, any and all claims, proofs of claim, proofs of debt, petitions, consents, other papers and documents and amendments of any thereof, as may be necessary or advisable in order to have the claims of the Trustee and any predecessor trustee hereunder and of the holders of the Securities allowed in any such proceeding and to collect and receive any moneys or other property payable or deliverable on any such claim, and to execute and deliver any and all other papers and documents and to do and perform any and all other acts and things, as it may deem necessary or advisable in order to enforce in any such proceeding any of the claims of the Trustee and any predecessor trustee hereunder and of any of such holders in respect of any of the Securities; and any receiver, assignee, trustee, custodian or debtor in any such proceeding is hereby authorized, and each and every taker or holder of the Securities, by receiving and holding the same, shall be conclusively deemed to have authorized any such receiver, assignee, trustee, custodian or debtor, to make any such payment or delivery only to or on the order of the Trustee, and to

pay to the Trustee any amount due it and any predecessor trustee hereunder under Section 11.01(a); provided, however, that nothing herein contained shall be deemed to authorize or empower the Trustee to consent to or accept or adopt, on behalf of any holder of Securities, any plan of reorganization or readjustment affecting the Securities or the rights of any holder thereof, or to authorize or empower the Trustee to vote in respect of the claim of any holder of any Securities in any such proceeding.

SECTION 7.05. Priorities. Any moneys collected by the Trustee with respect to a series of Securities under this Article Seven shall be applied in the order following, at the date or dates fixed by the Trustee for the distribution of such moneys, upon presentation of the several Securities, and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

First: To the payment of all amounts due to the Trustee and any predecessor trustee hereunder under Section 11.01(a).

Second: In case the principal of the Outstanding Securities of such series shall not have become due and be unpaid, to the payment of interest on the Securities of such series, in the order of the Maturity of the installments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue installments of interest at the rate borne by such Securities, such payments to be made ratably to the Persons entitled thereto.

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Third: In case the principal of the Outstanding Securities of such series shall have become due, by declaration or otherwise, to the payment of the whole amount then owing and unpaid upon the Securities of such series for principal and premium, if any, and interest, with interest on the overdue principal and premium, if any, and (to the extent that such interest has been collected by the Trustee) upon overdue installments of interest at the rate borne by the Securities of such series, and in case such moneys shall be insufficient to pay in full the whole amounts so due and unpaid upon the Securities of such series, then to the payment of such principal and premium, if any, and interest without preference or priority of principal and premium, if any, over interest, or of interest over principal and premium, if any, or of any installment of interest over any other installment of interest, or of any Security of such series over any other Security of such series, ratably to the aggregate of such principal and premium, if any, and accrued and unpaid interest.

Any surplus then remaining shall be paid to the Company or to such other Persons as shall be entitled to receive it.

SECTION 7.06. Waiver of Past Defaults. The holders of a majority in principal amount of the Securities of any series at the time Outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee hereunder, or of exercising any trust or power hereby conferred upon the Trustee with respect to the Securities of such series, provided, however, that, subject to the provisions of Sections 11.01 and 11.02, the Trustee shall have the right to decline to follow any such direction if the

Trustee being advised by counsel determines that the action so directed may not lawfully be taken or would be unduly prejudicial to holders not joining in such direction or would involve the Trustee in personal liability. Prior to any declaration accelerating the Maturity of the Securities of any series, the holders of a majority in aggregate principal amount of such series of Securities at the time Outstanding may on behalf of the holders of all of the Securities of such series waive any past Default or Event of Default hereunder and its consequences except a Default in the payment of interest or any premium on or the principal of the Securities of such series. Upon any such waiver the Company, the Guarantor, the Trustee and the holders of the Securities of such series shall be restored to their former positions and rights hereunder, respectively; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. Whenever any Default or Event of Default hereunder shall have been waived as permitted by this Section 7.06, said Default or Event of Default shall for all purposes of the Securities of such series and this Indenture be deemed to have been cured and to be not continuing.

SECTION 7.07. Control by Holders. No holder of any Security of any series shall have any right to institute any action, suit or proceeding at law or in equity for the execution of any trust hereunder or for the appointment of a receiver or for any other remedy hereunder, in each case with respect to an Event of Default with respect to such series of Securities, unless such holder previously shall have given to the Trustee written notice of the happening of one or more of the Events of Default herein specified with respect to such series of Securities, and unless also the holders of 25% in principal amount of the Securities of such series then Outstanding shall have requested the Trustee in writing to take action in respect of the matter complained of, and unless also there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or

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thereby, and the Trustee, for 60 days after receipt of such notification, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding; and such notification, request and offer of indemnity are hereby declared in every such case to be conditions precedent to any such action, suit or proceeding by any holder of any Security of such series; it being understood and intended that no one or more of the holders of Securities of such series shall have any right in any manner whatsoever by his or their action to enforce any right hereunder, except in the manner herein provided, and that every action, suit or proceeding at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of the Outstanding Securities of such series; provided, however, that nothing in this Indenture or in the Securities of such series shall affect or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, premium, if any, and interest on the Securities of such series to the respective holders of such Securities at the respective due dates in such Securities stated, or affect or impair the right, which is also absolute and unconditional, of such holders to institute suit to enforce the payment thereof.

SECTION 7.08. Legal Fees. All parties to this Indenture and the holders of the Securities agree that the court may in its discretion require, in

any action, suit or proceeding for the enforcement of any right or remedy under this Indenture, or in any action, suit or proceeding against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such action, suit or proceeding of an undertaking to pay the costs of such action, suit or proceeding, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such action, suit or proceeding, having due regard to the merits and good faith of the claims or defenses made by such party litigant; provided, however, that the provisions of this Section 7.08 shall not apply to any action, suit or proceeding instituted by the Trustee, to any action, suit or proceeding instituted by any one or more holders of Securities holding in the aggregate more than 10% in principal amount of the Securities of any series Outstanding, or to any action, suit or proceeding instituted by any holder of Securities of any series for the enforcement of the payment of the principal of or premium, if any, or the interest on, any of the Securities of such series, on or after the respective due dates expressed in such Securities.

SECTION 7.09. Remedies Cumulative. No remedy herein conferred upon or reserved to the Trustee or to the holders of Securities of any series is intended to be exclusive of any other remedy or remedies, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of the Trustee or of any holder of the Securities of any series to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Default or Event of Default or an acquiescence therein; and every power and remedy given by this Article Seven to the Trustee and to the holders of Securities of any series, respectively, may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the holders of Securities of such series, as the case may be. In case the Trustee or any holder of Securities of any series shall have proceeded to enforce any right under this Indenture and the proceedings for the enforcement thereof shall have been discontinued or abandoned because of waiver or for any other reason or shall have been adjudicated adversely to the Trustee or to such holder of Securities, then and in every such case the Company, the Guarantor, the Trustee and the holders of the Securities of such series shall severally and respectively be restored to their former

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positions and rights hereunder and thereafter all rights, remedies and powers of the Trustee and the holders of the Securities of such series shall continue as though no such proceedings had been taken, except as to any matters so waived or adjudicated.

ARTICLE VIII

CONCERNING THE SECURITYHOLDERS

SECTION 8.01. Evidence of Action of Securityholders. Whenever in this Indenture it is provided that the holders of a specified percentage or a majority in aggregate principal amount of the Securities or of any series of Securities may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such

specified percentage or majority have joined therein may be evidenced by (a) any instrument or any number of instruments of similar tenor executed by Securityholders in person or by agent or proxy appointed in writing (such action becoming effective, except as herein otherwise expressly provided, when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company), or (b) by the record of the holders of Securities voting in favor thereof at any meeting of Securityholders duly called and held in accordance with the provisions of Article Seven, or (c) by a combination of such instrument or instruments and any such record of such a meeting of Securityholders.

SECTION 8.02. Proof of Execution or Holding of Securities. Proof of the execution of any instrument by a Securityholder or his agent or proxy and proof of the holding by any Person of any of the Securities shall be sufficient if made in the following manner:

(a) The fact and date of the execution by any Person of any such instrument may be proved (a) by the certificate of any notary public or other officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments or proof of deeds to be recorded within such jurisdiction, that the Person who signed such instrument did acknowledge before such notary public or other officer the execution thereof, or (b) by the affidavit of a witness of such execution sworn to before any such notary or other officer. Where such execution is by a Person acting in other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The ownership of Registered Securities of any series shall be proved by the Register of such Securities or by a certificate of the Registrar for such series.

(c) The ownership of Bearer Securities shall be proved by production of such Bearer Securities or by a certificate executed by any bank or trust company, which certificate shall be dated and shall state on the date thereof a Bearer Security bearing a specified identifying number or other mark was deposited with or exhibited to the person executing such certificate by the person named in such certificate, or by any other proof of possession reasonably satisfactory to the Trustee. The holding by the person named in any such certificate of any Bearer Security specified therein shall be presumed to continue for a period of one year unless at the time of determination of such holding (1) another certificate bearing a later date issued in respect of the same Bearer Securities shall be produced, (2) such Bearer Security shall be produced by some other Person, (3) such Bearer Security shall have been registered on the Register, if, pursuant to

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Section 3.01, such Bearer Security can be so registered, or (4) such Bearer Security shall have been canceled or paid.

(d) The record of any holders' meeting shall be proved in the manner provided in Section 9.06.

(e) The Trustee may require such additional proof of any matter referred to in this Section 8.02 as it shall deem appropriate or necessary, so

long as the request is a reasonable one.

(f) If the Company shall solicit from the holders of Securities of any series any action, the Company may, at its option, by Board Resolution, fix in advance a record date for the determination of holders of Registered Securities entitled to take such action, but the Company shall have no obligation to do so. Any such record date shall be fixed at the Company's discretion. If such a record date is fixed, such action may be sought or given before or after the record date, but only the holders of Registered Securities of record at the close of business on such record date shall be deemed to be holders of Registered Securities for the purpose of determining whether holders of the requisite proportion of Outstanding Securities of such series have authorized or agreed or consented to such action, and for that purpose the Outstanding Registered Securities of such series shall be computed as of such record date.

SECTION 8.03. Persons Deemed Owners.

(a) The Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name any Registered Security is registered as the owner of such Registered Security for the purpose of receiving payment of principal of and premium, if any, and (subject to Section 3.08) interest, if any, on, such Registered Security and for all other purposes whatsoever, whether or not such Registered Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary. The Company, the Trustee, and any agent of the Company or the Trustee may treat the holder of any Bearer Security or of any Coupon as the absolute owner of such Bearer Security or Coupon for the purposes of receiving payment thereof or on account thereof and for all other purposes whatsoever, whether or not such Bearer Security or Coupon be overdue, and neither the Company, the Trustee nor any agent of the Company or any Trustee shall be affected by notice to the contrary. All payments made to any holder, or upon his order, shall be valid, and, to the extent of the sum or sums paid, effectual to satisfy and discharge the liability for moneys payable upon such Security or Coupon.

(b) None of the Company, the Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

SECTION 8.04. Revocation of Consents. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01, of the taking of any action by the holders of the percentage in aggregate principal amount of the Securities or of any series of Securities specified in this Indenture in connection with such action, any holder of a Security which is shown by the evidence to be included in the Securities the holders of which have

consented to such action may, by filing written notice with the Trustee at its principal office and upon proof of holding as provided in Section 8.02, revoke such action so far as concerns such Security. Except as aforesaid, any such action taken by the holder of any Security shall be conclusive and binding upon such holder and upon all future holders of such Security, and all past, present

and future holders of Coupons, if any, appertaining thereto and of any Securities and Coupons issued on transfer or in lieu thereof or in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon such Security or Coupons or such other Securities or Coupons or any Security or Coupons issued in exchange or substitution therefor.

ARTICLE IX

SECURITYHOLDERS' MEETINGS

SECTION 9.01. Purposes of Meetings. A meeting of Securityholders of any or all series may be called at any time and from time to time pursuant to the provisions of this Article Nine for any of the following purposes:

(a) to give any notice to the Company, the Guarantor or to the Trustee, or to give any directions to the Trustee, or to consent to the waiving of any Default hereunder and its consequences, or to take any other action authorized to be taken by Securityholders pursuant to any of the provisions of Article Eight;

(b) to remove the Trustee and nominate a successor trustee pursuant to the provisions of Article Eleven;

(c) to consent to the execution of an Indenture or of indentures supplemental hereto pursuant to the provisions of Section 14.02; or

(d) to take any other action authorized to be taken by or on behalf of the holders of any specified aggregate principal amount of the Securities of any one or more or all series, as the case may be, under any other provision of this Indenture or under applicable law.

SECTION 9.02. Call of Meetings by Trustee. The Trustee may at any time call a meeting of all Securityholders of all series that may be affected by the action proposed to be taken, to take any action specified in Section 8.01, to be held at such time and at such place in the Borough of Manhattan, The City of New York, as the Trustee shall determine. Notice of every meeting of the Securityholders of a series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be mailed to holders of Securities of such series at their addresses as they shall appear on the Register of the Company. Such notice shall be mailed not less than 20 nor more than 90 days prior to the date fixed for the meeting.

SECTION 9.03. Call of Meetings by Company or Securityholders. In case at any time the Company, pursuant to a resolution of its Board of Directors, or the holders of at least 10% in aggregate principal amount of the Securities of a series (or of all series, as the case may be) then Outstanding that may be affected by the action proposed to be taken, shall have requested the Trustee to call a meeting of Securityholders of such series (or of all series), by

written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have mailed the notice of such meeting within 20 days after receipt of such request, then the Company or such

Securityholders may determine the time and the place in said Borough of Manhattan for such meeting and may call such meeting to take any action authorized in Section 9.01, by mailing notice thereof as provided in Section 9.02.

SECTION 9.04. Qualifications for Voting. To be entitled to vote at any meeting of Securityholders, a Person shall (a) be a holder of one or more Securities affected by the action proposed to be taken at the meeting or (b) be a Person appointed by an instrument in writing as proxy by a holder of one or more such Securities. The only Persons who shall be entitled to be present or to speak at any meeting of Securityholders shall be the Persons entitled to vote at such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Company, the Guarantor and their respective counsel.

SECTION 9.05. Regulation of Meetings.

(a) Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Securityholders, in regard to proof of the holding of Securities and of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit.

(b) The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by Securityholders as provided in Section 9.03, in which case the Company or the Securityholders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by majority vote of the meeting.

(c) At any meeting of Securityholders of a series, each Securityholder of such series of such Securityholder's proxy shall be entitled to one vote for each \$1,000 principal amount of Securities of such series Outstanding held or represented by him; provided, however, that no vote shall be cast or counted at any meeting in respect of any Security challenged as not Outstanding and ruled by the chairman of the meeting to be not Outstanding. The chairman of the meeting shall have no right to vote other than by virtue of Securities of such series held by him or her or instruments in writing as aforesaid duly designating him or her as the Person to vote on behalf of other Securityholders. At any meeting of the Securityholders duly called pursuant to the provisions of Section 9.02 or 9.03 the presence of Persons holding or representing Securities in an aggregate principal amount sufficient to take action upon the business for the transaction of which such meeting was called shall be necessary to constitute a quorum, and any such meeting may be adjourned from time to time by a majority of those present, whether or not constituting a quorum, and the meeting may be held as so adjourned without further notice.

SECTION 9.06. Voting. The vote upon any resolution submitted to any meeting of Securityholders of a series shall be by written ballots on which shall be subscribed the signatures of the holders of Securities of such series or of their representatives by proxy and the

principal amounts of the Securities of such series held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of each meeting of Securityholders shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more Persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in Section 9.02. The record shall show the principal amounts of the Securities voting in favor of or against any resolution. The record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one of the duplicates shall be delivered to the Company and the other to the Trustee to be preserved by the Trustee.

Any record so signed and verified shall be conclusive evidence of the matters therein stated.

SECTION 9.07. No Relay of Rights by Meeting. Nothing contained in this Article Nine shall be deemed or construed to authorize or permit, by reason of any call of a meeting of Securityholders of any series or any rights expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Securityholders of such series under any of the provisions of this Indenture or of the Securities of such series.

ARTICLE X

REPORTS BY THE COMPANY, THE GUARANTOR AND THE TRUSTEE AND SECURITYHOLDERS' LISTS

SECTION 10.01. Reports by Trustee.

(a) The Trustee shall transmit to holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided thereto. If required by Section 313(a) of the Trust Indenture Act, the Trustee shall, within 60 days after each May 15 following the date of this Indenture deliver to holders a brief report, dated as of such May 15, which complies with the provisions of such Section 313(a).

(b) The Trustee shall, at the time of the transmission to the holders of Securities of any report pursuant to the provisions of this Section 10.01, file a copy of such report with each stock exchange upon which the Securities are listed and also with the SEC in respect of a Security listed and registered on a national securities exchange. The Company agrees to notify the Trustee when, as and if the Securities become listed on any stock exchange.

The Company will reimburse the Trustee for all expenses incurred in the preparation and transmission of any report pursuant to the provisions of this Section 10.01 and of Section 10.02.

SECTION 10.02. Reports by the Company and the Guarantor.

(a) Unless available on EDGAR, the Company and the Guarantor shall file with the Trustee, within 30 days after the Company or the Guarantor, as applicable, shall be required so to file the same with the SEC, copies of the annual reports and of the information, documents and other reports which the Company or the Guarantor may be required to file with the SEC pursuant to the provisions of Section 13 or Section 15(d) of the Exchange Act (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe); or, if either the Company or the Guarantor is not required to file information, documents or reports pursuant to the provisions of either of such Sections, then the Company or the Guarantor, as applicable, will file with the Trustee and the SEC, in accordance with rules and regulations prescribed by the SEC, such of the supplementary and periodic information, documents and reports which may be required pursuant to the provisions of Section 13 of the Exchange Act, in respect of a Security listed and registered on a national securities exchange, as may be prescribed in such rules and regulations.

(b) The Company and the Guarantor shall file with the Trustee and the SEC, in accordance with rules and regulations prescribed by the SEC, such additional information, documents and reports with respect to compliance by the Company and the Guarantor, as applicable, with the conditions and covenants provided for in this Indenture as may be required by such rules and regulations.

(c) The Company and the Guarantor shall transmit to the holders of Securities, within 30 days after the filing thereof with the Trustee (unless some other time shall be fixed by the SEC in respect of a Security listed and registered on a national securities exchange), in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, such summaries of any information, documents and reports required to be filed by the Company or the Guarantor, as applicable, pursuant to the provisions of subdivisions (a) and (b) of this Section 10.02 as may be required by rules and regulations prescribed from time to time by the SEC.

(d) Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's and the Guarantor's compliance, as applicable, with any of its covenants hereunder (as to which the Trustee is entitled to conclusively rely exclusively on Officer's Certificates).

SECTION 10.03. Securityholders' Lists. The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee:

(a) semi-annually, within 15 days after each Record Date, but in any event not less frequently than semi-annually, a list in such form as the Trustee may reasonably require of the names and addresses of the holders of Securities to which such Record Date applies, as of such Record Date, and

(b) at such other times as the Trustee may request in writing, within 30 days after receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time

such list is furnished;

provided, however, that so long as the Trustee shall be the Registrar, such lists shall not be required to be furnished.

ARTICLE XI

CONCERNING THE TRUSTEE

SECTION 11.01. Rights of Trustees; Compensation and Indemnity. The Trustee accepts the trusts created by this Indenture upon the terms and conditions hereof, including the following, to all of which the parties hereto and the holders from time to time of the Securities agree:

(a) The Trustee shall be entitled to such compensation as the Company and the Trustee shall from time to time agree in writing for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and such compensation, as well as the reasonable compensation of its counsel, and all other reasonable expenses, disbursements and advances incurred or made by the Trustee hereunder, the Company agrees to pay promptly on demand from time to time as such services shall be rendered and as such expenses shall be incurred. The Company also agrees to indemnify each of the Trustee and any predecessor Trustee hereunder for, and to hold it harmless against, any and all loss, liability, damage, claim, or expense incurred without its own negligence or bad faith, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder and the performance of its duties, as well as the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder. As security for the performance of the obligations of the Company under this subdivision (a) the Trustee shall have a lien therefor on any moneys held by the Trustee hereunder prior to any rights therein of the holders of the Securities. Notwithstanding any provisions of this Indenture to the contrary, the obligations of the Company to compensate and indemnify the Trustee under this Section 11.01(a) shall survive the resignation or removal of the Trustee and any satisfaction and discharge under Article Twelve.

When the Trustee incurs expenses or renders services after an Event of Default specified in clause (e) or (f) of Section 7.01 occurs, the expenses and compensation for the services are intended to constitute expenses of administration under any applicable federal or state bankruptcy, insolvency or similar laws.

(b) The Trustee may execute any of the trusts or powers hereof and perform any duty hereunder either directly or by its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(c) The Trustee shall not be responsible in any manner whatsoever for the correctness of the recitals herein or in the Securities (except its certificates of authentication thereon) contained, all of which are made solely by the Company or the Guarantor; and the

Trustee shall not be responsible or accountable in any manner whatsoever for or with respect to the validity or execution or sufficiency of this Indenture or of the Securities (except its certificates of authentication thereon), and the Trustee makes no representation with respect thereto. The Trustee shall not be accountable for the use or application by the Company of any Securities, or the proceeds of any Securities, authenticated and delivered by the Trustee in conformity with the provisions of this Indenture.

(d) The Trustee may consult with counsel of its selection, and, to the extent permitted by Section 11.02, any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in good faith and in accordance with such Opinion of Counsel.

(e) The Trustee, to the extent permitted by Section 11.02, may rely upon the certificate of the Secretary or one of the Assistant Secretaries of the Company or the Guarantor, as applicable, as to the adoption of any resolution by the Board of Directors or stockholders of the Company or the Guarantor, and any request, direction, order or demand of the Company or the Guarantor mentioned herein shall be sufficiently evidenced by, and whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, offering or omitting any action hereunder, the Trustee may rely upon, an Officers' Certificate (unless other evidence in respect thereof be herein specifically prescribed).

(f) The Trustee or any agent of the Trustee, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with each of the Company and the Guarantor with the same rights it would have had if it were not the Trustee or such agent.

(g) Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

(h) Any action taken by the Trustee pursuant to any provision hereof at the request or with the consent of any Person who at the time is the holder of any Security shall be conclusive and binding in respect of such Security upon all future holders thereof or of any Security or Securities which may be issued for or in lieu thereof in whole or in part, whether or not such Security shall have noted thereon the fact that such request or consent had been made or given.

(i) Subject to the provisions of Section 11.02, the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(j) Subject to the provisions of Section 11.02, the Trustee shall not be under any obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the holders of the Securities, pursuant to any provision of this Indenture, unless one or more of the holders of the Securities shall have offered to the Trustee

security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred by it therein or thereby.

(k) Subject to the provisions of Section 11.02, the Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within its discretion or within the rights or powers conferred upon it by this Indenture.

(l) Subject to the provisions of the first paragraph of Section 11.02, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, debenture or other paper or document.

(m) Subject to the provisions of Section 11.02, the Trustee shall not be deemed to have knowledge or notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless the holders of not less than 25% of the Outstanding Securities notify the Trustee thereof.

(n) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(o) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder.

(p) The Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture.

SECTION 11.02. Duties of Trustee.

(a) If one or more of the Events of Default specified in Section 7.01 with respect to the Securities of any series shall have happened, then, during the continuance thereof, the Trustee shall, with respect to such Securities, exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) None of the provisions of this Indenture shall be construed as relieving the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that, anything

in this Indenture contained to the contrary notwithstanding,

(i) unless and until an Event of Default specified in Section 7.01 with respect to the Securities of any series shall have happened which at the time is continuing,

(A) the Trustee undertakes to perform such duties and only such duties with respect to the Securities of that series as are specifically set out in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee, whose duties and obligations shall be determined solely by the express provisions of this Indenture; and

(B) the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, in the absence of bad faith on the part of the Trustee, upon certificates and opinions furnished to it pursuant to the express provisions of this Indenture; but in the case of any such certificates or opinions which, by the provisions of this Indenture, are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein);

(ii) the Trustee shall not be liable to any holder of Securities or to any other Person for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable to any holder of Securities or to any other Person with respect to any action taken or omitted to be taken by it in good faith, in accordance with the direction of Securityholders given as provided in Section 7.06, relating to the time, method and place of conducting any proceeding for any remedy available to it or exercising any trust or power conferred upon it by this Indenture.

(c) None of the provisions of this Indenture shall be construed as requiring the Trustee to expend or risk its own funds or otherwise to incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if there shall be reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 11.02.

SECTION 11.03. Notice of Defaults. Within 90 days after the occurrence thereof, the Trustee shall give to the holders of the Securities and Coupons of a series notice of each Default with respect to the Securities or Coupons, if any, of such series known to the Trustee, by transmitting such

notice to holders at their addresses as the same shall then appear on the Register of the Company, unless such Default shall have been cured before the giving of such notice (the term "Default" being hereby defined to be the events specified in Section 7.01, which are, or after notice or lapse of time or both would become, Events of Default as defined in said Section); but, unless such Default be the failure to pay the principal of, premium, if any, or interest on any of the Securities or Coupons, if any, of

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such series when and as the same shall become payable, or to make any sinking fund payment as to Securities of the same series, the Trustee shall be protected in withholding such notice, if and so long as the Board of Directors, the executive committee or a trust committee of directors or Responsible Officers of the Trustee in good faith determines that the withholding of such notice is in the interests of the holders of the Securities of such series.

SECTION 11.04. Eligibility; Disqualification.

(a) The Trustee shall at all times satisfy the requirements of TIA Section 310(a). The Trustee shall have a combined capital and surplus of at least \$50 million as set forth in its more recent published annual report of condition, and shall have its Corporate Trust Office or an agency in New York, New York; provided, however, that if Section 310(a) of the Trust Indenture Act or the rules and regulations of the Commission under the Trust Indenture Act at any time permit a corporation organized and doing business under the laws of any other jurisdiction to serve as trustee of an indenture qualified under the Trust Indenture Act, this Section 11.04 shall be automatically amended to permit a corporation organized and doing business under the laws of any such other jurisdiction to serve as Trustee hereunder. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

(b) The Trustee shall comply with TIA Section 310(b); provided, however, that there shall be excluded from the operation of TIA Section 310(b) (i) any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company or the Guarantor are outstanding if the requirements for such exclusion set forth in TIA Section 310(b) (i) are met. If the Trustee has or shall acquire a conflicting interest within the meaning of Section 310(b) of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. If Section 310(b) of the Trust Indenture Act is amended any time after the date of this Indenture to change the circumstances under which a Trustee shall be deemed to have a conflicting interest with respect to the Securities of any series or to change any of the definitions in connection therewith, this Section 11.04 shall be automatically amended to incorporate such changes.

SECTION 11.05. Registration and Notice; Removal. The Trustee, or any successor to it hereafter appointed, may at any time resign and be discharged of the trusts hereby created with respect to any one or more or all series of Securities by giving to the Company and to the Guarantor notice in writing and by mailing notice thereof to the holders of Securities of such series at their addresses as the same shall then appear in the Register of the Company. Such resignation shall take effect upon the appointment of a successor Trustee and the acceptance of such appointment by such successor Trustee. Any Trustee hereunder may be removed with respect to any series of Securities at any time by the filing with such Trustee and the delivery to the Company and to the Guarantor of an instrument or instruments in writing signed by the holders of a majority in principal amount of the Securities of such series then Outstanding, specifying such removal and the date when it shall become effective.

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Upon its resignation or removal, any Trustee shall be entitled to the payment of reasonable compensation for the services rendered hereunder by such Trustee and to the payment of all reasonable expenses incurred hereunder and all moneys then due to it hereunder. The Trustee's rights to indemnification provided in Section 11.01(a) shall survive its resignation or removal.

SECTION 11.06. Successor Trustee by Appointment.

(a) In case at any time the Trustee shall resign, or shall be removed (unless the Trustee shall be removed as provided in Section 11.04(b), in which event the vacancy shall be filled as provided in said subdivision), or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation with respect to the Securities of one or more series, a successor Trustee with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any series) may be appointed by the holders of a majority in principal amount of the Securities of that or those series then Outstanding, by an instrument or instruments in writing signed in duplicate by such holders and filed, one original thereof with the Company and the other with the successor Trustee; but, until a successor Trustee shall have been so appointed by the holders of Securities of that or those series as herein authorized, the Company by a resolution of its Board of Directors, or, in case all or substantially all the assets of the Company shall be in the possession of one or more custodians or receivers lawfully appointed, or of trustees in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of the federal bankruptcy laws, as now or hereafter constituted), or of assignees for the benefit of creditors, such receivers, custodians, trustees or assignees, as the case may be, by an instrument in writing, shall appoint a successor Trustee with respect to the Securities of such series. Subject to the provisions of Sections 11.04 and 11.05, upon the appointment as aforesaid of a successor Trustee with respect to the Securities of any series, the Trustee with respect to the Securities of such series shall cease to be Trustee hereunder. After any such appointment other than by the holders of Securities of that or those series, the Person making

such appointment shall forthwith cause notice thereof to be mailed to the holders of Securities of such series at their addresses as the same shall then appear on the Register of the Company but any successor Trustee with respect to the Securities of such series so appointed shall, immediately and without further act, be superseded by a successor Trustee appointed by the holders of Securities of such series in the manner above prescribed, if such appointment be made prior to the expiration of one year from the date of the mailing of such notice by the Company, or by such receivers, trustees or assignees.

(b) If any Trustee with respect to the Securities of one or more series shall resign because of conflicting interest as provided in Section 11.04(b) and a successor Trustee shall not have been appointed by the Company or by the holders of the Securities of such series or, if any successor Trustee so appointed shall not have accepted its appointment within 30 days after such appointment shall have been made, the resigning Trustee at the expense of the Company may apply to any court of competent jurisdiction for the appointment of a successor Trustee. If in any other case a successor Trustee shall not be appointed pursuant to the foregoing provisions of this Section 11.06 within three months after such appointment might have been

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made hereunder, the holder of any Security of the applicable series or any retiring Trustee at the expense of the Company may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, in any such case, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(c) Any successor Trustee appointed hereunder with respect to the Securities of one or more series shall execute, acknowledge and deliver to its predecessor Trustee and to the Company, or to the receivers, trustees, assignees or court appointing it, as the case may be, an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations with respect to such series of such predecessor Trustee with like effect as if originally named as Trustee hereunder, and such predecessor Trustee, upon payment of its charges and disbursements then unpaid, shall thereupon become obligated to pay over, and such successor Trustee shall be entitled to receive, all moneys and properties held by such predecessor Trustee as Trustee hereunder. Nevertheless, on the written request of the Company or of the successor Trustee or of the holders of at least 10% in principal amount of the Securities of such series then Outstanding, such predecessor Trustee, upon payment of its said charges and disbursements, shall execute and deliver an instrument transferring to such successor Trustee upon the trusts herein expressed all the rights, powers and trusts of such predecessor Trustee and shall assign, transfer and deliver to the successor Trustee all moneys and properties held by such predecessor Trustee; and, upon request of any such successor Trustee, the Company and the Guarantor shall make, execute, acknowledge and deliver any and all instruments in writing for more fully and effectually vesting in and confirming to such successor Trustee all such authority, rights, powers, trusts, immunities, duties and obligations.

SECTION 11.07. Successor Trustee by Merger. Any corporation into which the Trustee or any successor to it in the trusts created by this Indenture

shall be merged or converted, or any corporation with which it or any successor to it shall be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee or any such successor to it shall be a party, or any corporation to which the Trustee or any successor to it shall sell or otherwise transfer all or substantially all of the corporate trust business of the Trustee, shall be the successor Trustee under this Indenture without the execution or filing of any paper or any further act on the part of any of the parties hereto; provided that such corporation shall be otherwise qualified and eligible under this Article. In case at the time such successor to the Trustee shall succeed to the trusts created by this Indenture with respect to one or more series of Securities, any of such Securities shall have been authenticated but not delivered by the Trustee then in office, any successor to such Trustee may adopt the certificate of authentication of any predecessor Trustee, and deliver such Securities so authenticated; and in case at that time any of the Securities shall not have been authenticated, any successor to the Trustee may authenticate such Securities either in the name of any predecessor hereunder or in the name of the successor Trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Securities or in this Indenture provided that the certificate of the Trustee shall have; provided, however, that the right to adopt the certificate of authentication of any predecessor Trustee or authenticate Securities in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

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SECTION 11.08. Right to Rely on Officer's Certificate. Subject to Section 11.02, and subject to the provisions of Section 16.02 with respect to the certificates required thereby, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate with respect thereto delivered to the Trustee, and such Officers' Certificate, in the absence of negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted by it under the provisions of this Indenture upon the faith thereof.

SECTION 11.09. Appointment of Authenticating Agent. The Trustee may appoint an agent (the "Authenticating Agent") reasonably acceptable to the Company to authenticate the Securities. Unless limited by the terms of such appointment, any such Authenticating Agent may authenticate Securities whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by the Authenticating Agent.

SECTION 11.10. Communications by Holders with Other Holders. Holders may communicate pursuant to Section 312(b) of the Trust Indenture Act with other holders with respect to their rights under this Indenture or the Securities. The Company, the Guarantor, the Trustee, the Registrar and anyone else shall have the protection of Section 312(c) of the Trust Indenture Act with respect to such communications.

ARTICLE XII

SECTION 12.01. Applicability of Article. If, pursuant to Section 3.01, provision is made for the defeasance of Securities of a series and if the Securities of such series are Registered Securities and denominated and payable only in U.S. Dollars (except as provided pursuant to Section 3.01), then the provisions of this Article shall be applicable except as otherwise specified pursuant to Section 3.01 for Securities of such series. Defeasance provisions, if any, for Securities denominated in a Foreign Currency or for Bearer Securities may be specified pursuant to Section 3.01.

SECTION 12.02. Satisfaction and Discharge of Indenture. This Indenture, with respect to the Securities of any series (if all series issued under this Indenture are not to be affected), shall, upon Company Request, cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of such Securities herein expressly provided for and rights to receive payments of principal of and premium, if any, and interest on such Securities and any right to receive additional interest as provided in Section 6.02) and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when,

(a) either:

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(i) all Securities and the Coupons, if any, of such series theretofore authenticated and delivered (other than (i) Coupons appertaining to Bearer Securities of such series surrendered in exchange for Registered Securities of such series and maturing after such exchange, surrender of which is not required or has been waived as provided in Section 3.06, (ii) Securities and Coupons of such series that have been destroyed, lost or stolen and that have been replaced or paid as provided in Section 3.07, (iii) Coupons appertaining to Bearer Securities of such series called for redemption and maturing after the relevant Redemption Date, surrender of which has been waived as provided in Section 4.06 and (iv) Securities and Coupons of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 6.04) have been delivered to the Trustee for cancellation; or

(ii) all Securities and the Coupons, if any, of such series not theretofore delivered to the Trustee for cancellation,

(A) have become due and payable, or

(B) will become due and payable at their Stated Maturity within one year, or

(C) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (i), (ii) or (iii) above, has irrevocably deposited or caused to be deposited with the Paying Agent as trust funds

in trust for the purpose an amount in the Currency in which such Securities are denominated (except as otherwise provided pursuant to Section 3.01) sufficient to pay and discharge the entire indebtedness on such Securities for principal and premium, if any, and interest to the date of such deposit (in the case of Securities and Coupons that have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be; provided, however, in the event a petition for relief under federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, is filed with respect to the Company within 91 days after the deposit and the Trustee is required to return the moneys then on deposit with the Trustee to the Company, the obligations of the Company under this Indenture with respect to such Securities shall not be deemed terminated or discharged;

(b) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(c) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture with respect to such series have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 11.01 are, if money shall have been deposited with the Trustee

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pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 12.07 and the last paragraph of Section 6.04(e) shall survive.

SECTION 12.03. Defeasance upon Deposit of Moneys or U.S Government Obligations. At the Company's option, either (a) the Company shall be deemed to have been Discharged (as defined below) from its obligations with respect to Securities of any series on the first day after the applicable conditions set forth below have been satisfied or (b) the Company shall cease to be under any obligation to comply with any term, provision or condition set forth in Section 6.05 with respect to Securities of any series (and, if so specified pursuant to Section 3.01, any other restrictive covenant added for the benefit of such series pursuant to Section 3.01) at any time after the applicable conditions set forth below have been satisfied:

(a) The Company shall have deposited or caused to be deposited irrevocably with the Paying Agent as trust funds in trust, specifically pledged as security for, and dedicated solely to, the benefit of the holders of the Securities of such series (i) money in an amount, or (ii) U.S. Government Obligations (as defined below) that through the payment of interest and principal in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount or (iii) a combination of (i) and (ii), sufficient to pay and discharge each installment of principal (including any mandatory sinking fund payments) of and premium, if any, and interest on, the Outstanding Securities of such series on the dates such installments of interest or principal and premium are due;

(b) If the Securities of such series are then listed on the New York Stock Exchange, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Company's exercise of its option under this Section would not cause such Securities to be delisted;

(c) No Event of Default or event (including such deposit) that, with notice or lapse of time, or both, would become an Event of Default with respect to the Securities of such series shall have occurred and be continuing on the date of such deposit; and

(d) The Company shall have delivered to the Trustee an Opinion of Counsel to the effect that holders of the Securities of such series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the Company's exercise of its option under this Section and will be subject to federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such action had not been exercised and, in the case of the Securities of such series being Discharged accompanied by a ruling to that effect received from or published by the Internal Revenue Service.

"Discharged" means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by, and obligations under, the Securities of such series and to have satisfied all the obligations under this Indenture relating to the Securities of such series (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), except (A) the rights of holders of Securities of such series to receive, from the trust fund described in clause (a) above, payment of the principal of and premium, if any, and interest on such Securities when such payments are due, (B) the Company's obligations with respect to Securities of such series under Sections 3.04, 3.06, 3.07, 6.03, 12.06 and 12.07 and (C) the rights, powers, trusts, duties and immunities of the Trustee hereunder.

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"U.S. Government Obligations" means securities that are (i) direct obligations of the United States for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States the timely of payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States, that, in either case under clauses (i) or (ii) are not callable or redeemable at the action of the issuer thereof, and shall also include a depositary receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depositary receipt; provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of the U.S. Government Obligation evidenced by such depositary receipt.

SECTION 12.04. Repayment to Company. The Trustee and any Paying

Agent shall promptly pay to the Company (or to its designee) upon Company Request any excess moneys or U.S. Government Obligations held by them at any time, including any such moneys or obligations held by the Trustee under any escrow trust agreement entered into pursuant to Section 12.06. The provisions of the last paragraph of Section 6.04 shall apply to any money held by the Trustee or any Paying Agent under this Article that remains unclaimed for two years after the Maturity of any series of Securities for which money or U.S. Government Obligations have been deposited pursuant to Section 12.03.

SECTION 12.05. Indemnity for U.S. Government Obligations. The Company shall pay and shall indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the deposited U.S. Government Obligations or the principal or interest received on such U.S. Government Obligations.

SECTION 12.06. Deposits to Be Held in Escrow. Any deposits with the Paying Agent referred to in Section 12.03 above shall be irrevocable (except to the extent provided in Sections 12.04 and 12.07) and shall be made under the terms of an escrow trust agreement in form and substance satisfactory to the Trustee. If any Outstanding Securities of a series are to be redeemed prior to their Stated Maturity, whether pursuant to any optional redemption provisions or in accordance with any mandatory or optional sinking fund requirement, the applicable escrow trust agreement shall provide therefor and the Company shall make such arrangements as are satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company. The agreement shall provide that, upon satisfaction of any mandatory sinking fund payment requirements, whether by deposit of moneys, application of proceeds of deposited U.S. Government Obligations or, if permitted, by delivery of Securities, the Trustee shall pay or deliver over to the Company as excess moneys pursuant to Section 12.04 all funds or obligations then held under the agreement and allocable to the sinking fund payment requirements so satisfied.

If Securities of a series with respect to which such deposits are made may be subject to later redemption at the option of the Company or pursuant to optional sinking fund payments, the applicable escrow trust agreement may, at the option of the Company, provide therefor. In the case of an optional redemption in whole or in part, such agreement shall require the Company to deposit with the Trustee on or before the date notice of redemption is given funds sufficient to

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pay the Redemption Price of the Securities to be redeemed together with all unpaid interest thereon to the Redemption Date. Upon such deposit of funds, the Trustee shall pay or deliver over to the Company as excess funds pursuant to Section 12.04 all funds or obligations then held under such agreement and allocable to the Securities to be redeemed. In the case of exercise of optional sinking fund payment rights by the Company, such agreement shall, at the option of the Company, provide that upon deposit by the Company with the Trustee of funds pursuant to such exercise the Trustee shall pay or deliver over to the Company as excess funds pursuant to Section 12.04 all funds or obligations then held under such agreement for such series and allocable to the Securities to be redeemed.

SECTION 12.07. Application of Trust Money.

(a) Neither the Trustee nor any other paying agent shall be required to pay interest on any moneys deposited pursuant to the provisions of this Indenture, except such as it shall agree with the Company to pay thereon. Any moneys so deposited for the payment of the principal of, or premium, if any, or interest on the Securities of any series and remaining unclaimed for two years after the date of the maturity of the Securities of such series or the date fixed for the redemption of all the Securities of such series at the time outstanding, as the case may be, shall be repaid by the Trustee or such other paying agent to the Company upon its written request and thereafter, anything in this Indenture to the contrary notwithstanding, any rights of the holders of Securities of such series in respect of which such moneys shall have been deposited shall be enforceable only against the Company, and all liability of the Trustee or such other paying agent with respect to such moneys shall thereafter cease.

(b) Subject to the provisions of the foregoing paragraph, any moneys which at any time shall be deposited by the Company or on its behalf with the Trustee or any other paying agent for the purpose of paying the principal of, premium, if any, and interest on any of the Securities shall be and are hereby assigned, transferred and set over to the Trustee or such other paying agent in trust for the respective holders of the Securities for the purpose for which such moneys shall have been deposited; but such moneys need not be segregated from other funds except to the extent required by law.

SECTION 12.08. Deposits of Non-U.S. Currencies. Notwithstanding the foregoing provisions of this Article, if the Securities of any series are payable in a Currency other than U.S. Dollars, the Currency or the nature of the government obligations to be deposited with the Trustee under the foregoing provisions of this Article shall be as set forth in the Officers' Certificate or established in the supplemental indenture under which the Securities of such series are issued.

ARTICLE XIII

IMMUNITY OF CERTAIN PERSONS

SECTION 13.01. No Personal Liability. No recourse shall be had for the payment of the principal of, or the premium, if any, or interest on, any Security or Coupon or for any claim based thereon or otherwise in respect thereof or of the indebtedness represented thereby, or upon any obligation, covenant or agreement of this Indenture, against any incorporator, stockholder, officer or director, as such, past, present or future, of the Company,

the Guarantor or of any successor corporation, either directly or through the Company, the Guarantor or any successor corporation, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that this Indenture, the Securities and the Guarantee endorsed thereon are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any incorporator, stockholder, officer or director, as such, past, present or future, of the Company, the Guarantor or of any successor corporation, either directly or through the Company, the Guarantor or any successor corporation, because of the incurring of the indebtedness

hereby authorized or under or by reason of any of the obligations, covenants, promises or agreements contained in this Indenture or in any of the Securities or Coupons or the Guarantee endorsed thereon, or to be implied herefrom or therefrom, and that all liability, if any, of that character against every such incorporator, stockholder, officer and director is, by the acceptance of the Securities and the Guarantee endorsed thereon and as a condition of, and as part of the consideration for, the execution of this Indenture and the issue of the Securities expressly waived and released.

ARTICLE XIV

SUPPLEMENTAL INDENTURES

SECTION 14.01. Without Consent of Holders. The Company (when authorized by resolution of its Board of Directors), the Guarantor and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any one or more of or all the following purposes:

(a) to add to the covenants and agreements of the Company or the Guarantor, to be observed thereafter and during the period, if any, in such supplemental indenture or indentures expressed, and to add Events of Default, in each case for the protection or benefit of the holders of all or any series of the Securities (and if such covenants, agreements and Events of Default are to be for the benefit of fewer than all series of Securities, stating that such covenants, agreements and Events of Default are expressly being included for the benefit of such series as shall be identified therein), or to surrender any right or power herein conferred upon the Company or the Guarantor;

(b) to delete or modify any Events of Default with respect to all or any series of the Securities, the form and terms of which are being established pursuant to such supplemental indenture as permitted in Section 3.01 (and, if any such Event of Default is applicable to fewer than all such series of the Securities, specifying the series to which such Event of Default is applicable), and to specify the rights and remedies of the Trustee and the holders of such Securities in connection therewith;

(c) to add to or change any of the provisions of this Indenture to provide that Bearer Securities may be registrable as to principal, to change or eliminate any restrictions on the payment of principal of or premium, if any, on Registered Securities or of principal of or premium, if any, or any interest on Bearer Securities or to permit Registered Securities to be exchanged for Bearer Securities; provided that any such action shall not adversely affect the interests of the holders of Securities or any Coupons of any series in any material respect, or to permit or facilitate the issuer of Securities of any series in uncertificated form;

(d) to change or eliminate any of the provisions of this Indenture; provided that any such change or elimination shall become effective only when there is no Outstanding Security or Coupon of any series created prior to the execution of such supplemental indenture that is entitled to the benefit of such

provision and as to which such supplemental indenture would apply;

(e) to evidence the succession of another corporation to the Company or the Guarantor, or successive successions, and the assumption by a successor, transferee or lessee corporation of the covenants and obligations of the Company or the Guarantor, as applicable, contained in the Securities of one or more series and in this Indenture or any supplemental indenture;

(f) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to one or more series of Securities and to add to or change any of the provisions of this Indenture as shall be necessary for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 11.06(c);

(g) to secure the Securities pursuant to the requirements of Section 15.04;

(h) to evidence any changes to Section 11.05 permitted by the terms thereof;

(i) to cure any ambiguity or to correct or supplement any provision contained herein or in any indenture supplemental hereto which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make any other provision in regard to matters or questions arising under this Indenture which the Board of Directors of the Company and the Guarantor may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Outstanding Securities or Coupons, if any;

(j) to convey, transfer, assign, mortgage or pledge to the Trustee as security for the Securities any property or assets which the Guarantor may be required to convey, transfer, assign, mortgage or pledge in accordance with the provisions of Section 15.04;

(k) to add to or change or eliminate any provision of this Indenture as shall be necessary or desirable in accordance with any amendments to the Trust Indenture Act, provided such action shall not adversely affect the interests of the holders of the Securities of any series or any appurtenant Coupons in any material respects;

(l) to prohibit the authentication and delivery of additional series of Securities; or

(m) to establish the form and terms of the Securities of Coupons, if any, of any series as permitted in Section 3.01, or to authorize the issuance of additional Securities of a series previously authorized or to add to the conditions, limitations or restrictions on the authorized amount, terms or purposes of issue, authentication or delivery of the Securities of any series, as herein set forth, or other conditions, limitations or restrictions thereafter to be observed.

Subject to the provisions of Section 14.03, the Trustee is authorized to join with the Company and the Guarantor in the execution of any such

supplemental indenture, to make the further agreements and stipulations which may be therein contained and to accept the conveyance, transfer, assignment, mortgage or pledge of any property or assets thereunder.

Any supplemental indenture authorized by the provisions of this Section 14.01 may be executed by the Company, the Guarantor and the Trustee without the consent of the holders of any of the Securities at the time Outstanding, notwithstanding any of the provisions of Section 14.02.

SECTION 14.02. With Consent of Holders; Limitations.

(a) With the consent (evidenced as provided in Article Eight) of the holders of a majority in aggregate principal amount of the Outstanding Securities of each series affected by such supplemental indenture voting separately, the Company (when authorized by a resolution of the Board of Directors), the Guarantor and the Trustee may, from time to time and at any time, enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any provisions of this Indenture or of modifying in any manner the rights of the holders of the Securities of such series to be affected; provided, however, that no such supplemental indenture shall, without the consent of the holder of each Outstanding Security of each such series affected thereby,

(i) extend the Stated Maturity of the principal of, or any installment of interest on, any Security, or reduce the principal amount thereof or the interest thereon or any premium payable upon redemption thereof, or extend the Stated Maturity of or reduce the amount of any payment to be made with respect to any Coupon, or change the Currency in which the principal of and premium, if any, or interest on such Security is denominated or payable, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 7.02, or impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or change any obligation of the Company to pay additional interest pursuant to Section 6.02 (except as contemplated by Section 6.05(b) and permitted by Section 14.01(e)), or limit the obligation of the Company to maintain a paying agency outside the United States for payment on Bearer Securities as provided in Section 6.03, or limit the obligation of the Company to redeem an Affected Security as provided in Section 4.02(b); or

(ii) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose holders is required for any supplemental indenture, or the consent of whose holders is required for any waiver of compliance with certain provisions of this Indenture or certain Defaults hereunder and their consequences provided for in this Indenture; or

(iii) modify any of the provisions of this Section, Section 7.06 or Section 6.08, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the holder of each Outstanding Security affected thereby; provided, however, that this clause shall not be

deemed to require the consent of any holder with respect to changes in the references to "the Trustee" and concomitant changes in this Section and Section 6.08, or the deletion of this proviso, in accordance with the requirements of Sections 11.06 and 14.01(f); or

(iv) modify, without the written consent of the Trustee, the rights, duties or immunities of the Trustee.

(b) A supplemental indenture that changes or eliminates any provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities and Coupons, if any, or which modifies the rights of the holders of Securities and Coupons, if any, of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the holders of Securities and Coupons, if any, of any other series.

(c) It shall not be necessary for the consent of the Securityholders under this Section 4.02 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(d) The Company may set a record date for purposes of determining the identity of the holders of each series of Securities entitled to give a written consent or waive compliance by the Company or the Guarantor as authorized or permitted by this Section. Such record date shall not be more than 30 days prior to the first solicitation of such consent or waiver or the date of the most recent list of holders furnished to the Trustee prior to such solicitation pursuant to Section 312 of the Trust Indenture Act.

(e) Promptly after the execution by the Company, the Guarantor and the Trustee of any supplemental indenture pursuant to the provisions of this Section 4.02, the Company shall mail a notice, setting forth in general terms the substance of such supplemental indenture, to the holders of Securities at their addresses as the same shall then appear in the Register of the Company. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

SECTION 14.03. Trustee Protected. Upon the request of the Company or the Guarantor, accompanied by the Officers' Certificate and Opinion of Counsel required by Section 16.02 and by:

(a) a supplemental indenture duly executed on behalf of the Company and the Guarantor;

(b) a copy of a resolution of the Board of Directors of the Company, certified by the Secretary or an Assistant Secretary of the Company and a copy of an Officer's Certificate of the Company, authorizing the execution of said supplemental indenture;

(c) a copy of a resolution of the Board of Directors of the Guarantor, certified by the Secretary or an Assistant Secretary of the Guarantor

and a copy of an Officer's Certificate of the Guarantor, authorizing the execution of said supplemental indenture;

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(d) an Opinion of Counsel, stating that said supplemental indenture complies with, and that the execution thereof is authorized or permitted by, the provisions of this Indenture; and

(e) if said supplemental indenture shall be executed pursuant to Section 4.02, evidence (as provided in Article Eight) of the consent thereto of the Securityholders required to consent thereto as in Section 4.02 provided,

the Trustee shall join with the Company and the Guarantor in the execution of said supplemental indenture unless said supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into said supplemental indenture.

SECTION 14.04. Effect of Execution of Supplemental Indenture. Upon the execution of any supplemental indenture pursuant to the provisions of this Article Fourteen, this Indenture shall be deemed to be modified and amended in accordance therewith and, except as herein otherwise expressly provided, the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company, the Guarantor and the holders of all of the Securities or of the Securities of any series affected, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 14.05. Notation on or Exchange of Securities. Securities and Coupons, if any, of any series authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company or the Trustee shall so determine, new Securities and Coupons, if any, so modified as to conform, in the opinion of the Trustee and the Board of Directors of the Company, to any modification of this Indenture contained in any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for the Securities and Coupons, if any, then Outstanding in equal aggregate principal amounts, and such exchange shall be made without cost to the holders of the Securities.

SECTION 14.06. Conformity with TIA. Every supplemental indenture executed pursuant to the provisions of this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

ARTICLE XV

GUARANTEE

SECTION 15.01. Unconditional Guarantee.

(a) The Guarantor does hereby fully and unconditionally guarantee

(the "Guarantee") to the holders all payments on the Securities when due, in accordance with the provisions of this Indenture, as provided below.

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(b) The Guarantor hereby waives notice of acceptance of the Guarantee and of Default of performance by the Company, and hereby agrees that payment under the Guarantee shall be subject to no condition other than the giving of a written request for payment, stating the fact of Default of performance, in the manner provided in Section 16.07. This Guarantee is a guarantee of payment and not of collection.

(c) The obligations of the Guarantor under the Guarantee shall in no way be impaired by: (1) any extension, amendment, modification or renewal of the Securities; (2) any waiver of any Event of Default, extension of time or failure to enforce any of the Securities; or (3) any extension, moratorium or other relief granted to the Company pursuant to any applicable law or statute.

(d) The Guarantor shall be obligated to make payment under the Guarantee, for the benefit of the holders, at the same address as the Company is obligated to make payment.

(e) Subject to clause (f) below, the Guarantor hereby agrees that:

(i) the Securities will be paid strictly in accordance with the terms of this Indenture, regardless of the value, genuineness, validity, regularity or enforceability of the Securities, and of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the trustee with respect thereto; and

(ii) the liability of the Guarantor to the extent herein set forth shall be absolute and unconditional, not subject to any reduction, limitation, impairment, termination, defense, offset, counterclaim or recoupment whatsoever (all of which are hereby expressly waived by the Guarantor) whether by reason of any claim of any character whatsoever, including, without limitation, any claim of waiver, release, surrender, alteration or compromise, or by reason of any liability at any time to the Guarantor or otherwise, whether based upon any obligations or any other agreement or otherwise, and howsoever arising, whether out of action or inaction or otherwise and whether resulting from Default, willful misconduct, negligence or otherwise, and without limiting the foregoing, irrespective of:

(A) any lack of validity or enforceability of any agreement or instrument relating to the Securities;

(B) any change in the time, manner or place of payment of, or in any other term in respect of, all or any of the Securities, or any other amendment or waiver of or consent to any departure from any other agreement relating to any Securities; any change in the time, manner or place of payment of, or in any other term in respect of, all or any of the

Securities, or any other amendment or waiver of or consent to any departure from any other agreement relating to any Securities;

(C) any increase in, addition to, exchange or release of, or nonperfection of any lien on or security interest in, any collateral, or any release or amendment or waiver of or consent to any departure from or failure to enforce any other guarantee, for all or any of the indebtedness;

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(D) any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Company in respect of the Securities;

(E) the absence of any action on the part of the Trustee to obtain payment of the Securities from the Company;

(F) any insolvency, bankruptcy, reorganization or dissolution, or any similar proceeding of the Company, including, without limitation, rejection of the Securities in such bankruptcy; or

(G) the absence of notice or any delay in any action to enforce any Securities or to exercise any right or remedy against the Guarantor or the Company, whether hereunder, under any Securities or any agreement or any indulgence, compromise or extension granted.

(f) Notwithstanding anything to the contrary in this Guarantee, the Guarantor does not waive any defense that would be available to the Company based on a breach, default or misrepresentation by the Trustee, or failure of any condition to the Company's obligations under this Indenture or the illegality of any provision of this Indenture.

(g) The Guarantor further agrees that, to the extent that the Company or the Guarantor makes a payment or payments to the Trustee, which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to the Company or the Guarantor or their respective estate, trustee, receiver or any other party under any federal bankruptcy laws, state or federal law, common law or equitable cause, then to the extent of such payment or repayment, this Guarantee and the advances or part thereof which have been paid, reduced or satisfied by such amount shall be reinstated and continued in full force and effect as of the date such initial payment, reduction or satisfaction occurred.

SECTION 15.02. Execution and Delivery of Guarantee.

(a) If an officer whose signature is on this Indenture or the Guarantee no longer holds that office at the time the Trustee authenticates the Security on which the Guarantee is endorsed or at any time thereafter, the Guarantee shall be valid nevertheless.

(b) The delivery of any Security by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantee set forth in this Indenture on behalf of the Guarantor.

SECTION 15.03. Waiver of Subrogation. The Guarantor shall be

subrogated to all rights of the holders of Securities and the Trustee against the Company in respect of any amounts paid to such holders by the Guarantor pursuant to the provisions of the Guarantee; provided, however, that the Guarantor shall not be entitled to enforce, or to receive any payments arising out of or based upon such right of subrogation until the principal of, interest on and additional interest, if any, payable in respect of all Securities of the same series issued under such Indenture shall have been paid in full.

SECTION 15.04. Limitation on Liens.

(a) The Guarantor will not, and will not permit any Subsidiary to, incur, issue, assume or guarantee any Indebtedness if such Indebtedness is secured by a pledge of, lien on, or security interest in any shares of Voting Stock of any Significant Subsidiary, whether such Voting Stock is now owned or shall hereafter be acquired, without effectively providing that the Securities (together with, if the Guarantor shall so determine, any other indebtedness or obligations of the Guarantor or any Subsidiary ranking equally with such Securities and then existing or thereafter created) shall be secured equally and ratably with such Indebtedness. For the purposes of the foregoing, pledging, placing a lien on or creating a security interest in any shares of Voting Stock of a Significant Subsidiary in order to secure then Outstanding Indebtedness of the Guarantor or any Subsidiary shall be deemed to be the incurrence, issuance, assumption or guarantee (as the case may be) of such Indebtedness, but the foregoing shall not apply to Indebtedness secured by a pledge of, lien on or security interest in any shares of Voting Stock of any corporation at the time it becomes a Significant Subsidiary, including extensions, renewals and replacements of such Indebtedness without increase in the amount thereof.

(b) For the purposes of subsection (a) of this Section 15.04, the term "Voting Stock" shall mean capital stock the holders of which have general voting power under ordinary circumstances to elect a majority of the board of directors of a corporation provided that, for the purposes hereof, capital stock which carries only the right to vote conditioned on the happening of an event shall not be considered voting stock whether or not such event shall have happened.

(c) For the purposes of subsection (a) of this Section 15.04, the term "Significant Subsidiary" shall mean a Subsidiary, including its Subsidiaries, which meets any of the following conditions:

(i) The Guarantor's and its Subsidiaries' investments in and advances to the Subsidiary exceed 10 percent of the total assets of the Guarantor and its Subsidiaries consolidated as of the end of the most recently completed fiscal year;

(ii) The Guarantor's and its Subsidiaries' proportionate share of the total assets (after inter-company eliminations) of the Subsidiary exceeds 10 percent of the total assets of the Guarantor and its Subsidiaries consolidated as of the end of the most recently completed fiscal year; or

(iii) The Guarantor's and its Subsidiaries' equity in the income from continuing operations before income taxes, extraordinary items and

cumulative effect of a change in accounting principle of the Subsidiary exceeds 10 percent of such income of the Guarantor and its Subsidiaries consolidated for the most recently completed fiscal year.

(d) For the purposes of making the prescribed income test in clause (iii) of subsection (c) of this Section 15.04, the following shall be applicable:

(i) When a loss has been incurred by either the Guarantor and its Subsidiaries consolidated or the tested Subsidiary, but not both, the equity in the income or loss of the

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tested Subsidiary shall be excluded from the income of the Guarantor and its Subsidiaries consolidated for purposes of the computation; and

(ii) If income of the Guarantor and its Subsidiaries consolidated for the most recent fiscal year is at least 10 percent lower than the average of the income for the last five fiscal years, such average income shall be substituted for purposes of the computation. Any loss years shall be omitted for purposes of computing average income.

SECTION 15.05. Merger, Consolidation and Sale of Assets.

(a) The Guarantor will not consolidate with any other entity or accept a merger of any other entity into the Guarantor or permit the Guarantor to be merged into any other entity, or sell other than for cash or lease all or substantially all its assets to another entity, or purchase all or substantially all the assets of another entity, unless (i) either the Guarantor shall be the continuing entity, or the successor, transferee or lessee entity (if other than the Guarantor) shall expressly assume, by indenture supplemental hereto satisfactory to the Trustee, executed and delivered by such entity prior to or simultaneously with such consolidation, merger, sale or lease, the full, irrevocable and unconditional guarantee of the payment of principal of and interest and premium, if any, on all the Securities (and Coupons, if any) when due, and the performance and observance of all other obligations of the Company to the holders and the Trustee under this Indenture or under the Securities (and Coupons, if any), all in accordance with the terms hereof and thereof; and (ii) immediately after such consolidation, merger, sale, lease or purchase the Guarantor or the successor, transferee or lessee entity (if other than the Guarantor) would not be in Default in the performance of any covenant or condition of this Indenture. A purchase by a Subsidiary of all or substantially all of the assets of another entity shall not be deemed to be a purchase of such assets by the Guarantor.

(b) Upon any consolidation with or merger into any other entity, or any sale, conveyance or lease of all or substantially all of the assets of the Guarantor in accordance with this Section 15.05, the successor entity formed by such consolidation or into or with which the Guarantor is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Guarantor under this Indenture with the same effect as if such successor entity had been named as the

Guarantor herein, and thereafter, except in the case of a lease, the predecessor Guarantor shall be relieved of all obligations and covenants under the Guarantee.

SECTION 15.06. Assumption by Guarantor.

(a) The Guarantor may, without the consent of the holders, assume all of the rights and obligations of the Company hereunder with respect to a series of Securities and under the Securities of such series if, after giving effect to such assumption, no Event of Default or event which with the giving of notice or lapse of time, or both, would become an Event of Default, shall have occurred and shall be continuing. Upon such an assumption, the Guarantor shall execute a supplemental indenture evidencing its assumption of all such rights and obligations of the Company and the Company shall be released from its liabilities hereunder and under such Securities as obligor on the Securities of such series.

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(b) The Guarantor shall assume all of the rights and obligations of the Company hereunder with respect to a series of Securities and under the Securities of such series, if, upon a Default by the Company in the due and punctual payment of the principal, sinking fund payment, if any, premium, if any, or interest on such Securities, the Guarantor is prevented by any court order or judicial proceeding from fulfilling its obligations under Section 15.01 with respect to such series of Securities. Such assumption shall result in the Securities of such series becoming the direct obligations of the Guarantor and shall be effected without the consent of the holders of the Securities of any series. Upon such an assumption, the Guarantor shall execute a supplemental indenture evidencing its assumption of all such rights and obligations of the Company, and the Company shall be released from its liabilities hereunder and under such Securities as obligor on the Securities of such series.

SECTION 15.07. Article Fifteen Applicable to Paying Agent. At any time that a Paying Agent other than the Trustee shall have been appointed by the Company and be then acting hereunder, the term "Trustee" as used in this Article Fifteen shall in such case (unless the context otherwise requires) be construed as extending to and including such Paying Agent within its meaning as fully for all intents and purposes as if such Paying Agent were named in this Article Fifteen in addition to or in place of the Trustee.

SECTION 15.08. No Suspension of Remedies. Nothing contained in this Article Fifteen shall limit the right of the Trustee or the holders of Securities to take any action to accelerate the maturity of the Securities pursuant to Article Seven or to pursue any rights or remedies hereunder or under applicable law.

ARTICLE XVI

MISCELLANEOUS PROVISIONS

SECTION 16.01. Consolidation, Merger, Sale or Lease.

(a) Subject to the provisions of Sections 6.05 and 15.05, nothing contained in this Indenture or in the Securities shall be deemed to prevent the consolidation or merger of the Company or the Guarantor with or into any entity, or the merger into the Company or the Guarantor of any entity, or the sale or lease by the Company or the Guarantor of their respective property and assets as, or substantially as, an entirety, or otherwise.

(b) Upon any consolidation or merger, or any sale other than for cash or lease of all or substantially all of the assets of the Company or the Guarantor in accordance with the provisions of Sections 6.05 and 15.05, as applicable, the entity formed by such consolidation or into which the Company or the Guarantor shall have been merged or to which such sale or lease shall have been made shall succeed to and be substituted for the Company or the Guarantor, as applicable, with the same effect as if it had been named herein as a party hereto, and thereafter from time to time such entity may exercise each and every right and power of the Company or the Guarantor, as applicable, under this Indenture, in the name of the Company or the Guarantor, or in its own name; and any act or proceeding by any provision of this Indenture required or permitted to be done by the Board of Directors or any officer of the Company or the Guarantor may be done with like force and effect by the like board or officer of any entity that shall at the time be the successor of the Company or the Guarantor hereunder. In the event of any such sale

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or conveyance, but not any such lease, the Company or the Guarantor (or any successor entity which shall theretofore have become such in the manner described in Sections 6.05 and 15.05, as applicable) shall be discharged from all obligations and covenants under this Indenture and the Securities and may thereupon be dissolved and liquidated.

SECTION 16.02. Certificates and Opinions as to Conditions Precedent.

(a) Upon any request or application by the Company to the Trustee to take any action under any of the provisions of this Indenture, the Company or the Guarantor shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent have been complied with, except that in the case of any such application or demand as to which the furnishing of such document is specifically required by any provision of this Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

(b) Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture (other than the certificates provided pursuant to Section 6.06 of this Indenture) shall include (i) a statement that the Person making giving such certificate or opinion has read such covenant or condition; (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (iii) a statement that, in the view or opinion of such Person, he or she has made such examination or investigation as is necessary to enable such Person to express an informed view or opinion as to

whether or not such covenant or condition has been complied with; and (iv) a statement as to whether or not, in the view or opinion of such Person, such condition or covenant has been complied with.

(c) Any certificate, statement or opinion of an officer of the Company or the Guarantor may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his or certificate, statement or opinion is based are erroneous. Any certificate, statement or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate, statement or opinion of, or representations by, an officer or officers of the Company or the Guarantor stating that the information with respect to such factual matters is in the possession of the Company or the Guarantor, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate, statement or opinion or representations with respect to such matters are erroneous.

(d) Any certificate, statement or opinion of an officer of the Company, the Guarantor or of counsel to the Company or the Guarantor may be based, insofar as it relates to accounting matters, upon a certificate or opinion of, or representations by, an accountant or firm of accountants, unless such officer or counsel, as the case may be, knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the accounting matters upon which his or her certificate, statement or opinion may be based are erroneous. Any certificate or opinion of any firm of independent registered public accountants filed with the Trustee shall contain a statement that such firm is independent.

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(e) In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

(f) Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 16.03. Trust Indenture Act Controls. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with the duties imposed by, or another provision included in this Indenture which is required to be included in this Indenture by any of the provisions of Sections 310 to 318, inclusive, of the Trust Indenture Act, such imposed duties or incorporated provision shall control.

SECTION 16.04. What Constitutes Action by Board of Directors. Whenever action is required by this Indenture by the Board of Directors of the Company or the Guarantor and there is at the time constituted a committee of the

Board of Directors duly authorized to take such action, or a committee of officers or other representatives of the Company or the Guarantor so authorized by the Board of Directors, such action by such a committee shall be deemed to be the action of the Board of Directors and shall be sufficient for all purposes of this Indenture where action by the Board of Directors is specified.

SECTION 16.05. Notices to the Company, Guarantor and Trustee. Any notice or demand authorized by this Indenture to be made upon, given or furnished to, or filed with, the Company, the Guarantor or the Trustee shall be sufficiently made, given, furnished or filed for all purposes if it shall be mailed, delivered or telefaxed to:

(a) the Company, at [1] to the attention of [], fax: [] or at such other address or facsimile number as may have been furnished in writing to the Trustee by the Company.

(b) the Guarantor, at [Citicorp Treasury Department, 153 East 53rd Street, 6th Floor, New York, New York 10043, Fax: (212) 793-[]], with a copy to Citigroup Corporate Law Department, 425 Park Avenue, 2nd Floor - Zone 3C, New York, New York 10022, Attention: General Counsel - Capital Markets, Fax: (212) 793-7600.

(c) the Trustee, at the Corporate Trust Office of the Trustee.

Any such notice, demand or other document shall be in the English language.

SECTION 16.06. Notices to Holders; Waiver. Any notice required or permitted to be given to Securityholders shall be sufficiently given (unless otherwise herein expressly provided),

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(a) if to Registered Holders, if given in writing by first class mail, postage prepaid, to such holders at their addresses as the same shall appear on the Register of the Company, and

(b) if to holders of Bearer Securities, if published on two separate Business Days in an Authorized Newspaper or Newspapers in such Place or Places of Payment specified pursuant to Section 3.01, the first such publication to be not earlier than the earliest date and not later than two Business Days prior to the latest date prescribed for the giving of such notice;

provided, however, that, in any case, any notice to holders of Floating Rate Securities regarding the determination of a periodic rate of interest, if such notice is required pursuant to Section 3.01, shall be sufficiently given if given in the manner specified pursuant to Section 3.01.

(c) In the event of suspension of regular mail service or by reason of any other cause it shall be impracticable to give notice by mail, then such notification as shall be given with the approval of the Trustee shall constitute sufficient notice for every purpose hereunder.

(d) In the event of suspension of publication of any Authorized Newspapers or by reason of any other cause it shall be impractical to give notice by publication, then such notification as shall be given with the

approval of the Trustee shall constitute sufficient notice for every purpose hereunder.

(e) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance on such waiver. In any case where notice to holders is given by mail; neither the failure to mail such notice nor any defect in any notice so mailed to any particular holder shall affect the sufficiency of such notice with respect to other holders, and any notice that is mailed in the manner herein provided shall be conclusively presumed to have been duly given. In any case where notice to holders is given by publication, any defect in any notice so published as to any particular holder shall not affect the sufficiency of such notice with respect to other holders, and any notice that is published in the manner herein provided shall be conclusively presumed to have been duly given.

SECTION 16.07. Legal Holiday. Unless otherwise specified pursuant to Section 3.01, in any case where any Interest Payment Date, Redemption Date or Maturity of any Security of any series shall not be a Business Day at any Place of Payment for the Securities of that series, then payment of principal and premium, if any, or interest need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on such Interest Payment Date, Redemption Date or Maturity and no interest shall accrue on such payment for the period from and after such Interest Payment Date, Redemption Date or Maturity, as the case may be, to such Business Day if such payment is made or duly provided for on such Business Day.

SECTION 16.08. Effects of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

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SECTION 16.09. Successors and Assigns. All covenants and agreements in this Indenture by the parties hereto shall bind their respective successors and assigns and inure to the benefit of their permitted successors and assigns, whether so expressed or not.

SECTION 16.10. Separability Clause. In case any provision in this Indenture or in the Securities or Coupons shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 16.11. Benefits of Indenture. Nothing in this Indenture expressed and nothing that may be implied from any of the provisions hereof is intended, or shall be construed, to confer upon, or to give to, any Person or corporation other than the parties hereto and their successors and the holders of the Securities any benefit or any right, remedy or claim under or by reason of this Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all covenants, conditions, stipulations, promises and agreements in this Indenture contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Securities.

SECTION 16.12. Counterparts Originals. This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 16.13. Governing Law. This Indenture, the Securities and the Coupons shall be deemed to be contracts made under the law of the State of New York, and for all purposes shall be governed by and construed in accordance with the law of said State.

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IN WITNESS WHEREOF, the parties have caused this Indenture to be duly executed as of the date first written above.

CITIGROUP FUNDING INC.,
as Issuer

By: _____
Name:
Title:

[Corporate Seal]

Attest:

CITIGROUP INC.,
as Guarantor

By: _____
Name:
Title:

[Corporate Seal]

Attest:

JPMORGAN CHASE BANK, N.A.,
as Trustee

By: _____
Name:
Title:

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CITIGROUP FUNDING INC.

Issuer

CITIGROUP INC.

Guarantor

INDENTURE

Dated as of May [], 2005

Subordinated Securities

DEUTSCHE BANK TRUST COMPANY AMERICAS

Trustee

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INDENTURE dated as of May [], 2005, among Citigroup Funding Inc., a corporation organized and existing under the laws of the State of Delaware (the "Company"), Citigroup Inc., a corporation organized and existing under the laws of the State of Delaware, as guarantor (the "Guarantor"), and Deutsche Bank Trust Company Americas, a New York banking corporation, as trustee (the "Trustee").

WITNESSETH:

WHEREAS, the Company is authorized and empowered to borrow money for its purposes and to issue its bonds, debentures, notes and other obligations for money so borrowed; and

WHEREAS, the Company has duly authorized the issue, in one or more series as in this Indenture provided, from time to time of its subordinated debt securities (the "Securities") and, to provide the general terms and conditions upon which the Securities are to be authenticated, issued and delivered, the Company has duly authorized the execution and delivery of this Indenture;

WHEREAS, the Guarantor has duly authorized the full and unconditional guarantee of the Securities, and to provide the general terms and conditions of the Securities and the guarantee of same, the Guarantor has duly authorized the execution and delivery of this Indenture;

WHEREAS, the Trustee has power to enter into this Indenture and to accept and execute the trust herein created;

WHEREAS, each of the Company and the Guarantor jointly and severally represents that all acts and things necessary to make the Securities, when executed by the Company and authenticated and delivered by the Trustee as in this Indenture provided, and issued, the valid, binding and legal obligation of the Company, will, at the time of such execution, authentication and delivery, have been done and performed, that all acts and things necessary to constitute these presents a valid indenture and agreement according to its terms, have been done and performed, that the execution of this Indenture has in all respects been duly authorized and that the issue hereunder of the Securities will, at the time of the issue thereof, have in all respects been duly authorized, and each of the Company and the Guarantor, in the exercise of each and every legal right and power in it vested, executes this Indenture and proposes to make, execute, issue and deliver, in case of the Company, and guarantee, in the case of the Guarantor, the Securities;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That, for the benefit of the other parties and for the equal and proportionate benefit of all of the present and future holders of the Securities, each party agrees and covenants as follows:

ARTICLE ONE

DEFINITIONS

Section 101. Definitions.

(a) Unless otherwise defined in this Indenture or the context otherwise requires, all terms used herein shall have the meanings assigned to them in the Trust Indenture Act of 1939.

(b) Unless the context otherwise requires, the terms defined in this Section 101(b) shall for all purposes of this Indenture have the meanings hereinafter set forth, the following definitions to be equally applicable to both the singular and the plural forms of any of the terms herein defined:

Affected Security:

The term "Affected Security" shall have the meaning specified in Section 402(b).

Affiliate:

The term "Affiliate," with respect to any specified Person shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

Authenticating Agent:

The term "Authenticating Agent" shall have the meaning assigned to it in Section 1109.

Authorized Newspaper:

The term "Authorized Newspaper" shall mean a newspaper in an official

language of the country of publication customarily published at least once a day, and customarily published for at least five days in each calendar week, and of general circulation in such city or cities specified pursuant to Section 301 with respect to the Securities of any series. Where successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different newspapers in the same city meeting the foregoing requirements and in each case on any Business Day in such city.

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Bearer Security:

The term "Bearer Security" shall mean any Security (with or without Coupons), title to which passes by delivery only, but does not include any Coupons.

Board of Directors:

The term "Board of Directors" shall mean either the board of directors of the Company or the Guarantor, as applicable, or the executive or any other committee of that board duly authorized to act in respect hereof.

Board Resolution:

The term "Board Resolution" shall mean a copy of a resolution or resolutions certified by the Secretary or an Assistant Secretary of the Company or the Guarantor, as applicable, to have been duly adopted by the Board of Directors (or by the Finance Committee of the Board of Directors or any other committee of the Board of Directors or committee of officers or other representatives of the Company or the Guarantor, as applicable, to the extent that any such other committee or committees have been authorized by the Board of Directors to establish or approve the matters contemplated and to be in full force and effect on the date of such certification) and delivered to the Trustee.

Business Day:

The term "Business Day," when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities, shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment or other location are authorized or obligated by law to close.

Citigroup Trust:

The term "Citigroup Trust" means each of Citigroup Capital II, Citigroup Capital III, Citigroup Capital VII, Citigroup Capital VIII, Citigroup Capital IX, Citigroup Capital X and Citigroup Capital XI, each a Delaware statutory trust.

Code:

The term "Code" shall mean the Internal Revenue Code of 1986 as in effect on the date hereof.

Company:

The term "Company" shall mean Citigroup Funding Inc., a corporation organized and existing under the laws of the State of Delaware and, subject to the provisions of Section 1701, shall also include its successors and assigns.

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Company Order; Company Request:

The term "Company Order" or "Company Request" shall mean, respectively, a written order or request signed in the name of the Company by the Chairman, a Vice Chairman, the President or a Vice President (any reference to a Vice President of the Company herein shall be deemed to include any Vice President of the Company whether or not designated by a number or word or words and before or after the title "Vice President"), and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secretary or an Assistant Secretary of the Company, and delivered to the Trustee.

Corporate Trust Office:

The term "Corporate Trust Office," or other similar term, shall mean the principal office of the Trustee in the Borough of Manhattan, The City of New York, at which at any particular time its corporate trust business shall be administered, which office at the date hereof is located at 60 Wall Street, 27th Floor-MS NYC60-2710, New York, New York 10005, Attention: Corporate Trust Administration, or such other address as the Trustee may designate from time to time by notice to the holders, the Company and the Guarantor, or the principal corporate trust officer of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the holders, the Company and the Guarantor).

Coupon:

The term "Coupon" shall mean any interest coupon appertaining to any Bearer Security.

Coupon Security:

The term "Coupon Security" shall mean any Bearer Security authenticated and delivered with one or more Coupons appertaining thereto.

Currency:

The term "Currency" shall mean U.S. Dollars or Foreign Currency.

Default:

The term "Default" shall have the meaning assigned to it in Section 1103.

Defaulted Interest:

The term "Defaulted Interest" shall have the same meaning assigned to it in Section 308(e).

Depository:

The term "Depository" shall mean, with respect to the Securities of any series issuable in whole or in part in the form of one or more Global Securities, the Person designated as Depository by the Company pursuant to Section 301 until a successor Depository shall have

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become such pursuant to the applicable provisions of this Indenture, and thereafter "Depository" shall mean or include each Person who is then a Depository hereunder, and if at any time there is more than one such Person, "Depository" as used with respect to the Securities of any such series shall mean the Depository with respect to the Securities of that series.

Discharged:

The term "Discharged" shall have the meaning assigned to it in Section 1203.

Event of Default:

The term "Event of Default" shall have the meaning specified in Section 701.

Exchange Act:

The term "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

Fixed Rate Security:

The term "Fixed Rate Security" shall mean a Security that provides for the payment of interest at a fixed rate (excluding interest payable pursuant to Section 602 or 402).

Floating Rate Security:

The term "Floating Rate Security" shall mean a Security that provides for the payment of interest at a variable rate determined periodically by reference to an interest rate index specified pursuant to Section 301.

Foreign Currency:

The term "Foreign Currency" shall mean a currency issued by the government of any country other than the United States or a composite currency, the value of which is determined by reference to the values of the currencies of any group of countries.

GAAP:

The term "GAAP" shall mean generally accepted accounting principles in effect in the United States of America which are applicable as of the Closing Date and which are consistently applied for all applicable periods.

Global Security:

The term "Global Security" shall mean any Registered or Bearer Security evidencing all or part of a series of Securities, issued in fully-registered certificated form to the Depositary for such series in accordance with Section 303 and bearing the legend prescribed in Section 303(g).

Guarantee:

The term "Guarantee" shall mean the guarantee of the Company's obligations under this Indenture and the Securities by the Guarantor pursuant to Article Fifteen.

Guarantor:

The term "Guarantor" shall mean Citigroup Inc., a Delaware corporation, and its successors and permitted assigns.

Indebtedness:

The term "Indebtedness" shall mean any and all obligations of a Person for money borrowed which in accordance with GAAP would be reflected on the balance sheet of such Person as a liability on the date as of which Indebtedness is to

be determined.

Indenture:

The term "Indenture" or "this Indenture" shall mean this instrument and all indentures supplemental thereto.

interest:

The term "interest" shall mean, with respect to an Original Issue Discount Security that by its terms bears interest only after Maturity, interest payable after Maturity, and, when used with respect to a Bearer Security, includes any additional interest payable on such Bearer Security pursuant to Sections 402 and 602.

Interest Payment Date:

The term "Interest Payment Date" shall mean, with respect to any Security, the Stated Maturity of an installment of interest on such Security.

Mandatory Sinking Fund Payment:

The term "Mandatory Sinking Fund Payment" shall have the meaning assigned to it in Section 501.

Maturity:

The term "Maturity," with respect to any Security, shall mean the date on which the principal of such Security shall become due and payable as therein and herein provided, whether by declaration, call for redemption or otherwise.

Members:

The term "Members" shall have the meaning assigned to it in Section 303(i).

Officers' Certificate:

The term "Officers' Certificate" when used (i) with respect to the Company, shall mean a certificate signed by the Chairman, a Vice Chairman, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secretary or an Assistant Secretary of the Company and (ii) with respect to the Guarantor, shall mean a certificate signed by the Chairman of the Board of Directors, the President or any Vice Chairman, the Chief Financial Officer, the Chief Accounting Officer, the General Counsel or any Vice President and by the Treasurer, any Assistant Treasurer, the Controller or any Assistant Controller, the Secretary or any Assistant Secretary of the Guarantor and, in each case, delivered to the Trustee. Each such certificate shall include the statements provided for in Section 1702 if and to the extent required by the provisions of such Section. One of the officers giving an Officers' Certificate pursuant to Section 608 shall be the principal executive officer, principal financial officer or principal accounting officer of the Company.

Opinion of Counsel:

The term "Opinion of Counsel" shall mean an opinion in writing signed by legal counsel, who may be an employee of or of counsel to the Company or Guarantor, or may be other counsel satisfactory to the Trustee. Each such opinion shall include the statements provided for in Section 1702 if and to the extent required by the provisions of such Section.

Optional Sinking Fund Payment:

The term "Optional Sinking Fund Payment" shall have the meaning assigned to it in Section 501.

Original Issue Discount Security:

The term "Original Issue Discount Security" shall mean any Security that is issued with "original issue discount" within the meaning of Section 1273(a) of the Code and the regulations thereunder and any other Security designated by the Company as issued with original issue discount for United States federal income tax purposes.

Outstanding:

The term "Outstanding," when used with respect to Securities means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

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(ii) Securities or portions thereof for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the holders of such Securities or from its obligations with respect to which the Company shall have been Discharged; provided, however, that if such Securities or portions thereof are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(iii) Securities that have been paid pursuant to Section 307 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a protected purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the holders of the requisite principal amount of Securities Outstanding have performed any action hereunder, Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such action, only Securities that a Responsible Officer of the Trustee knows to be so owned shall be so disregarded. Securities so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor. In determining whether the holders of the requisite principal amount of Outstanding Securities have performed any action hereunder, the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding for such purpose shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon a declaration of acceleration of the Maturity thereof pursuant to Section 702 and the principal amount of a Security denominated in a Foreign Currency that shall be deemed to be Outstanding for such purpose shall be the amount calculated pursuant to Section 311(c).

Paying Agent:

The term "Paying Agent" shall mean any Person authorized by the Company to pay the principal of and premium, if any, or interest on any Securities or to pay Coupons on behalf of the Company.

Person:

The term "Person" shall mean an individual, a corporation, a limited liability company, a partnership, an association, a joint stock company, a trust, an unincorporated organization or a government or an agency or political subdivision thereof.

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Place of Payment:

The term "Place of Payment" shall mean, when used with respect to the Securities of any series, the place or places where the principal of and premium, if any, and interest on the Securities of that series are payable as specified pursuant to Section 301.

Predecessor Security:

The term "Predecessor Security" shall mean, with respect to any Security, every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security, and, for the purposes of this definition, any Security authenticated and delivered under Section 307 in lieu of a lost, destroyed or stolen Security shall be deemed to evidence the same debt as the lost, destroyed or stolen Security.

Record Date:

The term "Record Date" shall mean, with respect to any interest payable on any Registered Security on any Interest Payment Date, the close of business on the date specified in such Registered Security for the payment of interest pursuant to Section 301.

Redemption Date:

The term "Redemption Date" shall mean, when used with respect to any Security to be redeemed, in whole or in part, the date fixed for such redemption by or pursuant to this Indenture and the terms of such Security, which, in the case of a Floating Rate Security, unless otherwise specified pursuant to Section 301, shall be an Interest Payment Date only.

Redemption Price:

The term "Redemption Price" shall mean, in the case of an Original Issue Discount Security, the amount of the principal and interest that would be due and payable as of the Redemption Date upon a declaration of acceleration of the Maturity thereof pursuant to Section 702 and, in the case of any other Security, the principal amount thereof, plus, in each case, premium, if any, and accrued and unpaid interest, if any, to the Redemption Date.

Register:

The term "Register" shall have the meaning assigned to it in Section 305(a).

Registrar:

The term "Registrar" shall have the meaning assigned to it in Section 305.

Registered Security:

The term "Registered Security" shall mean any Security registered as to principal and interest in the Register.

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Responsible Officers:

The term "Responsible Officers" of the Trustee hereunder shall mean any vice president, any assistant vice president, any assistant secretary, any assistant treasurer, any trust officer, any assistant trust officer or any other officer associated with the corporate trust department of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of such person's knowledge of and familiarity with the particular subject and, in the case of any such officer, who shall have direct responsibility for the administration of this Indenture.

SEC:

The term "SEC" shall mean the Securities and Exchange Commission.

Securities Act:

The term "Securities Act" shall mean the Securities Act of 1933, as amended.

Security:

The term "Security" shall mean one of the Securities duly authenticated by the Trustee and delivered pursuant to the provisions of this Indenture.

Security Custodian:

The term "Security Custodian" shall mean the custodian with respect to any Global Security appointed by the Depositary, or any successor Person thereto, and shall initially be the Paying Agent.

Securityholder; holder of Securities;
holder; registered holder:

The term "Securityholder" or "holder of Securities" or "holder" or "registered holder," with respect to a Registered Security, shall mean the Person in whose name such Securities shall be registered in the Register kept for that purpose hereunder and, with respect to a Bearer Security or Coupon, the bearer thereof.

Senior Indebtedness:

The term "Senior Indebtedness" means (i) the principal, premium, if any, and interest in respect of (A) indebtedness of the Company or the Guarantor for money borrowed and (B) indebtedness evidenced by securities, notes, debentures, bonds or other similar instruments issued by the Company or the Guarantor including all indebtedness to be issued under an indenture to be entered into among the Company, the Guarantor and The Bank of New York or an indenture to be entered into among the Company, the Guarantor and The Bank of New York, as either may be amended, modified or supplemented from time to time; (ii) all capital lease obligations of the Company and the Guarantor; (iii) all obligations of the Company and the

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Guarantor issued or assumed as the deferred purchase price of property, all conditional sale obligations of the Company and the Guarantor and all obligations of the Company and the Guarantor under any conditional sale or title retention agreement (but excluding trade accounts payable in the ordinary course of business); (iv) all obligations, contingent or otherwise, of the Company or the Guarantor in respect of any letters of credit, bankers acceptance, security purchase facilities and similar credit transactions; (v) all obligations of the Company and the Guarantor in respect of interest rate swap, cap or other agreements, interest rate future or options contracts, currency swap agreements, currency future or option contracts and other similar agreements; (vi) all obligations of the type referred to in clauses (i) through (v) above of other Persons for the payment of which the Company and/or the Guarantor is responsible or liable as obligor, guarantor or otherwise; and (vii) all obligations of the type referred to in clauses (i) through (vi) above of other Persons secured by any lien on any property or asset of the Company and/or the Guarantor (whether or not such obligation is assumed by the Company or the Guarantor), except that Senior Indebtedness does not include (1) any indebtedness issued prior to February 18, 2005 under that certain subordinated debt indenture with J.P. Morgan Trust Company, as trustee, dated as of April 12, 2001, as supplemented; (2) any indebtedness issued by the Guarantor under that certain indenture with Bank One Trust Company, N.A., dated as of July 17, 1998, as supplemented; (3) any indebtedness issued to a Citigroup Trust prior to May 31, 2004 under that certain indenture, dated as of October 7, 1996, between the Guarantor (formerly known as Travelers Group Inc.) and JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank), as supplemented (the "1996 Junior Subordinated Debt Indenture"); (4) any guarantee entered into by the Guarantor prior to May 31, 2004 in respect of any preferred securities, capital securities or preference stock of a Citigroup Trust to which the Guarantor issued any indebtedness under the 1996 Junior Subordinated Debt Indenture; (5) any indebtedness issued to a Citigroup Trust prior to February 18, 2005 under that certain indenture, dated as of July 23, 2004, between Citigroup and JPMorgan Chase Bank, N.A. (the "2004 Junior Subordinated Debt Indenture"); (6) any guarantee entered into by the Guarantor prior to February 18, 2005 in respect of any preferred securities, capital securities or preference stock of a Citigroup Trust to which the Guarantor issued any indebtedness under the 2004 Junior Subordinated Debt Indenture; and (7) any indebtedness or any guarantee that is by its terms subordinated to or pari passu with the Securities and the issuance of which, in the case of this clause (7) only, (x) has received the concurrence or approval of the staff of the Federal Reserve Bank of New York or the staff of the Board of Governors of the Federal Reserve System or (y) does not at the time of issuance prevent the Securities from qualifying for Tier 2 capital treatment (irrespective of any limits on the amount of the Guarantor's Tier 2 capital) under the applicable capital adequacy guidelines, regulations, policies or published interpretations of the Board of Governors of the Federal Reserve System.

Significant Subsidiary:

The term "Significant Subsidiary" shall have the meaning assigned to it in Section 1504.

Special Record Date:

The term "Special Record Date" shall have the meaning assigned to it in Section 308(e) (i).

Stated Maturity:

The term "Stated Maturity" when used with respect to any Security or any installment of interest thereon, shall mean the date specified in such Security

or the Coupons, if any, as the fixed date on which the principal (or any portion thereof) of or premium, if any, on such Security or such installment of interest is due and payable.

Subsidiary:

The term "Subsidiary," when used with respect to any Person, shall mean any corporation or other entity of which a majority of (a) the voting power of the voting equity securities or (b) in the case of a partnership or any other entity other than a corporation, the outstanding equity interests of which are owned, directly or indirectly, by such Person. For the purposes of this definition, "voting equity securities" means equity securities having voting power for the election of directors, whether at all times or only so long as no senior class of securities has such voting power by reason of any contingency.

Successor Company:

The term "Successor Company" shall have the meaning assigned to it in Section 306(j).

Trust Indenture Act; TIA:

The term "Trust Indenture Act" or "TIA" shall mean the Trust Indenture Act of 1939, as amended, except as otherwise provided in this Indenture.

Trustee:

The term "Trustee" shall mean the trustee hereunder for the time being, whether original or successor, and if at any time there is more than one such trustee, "Trustee" as used with respect to the Securities of any series shall mean the trustee with respect to Securities of that series.

U.S. Government Obligations:

The term "U.S. Government Obligations" shall mean either (i) direct obligations of the United States of America or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the payment of which is unconditionally guaranteed by the full faith and credit of the United States of America.

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U.S. Dollars:

The term "U.S. Dollars" shall mean such currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

United States:

The term "United States" shall mean the United States of America (including the States and the District of Columbia), its territories and its possessions and other areas subject to its jurisdiction.

United States Alien:

The term "United States Alien" shall mean any Person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership, one or more members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

Voting Stock:

The term "Voting Stock" shall have the meaning specified in Section 1504.

Certain other terms, relating principally to provisions included in this Indenture in compliance with the Trust Indenture Act, are defined in Article Eleven.

ARTICLE TWO

FORMS OF SECURITIES

Section 201. Terms of the Securities.

(a) The Securities and the Coupons, if any, of each series shall be substantially in one of the forms established by or pursuant to a Board Resolution and set forth in an Officers' Certificate or in one or more indentures supplemental hereto, and shall have such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification or designation and such legends or endorsements placed thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange on which any series of the Securities may be listed or of any automated quotation system on which any such series may be quoted, or to conform to usage, all as determined by the officers executing such Securities and Coupons as conclusively evidenced by their execution of such Securities and Coupons. If the form of a series of Securities is established in or pursuant to a Board Resolution, a copy of such Board Resolution shall be delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the form of such series.

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(b) The terms and provisions of the Securities shall constitute, and are hereby expressly made, a part of this Indenture, and, to the extent applicable, the Company, the Guarantor and the Trustee, by their execution and delivery of this Indenture expressly agree to such terms and provisions and to be bound thereby.

Section 202. Form of Bearer Security.

(a) Each Bearer Security and Coupon shall bear a legend substantially to the following effect:

"Any United States Person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1278(a) of the Internal Revenue Code."

(b) The definitive Securities and Coupons, if any, of each series shall be printed, lithographed or engraved or produced by any combination of these methods on steel engraved borders or may be produced in any other manner, provided that such manner is permitted by the rules of any securities exchange on which such series of Securities may be listed or of any automated quotation system on which such series may be quoted, all as determined by the officers executing such Securities and Coupons, as conclusively evidenced by their execution of such Securities and Coupons.

Section 203. Form of Trustee's Certificate of Authentication.

(a) Only such of the Securities as shall bear thereon a certificate substantially in the form of the Trustee's certificate of authentication hereinafter recited, executed by the Trustee by manual signature, shall be valid

or become obligatory for any purpose or entitle the holder thereof to any right or benefit under this Indenture, and the certificate of authentication by the Trustee upon any such Security executed on behalf of the Company as aforesaid shall be conclusive evidence that the Security so authenticated has been duly authenticated and delivered hereunder and that the holder thereof is entitled to the benefits of this Indenture.

(b) Each Security shall be dated the date of its authentication, except that any Global Security shall be dated as of the date specified as contemplated in Section 3.01.

(c) The form of the Trustee's certificate of authentication to be borne by the Securities shall be substantially as follows:

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TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities issued referred to in the within-mentioned Indenture.

Deutsche Bank Trust Company Americas, as
Trustee

By: _____
Authorized Officer

Section 204. Form of Trustee's Certificate of Authentication by an Authenticating Agent. If at any time there shall be an Authenticating Agent appointed with respect to any series of Securities, then the Trustee's Certificate of Authentication by such Authenticating Agent to be borne by Securities of each such series shall be substantially as follows:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities referred to in the within-mentioned Indenture.

Deutsche Bank Trust Company Americas, as
Trustee

By: _____
Authorized Officer

By: _____
Authorized Officer

ARTICLE THREE

THE DEBT SECURITIES

Section 301. Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities that may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued in one or more series. There shall be established by or pursuant to a Board Resolution of the Company, and set forth in an Officers' Certificate of the Company, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series:

(a) the title of the Securities of the series (which shall distinguish the Securities of such series from the Securities of all other series, except to the extent that additional Securities of an existing series are being issued);

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(b) any limit upon the aggregate principal amount of the Securities of the series that may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon transfer of, or in exchange for, or in lieu of, other Securities of such series pursuant to Section 304, 306, 307, 407, or 1405;

(c) the dates on which or periods during which the Securities of the series may be issued, and the dates on, or the range of dates within, which the principal of and premium, if any, on the Securities and Coupons, if any, of such series are or may be payable;

(d) the rate or rates at which the Securities of the series shall bear interest, if any, or the method by which such rate or rates shall be determined, the date or dates from which such interest shall accrue, or the method by which such date or dates shall be determined, the Interest Payment Dates on which any such interest shall be payable, and, in the case of Registered Securities, the Record Dates for the determination of holders to whom interest is payable on such Interest Payment Dates;

(e) if other than U.S. Dollars, the Currency in which Securities of the series shall be denominated or in which payment of the principal and premium, if any, or interest on the Securities of the series shall be payable and any other terms concerning such payment;

(f) if the amount of payment of principal of, premium, if any, or interest on the Securities of the series may be determined with reference to an index, formula or other method including, but not limited to, an index based on a Currency or Currencies other than that in which the Securities are stated to be payable, the manner in which such amounts shall be determined;

(g) if the principal of, premium, if any, or interest on Securities of the series are to be payable, at the election of the Company or a holder thereof, in a Currency other than that in which the Securities are denominated or stated to be payable, the period or periods within which, and the terms and conditions upon which such election may be made and the time and the manner of determining the exchange rate between the Currency in which the Securities are denominated or payable without such election and the Currency in which the Securities are to be paid if such election is made;

(h) the place or places, if any, in addition to or instead of the Corporate Trust Office of the Trustee (in the case of Registered Securities) or the principal London office of the Trustee (in the case of Bearer Securities) where the principal of, premium, if any, and interest on Securities of the series shall be payable;

(i) the price or prices at which, the period or periods within which or the date or dates on which, and the terms and conditions upon which Securities of the series may be redeemed, in whole or in part, at the option of the Company, if the Company is to have that option;

(j) the obligation, if any, of the Company to redeem, purchase or repay Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a holder thereof and the price or prices at which, the period or periods within which or the date or dates on which, and the terms and conditions upon which Securities of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligation;

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(k) if other than denominations of \$1,000 or any integral multiple thereof, the denominations in which Securities of the series shall be issuable;

(l) if other than the principal amount thereof, the portion of the

principal amount of the Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 702;

(m) whether the Securities of the series are to be issued as Original Issue Discount Securities and the amount of discount with which such Securities may be issued;

(n) provisions, if any, for the defeasance of Securities of the series;

(o) whether the Securities of the series are to be issued in whole or in part in the form of one or more Global Securities and, in such case, the Depositary for such Global Security or Securities and the terms and conditions, if any, upon which interests in such Global Security or Securities may be exchanged in whole or in part for the individual Securities represented thereby;

(p) whether Securities of the series are to be issued as Registered Securities or Bearer Securities or both, and, if Bearer Securities are issued, whether Coupons will be attached thereto, whether Bearer Securities of the series may be exchanged for Registered Securities of the series and the circumstances under which and the places at which any such exchanges, if permitted, may be made;

(q) if any Securities of the series are to be issued as Bearer Securities or as one or more Global Securities representing individual Bearer Securities of the series, (i) whether the provisions of Sections 402 and 602 or other provisions for payment of additional interest or tax redemption shall apply and, if other provisions shall apply, such other provisions; (ii) whether interest in respect of any portion of a temporary Bearer Security of the series (delivered pursuant to Section 304) payable in respect of any Interest Payment Date prior to the exchange of such temporary Bearer Security for definitive Bearer Securities of the series shall be paid to any clearing organization with respect to the portion of such temporary Bearer Security held for its account and, in such event, the terms and conditions (including any certification requirements) upon which any such interest payment received by a clearing organization will be credited to the Persons entitled to interest payable on such Interest Payment Date; and (iii) the terms upon which a temporary Bearer Security may be exchanged for one or more definitive Bearer Securities of the series;

(r) the date as of which any Global Security of the series shall be dated if other than the original issuance of the first Security of the series to be issued;

(s) the form of the Securities of the series; and

(t) any other terms of the Securities of the series, including Events of Default and/or additional covenants of the Company and/or the Guarantor (which terms shall not be inconsistent with the provisions of this Indenture).

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All Securities of any one series and the Coupons, if any, appertaining thereto shall be substantially identical except as to denomination and except as may otherwise be provided by or pursuant to such Board Resolution, and set forth in such Officers' Certificate, or in any such indenture supplemental hereto. If any of the terms of a series of Securities are established by action taken to a Board Resolution, a copy of such Board Resolution shall be delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of such series.

Section 302. Denominations. In the absence of any specification pursuant to Section 301 with respect to Securities of any series, the Securities of such series shall be issuable only as Registered Securities in denominations of any integral multiple of \$1,000, and shall be payable only in U.S. Dollars.

Section 303. Execution, Authentication, Delivery and Dating.

(a) The Securities and the Coupons, if any, shall be executed in the name and on behalf of the Company by the manual or facsimile signature of its Chairman of the Board of Directors, a Vice Chairman, its President or one of its Vice Presidents, under its corporate seal (which may be printed, engraved or otherwise reproduced thereon, by facsimile or otherwise), which shall be attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries. If the Person whose signature is on a Security or Coupon, if any, no longer holds that office at the time the Security or Coupon, if any, is authenticated and delivered, the Security and Coupon, if any, shall nevertheless be valid.

(b) At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities, with appropriate Coupons, if any, of any series, executed by the Company, to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities and Coupons. The Trustee shall thereupon authenticate and deliver such Securities and Coupons without any further action by the Company. A Company Order shall specify the amount of the Securities (and Coupons) to be authenticated and the date on which the original issue of Securities (and Coupons) is to be authenticated.

(c) In authenticating the first Securities and Coupons, if any, of any series and accepting the additional responsibilities under this Indenture in relation to such Securities and Coupons, if any, the Trustee shall receive, and (subject to Section 1102) shall be fully protected in relying upon:

(i) the supplemental indenture or Board Resolution relating thereto and, if applicable, an appropriate record of any action taken pursuant to such supplemental indenture or resolution, certified by the Secretary or an Assistant Secretary of the Company;

(ii) an Officer's Certificate as to the absence of any event that is, or after notice or lapse of time or both would become, an Event of Default; and

(iii) an Opinion of Counsel prepared in accordance with Section 1702, which shall state:

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(A) that the form and terms of such Securities have been established by or pursuant to one or more Board Resolutions, by a supplemental indenture as permitted by Section 1401(m), or by both such resolution or resolutions and such supplemental indenture, in conformity with the provisions of this Indenture;

(B) that the supplemental indenture, if any, when executed and delivered by the Company, the Guarantor and the Trustee, will constitute a valid and legally binding obligation of each of the Company and the Guarantor;

(C) that such Securities, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, and will be entitled to the benefits of this Indenture;

(D) that the Company has the corporate power to issue the Securities, and has duly taken all necessary action with respect to such issuance;

(E) that the Guarantor has the corporate power to guarantee the Securities, and has duly taken all necessary action with respect to such guarantee;

(F) that the issuance of the Securities will not contravene the certificate of incorporation or By-laws of the Company or the Guarantor or result in any violation of any of the terms or provisions of any law or regulation or of any indenture, mortgage or other agreement by which the Company or the Guarantor is bound and, with respect to the Guarantor, under which long-term debt of the Guarantor as reflected in its latest financial statements on file with the SEC is outstanding;

(G) that all requirements of the Indenture applicable to the Company in respect of the execution and delivery by the Company of the Securities and applicable to the Guarantor in respect of the Guarantee and of such supplemental indenture, if any, have been complied with and, that assuming (a) all requisite corporate authorization on the part of the Trustee, (b) continued compliance by the Trustee with the terms of the Indenture specifically applicable to the Trustee, and (c) due authentication and delivery of the Securities by the Trustee, the execution and delivery of such supplemental indenture, if any, will not violate the terms of this Indenture, and that, other than compliance with federal and state securities laws, no authorization, approval or consent by any regulatory or statutory or other public authority is required in connection with the execution and delivery of such supplemental indenture or for the creation, issuance, authentication and delivery of the Securities pursuant to the Indenture;

(H) all conditions precedent provided for in the Indenture (including any covenants compliance with which constitutes a condition precedent) to the Trustee's authentication and delivery of the Securities have been complied with; and

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(I) the amount of Securities Outstanding of such series, together with the amount of such Securities, does not exceed any limit established under the terms of this Indenture on the amount of Securities of such series that may be authenticated and delivered.

(d) The Trustee shall have the right to decline to authenticate and deliver the Securities under this Section if the issue of the Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

(e) Each Security shall be dated the date of its authentication, except as otherwise provided pursuant to Section 301 with respect to the Securities of such series.

(f) Notwithstanding the provisions of Section 301 and of this Section 303, if all of the Securities of a series are not to be originally issued at the same time, then the documents required to be delivered pursuant to this Section 303 must be delivered only once, prior to the authentication and delivery of the first Security of such series; provided, however, that any subsequent request by the Company to the Trustee to authenticate Securities of such series upon original issuance shall constitute a representation and warranty by the Company and the Guarantor that, as of the date of such request, the statements made in the Officers' Certificate delivered pursuant to this Section 303 shall be true and correct as if made on such date.

(g) If the Company shall establish pursuant to Section 301 that the Securities of a series are to be issued in whole or in part in the form of one or more Global Securities, then the Company shall execute and the Trustee shall authenticate and deliver one or more Global Securities that (i) shall represent an aggregate amount equal to the aggregate principal amount of the Outstanding Securities of such series to be represented by one or more Global Securities, (ii) shall be registered, if in registered form, in the name of the Depositary for such Global Security or Securities or the nominee of such Depositary, (iii) shall be delivered by the Trustee to such Depositary or pursuant to such Depositary's instruction and (iv) shall bear a legend substantially to the following effect: "Unless and until it is exchanged in whole or in part for the individual Securities represented hereby, this Global Security may not be transferred except as a whole by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary." The aggregate principal amount of each Global Security may from time to time be increased or decreased by adjustments made on the records of the Security Custodian, as provided in this Indenture.

(h) Each Depositary designated pursuant to Section 301 for a Global Security in registered form must, at the time of its designation and at all times while it serves as such Depositary, be a clearing agency registered under the Exchange Act and any other applicable statute or regulation.

(i) Members of, or participants in, the Depositary ("Members") shall have no rights under this Indenture with respect to any Global Security held on their behalf by the Depositary or by the Security Custodian under such Global Security, and the Depositary may be treated by the Company, the Trustee, the Paying Agent and the Registrar and any of their agents as the absolute

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owner of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee, the Paying Agent or the Registrar or any of their agents from giving effect to any written certification, proxy or other authorization furnished by the Depositary or impair, as between the Depositary and its Members, the operation of customary practices of the Depositary governing the exercise of the rights of an owner of a beneficial interest in any Global Security. The registered holder of a Global Security may grant proxies and otherwise authorize any Person, including Members and Persons that may hold interests through Members, to take any action that a holder is entitled to take under this Indenture or the Securities.

(j) No Security or Coupon appertaining thereto shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in one of the forms provided for herein duly executed by the Trustee or by an Authenticating Agent by manual signature of one of its Responsible Officers, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security (and any Coupons appertaining thereto) has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. Except as permitted by Section 305, 307 or 308, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant Coupons then matured have been cleared and canceled.

Section 304. Temporary Securities.

(a) Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Securities that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, in registered form or, if authorized, in bearer form with one or more Coupons or without Coupons, and with such appropriate insertions,

omissions, substitutions and other variations as the officers executing such Securities and Coupons, if any, may determine, as conclusively evidenced by their execution of such Securities and Coupons. Any such temporary Security may be in global form, representing all or a portion of the Outstanding Securities of such series. Every such temporary Security shall be executed by the Company and shall be authenticated and delivered by the Trustee upon the same conditions and in substantially the same manner, and with the same effect, as the definitive Security or Securities in lieu of which it is issued.

(b) If temporary Securities of any series are issued, the Company will cause definitive Securities of such series to be prepared without unreasonable delay. Except as otherwise specified as contemplated by Section 301(q)(iii) with respect to a series of Securities issuable as Bearer Securities or as one or more Global Securities representing individual Bearer Securities of the series, (a) after the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for such series, without charge to the holder, except as provided in Section 306 in connection with a transfer and except that a Person receiving definitive Bearer Securities shall bear the cost of insurance, postage, transportation and the like unless otherwise specified pursuant to Section 301, and (b) upon surrender for cancellation of any one or more temporary

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Securities of any series (accompanied by any unmatured Coupons appertaining thereto), the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of the same series of authorized denominations and of like tenor; provided, however, that no definitive Bearer Security shall be delivered in exchange for a temporary Registered Security; and provided, further, that delivery of a Global Security representing individual Bearer Securities or a Bearer Security shall occur only outside the United States. Until so exchanged, temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series, except as otherwise specified as contemplated by Section 301(q)(ii) with respect to the payment of interest on Global Securities in temporary form.

(c) Unless otherwise specified pursuant to Section 301, the Company will execute and deliver each definitive Global Security representing individual Bearer Securities and each Bearer Security to the Trustee at its principal office in London or such other place outside the United States specified pursuant to Section 301.

(d) Upon any exchange of a portion of a temporary Global Security for a definitive Global Security or for the individual Securities represented thereby pursuant to this Section 304 or Section 306, the temporary Global Security shall be endorsed by the Trustee to reflect the reduction of the principal amount evidenced thereby, whereupon the principal amount of such temporary Global Security shall be reduced for all purposes by the amount so exchanged and endorsed.

Section 305. Registrar and Paying Agent.

(a) The Company will maintain an office or agency in the Borough of Manhattan, the City of New York, or in any other office or agency of the Company in a Place of Payment, where Registered Securities may be presented for registration or presented and surrendered for registration of transfer or of exchange (the "Registrar"), where Registered Securities may be presented for payment (the "Paying Agent") and for the service of notices and demands to or upon the Company in respect of the Registered Securities and of their transfer or exchange. The Registrar shall keep a security register for the registration of and the registration of transfer or of exchange of the Registered Securities

(the registers maintained in such office and in any other office or agency of the Company in a Place of Payment being herein sometimes collectively referred to as the "Register"), as in this Indenture provided, which Register shall at all reasonable times be open for inspection by the Trustee. Such Register shall be in written form or in any other form capable of being converted into written form within a reasonable time. The Company may have one or more co-Registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent.

(b) The Company shall enter into an appropriate agency agreement with any Registrar, Paying Agent or co-Registrar not a party to this Indenture. The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall notify the Trustee of the name and address of each such agent. If the Company fails to maintain a Registrar or Paying Agent, the Trustee shall act as such and shall be entitled to appropriate

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compensation therefor pursuant to Section 1101. The Company or the Guarantor may act as Paying Agent, Registrar, co-Registrar or transfer agent.

(c) The Company hereby appoints the Trustee at its Corporate Trust Office as Registrar, Paying Agent and agent for service of demands and notices in connection with the Securities and this Indenture, until such time as another Person is appointed as such.

Section 306. Transfer and Exchange .

(a) Transfer.

(i) Upon surrender for registration of transfer of any Registered Security of any series at the Registrar the Company shall execute, and the Trustee or any Authenticating Agent shall authenticate and deliver, in the name of the designated transferee, one or more new Registered Securities of the same series for like aggregate principal amount of any authorized denomination or denominations. The transfer of any Security shall not be valid as against the Company, the Guarantor or the Trustee unless registered at the Registrar by the registered holder, or by his or her attorney duly authorized in writing. Except as otherwise specified pursuant to Section 301, in no event may Registered Securities, including Registered Securities received in exchange for Bearer Securities, be exchanged for Bearer Securities.

(ii) Notwithstanding any other provision of this Section, unless and until it is exchanged in whole or in part for the individual Securities represented thereby, a Global Security representing all or a portion of the Securities of a series may not be transferred except as a whole by the Depositary for such series to a nominee of such Depositary or by a nominee of such Depositary to such Depositary or another nominee of such Depositary or by such Depositary or any such nominee to a successor Depositary for such series or a nominee of such successor Depositary.

(b) Exchange.

(i) At the option of the holder, Registered Securities of any series (other than a Global Security, except as set forth below) may be exchanged for other Registered Securities of the same series for like aggregate principal amount of any authorized denomination or denominations, upon surrender of the Registered Securities to be exchanged at the Registrar.

(ii) At the option of the holder, except as otherwise specified as contemplated by Section 301(o) or 301(q) with respect to a Global Security representing Bearer Securities, Bearer Securities of any series may be

exchanged for Registered Securities (if the Securities of such series are issuable as Registered Securities) or Bearer Securities of the same series, for like aggregate principal amount of any authorized denomination or denominations, upon surrender of the Bearer Securities to be exchanged at the office or agency of the Company maintained for such purpose, with all unmatured Coupons and all matured

Coupons in Default thereto appertaining; provided, however, that delivery of a Bearer Security shall occur only outside the United States. If the holder of a Bearer Security is unable to produce any such unmatured Coupon or Coupons or matured Coupon or Coupons in Default, such exchange may be effected if the Bearer Securities are accompanied by payment in funds acceptable to the Company and the Trustee in an amount equal to the face amount of such missing Coupon or Coupons, or the surrender of such missing Coupon or Coupons may be waived by the Company and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the holder of such Bearer Security shall surrender to any Paying Agent any such missing Coupon in respect of which such a payment shall have been made, such holder shall be entitled to receive the amount of such payment; provided, however, that, except as otherwise provided in Section 308, interest represented by Coupons shall be payable only upon presentation and surrender of those Coupons at an office or agency located outside the United States.

(iii) Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities that the holder making the exchange is entitled to receive.

(iv) Notwithstanding the foregoing, the exchange of Bearer Securities for Registered Securities will be subject to the provisions of United States income tax laws and regulations applicable to Securities in effect at the time of such exchange.

(c) Exchange of Global Securities for Individual Securities. Except as provided below, owners of beneficial interests in Global Securities will not be entitled to receive individual Securities.

(i) Individual Securities shall be issued to all owners of beneficial interests in a Global Security in exchange for such interests if:

(A) at any time the Depositary for the Securities of a series notifies the Company that it is unwilling or unable to continue as Depositary for the Securities of such series or if at any time the Depositary for the Securities of such series shall no longer be eligible under Section 303(h) and, in each case, a successor Depositary is not appointed by the Company within 90 days of such notice, or

(B) the Company executes and delivers to the Trustee and the Registrar an Officers' Certificate stating that such Global Security shall be so exchangeable.

In connection with the exchange of an entire Global Security for individual Securities pursuant to this subsection (c), such Global Security shall be deemed to be surrendered to the Trustee for cancellation, and the Company shall execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of individual Securities of such series, will authenticate and deliver to each beneficial owner identified by the Depositary in exchange for its beneficial interest in such Global Security, an equal aggregate principal amount of individual Securities of authorized denominations.

(ii) The owner of a beneficial interest in a Global Security will be entitled to receive an individual Security in exchange for such interest if an Event of Default has occurred and is continuing. Upon receipt by the Security Custodian and Registrar of instructions from the holder of a Global Security directing the Security Custodian and

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Registrar to (x) issue one or more individual Securities in the amounts specified to the owner of a beneficial interest in such Global Security and (y) debit or cause to be debited an equivalent amount of beneficial interest in such Global Security, subject to the rules and regulations of the Depositary:

(A) the Security Custodian and Registrar shall notify the Company and the Trustee of such instructions, identifying the owner and amount of such beneficial interest in such Global Security;

(B) the Company shall promptly execute and the Trustee, upon receipt of a Company Order for the authentication and delivery of individual Securities of such series, shall authenticate and deliver to such beneficial owner individual Securities in an equivalent amount to such beneficial interest in such Global Security; and

(C) the Security Custodian and Registrar shall decrease such Global Security by such amount in accordance with the foregoing.

In the event that the individual Securities are not issued to each such beneficial owner promptly after the Registrar has received a request from the holder of a Global Security to issue such individual Securities, the Company expressly acknowledges, with respect to the right of any holder to pursue a remedy pursuant to Section 707 hereof, the right of any beneficial holder of Securities to pursue such remedy with respect to the portion of the Global Security that represents such beneficial holder's Securities as if such individual Securities had been issued.

(iii) If specified by the Company pursuant to Section 301 with respect to a series of Securities, the Depositary for such series of Securities may surrender a Global Security for such series of Securities in exchange in whole or in part for individual Securities of such series on such terms as are acceptable to the Company and such Depositary. Thereupon, the Company shall execute, and the Trustee shall authenticate and deliver, without service charge,

(A) to each Person specified by such Depositary a new individual Security or Securities of the same series, of any authorized denomination as requested by such Person in aggregate principal amount equal to and in exchange for such Person's beneficial interest in the Global Security; and

(B) to such Depositary a new Global Security in a denomination equal to the difference, if any, between the principal amount of the surrendered Global Security and the aggregate principal amount of individual Securities delivered to holders thereof.

(iv) In any exchange provided for in clauses (i) through (iii), the Company will execute and the Trustee will authenticate and deliver individual Securities (a) in registered form in authorized denominations, if the Securities of such series are issuable as Registered Securities, (b) in bearer form in authorized denominations, with or without Coupons attached, if the Securities of such series are issuable as Bearer Securities or (c) as either Registered or Bearer Securities, if the Securities of such series are issuable in

either form; provided, however, that individual Bearer Securities shall be delivered in exchange for a Global Security only in accordance with the procedures specified pursuant to Section 301.

(v) Upon the exchange of a Global Security for individual Securities, such Global Security shall be canceled by the Trustee. Individual Registered Securities issued in exchange for a Global Security pursuant to this Section shall be registered in such names and in such authorized denominations as the Depositary for such Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Registered Securities to the Persons in whose names such Registered Securities are so registered. The Trustee shall deliver individual Bearer Securities issued in exchange for a Global Security pursuant to this Section to the Persons and in such authorized denominations as the Depositary for such Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee; provided, however, that individual Bearer Securities shall be delivered in exchange for a Global Security only in accordance with the procedures as may be specified pursuant to Section 301.

(d) Notwithstanding the foregoing, the exchange of Bearer Securities for Registered Securities will be subject to the provisions of United States income tax laws and regulations applicable to Securities in effect at the time of such exchange.

(e) All Securities issued upon any transfer or exchange of Securities shall be valid obligations of the Company (and, as with respect to the Guarantee, the Guarantor) evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered for such registration of transfer or exchange.

(f) Every Registered Security presented or surrendered for registration of transfer, or for exchange or payment shall (if so required by the Company, the Trustee or the Registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company, the Trustee and the Registrar, duly executed, by the holder thereof or by his or her attorney duly authorized in writing.

(g) No service charge will be made for any registration of transfer or exchange of Securities except as provided in Section 304(b) or 307. The Company may require payment of a sum sufficient to cover any tax, assessment or other governmental charge that may be imposed in connection with any registration, transfer or exchange of Securities, other than those expressly provided in this Indenture to be made at the Company's own expense or without expense or without charge to the holders.

(h) The Company shall not be required to (i) register, transfer or exchange Securities of any series during a period beginning at the opening of business 15 days before the day of the transmission of a notice of redemption of Securities of such series selected for redemption under Section 403 and ending at the close of business on the day of such transmission, or (ii) register, transfer or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part; provided, however, that, if specified pursuant to Section 402, any Bearer Securities of any series that are exchangeable for Registered

Securities and that are called for redemption pursuant to Section 402 may, to

the extent permitted by applicable law, be exchanged for one or more Registered Securities of such series during the period preceding the Redemption Date.

(i) Prior to the due presentation for registration of transfer or exchange of any Security, the Company, the Guarantor, the Trustee, the Paying Agent, the Registrar or any co-Registrar may deem and treat the Person in whose name a Security is registered as the absolute owner of such Security (whether or not such Security shall be overdue and notwithstanding any notation of ownership or other writing thereon) for all purposes whatsoever, and none of the Company, the Guarantor, the Trustee, the Paying Agent, the Registrar or any co-Registrar shall be affected by any notice to the contrary.

(j) In case a successor Company ("Successor Company") has executed an indenture supplemental hereto with the Trustee pursuant to Article Fourteen, any of the Securities authenticated or delivered pursuant to such transaction may, from time to time, at the request of the Successor Company, be exchanged for other Securities executed in the name of the Successor Company with such changes in phraseology and form as may be appropriate, but otherwise identical to the Securities surrendered for such exchange and of like principal amount; and the Trustee, upon Company Order of the Successor Company, shall authenticate and deliver Securities as specified in such order for the purpose of such exchange. If Securities shall at any time be authenticated and delivered in any new name of a Successor Company pursuant to this Section 306 in exchange or substitution for or upon registration of transfer of any Securities, such Successor Company, at the option of the holders but without expense to them, shall provide for the exchange of all Securities at the time Outstanding for Securities authenticated and delivered in such new name.

(k) Each holder of a Security agrees to indemnify the Company and the Trustee against any liability that may result from the transfer, exchange or assignment of such holder's Security in violation of any provision of this Indenture and/or applicable United States federal or state securities laws.

(l) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Security other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(m) Neither the Trustee nor any agent of the Trustee shall have any responsibility for any actions taken or not taken by the Depositary.

Section 307. Mutilated, Destroyed, Lost and Stolen Securities.

(a) If (i) any mutilated Security or any mutilated Coupon with the Coupon Security to which it appertains (and all unmatured Coupons attached thereto) is surrendered to the Trustee at its Corporate Trust Office (in the case of Registered Securities) or at its principal London office (in the case of Bearer Securities) or (ii) the Company and the Trustee receive evidence to their

satisfaction of the destruction, loss or theft of any Security or any Coupon, and there is delivered to the Company and the Trustee security or indemnity satisfactory to them to save each of them and any Paying Agent harmless, and neither the Company nor the Trustee receives notice that such Security or Coupon has been acquired by a protected purchaser, then the Company shall execute and upon Company Request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Security or in exchange for the Coupon Security to which such mutilated, destroyed, lost or stolen Coupon appertains, a new Security of the same series of like tenor, form,

terms and principal amount, bearing a number not contemporaneously Outstanding, and, in the case of a Coupon Security, with such Coupons attached thereto that neither gain nor loss in interest shall result from such exchange or substitution.

(b) In case any such mutilated, destroyed, lost or stolen Security or Coupon has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay the amount due on such Security or Coupon in accordance with its terms; provided, however, that payment of principal and premium, if any, and any interest on Bearer Securities or payment of Coupons shall, except as otherwise provided in Section 308, be payable only at an office or agency located outside the United States.

(c) Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in respect thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

(d) Every new Security of any series, with its Coupons, if any, issued pursuant to this Section shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Security or Coupon shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series and their Coupons, if any, duly issued hereunder.

(e) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or Coupons.

Section 308. Payment of Interest; Interest Rights Preserved.

(a) Interest on any Registered Security that is payable and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the Person in whose name such Registered Security (or one or more Predecessor Securities) is registered at the close of business on the Record Date for such interest notwithstanding the cancellation of such Registered Security upon any transfer or exchange subsequent to the Record Date. In case a Coupon Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at an office or agency in a Place of Payment for such series) on any Record Date and before the opening of business (at such office or agency) on the next succeeding Interest Payment Date, such Coupon Security shall be surrendered without the Coupon relating to such Interest Payment Date and interest will not be payable on such Interest Payment Date in respect of the Registered Security issued in exchange for such Coupon Security, but will be payable only

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to the bearer of such Coupon when due in accordance with the provisions of this Indenture. Payment of interest on Registered Securities shall be made at the Corporate Trust Office (except as otherwise specified pursuant to Section 301) or, at the option of the Company, by check mailed to the address of the Person entitled thereto as such address shall appear in the Register or, if provided pursuant to Section 301 and in accordance with arrangements satisfactory to the Trustee, at the option of the Registered Holder by wire transfer to an account designated by the Registered Holder.

(b) Interest on any Coupon Security that is payable and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the holder of the Coupon that has matured on such Interest Payment Date upon surrender of such Coupon on such Interest Payment Date at the principal London office of the Trustee or at such other Place of Payment outside the United States specified pursuant to Section 301.

(c) Interest on any Bearer Security (other than a Coupon Security) that is payable and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the holder of the Bearer Security upon presentation of such Bearer Security and notation thereon on such Interest Payment Date at the principal London office of the Trustee or at such other Place of Payment outside the United States specified pursuant to Section 301.

(d) Unless otherwise specified pursuant to Section 301, at the direction of the holder of any Bearer Security or Coupon payable in U.S. Dollars, and subject to applicable laws and regulations, payments in respect of such Bearer Security or Coupon will be made by check drawn on a bank in the City of New York or, in accordance with arrangements satisfactory to the Trustee, by wire transfer to a U.S. Dollars account maintained by such holder with a bank outside the United States. If such payment at the offices of all Paying Agents outside the United States becomes illegal or is effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. Dollars, the Company will appoint an office or agent in the United States at which such payment may be made. Unless otherwise specified pursuant to Section 301, at the direction of the holder of any Bearer Security or Coupon payable in a Foreign Currency, payment on such Bearer Security or Coupon will be made by a check drawn on a bank outside the United States or, in accordance with arrangements satisfactory to the Trustee, by wire transfer to an appropriate account maintained by such holder outside the United States. Except as provided in this paragraph, no payment on any Bearer Security or Coupon will be made by mail to an address in the United States or by transfer to an account maintained by the bearer thereof in the United States.

(e) Any interest on any Security that is payable but is not punctually paid or duly provided for on any Interest Payment Date (herein called "Defaulted Interest") shall, if such Security is a Registered Security, forthwith cease to be payable to the Registered Holder on the relevant Record Date by virtue of his or her having been such a Registered Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (i) or (ii) below:

(i) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names such Registered Securities (or their respective Predecessor Securities) are registered at the close of business on a special record date for the payment

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of such Defaulted Interest (a "Special Record Date"), which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each such Registered Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 calendar days and not less than 10 calendar days prior to the date of the proposed payment and not less than 10 calendar days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to the holders of such Registered Securities at their addresses as they appear in the Register, not less than 10 calendar days prior to such Special Record Date. Notice of the proposed payment of such Defaulted

Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names such Registered Securities (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (B). In case a Coupon Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at the office or agency in a Place of Payment for such series) on any Special Record Date and before the opening of business (at such office or agency) on the related proposed date of payment of Defaulted Interest, such Coupon Security shall be surrendered without the Coupon relating to such proposed date of payment and Defaulted Interest will not be payable on such proposed date of payment in respect of the Registered Security issued in exchange for such Coupon Security, but will be payable only to the holder of such Coupon when due in accordance with the provisions of this Indenture.

(ii) The Company may make payment of any Defaulted Interest on Registered Securities in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Registered Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

(f) Any Defaulted Interest payable in respect of Bearer Securities of any series shall be payable pursuant to such procedures as may be satisfactory to the Trustee in such manner that there is no discrimination between the holders of Registered Securities (if any) and Bearer Securities of such series, and notice of the payment date therefor shall be given by the Trustee, in the name and at the expense of the Company, in the manner provided in Section 1708, not more than 25 days and not less than 20 days prior to the date of the proposed payment.

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(g) Subject to the provisions set forth herein relating to Record Dates, each Security delivered pursuant to any provision of this Indenture in exchange or substitution for, or upon registration of transfer of, any other Security shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

Section 309. Cancellation. Unless otherwise specified pursuant to Section 301 for Securities of any series, all Securities surrendered for payment, redemption, transfer, exchange or credit against any sinking fund or otherwise and all Coupons surrendered for payment or exchange shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee for cancellation and shall be promptly canceled by it or, if surrendered to the Trustee, shall be promptly canceled by it. The Company may at any time deliver to the Trustee for cancellation any Securities or Coupons previously authenticated and delivered hereunder that the Company may have acquired in any manner whatsoever, and all Securities or Coupons so delivered shall be promptly canceled by the Trustee. No Securities or Coupons shall be authenticated in lieu of or in exchange for any Securities or Coupons canceled as provided in this Section, except as expressly permitted by this Indenture. The Trustee shall dispose of all canceled Securities and Coupons held by it in accordance with its then customary procedures and deliver a certificate of such disposal to the Company. The acquisition of any Securities or Coupons by the Company shall not operate as a redemption or satisfaction of the indebtedness represented thereby unless and until such Securities or Coupons are surrendered to the Trustee for cancellation.

Section 310. Computation of Interest. Except as otherwise specified pursuant to Section 301 for Securities of any series, interest on the Securities of each

series shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 311. Currency of Payments in Respect of Securities.

(a) Except as otherwise specified pursuant to Section 301 for Bearer Securities of any series, payment of the principal of and premium, if any, and interest on Bearer Securities of such series denominated in any Currency will be made in such Currency.

(b) Except as otherwise specified pursuant to Section 301 for Registered Securities of any series, payment of the principal of and premium, if any, and interest on Registered Securities of such series will be made in U.S. Dollars.

(c) For purposes of any provision of the Indenture where the holders of Outstanding Securities may perform an action that requires that a specified percentage of the Outstanding Securities of all series perform such action and for purposes of any decision or determination by the Trustee of amounts due and unpaid for the principal of and premium, if any, and interest on the Securities of all series in respect of which moneys are to be disbursed ratably, the principal of and premium, if any, and interest on the Outstanding Securities denominated in a Foreign Currency will be the amount in U.S. Dollars based upon exchange rates, determined as specified pursuant to Section 301 for Securities of such series, as of the date for determining whether the holders entitled to perform such action have performed it or as of the date of such decision or determination by the Trustee, as the case may be.

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(d) Any decision or determination to be made regarding exchange rates shall be made by an agent appointed by the Company; provided, that such agent shall accept such appointment in writing and the terms of such appointment shall, in the opinion of the Company at the time of such appointment, require such agent to make such determination by a method consistent with the method provided pursuant to Section 301 for the making of such decision or determination. All decisions and determinations of such agent regarding exchange rates shall be in its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and irrevocably binding upon the Company, the Guarantor, the Trustee and all holders of the Securities.

Section 312. Judgments. The Company and the Guarantor may provide pursuant to Section 301 for Securities of any series that (a) the obligation, if any, of the Company or the Guarantor, as applicable, to pay the principal of, premium, if any, and interest on the Securities of any series in a Foreign Currency or U.S. Dollars (the "Designated Currency") as may be specified pursuant to Section 301 is of the essence and agrees that, to the fullest extent possible under applicable law, judgments in respect of such Securities shall be given in the Designated Currency; (b) the obligation of the Company or the Guarantor, as applicable, to make payments in the Designated Currency of the principal of and premium, if any, and interest on such Securities shall, notwithstanding any payment in any other Currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the Designated Currency that the holder receiving such payment may, in accordance with normal banking procedures, purchase with the sum paid in such other Currency (after any premium and cost of exchange) on the business day in the country of issue of the Designated Currency or in the international banking community (in the case of a composite currency) immediately following the day on which such holder receives such payment; (c) if the amount in the Designated Currency that may be so purchased for any reason falls short of the amount originally due, the Company or the Guarantor, as applicable, shall pay such additional amounts as may be necessary to compensate for such shortfall; and (d) any obligation of the Company or the Guarantor, as applicable, not discharged by such payment shall be due as a separate and independent obligation and, until discharged as provided herein, shall continue in full force and effect.

Section 313. CUSIP Numbers. The Company in issuing any Securities may use CUSIP numbers, if then generally in use, and thereafter with respect to such series, the Trustee may use such numbers in any notice of redemption or exchange with respect to such series provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee in writing of any change in the CUSIP numbers.

ARTICLE FOUR

REDEMPTION OF SECURITIES

Section 401. Applicability of Right of Redemption. Redemption of Securities (other than pursuant to a sinking fund or analogous provision) permitted by the terms of any series of Securities shall be made in accordance with such terms (except as otherwise specified pursuant

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to Section 301 for Securities of any series) in accordance with this Article; provided, however, that if any such terms of a series of Securities shall conflict with any provision of this Article, the terms of such series shall govern.

Section 402. Tax Redemption; Special Tax Redemption.

(a) Unless otherwise specified pursuant to Section 301, Bearer Securities of any series may be redeemed at the option of the Company in whole, but not in part, at any time, at the Redemption Price thereof (calculated without premium), if the Company has or will become obligated to pay additional interest on such Bearer Securities pursuant to Section 602 as a result of any change in, or amendment to, the laws (or any regulation or ruling promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date on which any Person (including any Person acting as underwriter, broker or dealer) agrees to purchase any of such Bearer Securities pursuant to their original issuance, and such obligation cannot be avoided by the Company taking reasonable measures available to it. If the Company elects to redeem Bearer Securities pursuant to this Section 402, it shall notify the Trustee and the holders of such Bearer Securities in accordance with Sections 403 and 404; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of the Bearer Securities of that series then due. Prior to the publication of any notice of redemption pursuant to this Section 402(a), the Company shall deliver to the Trustee (i) an Officers' Certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred and (ii) an Opinion of Counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

(b) Unless otherwise specified pursuant to Section 301, if the Company shall determine that any payment made outside the United States by the Company or any of its Paying Agents in respect of any Bearer Security or Coupon, if any, that is not a Floating Rate Security (an "Affected Security") would, under any present or future laws or regulations in the United States, be subject to any certification, documentation, information or other reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any Paying Agent or any governmental authority of the nationality, residence or

identity of a beneficial owner of such Affected Security that is a United States Alien (other than such a requirement (i) that would not be applicable to a payment made by the Company or any one of its Paying Agents (A) directly to the beneficial owner or (B) to a custodian, nominee or other agent of the beneficial owner, or (ii) that can be satisfied by such custodian, nominee or other agent certifying to the effect that the beneficial owner is a United States Alien; provided that, in any case referred to in clause (i) (B) or (ii), payment by the custodian, nominee or agent to the beneficial owner is not otherwise subject to any such requirement), then the Company shall elect either (x) to redeem such Affected Securities in whole, but not in part, at the Redemption Price thereof (calculated without premium) or (y) if the conditions of the next succeeding paragraph are satisfied, to pay the additional interest specified in such paragraph. The Company shall make such determination as soon as practicable and publish prompt notice thereof (the "Determination Notice"), stating the effective date of such certification, documentation, information or other reporting

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requirement, whether the Company elects to redeem the Affected Securities or to pay the additional interest specified in the next succeeding paragraph and (if applicable) the last date by which the redemption of the Affected Securities must take place, as provided in the next succeeding sentence. If any Affected Securities are to be redeemed pursuant to this paragraph, the redemption shall take place on such date, not later than one year after the publication of the Determination Notice, as the Company shall specify by notice given to the Trustee and the holders of the Affected Securities in accordance with Sections 403 and 404. Notwithstanding the foregoing, the Company shall not so redeem the Affected Securities if the Company shall subsequently determine, not less than 30 days prior to the Redemption Date, that subsequent payments on the Affected Securities would not be subject to any such certification, documentation, information or other reporting requirement, in which case the Company shall publish prompt notice of such subsequent determination, and any earlier redemption notice given pursuant to this paragraph shall be revoked and of no further effect. Prior to the publication of any Determination Notice pursuant to this paragraph, the Company shall deliver to the Trustee (i) an Officers' Certificate stating that the Company is entitled to make such determination and setting forth a statement of facts showing that the conditions precedent to the obligation of the Company to redeem the Affected Securities or to pay the additional interest specified in the next succeeding paragraph have occurred and (ii) an Opinion of Counsel to the effect that such conditions have occurred.

(c) If and so long as the certification, documentation, information or other reporting requirements referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect to pay as additional interest such amounts as may be necessary so that every net payment made outside the United States following the effective date of such requirement by the Company or any of its Paying Agents in respect of any Affected Security of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to the Company, any Paying Agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge that (i) would not be applicable in the circumstances referred to in the parenthetical clause of the first sentence of the preceding paragraph or (ii) is imposed as a result of presentation of any such Affected Security for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount provided in any such Affected Security to be then due and payable. If the Company elects to pay additional interest pursuant to this paragraph, then the Company shall have the right, but shall not be required, to redeem the Affected Securities at any time in whole, but not in part, at the Redemption Price thereof (calculated without premium), subject to the provisions of the last three sentences of the

immediately preceding paragraph. If the Company elects to pay additional interest pursuant to this paragraph and the condition specified in the first sentence of this paragraph should no longer be satisfied, then the Company shall redeem the Affected Securities in whole, but not in part, at the Redemption Price thereof (calculated without premium), subject to the provisions of the last three sentences of the immediately preceding paragraph. Any redemption payments made by the Company pursuant to the two immediately preceding sentences shall be subject to the continuing obligation of the Company to pay additional interest pursuant to this paragraph. If the Company elects to, or is required to, redeem the Affected

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Securities pursuant to this paragraph, it shall notify the Trustee and the holders of the Affected Securities thereof in accordance with Sections 403 and 404.

Section 403. Selection of Securities to be Redeemed.

(a) If the Company shall at any time elect to redeem all or any portion of the Securities of a series then Outstanding, it shall at least 45 days prior to the Redemption Date fixed by the Company (unless a shorter period shall be satisfactory to the Trustee) notify the Trustee of such Redemption Date and of the principal amount of Securities to be redeemed, and thereupon the Trustee shall select, in such manner as the Trustee shall deem appropriate and fair, the Securities (or portions thereof) of such series to be redeemed. Unless otherwise provided in the Officers' Certificate or supplemental indenture provided for in Section 301, no Security of a denomination of \$1,000 shall be redeemed in part and Securities may be redeemed in part only in integral multiples of \$1,000. In any case where more than one Registered Security of such series is registered in the same name, the Trustee in its discretion may treat the aggregate principal amount so registered as if it were represented by one Registered Security of such series. The Trustee shall, as soon as practicable, notify the Company in writing of the Securities and portions of Securities so selected.

(b) For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Security redeemed or to be redeemed only in part, to the portion of the principal amount of such Security that has been or is to be redeemed.

Section 404. Notice of Redemption.

(a) The election of the Company to redeem any Securities of any series shall be evidenced by a Board Resolution. Notice of redemption shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company, not less than 30 nor more than 60 days prior to the Redemption Date, to the holders of Securities of any series to be redeemed in whole or in part pursuant to this Article, in the manner provided in Section 1708. Any notice so given shall be conclusively presumed to have been duly given, whether or not the holder receives such notice. Failure to give such notice, or any defect in such notice to the holder of any Security of a series designated for redemption, in whole or in part, shall not affect the sufficiency of any notice of redemption with respect to the holder of any other Security of such series.

(b) All notices of redemption shall identify the Securities to be redeemed (including CUSIP numbers) and shall state:

(i) such election by the Company to redeem Securities of such series pursuant to provisions contained in this Indenture or the terms of the Securities of such series or a supplemental indenture establishing such series, if such be the case;

(ii) the Redemption Date;

(iii) the Redemption Price;

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(iv) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Securities to be redeemed;

(v) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed, and that interest thereon, if any, shall cease to accrue on and after said date;

(vi) that, unless otherwise specified in such notice, Coupon Securities of any series, if any, surrendered for redemption must be accompanied by all Coupons maturing subsequent to the date fixed for redemption, failing which the amount of any such missing Coupon or Coupons will be deducted from the Redemption Price;

(vii) the Place or Places of Payment where such Securities are to be surrendered for payment of the Redemption Price, and that the Securities designated in such notice for redemption are required to be presented on or after such Redemption Date at the designated Place of Payment;

(viii) if Bearer Securities of any series are to be redeemed and any Registered Securities of such series are not to be redeemed, and if such Bearer Securities may be exchanged for Registered Securities not subject to redemption on this Redemption Date pursuant to Section 306(c) or otherwise, the last date on which such exchanges may be made;

(ix) that the redemption is for a sinking fund, if such is the case; and

(x) if any Security of any series is to be redeemed in part, that on and after the Redemption Date, upon surrender of such Security and any Coupons appertaining thereto, such Security and any Coupons appertaining thereto will be canceled and a new Security or Securities of such series in aggregate principal amount equal to the unredeemed portion thereof and with appropriate Coupons will be issued and delivered without charge to the holder or, in the case of Securities providing appropriate space for such notation, at the option of the holders, the Trustee, in lieu of delivering a new Security or Securities as aforesaid, may make a notation on such Security of the payment of the redeemed portion thereof.

Section 405. Deposit of Redemption Price. On or prior to 10 a.m., New York City time, on the Redemption Date for any Registered Securities, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 604) an amount of money in the Currency in which such Securities are denominated (except as provided pursuant to Section 301) sufficient to pay the Redemption Price of such Securities or any portions thereof that are to be redeemed on that date. In the case of any redemption pertaining to Bearer or Coupon Securities, the Company shall, no later than the Business Day prior to such Redemption Date, deposit with the Trustee or with a Paying Agent (other than the Company) an amount of money in the Currency in which such Securities are denominated (except as provided pursuant to Section 301) sufficient to pay the

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Redemption Price of such Securities or any portion thereof that are to be redeemed on the Redemption Date.

Section 406. Securities Payable on Redemption Date. Notice of redemption having been given as aforesaid, any Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price and from and after such date (unless the Company shall Default in the payment of the Redemption Price) such Securities shall cease to bear interest and any Coupons for such interest appertaining to any such Securities to be redeemed, except to the extent described below, shall be void. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price; provided, however, that installments of interest that have a Stated Maturity on or prior to the Redemption Date for such Securities shall be payable according to the terms of such Securities and the provisions of Section 308.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and premium, if any, shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

If any Coupon Security surrendered for redemption shall not be accompanied by all Coupons appertaining thereto maturing on or after the Redemption Date, the Redemption Price for such Coupon Security may be reduced by an amount equal to the face amount of all such missing Coupons. If thereafter the holder of such Coupon shall surrender to any Paying Agent outside the United States any such missing Coupon in respect of which a deduction shall have been made from the Redemption Price, such holder shall be entitled to receive the amount so deducted. The surrender of such missing Coupon or Coupons may be waived by the Company and the Trustee, if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless.

Section 407. Securities Redeemed in Part. Any Security that is to be redeemed only in part shall be surrendered at the Corporate Trust Office or such other office or agency of the Company as is specified pursuant to Section 301 (in the case of Registered Securities) and at the principal London office of the Trustee or such other office or agency of the Company outside the United States as is specified pursuant to Section 301 (in the case of Bearer Securities) with, if the Company, the Registrar or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company, the Registrar and the Trustee duly executed by, the holder thereof or his attorney duly authorized in writing, and the Company shall execute, and the Trustee shall authenticate and deliver to the holder of such Security without service charge, a new Security or Securities of the same series, of like tenor and form, of any authorized denomination as requested by such holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered, and, in the case of a Coupon Security, with appropriate Coupons attached; except that if a Global Security is so surrendered, the Company shall execute, and the Trustee shall authenticate and deliver to the Depositary for such Global Security, without service charge, a new Global Security in a denomination equal to and in exchange for the unredeemed portion of the principal of the Global Security so surrendered. In the case of a Security providing appropriate space for such notation, at the option of the holder thereof, the Trustee, in lieu of delivering a new Security or Securities

as aforesaid, may make a notation on such Security of the payment of the redeemed portion thereof.

ARTICLE FIVE

SINKING FUNDS

Section 501. Applicability of Sinking Fund.

(a) Redemption of Securities permitted or required pursuant to a sinking fund for the retirement of Securities of a series by the terms of such series of Securities shall be made in accordance with such terms of such series of Securities and this Article, except as otherwise specified pursuant to Section 301 for Securities of such series, provided, however, that if any such terms of a series of Securities shall conflict with any provision of this Article, the terms of such series shall govern.

(b) The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "Mandatory Sinking Fund Payment," and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an "Optional Sinking Fund Payment." If provided for by the terms of Securities of any series, the cash amount of any Mandatory Sinking Fund Payment may be subject to reduction as provided in Section 502.

Section 502. Mandatory Sinking Fund Obligation. The Company may, at its option, satisfy any Mandatory Sinking Fund Payment obligation, in whole or in part, with respect to a particular series of Securities by (1) delivering to the Trustee Securities of such series in transferable form (together with the unmatured Coupons, if any, appertaining thereto) theretofore purchased or otherwise acquired by the Company or redeemed at the election of the Company pursuant to Section 403 or (2) receiving credit for Securities of such series (together with the unmatured Coupons, if any, appertaining thereto) (not previously so credited) acquired by the Company and theretofore delivered to the Trustee. The Trustee shall credit such Mandatory Sinking Fund Payment obligation with an amount equal to the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such Mandatory Sinking Fund Payment shall be reduced accordingly. If the Company shall elect to so satisfy any Mandatory Sinking Fund Payment obligation, it shall deliver to the Trustee not less than 45 days prior to the relevant sinking fund payment date a written notice signed on behalf of the Company by its Chairman of the Board of Directors, its President, one of its Vice Presidents, its Treasurer or one of its Assistant Treasurers, which shall designate the Securities (and portions thereof, if any) so delivered or credited and which shall be accompanied by such Securities (together with the unmatured Coupons, if any, appertaining thereto) (to the extent not theretofore delivered) in transferable form. In case of the failure of the Company, at or before the time so required, to give such notice and deliver such Securities the Mandatory Sinking Fund Payment obligation shall be paid entirely in moneys.

Section 503. Optional Redemption at Sinking Fund Redemption Price. In addition to the sinking fund requirements of Section 502, to the extent, if any, provided for by the terms of a particular series of Securities, the Company may, at its option, make an Optional Sinking Fund

Payment with respect to such Securities. Unless otherwise provided by such terms, (a) to the extent that the right of the Company to make such Optional Sinking Fund Payment shall not be exercised in any year, it shall not be cumulative or carried forward to any subsequent year, and (b) such optional payment shall operate to reduce the amount of any Mandatory Sinking Fund Payment obligation as to Securities of the same series. If the Company intends to exercise its right to make such optional payment in any year it shall deliver to the Trustee not less than 45 days prior to the relevant sinking fund payment date a certificate signed by its Chairman of the Board of Directors, its President, one of its Vice President, its Treasurer or one of its Assistant Treasurers stating that the Company will exercise such optional right, and specifying the amount which the Company will pay on or before the next succeeding sinking fund payment date. Such certificate shall also state that no

Event of Default has occurred and is continuing.

Section 504. Application of Sinking Fund Payment.

(a) If the sinking fund payment or payments made in funds pursuant to either Section 502 or 503 with respect to a particular series of Securities plus any unused balance of any preceding sinking fund payments made in funds with respect to such series shall exceed \$50,000 (or a lesser sum if the Company shall so request, or such equivalent sum for Securities denominated other than in U.S. Dollars), it shall be applied by the Trustee on the sinking fund payment date next following the date of such payment, unless the date of such payment shall be a sinking fund payment date, in which case such payment shall be applied on such sinking fund payment date, to the redemption of Securities of such series at the redemption price specified in Section 404(b). The Trustee shall select, in the manner provided in Section 403, for redemption on such sinking fund payment date, a sufficient principal amount of Securities of such series to absorb said funds, as nearly as may be, and shall, at the expense and in the name of the Company, thereupon cause notice of redemption of the Securities to be given in substantially the manner provided in Section 404(a) for the redemption of Securities in part at the option of the Company, except that the notice of redemption shall also state that the Securities are being redeemed for the sinking fund. Any sinking fund moneys not so applied by the Trustee to the redemption of Securities of such series shall be added to the next sinking fund payment received in funds by the Trustee and, together with such payment, shall be applied in accordance with the provisions of this Section 504. Any and all sinking fund moneys held by the Trustee on the last sinking fund payment date with respect to Securities of such series, and not held for the payment or redemption of particular Securities of such series, shall be applied by the Trustee to the payment of the principal of the Securities of such series at maturity.

(b) On or prior to each sinking fund payment date, the Company shall pay to the Trustee a sum equal to all interest accrued to the date fixed for redemption on Securities to be redeemed on such sinking fund payment date pursuant to this Section 504.

(c) The Trustee shall not redeem any Securities of a series with sinking fund moneys or mail any notice of redemption of Securities of such series by operation of the sinking fund during the continuance of a Default in payment of interest on any Securities of such series or of any Event of Default (other than an Event of Default occurring as a consequence of this paragraph) of which the Trustee has actual knowledge, except that if the notice of redemption of any Securities of such series shall theretofore have been mailed in accordance with the provisions hereof, the Trustee shall redeem such Securities if funds sufficient for that purpose

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shall be deposited with the Trustee in accordance with the terms of this Article. Except as aforesaid, any moneys in the sinking fund at the time any such Default or Event of Default shall occur and any moneys thereafter paid into the sinking fund shall, during the continuance of such Default or Event of Default, be held as security for the payment of all the Securities of such series; provided, however, that in case such Default or Event of Default shall have been cured or waived as provided herein, such moneys shall thereafter be applied on the next sinking fund payment date on which such moneys are required to be applied pursuant to the provisions of this Section 504.

ARTICLE SIX

PARTICULAR COVENANTS OF THE COMPANY

The Company hereby covenants and agrees as follows:

Section 601. Payments of Securities. The Company will duly and punctually pay the principal of and premium, if any, on each series of Securities, and the interest which shall have accrued thereon, and pay any Coupons, at the dates and place and in the manner provided in the Securities, the Coupons and in this Indenture. Any interest due on Coupon Securities on or before Maturity, other than additional interest, if any, payable as provided in Section 602 in respect of principal of (or premium, if any, on) such a Security, shall be payable only upon presentation and surrender of the several Coupons for such interest installments as are evidenced thereby as they severally mature.

Section 602. Payment of Additional Interest. Unless otherwise provided pursuant to Section 301, the provisions of this Section 602 shall be applicable to Bearer Securities of any series.

(a) The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the holder of any Bearer Security or Coupon that is a United States Alien such amounts as may be necessary so that every net payment on such Bearer Security or Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided in such Bearer Security or Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest for or on account of:

(i) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such holder (or between a fiduciary, settlor or beneficiary of, or a person holding a power over, such holder, if such holder is an estate or a trust, or a member or shareholder of such holder, if such holder is a partnership or corporation) and the United States, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such holder's past or present status as a personal holding company, foreign personal holding company or private foundation or

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other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(ii) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(iii) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of a Bearer Security or Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurs later;

(iv) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on a Bearer Security or Coupon;

(v) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on a Bearer Security or Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent;

(vi) any tax, assessment or other governmental charge that would not have been imposed but for a failure to comply with applicable certification, documentation, information or other reporting requirement concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of a Bearer Security or Coupon if, without regard to any tax treaty, such compliance is required by statute or regulation of the United States as a condition to relief or exemption from such tax, assessment or other governmental charge; or

(vii) any tax, assessment or other governmental charge imposed on a holder that actually or constructively owns 10 percent or more of the combined voting power of all classes of stock of the Company or that is a controlled foreign corporation related to the Company through stock ownership;

nor shall additional interest be paid with respect to a payment on a Bearer Security or Coupon to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the holder of such Bearer Security or Coupon.

(b) Whenever in this Indenture there is mentioned, in any context, the payment of the principal of or premium, if any, or interest on any Security or payment with respect to any Coupon of any series, such mention shall be deemed to include mention of the payment of additional interest provided for in the terms of such Securities and this Section to the extent that, in such context, additional interest is, was or would be payable in respect thereof pursuant to the provisions of this Section and express mention of the payment of additional interest (if applicable) in any provisions hereof shall not be construed as excluding additional interest in those provisions hereof where such express mention is not made.

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(c) If the payment of additional interest becomes required in respect of the Securities of a series, at least ten days prior to the first Interest Payment Date with respect to which such additional interest will be payable (or if the Securities of that series will not bear interest prior to Maturity, the first day on which a payment of principal and premium, if any, is made and on which such additional interest will be payable), and at least ten days prior to each date of payment of principal and premium, if any, or interest if there has been any change with respect to the matters set forth in the below mentioned Officers' Certificate, the Company will furnish the Trustee and each Paying Agent with an Officers' Certificate that shall specify by country the amount, if any, required to be withheld on such payments to holders of Securities or Coupons that are United States Aliens, and the Company will pay to the Trustee or such Paying Agent the additional interest, if any, required by the terms of such Securities and this Section. The Company covenants to indemnify the Trustee and any Paying Agent for, and to hold them harmless against, any loss, liability or expense reasonably incurred without negligence or bad faith on their part arising out of or in connection with actions taken or omitted by any of them in reliance on any Officers' Certificate furnished pursuant to this Section 602.

Section 603. Paying Agent.

(a) The Company will maintain in each Place of Payment for any series of Securities and Coupons, if any, an office or agency where Securities and Coupons of such series (but, except as otherwise provided in Section 308, unless such Place of Payment is located outside the United States, not Bearer Securities or Coupons) may be presented or surrendered for payment, where Securities of such

series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities and Coupons of such series and this Indenture may be served (the "Paying Agent"). So long as any Bearer Securities of any series remain outstanding, the Company will maintain for such purposes one or more offices or agencies outside the United States in such city or cities specified pursuant to Section 301 and, if any Bearer Securities are listed on a securities exchange that requires an office or agency for the payment of principal of and premium, if any, or interest on such Bearer Securities in a location other than the location of an office or agency specified pursuant to Section 301, the Company will maintain for such purposes an office or agency in such location so long as any Bearer Securities are listed on such securities exchange and such exchange so requires. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee (in the case of Registered Securities) and at the principal London office of the Trustee (in the case of Bearer Securities), and the Company hereby appoints the Trustee as its agent to receive all presentations, surrenders, notices and demands.

(b) The Company may also from time to time designate different or additional offices or agencies to be maintained for such purposes (in or outside of such Place of Payment), and may from time to time rescind any such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligations described in the preceding paragraph. The Company will give prompt written notice to the Trustee of any such additional designation or rescission of designation and any change in the location of any such different or additional office or agency.

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Section 604. To Hold Payment in Trust.

(a) If the Company, the Guarantor or an Affiliate of either the Company or the Guarantor shall at any time act as Paying Agent with respect to any series of Securities and Coupons, if any, then, on or before the date on which the principal of and premium, if any, or interest on any of the Securities of that series by their terms or as a result of the calling thereof for redemption shall become payable, the Company, the Guarantor or such Affiliate will set apart and segregate and hold in trust for the benefit of the holders of such Securities or the Trustee a sum sufficient to pay such principal and premium, if any, or interest which shall have so become payable until such sums shall be paid to such holders or otherwise disposed of as herein provided, and will notify the Trustee of its action or failure to act in that regard and of any action or failure by the Company, the Guarantor or any other obligor upon the Securities of that series to make any such payment. Upon any proceeding under any federal bankruptcy laws with respect to the Company or the Guarantor or any Affiliate of the Company or the Guarantor, if the Company, the Guarantor or such Affiliate is then acting as Paying Agent, the Trustee shall replace the Company, the Guarantor or such Affiliate as Paying Agent.

(b) If the Company shall appoint, and at the time have, a Paying Agent for the payment of the principal of and premium, if any, or interest on any series of Securities and Coupons, then prior to 10 a.m., New York City time, on the date on which the principal of and premium, if any, or interest on any of the Securities of that series shall become payable as aforesaid, whether by their terms or as a result of the calling thereof for redemption, the Company will deposit with such Paying Agent a sum sufficient to pay such principal and premium, if any, or interest, such sum to be held in trust for the benefit of the holders of such Securities.

(c) If such Paying Agent shall be other than the Trustee, the Company will

cause such Paying Agent to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section 603, that such Paying Agent shall:

(i) hold all moneys held by it for the payment of the principal of and premium, if any, or interest on the Securities of that series and any related Coupons in trust for the benefit of the holders of such Securities until such sums shall be paid to such holders or otherwise disposed of as herein provided;

(ii) give to the Trustee notice of any Default by the Company, the Guarantor or any other obligor upon the Securities of that series in the making of any payment of the principal of and premium, if any, or interest on the Securities of that series or any payment on any related Coupons when the same shall have become due and payable; and

(iii) at any time during the continuance of any such Default, upon the written request of the Trustee, pay to the Trustee all sums so held in trust by such Paying Agent.

(d) Anything in this Section 604 to the contrary notwithstanding, the Company may at any time, for the purpose of obtaining a release, satisfaction or discharge of this Indenture or for any other reason, pay or cause to be paid to the Trustee all sums held in trust by the Company

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or by any Paying Agent other than the Trustee as required by this Section 604, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent.

(e) Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of and premium, if any, or interest on any Security of any series or the payment of any related Coupon and remaining unclaimed for two years after such principal and premium, if any, or interest has become due and payable shall be paid to the Company upon Company Request, or (if then held by the Company) shall be discharged from such trust, and the holder of such Security or Coupon shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof (except as with regards to the Guarantee), and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent before being required to make any such repayment, may at the expense of the Company cause to be transmitted in the manner and to the extent provided by Section 1708, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 605. Merger, Consolidation and Sale of Assets.

(a) The Company will not consolidate with any other entity or accept a merger of any other entity into the Company or permit the Company to be merged into any other entity, or sell other than for cash or lease all or substantially all its assets to another entity, or purchase all or substantially all the assets of another entity, unless (i) either the Company shall be the continuing entity, or the successor, transferee or lessee entity (if other than the Company) shall expressly assume, by indenture supplemental hereto satisfactory to the Trustee, executed and delivered by such entity prior to or simultaneously with such consolidation, merger, sale or lease, the due and punctual payment of the principal of and interest and premium, if any, on all the Securities (and Coupons, if any), according to their tenor, and the due and punctual performance and observance of all other obligations to the holders and the Trustee under

this Indenture or under the Securities (and Coupons, if any) to be performed or observed by the Company; and (ii) immediately after such consolidation, merger, sale, lease or purchase the Company or the successor, transferee or lessee entity (if other than the Company) would not be in Default in the performance of any covenant or condition of this Indenture. A purchase by a Subsidiary of all or substantially all of the assets of another entity shall not be deemed to be a purchase of such assets by the Company.

(b) Upon any consolidation with or merger into any other entity, or any conveyance or lease of all or substantially all of the assets of the Company in accordance with this Section 605, the successor entity formed by such consolidation or into or with which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor entity had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Company shall be relieved of all obligations and covenants under this Indenture and the Securities and Coupons.

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Section 606. Compliance Certificate. The Company shall furnish to the Trustee annually, within 120 days after the end of each fiscal year, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer as to his or her knowledge of the Company's compliance with all conditions and covenants under this Indenture (which compliance shall be determined without regard to any period of grace or requirement of notice provided under this Indenture) and, in the event of any Default, specifying each such Default and the nature and status thereof of which such person may have knowledge. Such certificates need not comply with Section 1702 of this Indenture.

Section 607. Conditional Waiver by Holders of Securities. Anything in this Indenture to the contrary notwithstanding, the Company or any Subsidiary may fail or omit in any particular instance to comply with a covenant or condition set forth in Section 605 with respect to any series of Securities if the Company shall have obtained and filed with the Trustee, prior to the time of such failure or omission, evidence (as provided in Article Eight) of the consent of the holders of a majority in aggregate principal amount of the Securities of such series at the time Outstanding, either waiving such compliance in such instance or generally waiving compliance with such covenant or condition, but no such waiver shall extend to or affect any obligation not waived by the terms of such waiver or impair any right consequent thereon.

Section 608. Statement by Officers as to Default. The Company shall deliver to the Trustee and the Guarantor, as soon as possible and in any event within five days after the Company becomes aware of the occurrence of any Event of Default or an event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default, an Officer's Certificate setting forth the details of such Event of Default or Default and the action which the Company proposes to take with respect thereto.

Section 609. Issuances of Securities under this Indenture. Any Securities issued under this Indenture shall either (x) be issued with the concurrence or approval of the staff of the Federal Reserve Bank of New York or the staff of the Board of Governors of the Federal Reserve System or (y) qualify at the time of issuance for tier 2 capital treatment (irrespective of any limits on the amount of the Guarantor's tier 2 capital) under the applicable capital adequacy guidelines, regulations, policies or published interpretations of the Board of Governors of the Federal Reserve System.

ARTICLE SEVEN

Section 701. Events of Default. Except where otherwise indicated by the context or where the term is otherwise defined for a specific purpose, the term "Event of Default" as used in this Indenture with respect to Securities of any series shall mean one of the following described events unless it is either inapplicable to a particular series or it is specifically deleted or modified in the supplemental indenture, if any, under which such series of Securities is issued:

(a) the failure of the Company to pay any installment of interest on any Security of such series or to make any payment with respect to the related Coupons, if any, when and as the

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same shall become payable, which failure shall have continued unremedied for a period of 30 days, whether or not such payment is prohibited by Article Sixteen hereof;

(b) the failure of the Company to pay the principal of (and premium, if any, on) any Security of such series, when and as the same shall become payable, whether at Maturity as therein expressed, by call for redemption (otherwise than pursuant to a sinking fund), by declaration as authorized by this Indenture or otherwise, whether or not such payment is prohibited by Article Sixteen hereof;

(c) the failure of the Company to pay a sinking fund installment, if any, when and as the same shall become payable by the terms of a Security of such series, which failure shall have continued unremedied for a period of 30 days, whether or not such payment is prohibited by Article Sixteen hereof;

(d) the failure of the Company, subject to the provisions of Section 608, or the Guarantor to observe and perform any other of the covenants or agreements on the part of the Company or the Guarantor, as applicable, contained in this Indenture (including any indenture supplemental hereto pursuant to which the Securities of such series were issued as contemplated by Section 301) (other than a covenant or agreement which has been expressly included in this Indenture solely for the benefit of a series of Securities other than that series), which failure shall not have been remedied to the satisfaction of the Trustee, or without provision deemed by the Trustee to be adequate for the remedying thereof having been made, for a period of 90 days after written notice shall have been given to the Company and the Guarantor by the Trustee or shall have been given to the Company, the Guarantor and the Trustee by holders of 25% or more in aggregate principal amount of the Securities of such series then Outstanding, specifying such failure and requiring the Company or the Guarantor to remedy the same;

(e) the entry by a court having jurisdiction in the premises of a decree or order for relief in respect of the Company and the Guarantor in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Company and the Guarantor or of substantially all the property of the Company and the Guarantor or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of 90 consecutive days;

(f) the commencement by the Company and the Guarantor of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or the consent by the Company and the Guarantor to the entry of an order for relief in an involuntary case under any such law, or the

consent by the Company and the Guarantor to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator (or similar official) of the Company and the Guarantor or of substantially all the property of the Company and the Guarantor or the making by it of an assignment for the benefit of creditors or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company and the Guarantor in furtherance of any action; or

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(g) the occurrence of any other Event of Default with respect to Securities of such series as provided in a supplemental indenture or Officers' Certificate, if any, applicable to such series of Securities.

Section 702. Acceleration; Recission and Annulment.

(a) If any one or more of the above-described Events of Default shall happen with respect to Securities of any series at the time Outstanding, then, and in each and every such case, during the continuance of any such Event of Default, the Trustee or the holders of 25% or more in principal amount of the Securities of such series then Outstanding may (and upon the written request of the holders of a majority in principal amount of such Securities then Outstanding, the Trustee shall) declare the principal (or, if the Securities of that series are Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of that series) of and all accrued but unpaid interest on all the Securities of such series then Outstanding, if not then due and payable, to be due and payable, and upon any such declaration the same shall become and be immediately due and payable, anything in this Indenture or in the Securities of such series contained to the contrary notwithstanding; provided that no Event of Default with respect to Securities of a series, except with respect to an Event of Default under subsections (e) and (f) of Section 701 and except to the extent otherwise provided in subsection (d) of Section 701, shall constitute an Event of Default with respect to Securities of any other series. Upon payment of such amounts in the Currency in which such Securities are denominated (except as otherwise provided pursuant to Section 301), all obligations of the Company in respect of the payment of principal of and interest on the Securities of such series shall terminate.

(b) This provision, however, is subject to the condition that, if at any time after the principal of all the Securities of such series, to which any one or more of the above-described Events of Default is applicable, shall have been so declared to be due and payable, and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided,

(i) the Company has paid or deposited with the Paying Agent a sum in the Currency in which such Securities are denominated (except as otherwise provided pursuant to Section 301) sufficient to pay

(A) all arrears of interest, if any, upon all the Securities of such series (and all overdue payments with respect to any related Coupons) (with interest, to the extent that interest thereon shall be legally enforceable, on any overdue installment of interest at the rate borne by the Securities or Coupons of such series);

(B) the principal of and premium, if any, on any Securities of such series that have become due otherwise than by such declaration of acceleration and interest thereon;

(C) all amounts owing the Trustee and any predecessor trustee hereunder under Section 1101(a) (provided, however, that all sums

(D) all other sums payable under this Indenture (except the principal of the Securities of such series which would not be due and payable were it not for such declaration), shall be paid by the Company or the Guarantor; and

(ii) every other Default and Event of Default under this Indenture shall have been made good to the reasonable satisfaction of the Trustee or of the holders of a majority in principal amount of the Securities of such series then Outstanding, or provision deemed by the Trustee or by such holders to be adequate therefor shall have been made, then and in every such case the holders of a majority in principal amount of the Securities of such series then Outstanding may, by written notice to the Company, the Guarantor and the Trustee, on behalf of the holders of all the Securities of such series, waive the Event of Default by reason of which the principal of the Securities of such series shall have been so declared to be due and payable and may rescind and annul such declaration and its consequences; provided, however, that no such waiver, rescission or annulment shall extend to or affect any subsequent Default or Event of Default or impair any right consequent thereon.

(c) Any declaration by the Trustee pursuant to this Section 702 shall be by written notice to the Company and the Guarantor, and any declaration or waiver by the holders of Securities of any series pursuant to this Section 702 shall be by written notice to the Company, the Guarantor and the Trustee.

(d) For all purposes under this Indenture, if a portion of the principal of any Discount Securities shall have been accelerated and declared due and payable pursuant to the provisions hereof, then, from and after such declaration, unless such declaration has been rescinded and annulled, the principal amount of such Discount Securities shall be deemed, for all purposes hereunder, to be such portion of the principal thereof as shall be due and payable as a result of such acceleration, and payment of such portion of the principal thereof as shall be due and payable as a result of such acceleration, together with interest, if any, thereon and all other amounts owing thereunder, shall constitute payment in full of such Discount Securities.

(e) The Company, the Guarantor and the Trustee may, to the extent provided in Section 1401, enter into one or more indentures supplemental hereto with respect to any series of the Securities which may provide for additional or different Events of Default with respect to such series of Securities.

Section 703. Other Remedies. If the Company shall fail for a period of 30 days to pay any installment of interest on the Securities (and Coupons, if any) of any series or shall fail to pay the principal of and premium, if any, on any of the Securities of such series when and as the same shall become due and payable, whether at Maturity, or by call for redemption (other than pursuant to the sinking fund), by declaration as authorized by this Indenture, or otherwise, or shall fail for a period of 30 days to make any sinking fund payment as to a series of Securities, then, upon demand of the Trustee, the Company will pay to the Paying Agent for the benefit of the holders of Securities of such series then Outstanding the whole amount which then shall have become due and payable on all the Securities of such series, with interest on the overdue principal and premium, if any, and (so far as the same may be legally enforceable) on the

overdue installments of interest at the rate borne by the Securities of such

series, and all amounts owing the Trustee and any predecessor trustee hereunder under Section 1101(a).

In case the Company shall fail forthwith to pay such amounts upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceeding at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Company or any other obligor upon the Securities of such series, and collect the moneys adjudged or decreed to be payable out of the property of the Company or any other obligor upon the Securities of such series, wherever situated, in the manner provided by law. Every recovery of judgment in any such action or other proceeding, subject to the payment to the Trustee of all amounts owing the Trustee and any predecessor trustee hereunder under Section 1101(a), shall be for the ratable benefit of the holders of such series of Securities which shall be the subject of such action or proceeding. All rights of action upon or under any of the Securities or this Indenture may be enforced by the Trustee without the possession of any of the Securities and without the production of any thereof at any trial or any proceeding relative thereto.

Section 704. Trustee as Attorney-in-Fact. The Trustee is hereby appointed, and each and every holder of the Securities, by receiving and holding the same, shall be conclusively deemed to have appointed the Trustee, the true and lawful attorney-in-fact of such holder, with authority to make or file (whether or not the Company shall be in Default in respect of the payment of the principal of, or interest on, any of the Securities), in its own name and as trustee of an express trust or otherwise as it shall deem advisable, in any receivership, insolvency, liquidation, bankruptcy, reorganization or other judicial proceeding relative to the Company or any other obligor upon the Securities or to their respective creditors or property, any and all claims, proofs of claim, proofs of debt, petitions, consents, other papers and documents and amendments of any thereof, as may be necessary or advisable in order to have the claims of the Trustee and any predecessor trustee hereunder and of the holders of the Securities allowed in any such proceeding and to collect and receive any moneys or other property payable or deliverable on any such claim, and to execute and deliver any and all other papers and documents and to do and perform any and all other acts and things, as it may deem necessary or advisable in order to enforce in any such proceeding any of the claims of the Trustee and any predecessor trustee hereunder and of any of such holders in respect of any of the Securities; and any receiver, assignee, trustee, custodian or debtor in any such proceeding is hereby authorized, and each and every taker or holder of the Securities, by receiving and holding the same, shall be conclusively deemed to have authorized any such receiver, assignee, trustee, custodian or debtor, to make any such payment or delivery only to or on the order of the Trustee, and to pay to the Trustee any amount due it and any predecessor trustee hereunder under Section 1101(a); provided, however, that nothing herein contained shall be deemed to authorize or empower the Trustee to consent to or accept or adopt, on behalf of any holder of Securities, any plan of reorganization or readjustment affecting the Securities or the rights of any holder thereof, or to authorize or empower the Trustee to vote in respect of the claim of any holder of any Securities in any such proceeding.

Section 705. Priorities. Any moneys collected by the Trustee with respect to a series of Securities under this Article Seven shall be applied in the order following, at the date or dates fixed by the Trustee for the distribution of such moneys, upon presentation of the several

Securities, and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

First: To the payment of all amounts due to the Trustee and any predecessor trustee hereunder under Section 1101(a).

Second: In case the principal of the Outstanding Securities of such series shall not have become due and be unpaid, to the payment of interest on the Securities of such series, in the order of the Maturity of the installments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue installments of interest at the rate borne by such Securities, such payments to be made ratably to the Persons entitled thereto.

Third: In case the principal of the Outstanding Securities of such series shall have become due, by declaration or otherwise, to the payment of the whole amount then owing and unpaid upon the Securities of such series for principal and premium, if any, and interest, with interest on the overdue principal and premium, if any, and (to the extent that such interest has been collected by the Trustee) upon overdue installments of interest at the rate borne by the Securities of such series, and in case such moneys shall be insufficient to pay in full the whole amounts so due and unpaid upon the Securities of such series, then to the payment of such principal and premium, if any, and interest without preference or priority of principal and premium, if any, over interest, or of interest over principal and premium, if any, or of any installment of interest over any other installment of interest, or of any Security of such series over any other Security of such series, ratably to the aggregate of such principal and premium, if any, and accrued and unpaid interest.

Any surplus then remaining shall be paid to the Company or to such other Persons as shall be entitled to receive it.

Section 706. Waiver of Past Defaults. The holders of a majority in principal amount of the Securities of any series at the time Outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee hereunder, or of exercising any trust or power hereby conferred upon the Trustee with respect to the Securities of such series, provided, however, that, subject to the provisions of Sections 1101 and 1102, the Trustee shall have the right to decline to follow any such direction if the Trustee being advised by counsel determines that the action so directed may not lawfully be taken or would be unduly prejudicial to holders not joining in such direction or would involve the Trustee in personal liability. Prior to any declaration accelerating the Maturity of the Securities of any series, the holders of a majority in aggregate principal amount of such series of Securities at the time Outstanding may on behalf of the holders of all of the Securities of such series waive any past Default or Event of Default hereunder and its consequences except a Default in the payment of interest or any premium on or the principal of the Securities of such series. Upon any such waiver the Company, the Guarantor, the Trustee and the holders of the Securities of such series shall be restored to their former positions and rights hereunder, respectively; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. Whenever any Default or Event of Default hereunder shall have been

waived as permitted by this Section 706, said Default or Event of Default shall for all purposes of the Securities of such series and this Indenture be deemed to have been cured and to be not continuing.

Section 707. Control by Holders. No holder of any Security of any series shall have any right to institute any action, suit or proceeding at law or in equity for the execution of any trust hereunder or for the appointment of a receiver or for any other remedy hereunder, in each case with respect to an Event of Default with respect to such series of Securities, unless such holder previously shall

have given to the Trustee written notice of the happening of one or more of the Events of Default herein specified with respect to such series of Securities, and unless also the holders of 25% in principal amount of the Securities of such series then Outstanding shall have requested the Trustee in writing to take action in respect of the matter complained of, and unless also there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee, for 60 days after receipt of such notification, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding; and such notification, request and offer of indemnity are hereby declared in every such case to be conditions precedent to any such action, suit or proceeding by any holder of any Security of such series; it being understood and intended that no one or more of the holders of Securities of such series shall have any right in any manner whatsoever by his or their action to enforce any right hereunder, except in the manner herein provided, and that every action, suit or proceeding at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of the Outstanding Securities of such series; provided, however, that nothing in this Indenture or in the Securities of such series shall affect or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, premium, if any, and interest on the Securities of such series to the respective holders of such Securities at the respective due dates in such Securities stated, or affect or impair the right, which is also absolute and unconditional, of such holders to institute suit to enforce the payment thereof.

Section 708. Legal Fees. All parties to this Indenture and the holders of the Securities agree that the court may in its discretion require, in any action, suit or proceeding for the enforcement of any right or remedy under this Indenture, or in any action, suit or proceeding against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such action, suit or proceeding of an undertaking to pay the costs of such action, suit or proceeding, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such action, suit or proceeding, having due regard to the merits and good faith of the claims or defenses made by such party litigant; provided, however, that the provisions of this Section 708 shall not apply to any action, suit or proceeding instituted by the Trustee, to any action, suit or proceeding instituted by any one or more holders of Securities holding in the aggregate more than 10% in principal amount of the Securities of any series Outstanding, or to any action, suit or proceeding instituted by any holder of Securities of any series for the enforcement of the payment of the principal of or premium, if any, or the interest on, any of the Securities of such series, on or after the respective due dates expressed in such Securities.

Section 709. Remedies Cumulative. No remedy herein conferred upon or reserved to the Trustee or to the holders of Securities of any series is intended to be exclusive of any other

remedy or remedies, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of the Trustee or of any holder of the Securities of any series to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Default or Event of Default or an acquiescence therein; and every power and remedy given by this Article Seven to the Trustee and to the holders of Securities of any series, respectively, may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the holders of Securities of such series, as the case may be. In case the Trustee or any holder of Securities of any series shall have proceeded to enforce any right under this Indenture and the proceedings for the

enforcement thereof shall have been discontinued or abandoned because of waiver or for any other reason or shall have been adjudicated adversely to the Trustee or to such holder of Securities, then and in every such case the Company, the Guarantor, the Trustee and the holders of the Securities of such series shall severally and respectively be restored to their former positions and rights hereunder and thereafter all rights, remedies and powers of the Trustee and the holders of the Securities of such series shall continue as though no such proceedings had been taken, except as to any matters so waived or adjudicated.

ARTICLE EIGHT

CONCERNING THE SECURITYHOLDERS

Section 801. Evidence of Action of Securityholders. Whenever in this Indenture it is provided that the holders of a specified percentage or a majority in aggregate principal amount of the Securities or of any series of Securities may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage or majority have joined therein may be evidenced by (a) any instrument or any number of instruments of similar tenor executed by Securityholders in person or by agent or proxy appointed in writing (such action becoming effective, except as herein otherwise expressly provided, when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company), or (b) by the record of the holders of Securities voting in favor thereof at any meeting of Securityholders duly called and held in accordance with the provisions of Article Seven, or (c) by a combination of such instrument or instruments and any such record of such a meeting of Securityholders.

Section 802. Proof of Execution or Holding of Securities. Proof of the execution of any instrument by a Securityholder or his agent or proxy and proof of the holding by any Person of any of the Securities shall be sufficient if made in the following manner:

(a) The fact and date of the execution by any Person of any such instrument may be proved (a) by the certificate of any notary public or other officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments or proof of deeds to be recorded within such jurisdiction, that the Person who signed such instrument did acknowledge before such notary public or other officer the execution thereof, or (b) by the affidavit of a witness of such execution sworn to before any such notary or other officer. Where such execution is by a Person acting in

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other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The ownership of Registered Securities of any series shall be proved by the Register of such Securities or by a certificate of the Registrar for such series.

(c) The ownership of Bearer Securities shall be proved by production of such Bearer Securities or by a certificate executed by any bank or trust company, which certificate shall be dated and shall state on the date thereof a Bearer Security bearing a specified identifying number or other mark was deposited with or exhibited to the person executing such certificate by the person named in such certificate, or by any other proof of possession reasonably satisfactory to the Trustee. The holding by the person named in any such certificate of any Bearer Security specified therein shall be presumed to continue for a period of one year unless at the time of determination of such holding (1) another certificate bearing a later date issued in respect of the same Bearer Securities shall be produced, (2) such Bearer Security shall be

produced by some other Person, (3) such Bearer Security shall have been registered on the Register, if, pursuant to Section 301, such Bearer Security can be so registered, or (4) such Bearer Security shall have been canceled or paid.

(d) The record of any holders' meeting shall be proved in the manner provided in Section 906.

(e) The Trustee may require such additional proof of any matter referred to in this Section 802 as it shall deem appropriate or necessary, so long as the request is a reasonable one.

(f) If the Company shall solicit from the holders of Securities of any series any action, the Company may, at its option, by Board Resolution, fix in advance a record date for the determination of holders of Registered Securities entitled to take such action, but the Company shall have no obligation to do so. Any such record date shall be fixed at the Company's discretion. If such a record date is fixed, such action may be sought or given before or after the record date, but only the holders of Registered Securities of record at the close of business on such record date shall be deemed to be holders of Registered Securities for the purpose of determining whether holders of the requisite proportion of Outstanding Securities of such series have authorized or agreed or consented to such action, and for that purpose the Outstanding Registered Securities of such series shall be computed as of such record date.

Section 803. Persons Deemed Owners.

(a) The Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name any Registered Security is registered as the owner of such Registered Security for the purpose of receiving payment of principal of and premium, if any, and (subject to Section 308) interest, if any, on, such Registered Security and for all other purposes whatsoever, whether or not such Registered Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary. The Company, the Trustee, and any agent of the Company or the Trustee may treat the holder of any Bearer Security or of any Coupon as the absolute owner of such Bearer Security or Coupon for the purposes of receiving payment thereof or on account thereof and for all other purposes

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whatsoever, whether or not such Bearer Security or Coupon be overdue, and neither the Company, the Trustee nor any agent of the Company or any Trustee shall be affected by notice to the contrary. All payments made to any holder, or upon his order, shall be valid, and, to the extent of the sum or sums paid, effectual to satisfy and discharge the liability for moneys payable upon such Security or Coupon.

(b) None of the Company, the Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Section 804. Revocation of Consents. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 801, of the taking of any action by the holders of the percentage in aggregate principal amount of the Securities or of any series of Securities specified in this Indenture in connection with such action, any holder of a Security which is shown by the evidence to be included in the Securities the holders of which have consented to such action may, by filing written notice with the Trustee at its principal office and upon proof of holding as provided in Section 802, revoke such action so far as concerns such Security. Except as aforesaid, any such action taken by

the holder of any Security shall be conclusive and binding upon such holder and upon all future holders of such Security, and all past, present and future holders of Coupons, if any, appertaining thereto and of any Securities and Coupons issued on transfer or in lieu thereof or in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon such Security or Coupons or such other Securities or Coupons or any Security or Coupons issued in exchange or substitution therefor.

ARTICLE NINE

SECURITYHOLDERS' MEETINGS

Section 901. Purposes of Meetings. A meeting of Securityholders of any or all series may be called at any time and from time to time pursuant to the provisions of this Article Nine for any of the following purposes:

(a) to give any notice to the Company, the Guarantor or to the Trustee, or to give any directions to the Trustee, or to consent to the waiving of any Default hereunder and its consequences, or to take any other action authorized to be taken by Securityholders pursuant to any of the provisions of Article Eight;

(b) to remove the Trustee and nominate a successor trustee pursuant to the provisions of Article Eleven;

(c) to consent to the execution of an Indenture or of indentures supplemental hereto pursuant to the provisions of Section 1402; or

(d) to take any other action authorized to be taken by or on behalf of the holders of any specified aggregate principal amount of the Securities of any one or more or all series, as the case may be, under any other provision of this Indenture or under applicable law.

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Section 902. Call of Meetings by Trustee. The Trustee may at any time call a meeting of all Securityholders of all series that may be affected by the action proposed to be taken, to take any action specified in Section 801, to be held at such time and at such place in the Borough of Manhattan, The City of New York, as the Trustee shall determine. Notice of every meeting of the Securityholders of a series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be mailed to holders of Securities of such series at their addresses as they shall appear on the Register of the Company. Such notice shall be mailed not less than 20 nor more than 90 days prior to the date fixed for the meeting.

Section 903. Call of Meetings by Company or Securityholders. In case at any time the Company, pursuant to a resolution of its Board of Directors, or the holders of at least 10% in aggregate principal amount of the Securities of a series (or of all series, as the case may be) then Outstanding that may be affected by the action proposed to be taken, shall have requested the Trustee to call a meeting of Securityholders of such series (or of all series), by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have mailed the notice of such meeting within 20 days after receipt of such request, then the Company or such Securityholders may determine the time and the place in said Borough of Manhattan for such meeting and may call such meeting to take any action authorized in Section 901, by mailing notice thereof as provided in Section 902.

Section 904. Qualifications for Voting. To be entitled to vote at any meeting of Securityholders, a Person shall (a) be a holder of one or more Securities affected by the action proposed to be taken at the meeting or (b) be a Person appointed by an instrument in writing as proxy by a holder of one or more such

Securities. The only Persons who shall be entitled to be present or to speak at any meeting of Securityholders shall be the Persons entitled to vote at such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Company, the Guarantor and their respective counsel.

Section 905. Regulation of Meetings.

(a) Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Securityholders, in regard to proof of the holding of Securities and of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit.

(b) The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by Securityholders as provided in Section 903, in which case the Company or the Securityholders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by majority vote of the meeting.

(c) At any meeting of Securityholders of a series, each Securityholder of such series of such Securityholder's proxy shall be entitled to one vote for each \$1,000 principal amount of Securities of such series Outstanding held or represented by him; provided, however, that no vote shall be cast or counted at any meeting in respect of any Security challenged as not Outstanding

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and ruled by the chairman of the meeting to be not Outstanding. The chairman of the meeting shall have no right to vote other than by virtue of Securities of such series held by him or her or instruments in writing as aforesaid duly designating him or her as the Person to vote on behalf of other Securityholders. At any meeting of the Securityholders duly called pursuant to the provisions of Section 902 or 903 the presence of Persons holding or representing Securities in an aggregate principal amount sufficient to take action upon the business for the transaction of which such meeting was called shall be necessary to constitute a quorum, and any such meeting may be adjourned from time to time by a majority of those present, whether or not constituting a quorum, and the meeting may be held as so adjourned without further notice.

Section 906. Voting. The vote upon any resolution submitted to any meeting of Securityholders of a series shall be by written ballots on which shall be subscribed the signatures of the holders of Securities of such series or of their representatives by proxy and the principal amounts of the Securities of such series held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of each meeting of Securityholders shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more Persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in Section 902. The record shall show the principal amounts of the Securities voting in favor of or against any resolution. The record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one of the duplicates shall be delivered to the Company and the other to the Trustee to be preserved by the Trustee.

Any record so signed and verified shall be conclusive evidence of the matters therein stated.

Section 907. No Relay of Rights by Meeting. Nothing contained in this Article Nine shall be deemed or construed to authorize or permit, by reason of any call of a meeting of Securityholders of any series or any rights expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Securityholders of such series under any of the provisions of this Indenture or of the Securities of such series.

ARTICLE TEN

REPORTS BY THE COMPANY, THE GUARANTOR AND THE TRUSTEE AND SECURITYHOLDERS' LISTS

Section 1001. Reports by Trustee.

(a) The Trustee shall transmit to holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided thereto. If required by Section 313(a) of the Trust Indenture Act, the Trustee shall, within 60 days after each May 15 following the date of this Indenture deliver to

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holders a brief report, dated as of such May 15, which complies with the provisions of such Section 313(a).

(b) The Trustee shall, at the time of the transmission to the holders of Securities of any report pursuant to the provisions of this Section 1001, file a copy of such report with each stock exchange upon which the Securities are listed and also with the SEC in respect of a Security listed and registered on a national securities exchange. The Company agrees to notify the Trustee when, as and if the Securities become listed on any stock exchange.

The Company will reimburse the Trustee for all expenses incurred in the preparation and transmission of any report pursuant to the provisions of this Section 1001 and of Section 1002.

Section 1002. Reports by the Company and the Guarantor.

(a) Unless available on EDGAR, the Company and the Guarantor shall file with the Trustee, within 30 days after the Company or the Guarantor, as applicable, shall be required so to file the same with the SEC, copies of the annual reports and of the information, documents and other reports which the Company or the Guarantor may be required to file with the SEC pursuant to the provisions of Section 13 or Section 15(d) of the Exchange Act (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe); or, if either the Company or the Guarantor is not required to file information, documents or reports pursuant to the provisions of either of such Sections, then the Company or the Guarantor, as applicable, will file with the Trustee and the SEC, in accordance with rules and regulations prescribed by the SEC, such of the supplementary and periodic information, documents and reports which may be required pursuant to the provisions of Section 13 of the Exchange Act, in respect of a Security listed and registered on a national securities exchange, as may be prescribed in such rules and regulations.

(b) The Company and the Guarantor shall file with the Trustee and the SEC, in accordance with rules and regulations prescribed by the SEC, such additional information, documents and reports with respect to compliance by the Company and the Guarantor, as applicable, with the conditions and covenants provided for in this Indenture as may be required by such rules and regulations.

(c) The Company and the Guarantor shall transmit to the holders of Securities, within 30 days after the filing thereof with the Trustee (unless some other time shall be fixed by the SEC in respect of a Security listed and registered on a national securities exchange), in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, such summaries of any information, documents and reports required to be filed by the Company or the Guarantor, as applicable, pursuant to the provisions of subdivisions (a) and (b) of this Section 1002 as may be required by rules and regulations prescribed from time to time by the SEC.

(d) Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's and the Guarantor's compliance, as applicable, with any of its

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covenants hereunder (as to which the Trustee is entitled to conclusively rely exclusively on Officer's Certificates).

Section 1003. Securityholders' Lists. The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee:

(a) semi-annually, within 15 days after each Record Date, but in any event not less frequently than semi-annually, a list in such form as the Trustee may reasonably require of the names and addresses of the holders of Securities to which such Record Date applies, as of such Record Date, and

(b) at such other times as the Trustee may request in writing, within 30 days after receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished;

provided, however, that so long as the Trustee shall be the Registrar, such lists shall not be required to be furnished.

ARTICLE ELEVEN

CONCERNING THE TRUSTEE

Section 1101. Rights of Trustees; Compensation and Indemnity. The Trustee accepts the trusts created by this Indenture upon the terms and conditions hereof, including the following, to all of which the parties hereto and the holders from time to time of the Securities agree:

(a) The Trustee shall be entitled to such compensation as the Company and the Trustee shall from time to time agree in writing for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and such compensation, as well as the reasonable compensation of its counsel, and all other reasonable expenses, disbursements and advances incurred or made by the Trustee hereunder, the Company agrees to pay promptly on demand from time to time as such services shall be rendered and as such expenses shall be incurred. The Company also agrees to indemnify each of the Trustee and any predecessor Trustee hereunder for, and to hold it harmless against, any and all loss, liability, damage, claim, or expense incurred without its own negligence or bad faith, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder and the performance of its duties, as well as the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder. As security for the performance of the obligations of the Company under this subdivision (a) the Trustee shall have a lien therefor on any moneys held by the Trustee hereunder prior to any rights therein of the holders of the

Securities. Notwithstanding any provisions of this Indenture to the contrary, the obligations of the Company to compensate and indemnify the Trustee under this Section 1101(a) shall survive the resignation or removal of the Trustee and any satisfaction and discharge under Article Twelve.

When the Trustee incurs expenses or renders services after an Event of Default specified in clause (e) or (f) of Section 7.01 occurs, the expenses and compensation for the services are

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intended to constitute expenses of administration under any applicable federal or state bankruptcy, insolvency or similar laws.

(b) The Trustee may execute any of the trusts or powers hereof and perform any duty hereunder either directly or by its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(c) The Trustee shall not be responsible in any manner whatsoever for the correctness of the recitals herein or in the Securities (except its certificates of authentication thereon) contained, all of which are made solely by the Company or the Guarantor; and the Trustee shall not be responsible or accountable in any manner whatsoever for or with respect to the validity or execution or sufficiency of this Indenture or of the Securities (except its certificates of authentication thereon), and the Trustee makes no representation with respect thereto. The Trustee shall not be accountable for the use or application by the Company of any Securities, or the proceeds of any Securities, authenticated and delivered by the Trustee in conformity with the provisions of this Indenture.

(d) The Trustee may consult with counsel of its selection, and, to the extent permitted by Section 1102, any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in good faith and in accordance with such Opinion of Counsel.

(e) The Trustee, to the extent permitted by Section 1102, may rely upon the certificate of the Secretary or one of the Assistant Secretaries of the Company or the Guarantor, as applicable, as to the adoption of any resolution by the Board of Directors or stockholders of the Company or the Guarantor, and any request, direction, order or demand of the Company or the Guarantor mentioned herein shall be sufficiently evidenced by, and whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, offering or omitting any action hereunder, the Trustee may rely upon, an Officers' Certificate (unless other evidence in respect thereof be herein specifically prescribed).

(f) The Trustee or any agent of the Trustee, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with each of the Company and the Guarantor with the same rights it would have had if it were not the Trustee or such agent.

(g) Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

(h) Any action taken by the Trustee pursuant to any provision hereof at the request or with the consent of any Person who at the time is the holder of any Security shall be conclusive and binding in respect of such Security upon all future holders thereof or of any Security or Securities which may be issued for or in lieu thereof in whole or in part, whether or not such Security shall

(i) Subject to the provisions of Section 1102, the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(j) Subject to the provisions of Section 1102, the Trustee shall not be under any obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the holders of the Securities, pursuant to any provision of this Indenture, unless one or more of the holders of the Securities shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred by it therein or thereby.

(k) Subject to the provisions of Section 1102, the Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within its discretion or within the rights or powers conferred upon it by this Indenture.

(l) Subject to the provisions of the first paragraph of Section 1102, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, debenture or other paper or document.

(m) Subject to the provisions of Section 1102, the Trustee shall not be deemed to have knowledge or notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless the holders of not less than 25% of the Outstanding Securities notify the Trustee thereof.

(n) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(o) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder.

(p) The Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture.

Section 1102. Duties of Trustee.

(a) If one or more of the Events of Default specified in Section 701 with respect to the Securities of any series shall have happened, then, during the continuance thereof, the

Trustee shall, with respect to such Securities, exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) None of the provisions of this Indenture shall be construed as relieving the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that, anything in this Indenture contained to the contrary notwithstanding,

(i) unless and until an Event of Default specified in Section 701 with respect to the Securities of any series shall have happened which at the time is continuing,

(A) the Trustee undertakes to perform such duties and only such duties with respect to the Securities of that series as are specifically set out in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee, whose duties and obligations shall be determined solely by the express provisions of this Indenture; and

(B) the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, in the absence of bad faith on the part of the Trustee, upon certificates and opinions furnished to it pursuant to the express provisions of this Indenture; but in the case of any such certificates or opinions which, by the provisions of this Indenture, are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein);

(ii) the Trustee shall not be liable to any holder of Securities or to any other Person for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable to any holder of Securities or to any other Person with respect to any action taken or omitted to be taken by it in good faith, in accordance with the direction of Securityholders given as provided in Section 706, relating to the time, method and place of conducting any proceeding for any remedy available to it or exercising any trust or power conferred upon it by this Indenture.

(c) None of the provisions of this Indenture shall be construed as requiring the Trustee to expend or risk its own funds or otherwise to incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if there shall be reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

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(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 1102.

Section 1103. Notice of Defaults. Within 90 days after the occurrence thereof, the Trustee shall give to the holders of the Securities and Coupons of a series notice of each Default with respect to the Securities or Coupons, if any, of such series known to the Trustee, by transmitting such notice to holders at

their addresses as the same shall then appear on the Register of the Company, unless such Default shall have been cured before the giving of such notice (the term "Default" being hereby defined to be the events specified in Section 701, which are, or after notice or lapse of time or both would become, Events of Default as defined in said Section); but, unless such Default be the failure to pay the principal of, premium, if any, or interest on any of the Securities or Coupons, if any, of such series when and as the same shall become payable, or to make any sinking fund payment as to Securities of the same series, the Trustee shall be protected in withholding such notice, if and so long as the Board of Directors, the executive committee or a trust committee of directors or Responsible Officers of the Trustee in good faith determines that the withholding of such notice is in the interests of the holders of the Securities of such series.

Section 1104. Eligibility; Disqualification.

(a) The Trustee shall at all times satisfy the requirements of TIA Section 310(a). The Trustee shall have a combined capital and surplus of at least \$50 million as set forth in its more recent published annual report of condition, and shall have its Corporate Trust Office or an agency in New York, New York; provided, however, that if Section 310(a) of the Trust Indenture Act or the rules and regulations of the Commission under the Trust Indenture Act at any time permit a corporation organized and doing business under the laws of any other jurisdiction to serve as trustee of an indenture qualified under the Trust Indenture Act, this Section 1104 shall be automatically amended to permit a corporation organized and doing business under the laws of any such other jurisdiction to serve as Trustee hereunder. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

(b) The Trustee shall comply with TIA Section 310(b); provided, however, that there shall be excluded from the operation of TIA Section 310(b)(i) any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company or the Guarantor are outstanding if the requirements for such exclusion set forth in TIA Section 310(b)(i) are met. If the Trustee has or shall acquire a conflicting interest within the meaning of Section 310(b) of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. If Section 310(b) of the Trust Indenture Act is amended any time after the date of this Indenture to change the circumstances under which a Trustee shall be deemed to have a conflicting interest with respect to the Securities of any series

or to change any of the definitions in connection therewith, this Section 1104 shall be automatically amended to incorporate such changes.

Section 1105. Registration and Notice; Removal. The Trustee, or any successor to it hereafter appointed, may at any time resign and be discharged of the trusts hereby created with respect to any one or more or all series of Securities by giving to the Company and to the Guarantor notice in writing and by mailing notice thereof to the holders of Securities of such series at their addresses as the same shall then appear in the Register of the Company. Such resignation shall take effect upon the appointment of a successor Trustee and the acceptance of such appointment by such successor Trustee. Any Trustee hereunder may be removed with respect to any series of Securities at any time by the filing with

such Trustee and the delivery to the Company and to the Guarantor of an instrument or instruments in writing signed by the holders of a majority in principal amount of the Securities of such series then Outstanding, specifying such removal and the date when it shall become effective.

Upon its resignation or removal, any Trustee shall be entitled to the payment of reasonable compensation for the services rendered hereunder by such Trustee and to the payment of all reasonable expenses incurred hereunder and all moneys then due to it hereunder. The Trustee's rights to indemnification provided in Section 1101(a) shall survive its resignation or removal.

Section 1106. Successor Trustee by Appointment.

(a) In case at any time the Trustee shall resign, or shall be removed (unless the Trustee shall be removed as provided in Section 1104(b), in which event the vacancy shall be filled as provided in said subdivision), or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation with respect to the Securities of one or more series, a successor Trustee with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any series) may be appointed by the holders of a majority in principal amount of the Securities of that or those series then Outstanding, by an instrument or instruments in writing signed in duplicate by such holders and filed, one original thereof with the Company and the other with the successor Trustee; but, until a successor Trustee shall have been so appointed by the holders of Securities of that or those series as herein authorized, the Company by a resolution of its Board of Directors, or, in case all or substantially all the assets of the Company shall be in the possession of one or more custodians or receivers lawfully appointed, or of trustees in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of the federal bankruptcy laws, as now or hereafter constituted), or of assignees for the benefit of creditors, such receivers, custodians, trustees or assignees, as the case may be, by an instrument in writing, shall appoint a successor Trustee with respect to the Securities of such series. Subject to the provisions of Sections 1104 and 1105, upon the appointment as aforesaid of a successor Trustee with respect to the Securities of any series, the Trustee with respect to the Securities of such series shall cease to be Trustee hereunder. After any such appointment other than by the holders of Securities of that or those series, the Person

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making such appointment shall forthwith cause notice thereof to be mailed to the holders of Securities of such series at their addresses as the same shall then appear on the Register of the Company but any successor Trustee with respect to the Securities of such series so appointed shall, immediately and without further act, be superseded by a successor Trustee appointed by the holders of Securities of such series in the manner above prescribed, if such appointment be made prior to the expiration of one year from the date of the mailing of such notice by the Company, or by such receivers, trustees or assignees.

(b) If any Trustee with respect to the Securities of one or more series shall resign because of conflicting interest as provided in Section 1104(b) and a successor Trustee shall not have been appointed by the Company or by the holders of the Securities of such series or, if any successor Trustee so appointed shall not have accepted its appointment within 30 days after such appointment shall have been made, the resigning Trustee at the expense of the Company may apply to any court of competent jurisdiction for the appointment of a successor Trustee. If in any other case a successor Trustee shall not be appointed pursuant to the foregoing provisions of this Section 1106 within three

months after such appointment might have been made hereunder, the holder of any Security of the applicable series or any retiring Trustee at the expense of the Company may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, in any such case, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(c) Any successor Trustee appointed hereunder with respect to the Securities of one or more series shall execute, acknowledge and deliver to its predecessor Trustee and to the Company, or to the receivers, trustees, assignees or court appointing it, as the case may be, an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations with respect to such series of such predecessor Trustee with like effect as if originally named as Trustee hereunder, and such predecessor Trustee, upon payment of its charges and disbursements then unpaid, shall thereupon become obligated to pay over, and such successor Trustee shall be entitled to receive, all moneys and properties held by such predecessor Trustee as Trustee hereunder. Nevertheless, on the written request of the Company or of the successor Trustee or of the holders of at least 10% in principal amount of the Securities of such series then Outstanding, such predecessor Trustee, upon payment of its said charges and disbursements, shall execute and deliver an instrument transferring to such successor Trustee upon the trusts herein expressed all the rights, powers and trusts of such predecessor Trustee and shall assign, transfer and deliver to the successor Trustee all moneys and properties held by such predecessor Trustee; and, upon request of any such successor Trustee, the Company and the Guarantor shall make, execute, acknowledge and deliver any and all instruments in writing for more fully and effectually vesting in and confirming to such successor Trustee all such authority, rights, powers, trusts, immunities, duties and obligations.

Section 1107. Successor Trustee by Merger. Any corporation into which the Trustee or any successor to it in the trusts created by this Indenture shall be merged or converted, or any corporation with which it or any successor to it shall be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee or any such successor to it shall be a party, or any corporation to which the Trustee or any successor to it

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shall sell or otherwise transfer all or substantially all of the corporate trust business of the Trustee, shall be the successor Trustee under this Indenture without the execution or filing of any paper or any further act on the part of any of the parties hereto; provided that such corporation shall be otherwise qualified and eligible under this Article. In case at the time such successor to the Trustee shall succeed to the trusts created by this Indenture with respect to one or more series of Securities, any of such Securities shall have been authenticated but not delivered by the Trustee then in office, any successor to such Trustee may adopt the certificate of authentication of any predecessor Trustee, and deliver such Securities so authenticated; and in case at that time any of the Securities shall not have been authenticated, any successor to the Trustee may authenticate such Securities either in the name of any predecessor hereunder or in the name of the successor Trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Securities or in this Indenture provided that the certificate of the Trustee shall have; provided, however, that the right to adopt the certificate of authentication of any predecessor Trustee or authenticate Securities in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

Section 1108. Right to Rely on Officer's Certificate. Subject to Section 1102, and subject to the provisions of Section 1702 with respect to the certificates required thereby, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be

proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate with respect thereto delivered to the Trustee, and such Officers' Certificate, in the absence of negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted by it under the provisions of this Indenture upon the faith thereof.

Section 1109. Appointment of Authenticating Agent. The Trustee may appoint an agent (the "Authenticating Agent") reasonably acceptable to the Company to authenticate the Securities. Unless limited by the terms of such appointment, any such Authenticating Agent may authenticate Securities whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by the Authenticating Agent.

Section 1110. Communications by Holders with Other Holders. Holders may communicate pursuant to Section 312(b) of the Trust Indenture Act with other holders with respect to their rights under this Indenture or the Securities. The Company, the Guarantor, the Trustee, the Registrar and anyone else shall have the protection of Section 312(c) of the Trust Indenture Act with respect to such communications.

ARTICLE TWELVE

SATISFACTION AND DISCHARGE; DEFEASANCE

Section 1201. Applicability of Article. If, pursuant to Section 301, provision is made for the defeasance of Securities of a series and if the Securities of such series are Registered Securities and denominated and payable only in U.S. Dollars (except as provided pursuant to Section 301), then the provisions of this Article shall be applicable except as otherwise specified pursuant to

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Section 301 for Securities of such series. Defeasance provisions, if any, for Securities denominated in a Foreign Currency or for Bearer Securities may be specified pursuant to Section 301.

Section 1202. Satisfaction and Discharge of Indenture. This Indenture, with respect to the Securities of any series (if all series issued under this Indenture are not to be affected), shall, upon Company Request, cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of such Securities herein expressly provided for and rights to receive payments of principal of and premium, if any, and interest on such Securities and any right to receive additional interest as provided in Section 602) and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when,

(a) either:

(i) all Securities and the Coupons, if any, of such series theretofore authenticated and delivered (other than (i) Coupons appertaining to Bearer Securities of such series surrendered in exchange for Registered Securities of such series and maturing after such exchange, surrender of which is not required or has been waived as provided in Section 306, (ii) Securities and Coupons of such series that have been destroyed, lost or stolen and that have been replaced or paid as provided in Section 307, (iii) Coupons appertaining to Bearer Securities of such series called for redemption and maturing after the relevant Redemption Date, surrender of which has been waived as provided in Section 406 and (iv) Securities and Coupons of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such

trust, as provided in Section 604) have been delivered to the Trustee for cancellation; or

(ii) all Securities and the Coupons, if any, of such series not theretofore delivered to the Trustee for cancellation,

(A) have become due and payable, or

(B) will become due and payable at their Stated Maturity within one year, or

(C) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (i), (ii) or (iii) above, has irrevocably deposited or caused to be deposited with the Paying Agent as trust funds in trust for the purpose an amount in the Currency in which such Securities are denominated (except as otherwise provided pursuant to Section 301) sufficient to pay and discharge the entire indebtedness on such Securities for principal and premium, if any, and interest to the date of such deposit (in the case of Securities and Coupons that have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be; provided, however, in the event a petition for relief under federal bankruptcy laws, as now or hereafter constituted,

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or any other applicable federal or state bankruptcy, insolvency or other similar law, is filed with respect to the Company within 91 days after the deposit and the Trustee is required to return the moneys then on deposit with the Trustee to the Company, the obligations of the Company under this Indenture with respect to such Securities shall not be deemed terminated or discharged;

(b) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(c) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture with respect to such series have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 1101 are, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 1207 and the last paragraph of Section 604(e) shall survive.

Section 1203. Defeasance upon Deposit of Moneys or U.S Government Obligations. At the Company's option, either (a) the Company shall be deemed to have been Discharged (as defined below) from its obligations with respect to Securities of any series on the first day after the applicable conditions set forth below have been satisfied or (b) the Company shall cease to be under any obligation to comply with any term, provision or condition set forth in Section 605 with respect to Securities of any series (and, if so specified pursuant to Section 301, any other restrictive covenant added for the benefit of such series pursuant to Section 301) at any time after the applicable conditions set forth below have been satisfied:

(a) The Company shall have deposited or caused to be deposited irrevocably with the Paying Agent as trust funds in trust, specifically pledged as security for, and dedicated solely to, the benefit of the holders of the Securities of such series (i) money in an amount, or (ii) U.S. Government Obligations (as

defined below) that through the payment of interest and principal in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount or (iii) a combination of (i) and (ii), sufficient to pay and discharge each installment of principal (including any mandatory sinking fund payments) of and premium, if any, and interest on, the Outstanding Securities of such series on the dates such installments of interest or principal and premium are due;

(b) If the Securities of such series are then listed on the New York Stock Exchange, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Company's exercise of its option under this Section would not cause such Securities to be delisted;

(c) No Event of Default or event (including such deposit) that, with notice or lapse of time, or both, would become an Event of Default with respect to the Securities of such series shall have occurred and be continuing on the date of such deposit; and

(d) The Company shall have delivered to the Trustee an Opinion of Counsel to the effect that holders of the Securities of such series will not recognize income, gain or loss for U.S.

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federal income tax purposes as a result of the Company's exercise of its option under this Section and will be subject to federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such action had not been exercised and, in the case of the Securities of such series being Discharged accompanied by a ruling to that effect received from or published by the Internal Revenue Service.

"Discharged" means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by, and obligations under, the Securities of such series and to have satisfied all the obligations under this Indenture relating to the Securities of such series (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), except (A) the rights of holders of Securities of such series to receive, from the trust fund described in clause (a) above, payment of the principal of and premium, if any, and interest on such Securities when such payments are due, (B) the Company's obligations with respect to Securities of such series under Sections 304, 306, 307, 603, 1206 and 1207 and (C) the rights, powers, trusts, duties and immunities of the Trustee hereunder.

"U.S. Government Obligations" means securities that are (i) direct obligations of the United States for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States the timely of payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States, that, in either case under clauses (i) or (ii) are not callable or redeemable at the action of the issuer thereof, and shall also include a depositary receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depositary receipt; provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of the U.S. Government Obligation evidenced by such depositary receipt.

Section 1204. Repayment to Company. The Trustee and any Paying Agent shall promptly pay to the Company (or to its designee) upon Company Request any excess moneys or U.S. Government Obligations held by them at any time, including any such moneys or obligations held by the Trustee under any escrow trust agreement

entered into pursuant to Section 1206. The provisions of the last paragraph of Section 604 shall apply to any money held by the Trustee or any Paying Agent under this Article that remains unclaimed for two years after the Maturity of any series of Securities for which money or U.S. Government Obligations have been deposited pursuant to Section 1203.

Section 1205. Indemnity for U.S. Government Obligations. The Company shall pay and shall indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the deposited U.S. Government Obligations or the principal or interest received on such U.S. Government Obligations.

Section 1206. Deposits to Be Held in Escrow. Any deposits with the Paying Agent referred to in Section 1203 above shall be irrevocable (except to the extent provided in Sections 1204 and 1207) and shall be made under the terms of an escrow trust agreement in form and substance

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satisfactory to the Trustee. If any Outstanding Securities of a series are to be redeemed prior to their Stated Maturity, whether pursuant to any optional redemption provisions or in accordance with any mandatory or optional sinking fund requirement, the applicable escrow trust agreement shall provide therefor and the Company shall make such arrangements as are satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company. The agreement shall provide that, upon satisfaction of any mandatory sinking fund payment requirements, whether by deposit of moneys, application of proceeds of deposited U.S. Government Obligations or, if permitted, by delivery of Securities, the Trustee shall pay or deliver over to the Company as excess moneys pursuant to Section 1204 all funds or obligations then held under the agreement and allocable to the sinking fund payment requirements so satisfied.

If Securities of a series with respect to which such deposits are made may be subject to later redemption at the option of the Company or pursuant to optional sinking fund payments, the applicable escrow trust agreement may, at the option of the Company, provide therefor. In the case of an optional redemption in whole or in part, such agreement shall require the Company to deposit with the Trustee on or before the date notice of redemption is given funds sufficient to pay the Redemption Price of the Securities to be redeemed together with all unpaid interest thereon to the Redemption Date. Upon such deposit of funds, the Trustee shall pay or deliver over to the Company as excess funds pursuant to Section 1204 all funds or obligations then held under such agreement and allocable to the Securities to be redeemed. In the case of exercise of optional sinking fund payment rights by the Company, such agreement shall, at the option of the Company, provide that upon deposit by the Company with the Trustee of funds pursuant to such exercise the Trustee shall pay or deliver over to the Company as excess funds pursuant to Section 1204 all funds or obligations then held under such agreement for such series and allocable to the Securities to be redeemed.

Section 1207. Application of Trust Money.

(a) Neither the Trustee nor any other paying agent shall be required to pay interest on any moneys deposited pursuant to the provisions of this Indenture, except such as it shall agree with the Company to pay thereon. Any moneys so deposited for the payment of the principal of, or premium, if any, or interest on the Securities of any series and remaining unclaimed for two years after the date of the maturity of the Securities of such series or the date fixed for the redemption of all the Securities of such series at the time outstanding, as the case may be, shall be repaid by the Trustee or such other paying agent to the Company upon its written request and thereafter, anything in this Indenture to the contrary notwithstanding, any rights of the holders of Securities of such series in respect of which such moneys shall have been deposited shall be enforceable only against the Company, and all liability of

the Trustee or such other paying agent with respect to such moneys shall thereafter cease.

(b) Subject to the provisions of the foregoing paragraph, any moneys which at any time shall be deposited by the Company or on its behalf with the Trustee or any other paying agent for the purpose of paying the principal of, premium, if any, and interest on any of the Securities shall be and are hereby assigned, transferred and set over to the Trustee or such other paying agent in trust for the respective holders of the Securities for the purpose for which such

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moneys shall have been deposited; but such moneys need not be segregated from other funds except to the extent required by law.

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Section 1208. Deposits of Non-U.S. Currencies. Notwithstanding the foregoing provisions of this Article, if the Securities of any series are payable in a Currency other than U.S. Dollars, the Currency or the nature of the government obligations to be deposited with the Trustee under the foregoing provisions of this Article shall be as set forth in the Officers' Certificate or established in the supplemental indenture under which the Securities of such series are issued.

Section 1209. Subordination Provisions Inapplicable. Notwithstanding anything contained herein to the contrary, any money that shall have been deposited by the Company or the Guarantor with the Trustee pursuant to this Article shall not be subject to the provisions of Article Sixteen of this Indenture respecting subordination of the Securities; provided, however, that said provisions respecting subordination shall continue to apply to such money, if any, that has been returned to the Company, the Guarantor or their respective legal representative pursuant to an order or judgment of a court or governmental authority but only to the extent that all obligations of the Company or the Guarantor under this Indenture, the Securities and any Coupons shall be in full force and effect.

ARTICLE THIRTEEN

IMMUNITY OF CERTAIN PERSONS

Section 1301. No Personal Liability. No recourse shall be had for the payment of the principal of, or the premium, if any, or interest on, any Security or Coupon or for any claim based thereon or otherwise in respect thereof or of the indebtedness represented thereby, or upon any obligation, covenant or agreement of this Indenture, against any incorporator, stockholder, officer or director, as such, past, present or future, of the Company, the Guarantor or of any successor corporation, either directly or through the Company, the Guarantor or any successor corporation, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that this Indenture, the Securities and the Guarantee endorsed thereon are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any incorporator, stockholder, officer or director, as such, past, present or future, of the Company, the Guarantor or of any successor corporation, either directly or through the Company, the Guarantor or any successor corporation, because of the incurring of the indebtedness hereby authorized or under or by reason of any of the obligations, covenants, promises or agreements contained in this Indenture or in any of the Securities or Coupons or the Guarantee endorsed thereon, or to be implied herefrom or therefrom, and that all liability, if any, of that character against every such incorporator, stockholder, officer and director is, by the acceptance of the Securities and the Guarantee endorsed thereon and as a condition of, and as part of the consideration for, the

execution of this Indenture and the issue of the Securities expressly waived and released.

ARTICLE FOURTEEN

SUPPLEMENTAL INDENTURES

Section 1401. Without Consent of Holders. The Company (when authorized by resolution of its Board of Directors), the Guarantor and the Trustee, at any time and from time to time, may

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enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any one or more of or all the following purposes:

(a) to add to the covenants and agreements of the Company or the Guarantor, to be observed thereafter and during the period, if any, in such supplemental indenture or indentures expressed, and to add Events of Default, in each case for the protection or benefit of the holders of all or any series of the Securities (and if such covenants, agreements and Events of Default are to be for the benefit of fewer than all series of Securities, stating that such covenants, agreements and Events of Default are expressly being included for the benefit of such series as shall be identified therein), or to surrender any right or power herein conferred upon the Company or the Guarantor;

(b) to delete or modify any Events of Default with respect to all or any series of the Securities, the form and terms of which are being established pursuant to such supplemental indenture as permitted in Section 301 (and, if any such Event of Default is applicable to fewer than all such series of the Securities, specifying the series to which such Event of Default is applicable), and to specify the rights and remedies of the Trustee and the holders of such Securities in connection therewith;

(c) to add to or change any of the provisions of this Indenture to provide that Bearer Securities may be registrable as to principal, to change or eliminate any restrictions on the payment of principal of or premium, if any, on Registered Securities or of principal of or premium, if any, or any interest on Bearer Securities or to permit Registered Securities to be exchanged for Bearer Securities; provided that any such action shall not adversely affect the interests of the holders of Securities or any Coupons of any series in any material respect, or to permit or facilitate the issuer of Securities of any series in uncertificated form;

(d) to change or eliminate any of the provisions of this Indenture; provided that any such change or elimination shall become effective only when there is no Outstanding Security or Coupon of any series created prior to the execution of such supplemental indenture that is entitled to the benefit of such provision and as to which such supplemental indenture would apply;

(e) to evidence the succession of another corporation to the Company or the Guarantor, or successive successions, and the assumption by a successor, transferee or lessee corporation of the covenants and obligations of the Company or the Guarantor, as applicable, contained in the Securities of one or more series and in this Indenture or any supplemental indenture;

(f) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to one or more series of Securities and to add to or change any of the provisions of this Indenture as shall be necessary for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 1106(c);

(g) to secure the Securities pursuant to the requirements of Section 1504;

(h) to evidence any changes to Section 1105 permitted by the terms thereof;

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(i) to cure any ambiguity or to correct or supplement any provision contained herein or in any indenture supplemental hereto which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make any other provision in regard to matters or questions arising under this Indenture which the Board of Directors of the Company and the Guarantor may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Outstanding Securities or Coupons, if any;

(j) to convey, transfer, assign, mortgage or pledge to the Trustee as security for the Securities any property or assets which the Guarantor may be required to convey, transfer, assign, mortgage or pledge in accordance with the provisions of Section 1504;

(k) to add to or change or eliminate any provision of this Indenture as shall be necessary or desirable in accordance with any amendments to the Trust Indenture Act, provided such action shall not adversely affect the interests of the holders of the Securities of any series or any appurtenant Coupons in any material respects;

(l) to prohibit the authentication and delivery of additional series of Securities; or

(m) to establish the form and terms of the Securities of Coupons, if any, of any series as permitted in Section 301, or to authorize the issuance of additional Securities of a series previously authorized or to add to the conditions, limitations or restrictions on the authorized amount, terms or purposes of issue, authentication or delivery of the Securities of any series, as herein set forth, or other conditions, limitations or restrictions thereafter to be observed.

Subject to the provisions of Section 1403, the Trustee is authorized to join with the Company and the Guarantor in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained and to accept the conveyance, transfer, assignment, mortgage or pledge of any property or assets thereunder.

Any supplemental indenture authorized by the provisions of this Section 1401 may be executed by the Company, the Guarantor and the Trustee without the consent of the holders of any of the Securities at the time Outstanding, notwithstanding any of the provisions of Section 1402.

Section 1402. With Consent of Holders; Limitations.

(a) With the consent (evidenced as provided in Article Eight) of the holders of a majority in aggregate principal amount of the Outstanding Securities of each series affected by such supplemental indenture voting separately, the Company (when authorized by a resolution of the Board of Directors), the Guarantor and the Trustee may, from time to time and at any time, enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any provisions of this Indenture or of modifying in any manner the rights of the holders of the Securities of such series to be affected; provided, however, that no such supplemental indenture shall, without the consent of the holder of each Outstanding Security of each such series affected thereby,

(i) extend the Stated Maturity of the principal of, or any installment of interest on, any Security, or reduce the principal amount thereof or the interest thereon or

any premium payable upon redemption thereof, or extend the Stated Maturity of or reduce the amount of any payment to be made with respect to any Coupon, or change the Currency in which the principal of and premium, if any, or interest on such Security is denominated or payable, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 702, or impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or change any obligation of the Company to pay additional interest pursuant to Section 602 (except as contemplated by Section 605(b) and permitted by Section 1401(e)), or limit the obligation of the Company to maintain a paying agency outside the United States for payment on Bearer Securities as provided in Section 603, or limit the obligation of the Company to redeem an Affected Security as provided in Section 402(b); or

(ii) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose holders is required for any supplemental indenture, or the consent of whose holders is required for any waiver of compliance with certain provisions of this Indenture or certain Defaults hereunder and their consequences provided for in this Indenture; or

(iii) modify any of the provisions of this Section, Section 706 or Section 608, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the holder of each Outstanding Security affected thereby; provided, however, that this clause shall not be deemed to require the consent of any holder with respect to changes in the references to "the Trustee" and concomitant changes in this Section and Section 608, or the deletion of this proviso, in accordance with the requirements of Sections 1106 and 1401(f); or

(iv) modify, without the written consent of the Trustee, the rights, duties or immunities of the Trustee.

(b) A supplemental indenture that changes or eliminates any provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities and Coupons, if any, or which modifies the rights of the holders of Securities and Coupons, if any, of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the holders of Securities and Coupons, if any, of any other series.

(c) It shall not be necessary for the consent of the Securityholders under this Section 402 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(d) The Company may set a record date for purposes of determining the identity of the holders of each series of Securities entitled to give a written consent or waive compliance by the Company or the Guarantor as authorized or permitted by this Section. Such record date shall not be more than 30 days prior to the first solicitation of such consent or waiver or the date of the

most recent list of holders furnished to the Trustee prior to such solicitation pursuant to Section 312 of the Trust Indenture Act.

(e) Promptly after the execution by the Company, the Guarantor and the Trustee of any supplemental indenture pursuant to the provisions of this Section 402, the Company shall mail a notice, setting forth in general terms the substance of such supplemental indenture, to the holders of Securities at their addresses as the same shall then appear in the Register of the Company. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

Section 1403. Trustee Protected. Upon the request of the Company or the Guarantor, accompanied by the Officers' Certificate and Opinion of Counsel required by Section 1702 and by:

(a) a supplemental indenture duly executed on behalf of the Company and the Guarantor;

(b) a copy of a resolution of the Board of Directors of the Company, certified by the Secretary or an Assistant Secretary of the Company and a copy of an Officer's Certificate of the Company, authorizing the execution of said supplemental indenture;

(c) a copy of a resolution of the Board of Directors of the Guarantor, certified by the Secretary or an Assistant Secretary of the Guarantor and a copy of an Officer's Certificate of the Guarantor, authorizing the execution of said supplemental indenture;

(d) an Opinion of Counsel, stating that said supplemental indenture complies with, and that the execution thereof is authorized or permitted by, the provisions of this Indenture; and

(e) if said supplemental indenture shall be executed pursuant to Section 402, evidence (as provided in Article Eight) of the consent thereto of the Securityholders required to consent thereto as in Section 402 provided,

the Trustee shall join with the Company and the Guarantor in the execution of said supplemental indenture unless said supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into said supplemental indenture.

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Section 1404. Effect of Execution of Supplemental Indenture. Upon the execution of any supplemental indenture pursuant to the provisions of this Article Fourteen, this Indenture shall be deemed to be modified and amended in accordance therewith and, except as herein otherwise expressly provided, the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company, the Guarantor and the holders of all of the Securities or of the Securities of any series affected, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 1405. Notation on or Exchange of Securities. Securities and Coupons, if any, of any series authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company or the Trustee shall so determine, new Securities and Coupons, if any, so modified as to conform, in the opinion of the Trustee and the Board of Directors of the Company, to any modification of this Indenture contained in any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for the Securities and Coupons, if any, then Outstanding in equal

aggregate principal amounts, and such exchange shall be made without cost to the holders of the Securities.

Section 1406. Conformity with TIA. Every supplemental indenture executed pursuant to the provisions of this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

Section 1407. Subordination Unimpaired.

No supplemental indenture entered into under this Article shall modify, directly or indirectly, the provisions of Article Sixteen or the definition of Senior Indebtedness in any manner that might alter or impair the subordination of the Securities and any Coupons with respect to Senior Indebtedness then outstanding unless each holder of such Senior Indebtedness has consented thereto in writing.

ARTICLE FIFTEEN

GUARANTEE

Section 1501. Unconditional Guarantee.

(a) The Guarantor does hereby fully and unconditionally guarantee (the "Guarantee") to the holders all payments on the Securities when due, in accordance with the provisions of this Indenture, as provided below.

(b) The Guarantor hereby waives notice of acceptance of the Guarantee and of Default of performance by the Company, and hereby agrees that payment under the Guarantee shall be subject to no condition other than the giving of a written request for payment, stating the fact of Default of performance, in the manner provided in Section 1708. This Guarantee is a guarantee of payment and not of collection.

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(c) The obligations of the Guarantor under the Guarantee shall in no way be impaired by: (1) any extension, amendment, modification or renewal of the Securities; (2) any waiver of any Event of Default, extension of time or failure to enforce any of the Securities; or (3) any extension, moratorium or other relief granted to the Company pursuant to any applicable law or statute.

(d) The Guarantor shall be obligated to make payment under the Guarantee, for the benefit of the holders, at the same address as the Company is obligated to make payment.

(e) Subject to clause (f) below, the Guarantor hereby agrees that:

(i) the Securities will be paid strictly in accordance with the terms of this Indenture, regardless of the value, genuineness, validity, regularity or enforceability of the Securities, and of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the trustee with respect thereto; and

(ii) the liability of the Guarantor to the extent herein set forth shall be absolute and unconditional, not subject to any reduction, limitation, impairment, termination, defense, offset, counterclaim or recoupment whatsoever (all of which are hereby expressly waived by the Guarantor) whether by reason of any claim of any character whatsoever, including, without limitation, any claim of waiver, release, surrender, alteration or compromise, or by reason of any liability at any time to the Guarantor or otherwise, whether based upon any obligations or any other agreement or otherwise, and howsoever arising, whether out of action or inaction or otherwise and whether resulting from Default, willful misconduct, negligence or otherwise, and without limiting the foregoing,

irrespective of:

(A) any lack of validity or enforceability of any agreement or instrument relating to the Securities;

(B) any change in the time, manner or place of payment of, or in any other term in respect of, all or any of the Securities, or any other amendment or waiver of or consent to any departure from any other agreement relating to any Securities; any change in the time, manner or place of payment of, or in any other term in respect of, all or any of the Securities, or any other amendment or waiver of or consent to any departure from any other agreement relating to any Securities;

(C) any increase in, addition to, exchange or release of, or nonperfection of any lien on or security interest in, any collateral, or any release or amendment or waiver of or consent to any departure from or failure to enforce any other guarantee, for all or any of the indebtedness;

(D) any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Company in respect of the Securities;

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(E) the absence of any action on the part of the Trustee to obtain payment of the Securities from the Company;

(F) any insolvency, bankruptcy, reorganization or dissolution, or any similar proceeding of the Company, including, without limitation, rejection of the Securities in such bankruptcy; or

(G) the absence of notice or any delay in any action to enforce any Securities or to exercise any right or remedy against the Guarantor or the Company, whether hereunder, under any Securities or any agreement or any indulgence, compromise or extension granted.

(f) Notwithstanding anything to the contrary in this Guarantee, the Guarantor does not waive any defense that would be available to the Company based on a breach, default or misrepresentation by the Trustee, or failure of any condition to the Company's obligations under this Indenture or the illegality of any provision of this Indenture.

(g) The Guarantor further agrees that, to the extent that the Company or the Guarantor makes a payment or payments to the Trustee, which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to the Company or the Guarantor or their respective estate, trustee, receiver or any other party under any federal bankruptcy laws, state or federal law, common law or equitable cause, then to the extent of such payment or repayment, this Guarantee and the advances or part thereof which have been paid, reduced or satisfied by such amount shall be reinstated and continued in full force and effect as of the date such initial payment, reduction or satisfaction occurred.

Section 1502. Execution and Delivery of Guarantee.

(a) If an officer whose signature is on this Indenture or the Guarantee no longer holds that office at the time the Trustee authenticates the Security on which the Guarantee is endorsed or at any time thereafter, the Guarantee shall be valid nevertheless.

(b) The delivery of any Security by the Trustee, after the authentication

thereof hereunder, shall constitute due delivery of the Guarantee set forth in this Indenture on behalf of the Guarantor.

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Section 1503. Waiver of Subrogation. The Guarantor shall be subrogated to all rights of the holders of Securities and the Trustee against the Company in respect of any amounts paid to such holders by the Guarantor pursuant to the provisions of the Guarantee; provided, however, that the Guarantor shall not be entitled to enforce, or to receive any payments arising out of or based upon such right of subrogation until the principal of, interest on and additional interest, if any, payable in respect of all Securities of the same series issued under such Indenture shall have been paid in full.

Section 1504. Limitation on Liens.

(a) The Guarantor will not, and will not permit any Subsidiary to, incur, issue, assume or guarantee any Indebtedness if such Indebtedness is secured by a pledge of, lien on, or security interest in any shares of Voting Stock of any Significant Subsidiary, whether such Voting Stock is now owned or shall hereafter be acquired, without effectively providing that the Securities (together with, if the Guarantor shall so determine, any other indebtedness or obligations of the Guarantor or any Subsidiary ranking equally with such Securities and then existing or thereafter created) shall be secured equally and ratably with such Indebtedness. For the purposes of the foregoing, pledging, placing a lien on or creating a security interest in any shares of Voting Stock of a Significant Subsidiary in order to secure then Outstanding Indebtedness of the Guarantor or any Subsidiary shall be deemed to be the incurrence, issuance, assumption or guarantee (as the case may be) of such Indebtedness, but the foregoing shall not apply to Indebtedness secured by a pledge of, lien on or security interest in any shares of Voting Stock of any corporation at the time it becomes a Significant Subsidiary, including extensions, renewals and replacements of such Indebtedness without increase in the amount thereof.

(b) For the purposes of subsection (a) of this Section 1504, the term "Voting Stock" shall mean capital stock the holders of which have general voting power under ordinary circumstances to elect a majority of the board of directors of a corporation, provided that, for the purposes hereof, capital stock which carries only the right to vote conditioned on the happening of an event shall not be considered voting stock whether or not such event shall have happened.

(c) For the purposes of subsection (a) of this Section 1504, the term "Significant Subsidiary" shall mean a Subsidiary, including its Subsidiaries, which meets any of the following conditions:

(i) The Guarantor's and its Subsidiaries' investments in and advances to the Subsidiary exceed 10 percent of the total assets of the Guarantor and its Subsidiaries consolidated as of the end of the most recently completed fiscal year;

(ii) The Guarantor's and its Subsidiaries' proportionate share of the total assets (after inter-company eliminations) of the Subsidiary exceeds 10 percent of the total assets of the Guarantor and its Subsidiaries consolidated as of the end of the most recently completed fiscal year; or

(iii) The Guarantor's and its Subsidiaries' equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle of the Subsidiary exceeds 10 percent of such income of

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the Guarantor and its Subsidiaries consolidated for the most recently completed fiscal year.

(d) For the purposes of making the prescribed income test in clause (iii) of subsection (c) of this Section 1504, the following shall be applicable:

(i) When a loss has been incurred by either the Guarantor and its Subsidiaries consolidated or the tested Subsidiary, but not both, the equity in the income or loss of the tested Subsidiary shall be excluded from the income of the Guarantor and its Subsidiaries consolidated for purposes of the computation; and

(ii) If income of the Guarantor and its Subsidiaries consolidated for the most recent fiscal year is at least 10 percent lower than the average of the income for the last five fiscal years, such average income shall be substituted for purposes of the computation. Any loss years shall be omitted for purposes of computing average income.

Section 1505. Merger, Consolidation and Sale of Assets.

(a) The Guarantor will not consolidate with any other entity or accept a merger of any other entity into the Guarantor or permit the Guarantor to be merged into any other entity, or sell other than for cash or lease all or substantially all its assets to another entity, or purchase all or substantially all the assets of another entity, unless (i) either the Guarantor shall be the continuing entity, or the successor, transferee or lessee entity (if other than the Guarantor) shall expressly assume, by indenture supplemental hereto satisfactory to the Trustee, executed and delivered by such entity prior to or simultaneously with such consolidation, merger, sale or lease, the full, irrevocable and unconditional guarantee of the payment of principal of and interest and premium, if any, on all the Securities (and Coupons, if any) when due, and the performance and observance of all other obligations of the Company to the holders and the Trustee under this Indenture or under the Securities (and Coupons, if any), all in accordance with the terms hereof and thereof; and (ii) immediately after such consolidation, merger, sale, lease or purchase the Guarantor or the successor, transferee or lessee entity (if other than the Guarantor) would not be in Default in the performance of any covenant or condition of this Indenture. A purchase by a Subsidiary of all or substantially all of the assets of another entity shall not be deemed to be a purchase of such assets by the Guarantor.

(b) Upon any consolidation with or merger into any other entity, or any sale, conveyance or lease of all or substantially all of the assets of the Guarantor in accordance with this Section 1505, the successor entity formed by such consolidation or into or with which the Guarantor is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Guarantor under this Indenture with the same effect as if such successor entity had been named as the Guarantor herein, and thereafter, except in the case of a lease, the predecessor Guarantor shall be relieved of all obligations and covenants under the Guarantee.

Section 1506. Assumption by Guarantor.

(a) The Guarantor may, without the consent of the holders, assume all of the rights and obligations of the Company hereunder with respect to a series of Securities and under the

Securities of such series if, after giving effect to such assumption, no Event of Default or event which with the giving of notice or lapse of time, or both, would become an Event of Default, shall have occurred and shall be continuing.

Upon such an assumption, the Guarantor shall execute a supplemental indenture evidencing its assumption of all such rights and obligations of the Company and the Company shall be released from its liabilities hereunder and under such Securities as obligor on the Securities of such series.

(b) The Guarantor shall assume all of the rights and obligations of the Company hereunder with respect to a series of Securities and under the Securities of such series, if, upon a Default by the Company in the due and punctual payment of the principal, sinking fund payment, if any, premium, if any, or interest on such Securities, the Guarantor is prevented by any court order or judicial proceeding from fulfilling its obligations under Section 1501 with respect to such series of Securities. Such assumption shall result in the Securities of such series becoming the direct obligations of the Guarantor and shall be effected without the consent of the holders of the Securities of any series. Upon such an assumption, the Guarantor shall execute a supplemental indenture evidencing its assumption of all such rights and obligations of the Company, and the Company shall be released from its liabilities hereunder and under such Securities as obligor on the Securities of such series.

Section 1507. Article Fifteen Applicable to Paying Agent. At any time that a Paying Agent other than the Trustee shall have been appointed by the Company and be then acting hereunder, the term "Trustee" as used in this Article Fifteen shall in such case (unless the context otherwise requires) be construed as extending to and including such Paying Agent within its meaning as fully for all intents and purposes as if such Paying Agent were named in this Article Fifteen in addition to or in place of the Trustee.

Section 1508. No Suspension of Remedies. Nothing contained in this Article Fifteen shall limit the right of the Trustee or the holders of Securities to take any action to accelerate the maturity of the Securities pursuant to Article Seven or to pursue any rights or remedies hereunder or under applicable law.

ARTICLE SIXTEEN

SUBORDINATION

Section 1601. Securities and Coupons Subordinated to Senior Indebtedness.

(a) The Company and the Guarantor covenant and agree, and each holder of a Security or Coupon, by his or her acceptance thereof, likewise covenants and agrees, that the indebtedness represented by the Securities and any Coupons and the payment of the principal of and premium, if any, and interest on each and all of the Securities and the payment of any Coupons is hereby expressly subordinated, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment in full of Senior Indebtedness.

(b) In the event (x) of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization or other similar proceedings, in respect of the Company or the Guarantor or a substantial part of their respective property, or of any proceedings for liquidation,

dissolution or other winding up of the Company or the Guarantor, whether or not involving insolvency or bankruptcy, or (y) subject to the provisions of Section 1602, that (i) a Default shall have occurred with respect to the payment of principal of or premium, if any, or interest on or other monetary amounts due and payable on any Senior Indebtedness, or (ii) there shall have occurred an Event of Default (other than a Default in the payment of principal, premium, if any, or interest, or other monetary amounts due and payable) in respect of any Senior Indebtedness, as defined therein or in the instrument under which the same is outstanding, permitting the holder or holders thereof to accelerate the maturity thereof (with notice or lapse of time, or both), and such Event of Default shall have continued beyond the period of grace, if any, in respect

thereof, and, in the cases of subclauses (i) and (ii) of this clause (y), such Default or Event of Default shall not have been cured or waived or shall not have ceased to exist, or (z) that the principal of and accrued interest on the Securities shall have been declared due and payable pursuant to Section 702 and such declaration shall not have been rescinded and annulled as provided in Section 702, then:

(i) the holders of all Senior Indebtedness shall first be entitled to receive payment of the full amount due thereon, or provision shall be made for such payment in money or money's worth, before the holders of any of the Securities or Coupons are entitled to receive a payment on account of the principal of or premium, if any, or interest on the indebtedness evidenced by the Securities or of the Coupons;

(ii) any payment by, or distribution of assets of, the Company or the Guarantor of any kind or character, whether in cash, property or securities (other than securities of the Company or the Guarantor as reorganized or readjusted or securities of the Company, the Guarantor or any other entity provided for by a plan of reorganization or readjustment, the payment of which is subordinate, at least to the extent provided in this Article with respect to the Securities and Coupons, to the payment of all Senior Indebtedness, provided that the rights of the holders of the Senior Indebtedness are not altered by such reorganization or readjustment), to which the holders of any of the Securities or Coupons or the Trustee would be entitled except for the provisions of this Article shall be paid or delivered by the person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the holders of such Senior Indebtedness or their representative or representatives or to the trustee or trustees under any Indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, ratably according to the aggregate amounts remaining unpaid on account of such Senior Indebtedness held or represented by each, to the extent necessary to make payment in full of all Senior Indebtedness remaining unpaid after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness, before any payment or distribution is made to the holders of the indebtedness evidenced by the Securities or of the Coupons or to the Trustee under this Indenture; and

(iii) in the event that, notwithstanding the foregoing, any payment by, or distribution of assets of, the Company or the Guarantor of any kind or character, whether in cash, property or securities (other than securities of the Company or the Guarantor as reorganized or readjusted or securities of the Company, the Guarantor or any other corporation provided for by a plan of reorganization or readjustment, the payment of

which is subordinate, at least to the extent provided in this Article with respect to the Securities and Coupons, to the payment of all Senior Indebtedness, provided that the rights of the holders of Senior Indebtedness are not altered by such reorganization or readjustment), shall be received by the Trustee or the holders of any of the Securities or Coupons before all Senior Indebtedness is paid in full, or provision made for such payment in money or money's worth, such payment or distribution shall be paid over to the holders of such Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any such Senior Indebtedness may have been issued, ratably as aforesaid, for application to the payment of all Senior Indebtedness remaining unpaid until all such Senior Indebtedness shall have been paid in full, after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness.

Section 1602. Disputes with Holders of Certain Senior Indebtedness. Any failure by the Company or the Guarantor to make any payment on or perform any other obligation under Senior Indebtedness, other than any indebtedness incurred by the Company or the Guarantor or assumed or guaranteed, directly or indirectly, by the Company or the Guarantor for money borrowed (or any deferral, renewal, extension or refunding thereof) or any indebtedness or obligation as to which the provisions of this Section shall have been waived by the Company or the Guarantor in the instrument or instruments by which the Company or the Guarantor incurred, assumed, guaranteed or otherwise created such indebtedness or obligation, shall not be deemed a Default or Event of Default under Section 1601(b) for so long as (a) the Company or the Guarantor, as applicable, shall be disputing its obligation to make such payment or perform such obligation and (b) either (A) such dispute shall not have resulted in a judgment against the Company or the Guarantor, as applicable, and shall have remained undischarged or unbonded and have remained in force for more than the applicable appeal period or (B) in the event of such a judgment, the Company or the Guarantor, as applicable, shall in good faith be prosecuting an appeal or other proceeding for review and upon which a stay of execution shall have been obtained pending such appeal or review.

Section 1603. Subrogation. Subject to the payment in full of all Senior Indebtedness, the holders of the Securities and any Coupons shall be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions of cash, property or securities of the Company or the Guarantor applicable to the Senior Indebtedness until all amounts owing on the Securities and any Coupons shall be paid in full, and as between the Company, the Guarantor, their respective creditors other than holders of such Senior Indebtedness and the holders, no such payment or distribution made to the holders of Senior Indebtedness by virtue of this Article that otherwise would have been made to the holders shall be deemed to be a payment by the Company or the Guarantor on account of such Senior Indebtedness, it being understood that the provisions of this Article are and are intended solely for the purpose of defining the relative rights of the holders, on the one hand, and the holders of Senior Indebtedness, on the other hand.

Section 1604. Obligation of Company and the Guarantor Unconditional.

(a) Nothing contained in this Article or elsewhere in this Indenture or in the Securities or any Coupons is intended to or shall impair, as between the Company, the Guarantor, their respective creditors other than the holders of Senior Indebtedness and the

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holders, the obligation of the Company or the Guarantor, as applicable, which is absolute and unconditional, to pay to the holders the principal of and premium, if any, and interest on the Securities and the amounts owed pursuant to any Coupons as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of the creditors of the Company or the Guarantor other than the holders of Senior Indebtedness, nor shall anything herein or therein prevent the Trustee or any holder from exercising all remedies otherwise permitted by applicable law upon Default under this Indenture, subject to the rights, if any, under this Article of the holders of Senior Indebtedness in respect of cash, property or securities of the Company or the Guarantor received upon the exercise of any such remedy.

(b) Upon payment or distribution of assets of the Company or the Guarantor referred to in this Article, the Trustee and the holders shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which any such dissolution, winding up, liquidation or reorganization proceeding affecting the affairs of the Company or the Guarantor is pending or upon a certificate of the trustee in bankruptcy, receiver, assignee for the benefit of creditors, liquidating trustee or agent or other person making any payment or distribution, delivered to the Trustee or to the holders, for the purpose of

ascertaining the persons entitled to participate in such payment or distribution, the holders of the Senior Indebtedness and other indebtedness of the Company or the Guarantor, the amount thereof or payable thereon, the amount paid or distributed thereon and all other facts pertinent thereto or to this Article.

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Section 1605. Payments on Securities and Coupons Permitted. Nothing contained in this Article or elsewhere in this Indenture or in the Securities or Coupons shall affect the obligation of the Company to make, or prevent the Company or the Guarantor from making, payment of the principal of or premium, if any, or interest on the Securities and of any Coupons in accordance with the provisions hereof and thereof, except as otherwise provided in this Article.

Section 1606. Effectuation of Subordination by Trustee. Each holder of Securities or Coupons, by his acceptance thereof, authorizes and directs the Trustee on his behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article and appoints the Trustee his attorney-in-fact for any and all such purposes.

Section 1607. Knowledge of Trustee. Notwithstanding the provisions of this Article or any other provisions of this Indenture, the Trustee shall not be charged with knowledge of the existence of any facts that would prohibit the making of any payment of moneys to or by the Trustee, or the taking of any other action by the Trustee, unless and until a Responsible Officer of the Trustee shall have received written notice thereof mailed or delivered to the Trustee at its Corporate Trust Office from the Company, any holder, any Paying Agent or the holder or representative of any class of Senior Indebtedness; provided that if at least three Business Days prior to the date upon which by the terms hereof any such moneys may become payable for any purpose (including, without limitation, the payment of the principal of or premium, if any, or interest on any Security or of any Coupon) the Trustee shall not have received with respect to such moneys the notice provided for in this Section, then, anything herein contained to the contrary notwithstanding, the Trustee shall have full power and authority to receive such moneys and to apply the same to the purpose for which they were received and shall not be affected by any notice to the contrary that may be received by it within three Business Days prior to or on or after such date. Section 1608. Trustee May Hold Senior Indebtedness. The Trustee shall be entitled to all the rights set forth in this Article with respect to any Senior Indebtedness at the time held by it, to the same extent as any other holder of Senior Indebtedness.

Section 1609. Rights of Holders of Senior Indebtedness Not Impaired.

(a) No right of any present or future holder of any Senior Indebtedness to enforce the subordination herein shall at any time or in any way be prejudiced or impaired by any act or failure to act on the part of the Company or the Guarantor or by any noncompliance by the Company or the Guarantor with the terms, provisions and covenants of this Indenture, regardless of any knowledge thereof any such holder may have or be otherwise charged with.

(b) With respect to the holders of Senior Indebtedness, (i) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, (ii) the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, (iii) no implied covenants or obligations shall be read into this Indenture against the Trustee and (iv) the Trustee shall not be deemed to be a fiduciary as to such holders.

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Section 1610. Article Applicable to Paying Agents. In case at any time any

Paying Agent other than the Trustee shall have been appointed by the Company and be then acting hereunder, the term "Trustee" as used in this Article shall in such case (unless the context shall require otherwise) be construed as extending to and including such Paying Agent within its meaning as fully for all intents and purposes as if such Paying Agent were named in this Article in addition to or in place of the Trustee, provided, however, that Sections 1607 and 1608 shall not apply to the Company or the Guarantor if either acts as its own Paying Agent.

Section 1611. Trustee; Compensation Not Prejudiced. Nothing in this Article shall apply to claims of, or payments to, the Trustee pursuant to Section 1101.

ARTICLE SEVENTEEN

MISCELLANEOUS PROVISIONS

Section 1701. Consolidation, Merger, Sale or Lease.

(a) Subject to the provisions of Sections 605 and 1505, nothing contained in this Indenture or in the Securities shall be deemed to prevent the consolidation or merger of the Company or the Guarantor with or into any entity, or the merger into the Company or the Guarantor of any entity, or the sale or lease by the Company or the Guarantor of their respective property and assets as, or substantially as, an entirety, or otherwise.

(b) Upon any consolidation or merger, or any sale other than for cash or lease of all or substantially all of the assets of the Company or the Guarantor in accordance with the provisions of Sections 605 and 1505, as applicable, the entity formed by such consolidation or into which the Company or the Guarantor shall have been merged or to which such sale or lease shall have been made shall succeed to and be substituted for the Company or the Guarantor, as applicable, with the same effect as if it had been named herein as a party hereto, and thereafter from time to time such entity may exercise each and every right and power of the Company or the Guarantor, as applicable, under this Indenture, in the name of the Company or the Guarantor, or in its own name; and any act or proceeding by any provision of this Indenture required or permitted to be done by the Board of Directors or any officer of the Company or the Guarantor may be done with like force and effect by the like board or officer of any entity that shall at the time be the successor of the Company or the Guarantor hereunder. In the event of any such sale or conveyance, but not any such lease, the Company or the Guarantor (or any successor entity which shall theretofore have become such in the manner described in Sections 605 and 1505, as applicable) shall be discharged from all obligations and covenants under this Indenture and the Securities and may thereupon be dissolved and liquidated.

Section 1702. Certificates and Opinions as to Conditions Precedent.

(a) Upon any request or application by the Company to the Trustee to take any action under any of the provisions of this Indenture, the Company or the Guarantor shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent have been complied

with, except that in the case of any such application or demand as to which the furnishing of such document is specifically required by any provision of this Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

(b) Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture (other than the certificates provided pursuant to

Section 6.06 of this Indenture) shall include (i) a statement that the Person making giving such certificate or opinion has read such covenant or condition; (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (iii) a statement that, in the view or opinion of such Person, he or she has made such examination or investigation as is necessary to enable such Person to express an informed view or opinion as to whether or not such covenant or condition has been complied with; and (iv) a statement as to whether or not, in the view or opinion of such Person, such condition or covenant has been complied with.

(c) Any certificate, statement or opinion of an officer of the Company or the Guarantor may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his or her certificate, statement or opinion is based are erroneous. Any certificate, statement or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate, statement or opinion of, or representations by, an officer or officers of the Company or the Guarantor stating that the information with respect to such factual matters is in the possession of the Company or the Guarantor, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate, statement or opinion or representations with respect to such matters are erroneous.

(d) Any certificate, statement or opinion of an officer of the Company, the Guarantor or of counsel to the Company or the Guarantor may be based, insofar as it relates to accounting matters, upon a certificate or opinion of, or representations by, an accountant or firm of accountants, unless such officer or counsel, as the case may be, knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the accounting matters upon which his or her certificate, statement or opinion may be based are erroneous. Any certificate or opinion of any firm of independent registered public accountants filed with the Trustee shall contain a statement that such firm is independent.

(e) In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

(f) Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

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Section 1703. Trust Indenture Act Controls. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with the duties imposed by, or another provision included in this Indenture which is required to be included in this Indenture by any of the provisions of Sections 310 to 318, inclusive, of the Trust Indenture Act, such imposed duties or incorporated provision shall control.

Section 1704. What Constitutes Action by Board of Directors. Whenever action is required by this Indenture by the Board of Directors of the Company or the Guarantor and there is at the time constituted a committee of the Board of Directors duly authorized to take such action, or a committee of officers or other representatives of the Company or the Guarantor so authorized by the Board of Directors, such action by such a committee shall be deemed to be the action

of the Board of Directors and shall be sufficient for all purposes of this Indenture where action by the Board of Directors is specified.

Section 1705. Notices to the Company, Guarantor and Trustee. Any notice or demand authorized by this Indenture to be made upon, given or furnished to, or filed with, the Company, the Guarantor or the Trustee shall be sufficiently made, given, furnished or filed for all purposes if it shall be mailed, delivered or telefaxed to:

(a) the Company, at [1] to the attention of [], fax: [] or at such other address or facsimile number as may have been furnished in writing to the Trustee by the Company.

(b) the Guarantor, at [Citicorp Treasury Department, 153 East 53rd Street, 6th Floor, New York, New York 10043, Fax: (212) 793-[]], with a copy to Citigroup Corporate Law Department, 425 Park Avenue, 2nd Floor - Zone 3C, New York, New York 10022, Attention: General Counsel - Capital Markets, Fax: (212) 793-7600.

(c) the Trustee, at the Corporate Trust Office of the Trustee.

Any such notice, demand or other document shall be in the English language.

Section 1706. Notices to Holders; Waiver. Any notice required or permitted to be given to Securityholders shall be sufficiently given (unless otherwise herein expressly provided),

(a) if to Registered Holders, if given in writing by first class mail, postage prepaid, to such holders at their addresses as the same shall appear on the Register of the Company, and

(b) if to holders of Bearer Securities, if published on two separate Business Days in an Authorized Newspaper or Newspapers in such Place or Places of Payment specified pursuant to Section 301, the first such publication to be not earlier than the earliest date and not later than two Business Days prior to the latest date prescribed for the giving of such notice;

provided, however, that, in any case, any notice to holders of Floating Rate Securities regarding the determination of a periodic rate of interest, if such notice is required pursuant to Section 301, shall be sufficiently given if given in the manner specified pursuant to Section 301.

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(c) In the event of suspension of regular mail service or by reason of any other cause it shall be impracticable to give notice by mail, then such notification as shall be given with the approval of the Trustee shall constitute sufficient notice for every purpose hereunder.

(d) In the event of suspension of publication of any Authorized Newspapers or by reason of any other cause it shall be impractical to give notice by publication, then such notification as shall be given with the approval of the Trustee shall constitute sufficient notice for every purpose hereunder.

(e) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance on such waiver. In any case where notice to holders is given by mail; neither the failure to mail such notice nor any defect in any notice so mailed to any particular holder shall affect the sufficiency of such notice with respect to other holders, and any notice that is mailed in the manner herein provided shall be conclusively presumed to have been duly given. In any case

where notice to holders is given by publication, any defect in any notice so published as to any particular holder shall not affect the sufficiency of such notice with respect to other holders, and any notice that is published in the manner herein provided shall be conclusively presumed to have been duly given.

Section 1707. Legal Holiday. Unless otherwise specified pursuant to Section 301, in any case where any Interest Payment Date, Redemption Date or Maturity of any Security of any series shall not be a Business Day at any Place of Payment for the Securities of that series, then payment of principal and premium, if any, or interest need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on such Interest Payment Date, Redemption Date or Maturity and no interest shall accrue on such payment for the period from and after such Interest Payment Date, Redemption Date or Maturity, as the case may be, to such Business Day if such payment is made or duly provided for on such Business Day.

Section 1708. Effects of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1709. Successors and Assigns. All covenants and agreements in this Indenture by the parties hereto shall bind their respective successors and assigns and inure to the benefit of their permitted successors and assigns, whether so expressed or not.

Section 1710. Separability Clause. In case any provision in this Indenture or in the Securities or Coupons shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1711. Benefits of Indenture. Nothing in this Indenture expressed and nothing that may be implied from any of the provisions hereof is intended, or shall be construed, to confer upon, or to give to, any Person or corporation other than the parties hereto and their successors and the

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holders of the Securities and the holders of Senior Indebtedness any benefit or any right, remedy or claim under or by reason of this Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all covenants, conditions, stipulations, promises and agreements in this Indenture contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Securities.

Section 1712. Counterparts Originals. This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 1713. Governing Law. This Indenture, the Securities and the Coupons shall be deemed to be contracts made under the law of the State of New York, and for all purposes shall be governed by and construed in accordance with the law of said State.

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IN WITNESS WHEREOF, the parties have caused this Indenture to be duly executed as of the date first written above.

CITIGROUP FUNDING INC.,
as Issuer

By: _____

Name:
Title:

[Corporate Seal]

Attest:

CITIGROUP INC.,
as Guarantor

By: _____
Name:
Title:

[Corporate Seal]

Attest:

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Trustee

By: _____
Name:
Title:

REGISTERED
No. FX ____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.
MEDIUM-TERM SENIOR NOTE, SERIES A
(FIXED RATE)

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES

Issue Price: Original Issue Date:

Interest Rate: Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:

Designated Exchange Rate:

Interest Payment Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Interest Rate Reset: ☐ The Interest Rate may not be changed prior to Stated Maturity.

☐ The Interest Rate may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity:

Bond Yield to Call:

Optional Repayment:

☐ Yes

☐ No

Optional Repayment Dates:

Optional Repayment Prices:

Optional Extension of Stated Maturity:

☐ Yes

☐ No

Final Maturity:

Discount Note:

☐ Yes

☐ No

Total Amount of OID:

Yield to Maturity:

Renewable Note:

☐ Yes (see attached)

☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount) as to which
election may be exercised:

Survivor's Option:

☐ Yes (see attached)

☐ No

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CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay CEDE & Co. or registered assigns (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein and (b) accrued interest on the Principal Amount then outstanding (or in the case of an Indexed Principal Note, the Face Amount, then outstanding) at the Interest Rate shown above from the Original Issue Date shown above or from the most recent date to which interest has been paid or duly provided for, semiannually in arrears (unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith) on the Interest Payment Dates specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith and at the Stated Maturity, until, in either case, the Principal Amount then outstanding or the Face Amount is paid or duly provided for in accordance with

the terms hereof. Unless otherwise specified herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note, if any, will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

The interest so payable, and punctually paid or duly provided for, on each Interest Payment Date will, as provided in the Indenture referred to on the reverse hereof, be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which, unless otherwise specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith (and other than interest payable at Stated Maturity), shall be the date (whether or not a Business Day) fifteen calendar days immediately preceding such Interest Payment Date and, in the case of interest payable at Stated Maturity, shall be the Stated Maturity of this Note. Notwithstanding the foregoing, if this Note is issued between a Regular Record Date and the related Interest Payment Date, the interest so payable for the period from the Original Issue Date to such Interest Payment Date shall be paid on the next succeeding Interest Payment Date to the Registered Holder hereof on the related Regular Record Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Holder hereof on such Regular Record Date, and may be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes not less than ten days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Registered Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

For purposes of this Note, "Business Day" means: (i) with respect to any Registered Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; (ii) with respect to Registered Notes having a specified currency other than U.S. dollars only, other than Registered Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; (iii) with respect to Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "TARGET Business Day"); and (iv) with respect to any

determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the Specified Currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

If the Holder of this Note has a Survivor's Option, as indicated above, to elect repayment of this Note prior to Stated Maturity in the event of the death of any beneficial owner hereof, then, pursuant to exercise of such Survivor's Option, the Company will repay this Note (or applicable portion hereof) when properly tendered for repayment by or on behalf of the Person (the "Representative") that has authority to act on behalf of the deceased beneficial owner hereof under the laws of the appropriate jurisdiction (including, without limitation, the personal representative, executor, surviving joint tenant or surviving tenant by the entirety of such deceased beneficial owner) at a price equal to the Amortized Face Amount (calculated as set forth below) payable hereunder with respect to such beneficial owner, plus accrued interest thereon to the date of such repayment; provided, however, that the Company may, in its sole discretion, limit to \$2,500,000 (or the approximate equivalent thereof in other currencies) the aggregate principal amount of Notes of this series as to which exercises of the Survivor's Option will be accepted in any calendar year (the "Annual Put Limitation") and, in the event that the Annual Put Limitation is applied, limit to \$250,000 (or the approximate equivalent thereof in other currencies) the aggregate principal amount of Notes (or portions thereof) as to which exercises of the Survivor's Option will be accepted in such calendar year with respect to any individual deceased beneficial owner of Notes; and provided, further, that the Company will not make any principal payment pursuant to exercise of the Survivor's Option in an amount that is less than \$5,000 (or the approximate equivalent thereof in other currencies), and, in the event that the foregoing limitations would result in the partial repayment to any individual deceased beneficial owner of Notes, the principal amount owned by such deceased beneficial owner must not be less than \$5,000 (or the approximate equivalent thereof in other currencies) as a result of such repayment, which is the minimum authorized denomination of the Notes. This Note, or any portion hereof, if tendered pursuant to an exercise of the Survivor's Option, may be withdrawn by a written request of the Holder hereof received by the Paying Agent prior to its repayment.

The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or (y) if so specified, the Bond Yield to Call set forth on the face hereof (computed in each case in accordance with generally accepted United States bond yield computation principles), provided,

however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note shall be computed on the basis of the first occurring Optional Redemption Date with respect to such

Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

This Note (or any portion hereof), if tendered pursuant to a valid exercise of the Survivor's Option, will be accepted promptly based on the order in which all such Notes (or any portion thereof) are tendered, unless the acceptance hereof would (i) contravene the Annual Put Limitation or (ii) result in the acceptance during the then current calendar year of an aggregate principal amount of Notes (or portions thereof) exceeding \$250,000 (or the approximate equivalent thereof) with respect to any individual deceased beneficial owner. If, as of the end of any calendar year, the Company has not imposed the Annual Put Limitation or the aggregate principal amount of Notes that have been accepted pursuant to exercise of the Survivor's Option during such year has not exceeded the Annual Put Limitation for such year, any exercise of the Survivor's Option with respect to this Note (or any portion hereof) not accepted during such calendar year because more than \$250,000 (or the approximate equivalent thereof) aggregate principal amount of Notes (or portions thereof) was tendered with respect to the individual deceased beneficial owner hereof will be accepted in the order all such Notes were tendered, to the extent that any such exercise would not trigger the Annual Put Limitation, if any, for such calendar year. This Note (or portion hereof), if accepted for repayment pursuant to exercise of the Survivor's Option, will be repaid on the first Interest Payment Date that occurs twenty or more calendar days after the date of such acceptance. If this Note (or any portion hereof) is tendered for repayment and is not accepted in any calendar year due to the application of the Annual Put Limitation, then this Note (or any such portion) will be deemed to be tendered in the following calendar year based on the order in which all such Notes (or any portion thereof) were originally tendered, unless this Note (or any such portion hereof) is withdrawn by the Holder. In the event that this Note (or any portion hereof) tendered for repayment pursuant to valid exercise of the Survivor's Option is not accepted, the Paying Agent will deliver a notice to the affected Representative by first-class mail to the broker or other entity that represents the deceased beneficial owner of this Note that states the reasons this Note (or such portion) has not been accepted for repayment. If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

Subject to the foregoing, in order for the Survivor's Option to be validly exercised, the Paying Agent must receive (i) a written request for repayment signed by the Representative, and such signature must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or correspondent in the United States, (ii) tender of this Note (or applicable portion hereof), (iii) appropriate evidence satisfactory to the Company and the Paying Agent that (A) the Representative has authority to act on behalf of the applicable deceased beneficial owner hereof, (B) the death of such beneficial owner has occurred and (C) the deceased was a beneficial owner hereof at the time of death, and (iv) if applicable, a properly executed assignment or endorsement, and (v) if the Note is held by a nominee of the deceased beneficial owner, a certificate satisfactory to the Paying Agent from such nominee attesting to the beneficial ownership of such Note. All questions as to the eligibility or validity of any exercise of the Survivor's Option will be determined by the Company, in its sole discretion, which determination will be final and binding.

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The principal hereof and any premium and interest hereon are payable by the Company in the Specified Currency shown above. If the Specified Currency shown above is other than U.S. dollars, the Company will arrange to convert all payments in respect hereof into U.S. dollars in the manner described on the reverse hereof. The Holder hereof may, if so indicated above, elect to receive all payments in respect hereof in the Specified Currency by delivery of a written notice to the Trustee not later than fifteen calendar days prior to the applicable payment date. Such election will remain in effect until revoked by written notice to the Trustee received not later than fifteen calendar days prior to the applicable payment date. If the Company determines that the Specified Currency is not available for making payments in respect hereof due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions or within the international banking community, then the Holder hereof may not so elect to receive payments in the Specified Currency, and any such outstanding election shall be automatically suspended, and payments shall be in U.S. dollars, until the Company determines that the Specified Currency is again available for making such payments.

Payments of interest in U.S. dollars (other than interest payable at Stated Maturity) will be made by check mailed to the address of the Person entitled thereto as such address shall appear on the Security Register on the applicable Record Date; provided that, if the Holder hereof is the Holder of U.S. \$10,000,000 (or the equivalent thereof in a currency other than U.S. dollars determined as provided on the reverse hereof) or more in aggregate principal amount of Registered Notes of like tenor and term, such U.S. dollar interest payments will be made by wire transfer of immediately available funds, but only if appropriate wire transfer instructions have been received in writing

by the Trustee not less than fifteen calendar days prior to the applicable Interest Payment Date. Simultaneously with any election by the Holder hereof to receive payments in respect hereof in the Specified Currency (if other than U.S. dollars), such Holder shall provide appropriate wire transfer instructions to the Trustee and all such payments will be made by wire transfer of immediately available funds to an account maintained by the payee with a bank located outside the United States. The principal hereof and any premium and interest hereon payable at Stated Maturity will be paid in immediately available funds upon surrender of this Note at the corporate trust office or agency of the Trustee located in the City and State of New York.

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REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Citibank, N.A., or its successor, as authentication agent.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

CITIBANK, N.A., as authentication agent

By _____
Authorized Signatory

(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
MEDIUM-TERM SENIOR NOTE, SERIES A
(FIXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., as trustee (the "Trustee," which term includes any successor Trustee under the Indenture), to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in registered form without coupons. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of Registered Notes denominated in U.S. dollars will be U.S.\$1,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Registered Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Each Registered Note will be issued initially as a Book-Entry Note, and will not be exchangeable for Certificated Notes, except as otherwise provided in the Indenture or specified in the applicable pricing supplement.

Fixed Rate Notes

This Note will bear interest from its Original Issue Date, or from the last Interest Payment Date to which interest has been paid or duly provided for, at the Interest Rate stated on the face hereof or in the pricing supplement attached hereto or delivered herewith until the principal amount hereof is paid or made available for payment, except as otherwise described below under "Subsequent Interest Periods" and "Extension of Stated Maturity", and except

that if so specified in the attached pricing supplement, the rate of interest payable may be subject to adjustment as specified therein.

Unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note will be payable semiannually in arrears on the Interest Payment Dates set forth above and at Stated Maturity. If an Interest Payment Date with respect to any Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, however, that any payment required to be made in respect of such Note on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made

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on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment. However, if with respect to any Note for which "Accrue to Pay" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, any Interest Payment Date with respect to such Fixed Rate Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day.

Each payment of interest in respect of an Interest Payment Date shall include interest accrued through the day before such Interest Payment Date. Unless otherwise specified herein, interest on this Note will be computed on the basis of a 360-day year of twelve 30-day months ("30 over 360") or, in the case of an incomplete month, the number of days elapsed.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee will mail to the Holder of this Note a notice (the "Reset Notice"), first class, postage prepaid, indicating whether the Company has elected to reset the Interest Rate, and if so, (i) such new Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the

foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Interest Rate provided for in the Reset Notice and establish a higher Interest Rate for the Subsequent Interest Period by causing the Trustee to mail notice of such higher Interest Rate, first class, postage prepaid, to the Holder of this Note. Such notice shall be irrevocable. All Registered Notes with respect to which the Interest Rate is reset on an Optional Reset Date will bear such higher Interest Rate.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Trustee, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then the principal amount payable at Stated Maturity or earlier redemption or retirement is determined by reference to the amount designated on

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the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Specified Currency

If the Specified Currency is other than U.S. dollars, the amount of

any U.S. dollar payment to be made in respect hereof will be determined by the Company or its agent based on the highest firm bid quotation expressed in U.S. dollars received by the Company or its agent at approximately 11:00 a.m., New York City time, on the second Business Day preceding the applicable payment date (or, if no such rate is quoted on such date, the last date on which such rate was quoted) from three (or, if three are not available, then two) recognized foreign exchange dealers in The City of New York selected by the Exchange Rate Agent (one or more of which may be an agent involved in the distribution of the Notes (an "Agent") and another of which may be the Exchange Rate Agent) for the purchase by the quoting dealer, for settlement on such payment date, of the aggregate amount of the Specified Currency payable on such payment date in respect of all Registered Notes denominated in such Specified Currency. All currency exchange costs will be borne by the Holders of such Registered Notes by deductions from such payments. If no such bid quotations are available, then such payments will be made in the Specified Currency, unless the Specified Currency is unavailable due to the imposition of exchange controls or to other circumstances beyond the Company's control, in which case payment will be made as described in the next paragraph.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a specified currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Indenture.

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In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be mailed in accordance with the terms of the applicable Tranche of Dual Currency Notes within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to

twice the Special Election Interval) after such Renewal Date, if the Holder of

this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to the Trustee (or any duly appointed paying agent) at the corporate trust office of the Trustee or agency of the Trustee in the City of New York not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to the Trustee (or any duly appointed paying agent) and, as soon as practicable following receipt of such Note the Trustee (or any duly appointed paying agent) shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, the Trustee, or any duly appointed paying agent, shall issue in exchange for such Note in the name of such Holder a replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee will mail to the Holder of this Note

not later than 40 days prior to the original Stated Maturity a notice (the "Extension Notice"), first class, postage prepaid, indicating (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) the Interest Rate applicable to the Extension Period, and (iv) the provisions, if any, for redemption during such Extension Period including the date or dates on which, or the period or periods during which, and the price or prices at which, such redemption may occur during the Extension Period. Upon the Trustee's mailing of the Extension Notice, the Stated Maturity of this

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Note shall be extended automatically and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the mailing of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Interest Rate provided for in the Extension Notice and establish a higher Interest Rate for the Extension Period by causing the Trustee to mail notice of such higher Interest Rate, first class, postage prepaid, to the Holder of this Note. Such notice shall be irrevocable. All Registered Notes with respect to which the Stated Maturity is extended will bear such higher Interest Rate for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Trustee, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. Unless otherwise stated on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Trustee shall mail to the Holder a notice of such redemption first class, postage prepaid, at least 30 days prior to the date of redemption. Unless otherwise stated herein, the Company may exercise such option with respect to a redemption of this Note in part only by notifying the Trustee for this Note at least 45 days prior to any Optional

Redemption Date. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof will be issued to the Holder hereof upon the cancellation hereof.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. In order for this Note to be repaid, the Trustee must receive at least 30 but not more than 45 days prior to an Optional Repayment Date (i) this Note with the form below entitled "Option to Elect Repayment" duly completed; or (ii) a telegram, telex, facsimile transmission or letter from a member of a national securities exchange or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States of America setting forth the name of the Holder of this Note, the principal amount of the Note to be repaid, the certificate number or a description of the tenor and terms of this Note, a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note with the form below entitled "Option to Elect

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Repayment" duly completed will be received by the Trustee not later than five Business Days after the date of such telegram, telex, facsimile transmission or letter. If the procedure described in clause (ii) of the preceding sentence is followed, this Note with form duly completed must be received by the Trustee by such fifth Business Day. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of the Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued in the name of the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has

accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

The Company may at any time purchase Registered Notes at any price in the open market or otherwise. Registered Notes so purchased by the Company may, at the discretion of the Company, be held or resold or surrendered to the Trustee for such Notes for cancellation.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Registered Notes of different authorized denominations, as requested by the Person surrendering the same.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable on the Security Register of the Company, upon surrender of this Note for registration of transfer at the office or agency of the Company in the Borough of Manhattan, the City and State of New York, duly endorsed by, or accompanied by a written instrument of

transfer in form satisfactory to the Company, the Security Registrar and the Trustee duly executed by the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Registered Notes of this series, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat

the Person in whose name this Note is registered as the Holder hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note shall at any time become mutilated, destroyed, stolen or lost and this Note or evidence of the loss, theft, or destruction hereof (together with such indemnity and such other documents or proof as may be required by the Company or the Trustee) shall be delivered to the principal corporate trust office of the Trustee or the agent of the Company or Trustee, a new Registered Note of like tenor and principal amount will be issued by the Company in exchange for, or in lieu of, this Note. All expenses and reasonable charges associated with procuring such indemnity and with the preparation, authentication and delivery of a new Registered Note shall be borne by the Holder of this Note.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the

conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -as tenants in common	UNIF GIFT MIN ACT	Custodian
TEN ENT -as tenants by the entireties	(Cust)	(Minor)
JT ENT -as joint tenants with	Under Uniform Gifts to Minors Act	
right of survivorship and not as tenants in common	_____ (State)	

Additional abbreviations may also be used though not in the above list

OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably requests and instructs the Company to repay \$_____ principal amount of the within Note, pursuant to its terms, on the "Optional Repayment Date" first occurring after the date of receipt of the within Note as specified below, together with interest thereon accrued to the date of repayment, to the undersigned at:

(Please Print or Type Name and Address of the Undersigned)

and to issue to the undersigned, pursuant to the terms of the Indenture, a new Note or Notes representing the remaining principal amount of this Note.

For this Option to Elect Repayment to be effective, this Note with the Option to Elect Repayment duly completed must be received by the Company within the relevant time period set forth above at its office or agency in the Borough of Manhattan, the City and State of New York, located initially at the office of the Trustee at 4 New York Plaza, 6th Floor, New York, New York 10004.

Dated:

Note: The signature to this Option to
Elect Repayment must correspond with

the name as written upon the face of
the within Note in every particular
without alteration or enlargement or
any change whatsoever.

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and
transfer(s) unto

Please insert Social Security or Other
Identifying Number of Assignee

Please Print or Type Name and Address Including Zip Code of Assignee

the within Note and all rights thereunder, hereby irrevocably constituting and
appointing

_____attorney
to transfer such Note on the books of Citigroup Funding Inc. with full power of
substitution in the premises.

Dated: _____

Signature

NOTICE: The signature to this
assignment must correspond with the
name as it appears upon the face of the
Note in every particular, without
alteration or enlargement or any change
whatsoever.

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REGISTERED
NO. FL_____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.
MEDIUM-TERM SENIOR NOTE, SERIES A
(FLOATING OR INDEXED RATE)

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET
FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED
STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES

Issue Price: Original Issue Date:
Initial Interest Rate: Stated Maturity:
Specified Currency (If other than U.S. dollars):
Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:

Designated Exchange Rate:

Base Rate: ☐ CD Rate ☐ Commercial Paper Rate ☐ Federal Funds Rate
☐ LIBOR Telerate ☐ LIBOR Reuters ☐ Treasury Rate
☐ Treasury Rate Constant Maturity ☐ Prime Rate
☐ Eleventh District Cost of Funds Rate ☐ EURIBOR
☐ Other (see attached)

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Interest Reset Period or Interest Reset Dates: Index Maturity:

Interest Payment Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Floating Rate: ☐ Indexed Interest Rate: ☐ (see attached)

Spread Multiplier: Spread (+/-):

Spread Reset: ☐ The Spread or Spread Multiplier may not be changed prior to Stated Maturity.

☐ The Spread or Spread Multiplier may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Maximum Interest Rate:

Minimum Interest Rate:

Inverse Floating Rate Note: ☐ Yes (see attached) ☐ No

Initial Fixed Interest Rate: Reset Fixed Reference Rate

Floating Rate / Fixed Rate Note: ☐ Yes (see attached) ☐ No

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: ☐ Yes ☐ No

Optional Repayment Dates: Optional Repayment Prices:

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Optional Extension of Stated Maturity: ☐ Yes ☐ No

Final Maturity:

Discount Note: ☐ Yes ☐ No

Total Amount of OID: Yield to Maturity:

Renewable Note: ☐ Yes (see attached) ☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount) as to which election may be exercised:

Survivor's Option ☐ Yes (see attached) ☐ No

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CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay CEDE & Co. or registered assigns (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein, and (b) accrued interest on the Principal Amount then outstanding (or, in the case of an Indexed Principal Note, the Face Amount then outstanding): (i) if this is a Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Base Rate shown above, adjusted by the Spread or Spread Multiplier, if any, shown above, determined in accordance with the provisions hereof, (ii) if this is an Indexed Rate Note, at a rate determined by reference to an Index as described herein, (iii) if this is an Inverse Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Inverse Floating Rate, as determined in accordance with the provisions hereof, or (iv) if this is a Floating Rate / Fixed Rate Note, at a rate determined as described herein, until, in each case, the Principal Amount or the Face Amount then outstanding is paid or duly provided for in accordance with the terms hereof.

The interest so payable, and punctually paid or duly provided for, on each Interest Payment Date will, as provided in the Indenture referred to on the reverse hereof, be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which, unless otherwise specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith (and other than interest payable at Stated Maturity), shall be the date (whether or not a Business Day) fifteen calendar days immediately preceding such Interest Payment Date and, in the case of interest payable at Stated Maturity, shall be the Stated Maturity of this Note. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Holder hereof on such Regular Record Date, and may be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes not less than ten days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Registered Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

For purposes of this Note, "Business Day" means: (i) with respect to any Registered Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are

authorized or obligated by law or executive order to close; (ii) if the Base Rate specified above is LIBOR, any such day on which dealings in deposits in the Specified Currency are transacted in the London interbank market (a "London Business Day"); (iii) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in

New York City and London (an "Exchange Rate Business Day"); (iv) with respect to Registered Notes having a specified currency other than U.S. dollars only, other than Registered Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and (v) with respect to EURIBOR Notes and Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "Target Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the specified currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

If the Holder of this Note has a Survivor's Option, as indicated above, to elect repayment of this Note prior to Stated Maturity in the event of the death of any beneficial owner hereof, then, pursuant to exercise of such Survivor's Option, the Company will repay this Note (or applicable portion hereof) when properly tendered for repayment by or on behalf of the Person (the "Representative") that has authority to act on behalf of the deceased beneficial owner hereof under the laws of the appropriate jurisdiction (including, without limitation, the personal representative, executor, surviving joint tenant or surviving tenant by the entirety of such deceased beneficial owner) at a price equal to the Amortized Face Amount (calculated as set forth below) payable hereunder with respect to such beneficial owner, plus accrued interest thereon to the date of such repayment; provided, however, that the Company may, in its sole discretion, limit to \$2,500,000 (or the approximate equivalent thereof in other currencies) the aggregate principal amount of Notes of this series as to which exercises of the Survivor's Option will be accepted in any calendar year (the "Annual Put Limitation") and, in the event that the Annual Put Limitation is applied, limit to \$250,000 (or the approximate equivalent thereof in other currencies) the aggregate principal amount of Notes (or portions thereof) as to which exercises of the Survivor's Option will be accepted in such calendar year

with respect to any individual deceased beneficial owner of Notes; and provided, further, that the Company will not make any principal payment pursuant to exercise of the Survivor's Option in an amount that is less than \$5,000 (or the approximate equivalent thereof in other currencies), and, in the event that the foregoing limitations would result in the partial repayment to any individual deceased beneficial owner of Notes, the principal amount owned by such deceased beneficial owner must not be less than \$5,000 (or the approximate equivalent thereof in other currencies) as a result of such repayment, which is the minimum authorized denomination of the Notes. This Note, or any portion hereof, if tendered pursuant to an exercise of the Survivor's Option, may be withdrawn by a written request of the Holder hereof received by the Paying Agent prior to its repayment.

The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x)

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the Bond Yield to Maturity set forth on the face hereof or (y) if so specified, the Bond Yield to Call set forth on the face hereof (computed in each case in accordance with generally accepted United States bond yield computation principles), provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

This Note (or any portion hereof), if tendered pursuant to a valid exercise of the Survivor's Option, will be accepted promptly based on the order in which all such Notes (or any portion thereof) are tendered, unless the acceptance hereof would (i) contravene the Annual Put Limitation or (ii) result in the acceptance during the then current calendar year of an aggregate principal amount of Notes (or portions thereof) exceeding \$250,000 (or the approximate equivalent thereof) with respect to any individual deceased beneficial owner. If, as of the end of any calendar year, the Company has not imposed the Annual Put Limitation or the aggregate principal amount of Notes that have been accepted pursuant to exercise of the Survivor's Option during such year has not exceeded the Annual Put Limitation for such year, any exercise of the Survivor's Option with respect to this Note (or any portion hereof) not accepted during such calendar year because more than \$250,000 (or the approximate equivalent thereof) aggregate principal amount of Notes (or portions thereof) was tendered with respect to the individual deceased beneficial owner hereof will be accepted in the order all such Notes were tendered, to the extent

that any such exercise would not trigger the Annual Put Limitation, if any, for such calendar year. This Note (or portion hereof), if accepted for repayment pursuant to exercise of the Survivor's Option, will be repaid on the first Interest Payment Date that occurs twenty or more calendar days after the date of such acceptance. If this Note (or any portion hereof) is tendered for repayment and is not accepted in any calendar year due to the application of the Annual Put Limitation, then this Note (or any such portion) will be deemed to be tendered in the following calendar year based on the order in which all such Notes (or any portion thereof) were originally tendered, unless this Note (or any such portion hereof) is withdrawn by the Holder. In the event that this Note (or any portion hereof) tendered for repayment pursuant to valid exercise of the Survivor's Option is not accepted, the Paying Agent will deliver a notice to the affected Representative by first-class mail to the broker or other entity that represents the deceased beneficial owner of this Note that states the reasons this Note (or such portion) has not been accepted for repayment.

Subject to the foregoing, in order for the Survivor's Option to be validly exercised, the Paying Agent must receive (i) a written request for repayment signed by the Representative, and such signature must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or correspondent in the United States, (ii) tender of this Note (or applicable portion hereof), (iii) appropriate evidence satisfactory to the Company and the Paying Agent that (A) the Representative has authority to act on behalf of the applicable deceased beneficial owner hereof, (B) the death of such beneficial owner has occurred and (C)

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the deceased was a beneficial owner hereof at the time of death, and (iv) if applicable, a properly executed assignment or endorsement, and (v) if the Note is held by a nominee of the deceased beneficial owner, a certificate satisfactory to the Paying Agent from such nominee attesting to the beneficial ownership of such Note. All questions as to the eligibility or validity of any exercise of the Survivor's Option will be determined by the Company, in its sole discretion, which determination will be final and binding.

The principal hereof and any premium and interest hereon are payable by the Company in the Specified Currency shown above. If the Specified Currency shown above is other than U.S. dollars, the Company will arrange to convert all payments in respect hereof into U.S. dollars in the manner described on the reverse hereof. The Holder hereof may, if so indicated above, elect to receive all payments in respect hereof in the Specified Currency by delivery of a written notice to the Trustee not later than fifteen calendar days prior to the applicable payment date. Such election will remain in effect until revoked by written notice to the Trustee received not later than fifteen calendar days prior to the applicable payment date. If the Company determines that the Specified Currency is not available for making payments in respect hereof due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such

currency or for the settlement of transactions by public institutions or within the international banking community, then the Holder hereof may not so elect to receive payments in the Specified Currency, and any such outstanding election shall be automatically suspended, and payments shall be in U.S. dollars, until the Company determines that the Specified Currency is again available for making such payments.

Payments of interest in U.S. dollars (other than interest payable at Stated Maturity) will be made by check mailed to the address of the Person entitled thereto as such address shall appear on the Security Register on the applicable Record Date; provided that, if the Holder hereof is the Holder of U.S. \$10,000,000 (or the equivalent thereof in a currency other than U.S. dollars determined as provided on the reverse hereof) or more in aggregate principal amount of Registered Notes of like tenor and term, such U.S. dollar interest payments will be made by wire transfer of immediately available funds, but only if appropriate wire transfer instructions have been received in writing by the Trustee not less than fifteen calendar days prior to the applicable Interest Payment Date. Simultaneously with any election by the Holder hereof to receive payments in respect hereof in the Specified Currency (if other than U.S. dollars), such Holder shall provide appropriate wire transfer instructions to the Trustee and all such payments will be made by wire transfer of immediately available funds to an account maintained by the payee with a bank located outside the United States. The principal hereof and any premium and interest hereon payable at Stated Maturity will be paid in immediately available funds upon surrender of this Note at the corporate trust office or agency of the Trustee located in the City and State of New York.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

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This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Citibank, N.A., or its successor, as authentication agent.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

CITIBANK, N.A., as authentication agent

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
MEDIUM-TERM SENIOR NOTE, SERIES A
(FLOATING OR INDEXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., as trustee (the "Trustee," which term includes any successor Trustee under the Indenture), to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in registered form without coupons. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of Registered Notes denominated in U.S. dollars will be U.S.\$1,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Registered Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Each Registered Note will be issued initially as a Book-Entry Note, and will not be exchangeable for Certificated Notes, except as otherwise provided in the Indenture or specified in the applicable pricing supplement.

Floating Rate Notes

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if this Note is a Floating Rate Note, this Note will bear interest from its Original Issue Date to, but not including, the first Interest Reset Date (as defined below) at the Initial Interest Rate set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. Thereafter, the interest rate hereon for each Interest Reset Period will be determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Base Rates that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith are LIBOR, the Commercial Paper Rate, the Treasury Rate, the Federal Funds Rate, the CD Rate, the Prime

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Rate, the Eleventh District Cost of Funds Rate, EURIBOR or any other Base Rate specified on the face hereof.

"H.15(519)" means the publication entitled "Statistical Release H.15(519), Selected Interest Rates" or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update/> or any successor site or publication.

"Calculation Date," where applicable, means the date on which the Calculation Agent is to calculate the interest rate for the Notes which shall be the earlier of (1) the tenth calendar day after the related Rate Determination Date, or if any such day is not a Business Day, the next succeeding business day or (2) the Business Day preceding the applicable Interest Payment Date or the Stated Maturity, as the case may be.

As specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note may also have either or both of the following (in each case expressed as a rate per annum on a simple interest basis): (i) a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period ("Maximum Interest Rate") and/or (ii) a

minimum limitation, or floor, on the rate at which interest may accrue during any interest period ("Minimum Interest Rate"). In addition to any Maximum Interest Rate that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest rate will in no event be higher than the maximum rate permitted by applicable law, as the same may be modified by United States law of general application.

The Company will appoint, and enter into an agreement with, agents (each, a "Calculation Agent") to calculate interest rates on this Note. All determinations of interest rates by the Calculation Agent shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder hereof. Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, Citibank, N.A. shall be the Calculation Agent for this Note. At the request of the Holder hereof, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date.

The interest rate hereon will be reset daily, weekly, monthly, quarterly, semiannually or annually (such period being the "Interest Reset Period" specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and the first day of each Interest Reset Period being an "Interest Reset Date"). Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Reset Dates will be as follows: (i) if this Note resets daily, each Business Day; (ii) if this Note (unless this Note is a Treasury Rate Note) resets weekly, Wednesday of each week; (iii) if this Note is a Treasury Rate Note that resets weekly, Tuesday of each week (except as provided below under "Determination of Treasury Rate"); (iv) if this Note resets monthly, the third Wednesday of each month (with the exception of monthly reset Eleventh District Cost of Funds Rate Notes, which reset on the first calendar day of each month); (v) if this Note is an Eleventh District Cost of

Funds Rate Note that resets monthly, the first calendar day of each month; (vi) if this Note resets quarterly, the third Wednesday of March, June, September and December of each year; (vii) if this Note resets semiannually, the third Wednesday of the two months of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (viii) if this Note resets annually, the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If an Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall instead be the immediately preceding Business Day. If an auction of direct obligations of United States Treasury Bills falls on a day that is an Interest Reset Date for Treasury Rate Notes, the Interest Reset Date

shall be the succeeding Business Day.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest payable hereon on each Interest Payment Date shall be the accrued interest from and including the Original Issue Date or the last date to which interest has been paid, as the case may be, to but excluding such Interest Payment Date.

If more than one Interest Reset Date occurs during any period for which accrued interest is being calculated, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. The interest factor (expressed as a decimal calculated to seven decimal places without rounding) for each such day will be computed, unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, by dividing the interest rate in effect on such day by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate. In all other cases, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof) by the interest rate in effect during the period for which accrued interest is being calculated, and multiplying that product by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof is the Treasury Rate. For purposes of making the foregoing calculations, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on such date.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, all percentages resulting from any calculation of the rate of interest hereof will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward, and all currency amounts used in or

resulting from such calculation will be rounded to the nearest one-hundredth of a unit (with .005 of a unit being rounded upward).

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, interest will be payable as

follows: (i) if this Note resets daily, weekly or monthly (other than Eleventh District Cost of Funds Rate Notes), interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith or; (ii) in the case of Eleventh District Cost of Funds Rate Notes, interest will be payable on the first calendar day of each March, June, September and December; (iii) if this Note resets quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year; (iv) if this Note resets semiannually, interest will be payable on the third Wednesday of each of two months of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (v) if this Note resets annually, interest will be payable on the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in each case at Stated Maturity (each such day being an "Interest Payment Date"). If an Interest Payment Date would otherwise fall on a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Payment Date shall instead be the immediately preceding Business Day; provided, however, if with respect to any Note for which "Accrue to Pay" is not specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if an Interest Payment Date with respect to such Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, further, that any payment required to be made in respect of a Note that does not Accrue to Pay on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date the rate of interest shall be the rate determined in accordance with the provisions of the applicable heading below.

Determination of CD Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the CD Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "CD Rate" for each Interest Reset Period shall be the rate as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "CD Rate Determination Date") for negotiable U.S. dollar certificates of deposit having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in H.15(519) under the heading "CDs (Secondary Market)". In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined

above) pertaining to such CD Rate Determination Date, then the "CD Rate" for such Interest Reset Period will be the rate on such CD Rate Determination Date for negotiable U.S. dollar certificates of deposit of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or H.15 Daily Update, then the "CD Rate" for such Interest Reset Period will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on such CD Rate Determination Date of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable U.S. dollar certificates of deposit of major United States money center banks of the highest credit standing (in the market for negotiable U.S. dollar certificates of deposit) with a remaining maturity closest to the Index Maturity on the face hereof or in the pricing supplement attached hereto or delivered herewith in a denomination of \$5,000,000; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the CD Rate for such Interest Reset Period will be the same as the CD Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

Determination of Commercial Paper Rate

If the Base Rate shown on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Commercial Paper Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Commercial Paper Rate" for each Interest Reset Period will be determined by the Calculation Agent as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Commercial Paper Rate Determination Date") and shall be the Money Market Yield (as defined below) on such Commercial Paper Rate Determination Date of the rate for commercial paper having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate shall be published in H.15(519) under the heading "Commercial Paper-Nonfinancial." In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Commercial Paper Rate Determination Date, then the Commercial Paper Rate for such Interest Reset Period shall be the Money Market Yield on such Commercial Paper Rate Determination Date of the rate for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the

applicable rate, under the heading "Commercial Paper-Nonfinancial." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or the H.15 Daily Update, then the "Commercial Paper Rate" for such Interest Reset Period shall be the Money Market Yield of the arithmetic mean of the offered rates as of 11:00 a.m., New York City time, on such Commercial Paper Rate Determination Date of three leading dealers of U.S. dollar commercial paper in The City of New York selected by the Calculation Agent for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or

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delivered herewith placed for an industrial issuer whose bonds are rated "AA" or the equivalent by a nationally recognized rating agency; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the "Commercial Paper Rate" for such Interest Reset Period will be the same as the Commercial Paper Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

"Money Market Yield" shall be the yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal and "M" refers to the actual number of days in the applicable Interest Reset Period specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

Determination of Federal Funds Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Federal Funds Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Federal Funds Rate and Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Federal Funds Rate" for each Interest Reset Period shall be the effective rate on the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Federal Funds Rate Determination Date") for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service). In the event that such rate does not appear on Moneyline Telerate on Page 120 or is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Federal Funds Rate Determination Date, the "Federal Funds Rate" for such Interest Reset Period shall be the rate on such Federal Funds Rate Determination

Date as published in the H.15 Daily Update under the heading "Federal Funds/Effective Rate," or other recognized electronic source used for the purpose of displaying the applicable rate. If by 3:00 p.m., New York City time, on such Calculation Date, such rate is not yet published, then the "Federal Funds Rate" for such Interest Reset Period shall be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar Federal Funds transactions in New York City, selected by the Calculation Agent prior to 9:00 a.m., New York City time, on that Federal Funds Rate Determination Date; provided, however, that if the brokers so selected by the Calculation Agent are not quoting as mentioned above, the "Federal Funds Rate" for the Interest Reset Period will be the "Federal Funds Rate" in effect for the particular Federal Funds Rate Determination Date. If there was no Federal Funds Rate in effect for the Interest Reset Period, the "Federal Funds Rate" will be the initial interest rate.

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Determination of LIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof. "LIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows.

On the second London Business Day prior to the Interest Reset Date for such Interest Reset Period (a "LIBOR Determination Date"), the Calculation Agent for such LIBOR Note will determine the offered rates for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appear on the Designated LIBOR Page at approximately 11:00 a.m., London time, on such LIBOR Determination Date. "Designated LIBOR Page" means either (a) if "LIBOR Moneyline Telerate" is designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the method for calculating LIBOR, the display designated as page "3750" on the Telerate Service ("Telerate") (or such other page as may replace page "3750" on such service or such other service as may be replaced by a successor service for the purpose of displaying the London interbank offered rates of major banks), and LIBOR for such Interest Reset Period will be the relevant offered rate as determined by the Calculation Agent or (b) if "LIBOR Reuters" is designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, "Designated LIBOR Page" means the display designated as page "LIBO" on the Reuters Monitor Money Rates Service and LIBOR will be the arithmetic means of the offered rates, calculated by the Calculation Agent, or the offered rate, if the designated LIBOR page by its terms provides only for a single rate (or such other page as may replace the LIBO page on such service or such other service as may be replaced by a successor service for the

purpose of displaying London interbank offered rates of major banks). If neither LIBOR Reuters nor LIBOR Telerate is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, LIBOR will be determined as if LIBOR Moneyline Telerate had been specified.

If LIBOR cannot be determined as described above (either because the Designated LIBOR Page is no longer available or because fewer than two offered rates appear on the Designated LIBOR Page on the LIBOR Determination Date), the Calculation Agent will determine "LIBOR" as follows. The Calculation Agent will request the principal London offices of each of the four major banks in the London interbank market selected by the Calculation Agent to provide the Calculation Agent with its offered quotations for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the LIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in the Specified Currency, that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic

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mean of rates quoted by three major banks in The City of New York selected by the Calculation Agent at approximately 11:00 a.m., New York city time, on the LIBOR Determination Date for loans in the Specified Currency to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in the Specified Currency that is representative of a single transaction in such market at such time; provided, however, that if fewer than three banks selected as aforesaid by the Calculation Agent are quoting rates as mentioned in this sentence. "LIBOR" for such Interest Reset Period will be the same as LIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the LIBOR Rate will be the Initial Interest Rate).

Determination of Treasury Rate

If the Base Rate specified in the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate or Treasury Rate Constant Maturity, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Unless "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate for the auction held on the Treasury Rate

Determination Date (as defined below) for such Interest Reset Period of direct obligations of the United States ("Treasury Securities") that have the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate appears on either Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace the page on that service) or on page 57 (or any other page as may replace that page on that service) under the heading "Investment Rate." The following procedures will be followed if the Treasury Rate cannot be determined as described above. If not so published by 3:00 p.m., New York City time, on the Calculation Date, the Treasury Rate will be the Bond Equivalent Yield (defined below) of the rate for the applicable treasury securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Auction High." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable Treasury Securities as announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury Securities is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the Treasury Rate Determination Date of the applicable Treasury Securities published in H.15(519) under the heading of "U.S. Government Securities/Treasury Bills/Secondary Market." If such rate is not so published by 3:00 p.m., New York City time, on the related Calculated Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date of the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Secondary Market." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date calculated by the Calculation Agent as the Bond Equivalent

Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the Treasury Rate Determination Date, of three primary United States government securities dealers selected by the Calculation Agent for the issue of Treasury Securities with a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting bid rates as mentioned in this sentence, then the "Treasury Rate" for such Interest Reset Period will be the same as the Treasury Rate for the immediately preceding Interest Reset Period (or, if there was no Interest Reset Period, the Initial Interest Rate).

The "Treasury Rate Determination Date" for each Interest Reset Period will be the day of the week in which the Interest Reset Date for such Interest Reset Period falls on which Treasury Securities would normally be auctioned. Treasury Securities are normally sold at auction on Monday of each

week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Rate Determination Date pertaining to the Interest Reset Period commencing in the next succeeding week. If an auction date shall fall on any day that would otherwise be an Interest Reset Date for a Note whose Base Rate is the Treasury Rate, then such Interest Reset Date shall instead be the Business Day immediately following such auction date.

Bond Equivalent: Yield will be calculated as follows:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for treasury securities quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

If "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate displayed on the Designated CMT Telerate Rate Page under the caption "Treasury Constant Maturities" under the column for the Designated CMT Maturity Index in the following manner. If the Designated CMT Moneyline Telerate Page is 7051, the Treasury Rate will be the rate on the Constant Maturity Treasury Rate Determination Date. In the event that such rate does not appear on Moneyline Telerate Page 7051, then the Treasury Rate will be the treasury constant maturity rate for the designated CMT maturity index as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the constant treasury maturity rate on the Constant maturity Treasury Rate Determination Date for the designated CMT maturity index as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would have otherwise been published in H.15(519). If the Designated CMT Moneyline Telerate Page is 7052, the "Treasury Rate" will be the weekly or monthly average, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, for the week or the month, as applicable, ended

immediately preceding the week or month, as applicable, in which the related Constant Maturity Treasury Rate Determination Date occurs. In the event that such rate does not appear on Moneyline Telerate Page 7052, then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the

treasury constant maturity rate for the designated CMT maturity index for the week or month as applicable, preceding the Constant Maturity Treasury Determination Date as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the constant treasury maturity rate for the designated CMT maturity index as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the Constant Maturity Treasury Rate Determination Date falls.

The following procedures will be followed if the Treasury Rate cannot be determined as indicated above. If such information, as applicable, is not so published, then the Calculation Agent will calculate the Treasury Rate on the Constant Maturity Treasury Rate Determination Date as follows which shall be a yield to maturity, based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in The City of New York selected by the Calculation Agent, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for United States Treasury Securities ("Treasury Notes"), with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year and in a principal amount that is representative for a single transaction in the securities in that market at that time.

If the Calculation Agent is unable to obtain three such Treasury Note quotations, the Treasury Rate on the Constant Maturity Treasury Rate Determination Date will be calculated by the Calculation Agent, and shall be a yield to maturity based on the arithmetic mean of the secondary market offer side prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in the City of New York, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for Treasury Notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in an amount that is representative for a single transaction in that market at that time.

If three or four, and not five, of such dealers are quoting as described above, then the Treasury Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotes will be eliminated. However, if fewer than three dealers so selected by the Calculation Agent are quoting as mentioned above, the Treasury Rate determined as of the Constant Maturity Treasury Rate Determination Date will be the

effect on the Constant Maturity Treasury Rate Determination Date. If two Treasury Notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the Calculation Agent will obtain quotations for the Treasury Note with the shorter remaining term to maturity and will use such quotations to calculate the Treasury Rate as set forth above.

"Designated CMT Moneyline Telerate Page" means the display on the Telerate Service, or any successor service on the page specified in the applicable pricing supplement, or any other page as may replace such page on that service, or any successor service, for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable pricing supplement, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury securities, either one, two, three, five, seven, ten, twenty or thirty years, specified in the applicable pricing supplement with respect to which the Treasury Rate will be calculated. If no such maturity is specified in the applicable pricing supplement, the Designated CMT Maturity Index shall be two years.

"The Constant Maturity Treasury Rate Determination Date" shall be the second Business Day prior to the Interest Reset Date for the applicable Interest Reset Period.

Determination of Prime Rate

Prime Rate Notes will bear interest at the interest rates (calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any) specified in the Prime Rate Notes and in the applicable pricing supplement.

The "Prime Rate" for each Interest Reset Period will be determined by the Calculation Agent for such Prime Rate Note as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Prime Rate Determination Date") and shall be the rate made available and subsequently published on such date in H.15(519) under the heading "Bank Prime Loan." In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Prime Rate Determination Date, then the Prime Rate for such Interest Reset Period shall be the rate published in the H.15 Daily Update under the heading "Bank Prime Loan." In the event that such rate has not been published prior to 3:00 p.m., New York City time, on the Calculation Date, then the Prime Rate will be calculated by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen USPRIME1 Page

(as defined below) as such bank's prime rate or base lending rate on the Prime Rate Determination Date. If fewer than four such rates appear on the Reuters Screen USPRIME1 Page for the Prime Rate Determination Date, the rate shall be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date by three major banks in The City of New York selected by the Calculation Agent. However, if the banks so selected by the Calculation Agent are not quoting as mentioned in the previous sentence, the Prime Rate will be the Prime Rate in effect on the Prime Rate Determination Date.

"Reuters Screen USPRIME1 Page" means the display designated as page "USPRIME1" on the Reuters Monitor Money Rates Service, (or such other page as may replace the USPRIME1 page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

Determination of Eleventh District Cost of Funds Rate

Eleventh District Cost of Funds Rate Notes will bear interest at the interest rates (calculated by reference to the Eleventh District Cost of Funds Rate and the Spread and/or Spread Multiplier, if any) specified in the Eleventh District Cost of Funds Rate Notes and in the applicable pricing supplement.

The "Eleventh District Cost of Funds Rate," for each Interest Reset Period will be determined by the Calculation Agent for such Eleventh District Cost of Funds Rate Note as of the last working day of the month immediately prior to such Interest Reset Date for such Interest Reset Period on which the Federal Home Loan Bank of San Francisco (the "FHLB of San Francisco") publishes the Eleventh District Cost of Funds Index (as defined below) (the "Eleventh District Cost of Funds Rate Determination Date"), and shall be the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate Determination Date as set forth under the caption "Eleventh District" on Moneyline Telerate (or any successor service) on page 7058 (which page shall include any successor page (as determined by the Calculation Agent)) as of 11:00 a.m., San Francisco time, on such Eleventh District Cost of Funds Rate Determination Date. If such rate does not appear on Telerate page 7058 on any related Eleventh District Cost of Funds Rate Determination Date, the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Eleventh District Cost of Funds Rate Index") by the FHLB of San Francisco as such cost of funds for the calendar month preceding the date of such announcement. If the FHLB of San Francisco fails to announce such rate on or prior to the Eleventh District Cost of Funds Rate Determination Date for the calendar month immediately preceding such date, then the Eleventh District Cost of Funds Rate for such date will be the Eleventh District Cost of Funds Rate in effect on the Eleventh District Cost of Funds Rate Determination Date.

Determination of EURIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is EURIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to EURIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. "EURIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows.

On the second TARGET Business Day prior to the Interest Reset Date for such Interest Reset Period (a "EURIBOR Determination Date"), the Calculation Agent for such EURIBOR Note will determine the offered rates for deposits in Euros as sponsored, calculated and published jointly by the European Banking Federation and ACI--The Financial Market

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Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appears on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on such EURIBOR Determination Date. "Designated EURIBOR Page" means the display designated as page "248" on Telerate (or any successor service or such other page as may replace page "248" on such service), and EURIBOR for such Interest Reset Period will be the relevant offered rates as determined by the Calculation Agent.

If EURIBOR cannot be determined as described above the Calculation Agent will determine "EURIBOR" as follows. The Calculation Agent will request the principal Euro-zone (as defined below) office of each of four major banks in the Euro-zone interbank market selected by the Calculation Agent to provide the Calculation Agent with their respective offered quotations for deposits in Euros for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If less than two such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of rates quoted by four major banks in the Euro-zone selected by the Calculation Agent for such EURIBOR Note at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date for loans in Euros to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in Euros that is representative of a single transaction in such market

at such time; provided, however, that if the banks so selected a aforesaid by the Calculation Agent are not quoting rates as mentioned in this sentence, "EURIBOR" for such Interest Reset Period will be same as EURIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the EURIBOR Rate will be the Initial Interest Rate).

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

Inverse Floating Rate Notes

If this Note is designated as an Inverse Floating Rate Note on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Inverse Floating Rate shall be equal to (i) in the case of the period, if any, commencing on the Original Issue Date (or such other date which may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the date on which this Note shall begin to accrue interest), up to the first Interest Reset Date, the Initial Fixed Interest Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and (ii) in the case of each period commencing on an Interest Reset Date, the Reset Fixed Reference Rate specified on the face

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hereof or in the pricing supplement attached hereto or delivered herewith minus the interest rate determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as adjusted by the Spread and/or Spread Multiplier, if any, as determined in accordance with the provisions hereof; provided, however, that (x) the interest rate thereon will not be less than zero and (y) the interest rate in effect for the ten days immediately prior to the date of Stated Maturity will be the rate in effect on the tenth day preceding such date.

Floating Rate / Fixed Rate Notes

If this Note is designated as a Floating Rate / Fixed Rate Note, this Note will be a Floating Rate note for a specified portion of its term and a Fixed Rate Note for the remainder of its term, in which event the interest rate on this Note will be determined as provided herein as if it were a Floating Rate Note and a Fixed Rate Note hereunder for each such respective period, all as described herein and in the applicable pricing supplement.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Spread, Spread Multiplier or method of calculation of the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The

Company may reset the Spread, Spread Multiplier or method of calculation of the Interest Rate Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee will mail to the Holder of this Note a notice (the "Reset Notice"), first class, postage prepaid, indicating whether the Company has elected to reset the Spread, Spread Multiplier or method of calculation of the Interest Rate, and if so, (i) such new Spread, Spread Multiplier or method of calculation of the Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Spread, Spread Multiplier or method of calculation of the Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Reset Notice and establish a higher Spread or Spread Multiplier for the Subsequent Interest Period by causing the Trustee to mail notice of such higher Spread or Spread Multiplier, first class, postage prepaid, to the Holder of this Note. Such notice shall be irrevocable. All Registered Notes with respect to which the Spread or Spread Multiplier is reset on an Optional Reset Date will bear such higher Spread or Spread Multiplier.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset

Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Trustee, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then certain or all interest payments, in the case of an Indexed Rate Note, and/or the principal amount payable at Stated Maturity or earlier redemption or retirement, in the case of an Indexed Principal Note, is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index

as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the amount of any interest payment will be determined by reference to the Face Amount described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed interest payments, if any, or any indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Specified Currency

If the Specified Currency is other than U.S. dollars, the amount of any U.S. dollar payment to be made in respect hereof will be determined by the Company or its agent based on the specified currency/U.S. dollar exchange rate prevailing at 11:00 a.m., London time, on the second Exchange Rate Business Day prior to the applicable payment date. In the event that such exchange rate bid quotation is not so available, the Exchange Rate Agent after consultation with the Company's control. All currency exchange costs will be borne by the Holders of such Registered Notes by deductions from such payments. If no such bid quotations are available, then such payments will be made in the Specified Currency, unless the Specified Currency is unavailable due to the imposition of exchange controls or to other circumstances beyond the Company's control, in which case payment will be made as described in the next paragraph.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a Specified Currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available

Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be mailed in accordance with the terms of the applicable Tranche of Dual Currency Notes within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note

will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to the Trustee (or any duly appointed paying agent) at the corporate trust office of the Trustee or agency of the Trustee in the City of New York not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to the Trustee (or any duly appointed paying agent) and, as soon as practicable following receipt of such Note the Trustee (or any duly appointed paying agent) shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, the Trustee or any duly appointed paying agent shall issue in exchange for such Note in the name of such Holder a

replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee will mail to the Holder of this Note not later than 40 days prior to the original Stated Maturity a notice (the "Extension Notice"), first class, postage prepaid, indicating (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) the Spread or Spread Multiplier applicable to the Extension Period, and (iv) the provisions, if any, for redemption during such Extension Period including the date or dates on which, or the period or periods during which, and the price or prices at which, such redemption may occur during the Extension Period. Upon the Trustee's mailing of the Extension Notice, the Stated Maturity of this Note shall be extended automatically and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the mailing of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Extension Notice and establish a higher Spread or Spread Multiplier for the Extension Period by causing the Trustee to mail notice of such higher Spread or Spread Multiplier, first class, postage prepaid, to the Holder of this Note. Such notice shall be irrevocable. All Registered Notes with respect to which the Stated Maturity is extended will bear such higher Spread or Spread Multiplier for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension

Notice, the Holder may, by written notice to the Trustee, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. Unless otherwise stated on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Trustee shall mail to the Holder a notice of such redemption first class, postage prepaid, at least 30 days prior to the date of redemption. Unless otherwise stated herein, the Company may exercise such option with respect to a redemption of this Note in part only by notifying the Trustee for this Note at least 45 days prior to any Optional Redemption Date. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof will be issued to the Holder hereof upon the cancellation hereof.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. In order for this Note to be repaid, the Trustee must receive at least 30 but not more than 45 days prior to an Optional Repayment Date (i) this Note with the form below entitled "Option to Elect Repayment" duly completed; or (ii) a telegram, telex, facsimile transmission or letter from a member of a national securities exchange or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States of America setting forth the name of the Holder of this Note, the principal amount of the Note to be repaid, the certificate number or a description of the tenor and terms of this Note, a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note with the form below entitled "Option to Elect Repayment" duly completed will be received by the Trustee not later than five Business Days after the date of such telegram, telex, facsimile transmission or letter. If the procedure described in clause (ii) of the preceding sentence is followed, this Note with form duly completed must be received by the Trustee by such fifth Business Day. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of the Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount

hereof shall be issued in the name of the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price

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set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

The Company may at any time purchase Registered Notes at any price in the open market or otherwise. Registered Notes so purchased by the Company may, at the discretion of the Company, be held or resold or surrendered to the Trustee for such Notes for cancellation.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Registered Notes of different authorized denominations, as requested by the Person surrendering the same.

As provided in the Indenture and subject to certain limitations

therein set forth, the transfer of this Note is registrable on the Security Register of the Company, upon surrender of this Note for registration of transfer at the office or agency of the Company in the Borough of Manhattan, the City and State of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company, the Security Registrar and the Trustee duly executed by the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Registered Notes of this series, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the Holder hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

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If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note shall at any time become mutilated, destroyed, stolen or lost and this Note or evidence of the loss, theft, or destruction hereof (together with such indemnity and such other documents or proof as may be required by the Company or the Trustee) shall be delivered to the principal corporate trust office of the Trustee or the agent of the Company or Trustee a new Registered Note of like tenor and principal amount will be issued by the Company in exchange for, or in lieu of, this Note. All expenses and reasonable charges associated with procuring such indemnity and with the preparation, authentication and delivery of a new Registered Note shall be borne by the Holder of this Note.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be

conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -as tenants in common	UNIF GIFT MIN ACT_____Custodian_____
TEN ENT -as tenants by the entireties	(Cust) (Minor)
JT ENT -as joint tenants with	Under Uniform Gifts to Minors Act
right of survivorship and	_____
not as tenants in common	(State)

Additional abbreviations may also be used though not in the above list

OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably requests and instructs the Company to repay \$_____ principal amount of the within Note, pursuant to its terms, on the "Optional Repayment Date" first occurring after the date of receipt of the within Note as specified below, together with interest thereon accrued to the date of repayment, to the undersigned at:

(Please Print or Type Name and Address of the Undersigned)

and to issue to the undersigned, pursuant to the terms of the Indenture, a new Note or Notes representing the remaining principal amount of this Note.

For this Option to Elect Repayment to be effective, this Note with the Option to Elect Repayment duly completed must be received by the Company within the relevant time period set forth above at its office or agency in the Borough of Manhattan, the City and State of New York, located initially at the office of the Trustee at 4 New York Plaza, 6th Floor, New York, New York 10004.

Dated:

Note: The signature to this Option to Elect Repayment must correspond with the name as written upon the face of the within Note in every particular without alteration or enlargement or any change whatsoever.

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

Please insert Social Security or Other
Identifying Number of Assignee

Please Print or Type Name and Address Including Zip Code of Assignee

the within Note and all rights thereunder, hereby irrevocably constituting and appointing

to transfer such Note on the books of Citigroup Funding Inc. with full power of substitution in the premises.

Dated: _____

Signature

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatsoever.

REGISTERED
No. FX _____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FIXED RATE)

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES.

Issue Price: _____ Original Issue Date: _____

Interest Rate: _____ Stated Maturity: _____

Specified Currency (If other than U.S. dollars): _____

Authorized Denominations:
(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:
Designated Exchange Rate:

Interest Payment Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Interest Rate Reset: ☐ The Interest Rate may not be changed prior to Stated Maturity.

☐ The Interest Rate may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable): _____

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule: _____

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates: _____

Redemption Prices: _____

Bond Yield to Maturity:

Bond Yield to Call:

Optional Repayment:

☐ Yes

☐ No

Optional Repayment Dates:

Optional Repayment Prices:

Optional Extension of Stated Maturity:

☐ Yes

☐ No

Final Maturity:

Discount Note:

☐ Yes

☐ No

Total Amount of OID:

Yield to Maturity:

Renewable Note:

☐ Yes (see attached)

☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount)
as to which election may be exercised:

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CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay CEDE & Co. or registered assigns (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein and (b) accrued interest on the Principal Amount then outstanding (or in the case of an Indexed Principal Note, the Face Amount, then outstanding) at the Interest Rate shown above from the Original Issue Date shown above or from the most recent date to which interest has been paid or duly provided for, semiannually in arrears (unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith) on the Interest Payment Dates specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith and at Stated Maturity, until, in either case, the Principal Amount then outstanding or the Face Amount is paid or duly provided for in accordance with the terms hereof. Unless otherwise specified herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note, if any, will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

The interest so payable, and punctually paid or duly provided for, on each Interest Payment Date will, as provided in the Indenture referred to on the

reverse hereof, be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which, unless otherwise specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith (and other than interest payable at Stated Maturity), shall be the date (whether or not a Business Day) fifteen calendar days immediately preceding such Interest Payment Date and, in the case of interest payable at Stated Maturity, shall be the Stated Maturity of this Note. Notwithstanding the foregoing, if this Note is issued between a Regular Record Date and the related Interest Payment Date, the interest so payable for the period from the Original Issue Date to such Interest Payment Date shall be paid on the next succeeding Interest Payment Date to the Registered Holder hereof on the related Regular Record Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Holder hereof on such Regular Record Date, and may be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes not less than ten days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Registered Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

For purposes of this Note, "Business Day" means: (i) with respect to any Registered Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; (ii) with respect to Registered Notes having a specified currency other than U.S. dollars only, other than Registered Notes denominated in Euros, any day that, in the principal

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financial center (as defined below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; (iii) with respect to Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "TARGET Business Day"); and (iv) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the Specified Currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

The indebtedness evidenced by this Note is, to the extent set forth in the Indenture, expressly subordinated and subject in right of payment to the prior

payment in full of Senior Indebtedness as defined in the Indenture, and this Note is issued subject to such provisions, and each Holder of this Note, by accepting the same, agrees to and shall be bound by such provisions and authorizes and directs the Trustee in his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination as provided in the Indenture and appoints the Trustee as his attorney-in-fact for any and all such purposes.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

The principal hereof and any premium and interest hereon are payable by the Company in the Specified Currency shown above. If the Specified Currency shown above is other than U.S. dollars, the Company will arrange to convert all payments in respect hereof into U.S. dollars in the manner described on the reverse hereof. The Holder hereof may, if so indicated above, elect to receive all payments in respect hereof in the Specified Currency by delivery of a written notice to the Trustee not later than fifteen calendar days prior to the applicable payment date. Such election will remain in effect until revoked by written notice to the Trustee received not later than fifteen calendar days prior to the applicable payment date. If the Company determines that the Specified Currency is not available for making payments in respect hereof due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions or within the international banking community, then the Holder hereof may not so elect to receive payments in the Specified Currency, and any such outstanding election shall be automatically suspended, and payments shall be in U.S. dollars, until the Company determines that the Specified Currency is again available for making such payments.

Payments of interest in U.S. dollars (other than interest payable at Stated Maturity) will be made by check mailed to the address of the Person entitled thereto as such address shall appear on the Security Register on the applicable Record Date; provided that, if the

Holder hereof is the Holder of U.S. \$10,000,000 (or the equivalent thereof in a currency other than U.S. dollars determined as provided on the reverse hereof) or more in aggregate principal amount of Registered Notes of like tenor and term, such U.S. dollar interest payments will be made by wire transfer of immediately available funds, but only if appropriate wire transfer instructions have been received in writing by the Trustee not less than fifteen calendar days prior to the applicable Interest Payment Date. Simultaneously with any election by the Holder hereof to receive payments in respect hereof in the Specified Currency (if other than U.S. dollars), such Holder shall provide appropriate

wire transfer instructions to the Trustee and all such payments will be made by wire transfer of immediately available funds to an account maintained by the payee with a bank located outside the United States. The principal hereof and any premium and interest hereon payable at Stated Maturity will be paid in immediately available funds upon surrender of this Note at the corporate trust office or agency of the Trustee located in the City and State of New York.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Deutsche Bank Trust Company Americas, or its successor, as Trustee.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

DEUTSCHE BANK TRUST COMPANY
AMERICAS, as Trustee

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.

MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FIXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and Deutsche Bank Trust Company Americas, as trustee (the "Trustee," which term includes any successor Trustee under the Indenture), to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in registered form without coupons. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of Registered Notes denominated in U.S. dollars will be U.S.\$1,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Registered Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Each Registered Note will be issued initially as a Book-Entry Note, and will not be exchangeable for Certificated Notes, except as otherwise provided in the Indenture or specified in the applicable pricing supplement.

Fixed Rate Notes

This Note will bear interest from its Original Issue Date, or from the last Interest Payment Date to which interest has been paid or duly provided for, at the Interest Rate stated on the face hereof or in the pricing supplement attached hereto or delivered herewith until the principal amount hereof is paid or made available for payment, except as otherwise described below under "Subsequent Interest Periods" and "Extension of Stated Maturity", and except that if so specified in the attached pricing supplement, the rate of interest payable may be subject to adjustment as specified therein.

Unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note will be payable semiannually in arrears on the Interest Payment Dates set forth above and at Stated Maturity. If an Interest Payment Date with respect to any Note would otherwise be a day that is not a Business Day, such Interest Payment Date

shall not be postponed; provided, however, that any payment required to be made in respect of such Note on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment. However, if with respect to any Note for which "Accrue to Pay" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, any Interest Payment Date with respect to such Fixed Rate Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day.

Each payment of interest in respect of an Interest Payment Date shall include interest accrued through the day before such Interest Payment Date. Unless otherwise specified herein, interest on this Note will be computed on the basis of a 360-day year of twelve 30-day months ("30 over 360") or, in the case of an incomplete month, the number of days elapsed.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee will mail to the Holder of this Note a notice (the "Reset Notice"), first class, postage prepaid, indicating whether the Company has elected to reset the Interest Rate, and if so, (i) such new Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Interest Rate provided for in the Reset Notice and establish a higher Interest Rate for the Subsequent Interest Period by causing the Trustee to mail notice of such higher Interest Rate, first class, postage prepaid, to the Holder of this Note. Such notice shall be irrevocable. All Registered Notes with respect to which the Interest Rate is reset on an Optional Reset Date will bear such higher Interest Rate.

The Holder of this Note will have the option to elect repayment of the

Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Trustee, revoke

such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then the principal amount payable at Stated Maturity or earlier redemption or retirement is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Specified Currency

If the Specified Currency is other than U.S. dollars, the amount of any U.S. dollar payment to be made in respect hereof will be determined by the Company or its agent based on the highest firm bid quotation expressed in U.S. dollars received by the Company or its agent at approximately 11:00 a.m., New York City time, on the second Business Day preceding the applicable payment date (or, if no such rate is quoted on such date, the last date on which such rate was quoted) from three (or, if three are not available, then two) recognized foreign exchange dealers in The City of New York selected by the Exchange Rate Agent (one or more of which may be an agent involved in the distribution of the Notes (an "Agent") and another of which may be the Exchange Rate Agent) for the

purchase by the quoting dealer, for settlement on such payment date, of the aggregate amount of the Specified Currency payable on such payment date in respect of all Registered Notes denominated in such Specified Currency. All currency exchange costs will be borne by the Holders of such Registered Notes by deductions from such payments. If no such bid quotations are available, then such payments will be made in the Specified Currency, unless the Specified Currency is unavailable due to the imposition of exchange controls or to other circumstances beyond the Company's control, in which case payment will be made as described in the next paragraph.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a specified currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute a Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an

"Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be mailed in accordance with the terms of the applicable Tranche of Dual Currency Notes within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to the Trustee (or any duly appointed paying agent) at the corporate trust office of the Trustee or agency of the Trustee in the City of New York not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face

hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to the Trustee (or any duly appointed paying agent) and, as soon as practicable following receipt of such Note the Trustee (or any duly appointed paying agent) shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, the Trustee, or any duly appointed paying agent, shall issue in exchange for such Note in the name of such Holder a

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replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee will mail to the Holder of this Note not later than 40 days prior to the original Stated Maturity a notice (the "Extension Notice"), first class, postage prepaid, indicating (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) the Interest Rate applicable to the Extension Period, and (iv) the provisions, if any, for redemption during such Extension Period including the date or dates on which, or the period or periods during which, and the price or prices at which, such redemption may occur during the Extension Period. Upon the Trustee's mailing of the Extension Notice, the Stated Maturity of this Note

shall be extended automatically and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the mailing of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Interest Rate provided for in the Extension Notice and establish a higher Interest Rate for the Extension Period by causing the Trustee to mail notice of such higher Interest Rate, first class, postage prepaid, to the Holder of this Note. Such notice shall be irrevocable. All Registered Notes with respect to which the Stated Maturity is extended will bear such higher Interest Rate for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Trustee, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the

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date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If required under the Federal Reserve Capital Adequacy Rules, the Company will obtain the prior approval of the Federal Reserve before exercising its redemption rights. Unless otherwise stated on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Trustee shall mail to the Holder a notice of such redemption first class, postage prepaid, at least 30 days prior to the date of redemption. Unless otherwise stated herein, the Company may exercise such option with respect to a redemption of this Note in part only by notifying the Trustee for this Note at least 45 days prior to any Optional Redemption Date. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof will be issued to the Holder hereof upon the cancellation hereof.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated

Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. In order for this Note to be repaid, the Trustee must receive at least 30 but not more than 45 days prior to an Optional Repayment Date (i) this Note with the form below entitled "Option to Elect Repayment" duly completed; or (ii) a telegram, telex, facsimile transmission or letter from a member of a national securities exchange or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States of America setting forth the name of the Holder of this Note, the principal amount of the Note to be repaid, the certificate number or a description of the tenor and terms of this Note, a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note with the form below entitled "Option to Elect Repayment" duly completed will be received by the Trustee not later than five Business Days after the date of such telegram, telex, facsimile transmission or letter. If the procedure described in clause (ii) of the preceding sentence is followed, this Note with form duly completed must be received by the Trustee by such fifth Business Day. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of the Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued in the name of the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount

of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event

shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

The Company may at any time purchase Registered Notes at any price in the open market or otherwise. Registered Notes so purchased by the Company may, at the discretion of the Company, be held or resold or surrendered to the Trustee for such Notes for cancellation.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Registered Notes of different authorized denominations, as requested by the Person surrendering the same.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable on the Security Register of the Company, upon surrender of this Note for registration of transfer at the office or agency of the Company in the Borough of Manhattan, the City and State of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company, the Security Registrar and the Trustee duly executed by the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Registered Notes of this series, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the Holder hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note shall at any time become mutilated, destroyed, stolen or lost and this Note or evidence of the loss, theft, or destruction hereof (together with such indemnity and such other documents or proof as may be required by the Company or the Trustee) shall be delivered to the principal corporate trust office of the Trustee or the agent of the Company or Trustee, a new Registered Note of like tenor and principal amount will be issued by the Company in exchange for, or in lieu of, this Note. All expenses and reasonable charges associated with procuring such indemnity and with the preparation, authentication and delivery of a new Registered Note shall be borne by the Holder of this Note.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according

TEN COM	-as tenants in common	UNIF GIFT MIN ACT	Custodian
TEN ENT	-as tenants by the entireties		(Cust) (Minor)
JT ENT	-as joint tenants with right of survivorship and not as tenants in common		Under Uniform Gifts to Minors Act
			(State)

OPTION TO ELECT REPAYMENT

(Please Print or Type Name and Address of the Undersigned)

For this Option to Elect Repayment to be effective, this Note with the Option to Elect Repayment duly completed must be received by the Company within the relevant time period set forth above at its office or agency in the Borough of Manhattan, the City and State of New York, located initially at the office of the Trustee, 60 Wall Street, Attention: Corporate Trust Department, New York, New York 10005.

Note: The signature to this Option to Elect Repayment must correspond with the name as written upon the face of the within Note in every particular without alteration or enlargement or any change whatsoever.

Please insert Social Security or Other
Identifying Number of Assignee

the within Note and all rights thereunder, hereby irrevocably constituting and appointing

_____ attorney
to transfer such Note on the books of Citigroup Funding Inc. with full power of substitution in the premises.

Dated: _____

Signature

face of the Note in every particular, without alteration or enlargement or any change whatsoever.

REGISTERED
NO. FL _____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FLOATING OR INDEXED RATE)

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES.

Issue Price:

Original Issue Date:

Initial Interest Rate:

Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:
Designated Exchange Rate:

Base Rate: ☐ CD Rate ☐ Commercial Paper Rate ☐ Federal Funds

		Rate
<input type="checkbox"/> LIBOR Telerate	<input type="checkbox"/> LIBOR Reuters	<input type="checkbox"/> Treasury Rate
<input type="checkbox"/> Treasury Rate	<input type="checkbox"/> Prime Rate	
Constant Maturity		
<input type="checkbox"/> Eleventh District		<input type="checkbox"/> EURIBOR
Cost of Funds Rate		
	<input type="checkbox"/> Other (see attached)	

Interest Reset Period
or Interest Reset Dates:

Index Maturity:

Interest Payment Dates:

Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Floating Rate: ☐ Indexed Interest Rate: ☐ (see attached)

Spread Multiplier: Spread (+/-):

Spread Reset: ☐ The Spread or Spread Multiplier may not be changed prior to Stated Maturity.

☐ The Spread or Spread Multiplier may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Maximum Interest Rate: Minimum Interest Rate:

Inverse Floating Rate Note: ☐ Yes (see attached) ☐ No

Initial Fixed Interest Rate: Reset Fixed Reference Rate

Floating Rate / Fixed Rate Note: ☐ Yes (see attached) ☐ No

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: ☐ Yes ☐ No

Optional Repayment Dates: Optional Repayment Prices:

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Optional Extension of Stated Maturity: ☐ Yes ☐ No

Final Maturity:

Discount Note: ☐ Yes ☐ No

Total Amount of OID: Yield to Maturity:

Renewable Note: ☐ Yes (see attached) ☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount)
as to which election may be exercised:

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CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay CEDE & Co. or registered assigns (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein, and (b) accrued interest on the Principal Amount then outstanding (or, in the case of an Indexed Principal Note, the Face Amount then outstanding): (i) if this is a Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Base Rate shown above, adjusted by the Spread or Spread Multiplier, if any, shown above, determined in accordance with the provisions hereof, (ii) if this is an Indexed Rate Note, at a rate determined by reference to an Index as described herein, (iii) if this is an Inverse Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Inverse Floating Rate, as determined in accordance with the provisions hereof, or (iv) if this is a Floating Rate / Fixed Rate Note, at a rate determined as described herein, until, in each case, the Principal Amount or the Face Amount then outstanding is paid or duly

provided for in accordance with the terms hereof.

The interest so payable, and punctually paid or duly provided for, on each Interest Payment Date will, as provided in the Indenture referred to on the reverse hereof, be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which, unless otherwise specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith (and other than interest payable at Stated Maturity), shall be the date (whether or not a Business Day) fifteen calendar days immediately preceding such Interest Payment Date and, in the case of interest payable at Stated Maturity, shall be the Stated Maturity of this Note. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Holder hereof on such Regular Record Date, and may be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes not less than ten days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Registered Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

For purposes of this Note, "Business Day" means: (i) with respect to any Registered Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; (ii) if the Base Rate specified above is LIBOR, any such day on which dealings in deposits in the Specified Currency are transacted in the London interbank market (a "London Business Day"); (iii) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, a day on which banking institutions and foreign exchange market settle payments in New York

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City and London (an "Exchange Rate Business Day"); (iv) with respect to Registered Notes having a specified currency other than U.S. dollars only, other than Registered Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and (v) with respect to EURIBOR Notes and Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "Target Business Day").

The indebtedness evidenced by this Note is, to the extent set forth in the Indenture, expressly subordinated and subject in right of payment to the prior payment in full of Senior Indebtedness as defined in the Indenture, and this Note is issued subject to such provisions, and each Holder of this Note, by accepting the same, agrees to and shall be bound by such provisions and

authorizes and directs the Trustee in his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination as provided in the Indenture and appoints the Trustee as his attorney-in-fact for any and all such purposes.

As used above, a "principal financial center" means the capital city of the country issuing the Specified Currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

The principal hereof and any premium and interest hereon are payable by the Company in the Specified Currency shown above. If the Specified Currency shown above is other than U.S. dollars, the Company will arrange to convert all payments in respect hereof into U.S. dollars in the manner described on the reverse hereof. The Holder hereof may, if so indicated above, elect to receive all payments in respect hereof in the Specified Currency by delivery of a written notice to the Trustee not later than fifteen calendar days prior to the applicable payment date. Such election will remain in effect until revoked by written notice to the Trustee received not later than fifteen calendar days prior to the applicable payment date. If the Company determines that the Specified Currency is not available for making payments in respect hereof due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions or within the international banking community, then the Holder hereof may not so elect to receive payments in the Specified Currency, and any such outstanding election shall be automatically suspended, and payments shall be in U.S. dollars, until the Company determines that the Specified Currency is again available for making such payments.

Payments of interest in U.S. dollars (other than interest payable at Stated Maturity) will be made by check mailed to the address of the Person entitled thereto as such address shall appear on the Security Register on the applicable Record Date; provided that, if the Holder hereof is the Holder of U.S. \$10,000,000 (or the equivalent thereof in a currency other

than U.S. dollars determined as provided on the reverse hereof) or more in aggregate principal amount of Registered Notes of like tenor and term, such U.S. dollar interest payments will be made by wire transfer of immediately available funds, but only if appropriate wire transfer instructions have been received in writing by the Trustee not less than fifteen calendar days prior to the

applicable Interest Payment Date. Simultaneously with any election by the Holder hereof to receive payments in respect hereof in the Specified Currency (if other than U.S. dollars), such Holder shall provide appropriate wire transfer instructions to the Trustee and all such payments will be made by wire transfer of immediately available funds to an account maintained by the payee with a bank located outside the United States. The principal hereof and any premium and interest hereon payable at Stated Maturity will be paid in immediately available funds upon surrender of this Note at the corporate trust office or agency of the Trustee located in the City and State of New York.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Deutsche Bank Trust Company Americas, or its successor, as Trustee.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

DEUTSCHE BANK TRUST COMPANY
AMERICAS, as Trustee

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FLOATING OR INDEXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and Deutsche Bank Trust Company Americas, as trustee (the "Trustee," which term includes any successor Trustee under the Indenture), to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in registered form without coupons. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of Registered Notes denominated in U.S. dollars will be U.S.\$1,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Registered Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Each Registered Note will be issued initially as a Book-Entry Note, and will not be exchangeable for Certificated Notes, except as otherwise provided in the Indenture or specified in the applicable pricing supplement.

Floating Rate Notes

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if this Note is a Floating Rate Note, this Note will bear interest from its Original Issue Date to, but not including, the first Interest Reset Date (as defined below) at the Initial Interest Rate set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. Thereafter, the interest rate hereon for each Interest Reset Period will be determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Base Rates that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith are LIBOR, the

Commercial Paper Rate, the Treasury Rate, the Federal Funds Rate, the CD Rate, the Prime

Rate, the Eleventh District Cost of Funds Rate, EURIBOR or any other Base Rate specified on the face hereof.

"H.15(519)" means the publication entitled "Statistical Release H.15(519), Selected Interest Rates" or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update/> or any successor site or publication.

"Calculation Date," where applicable, means the date on which the Calculation Agent is to calculate the interest rate for the Notes which shall be the earlier of (1) the tenth calendar day after the related Rate Determination Date, or if any such day is not a Business Day, the next succeeding business day or (2) the Business Day preceding the applicable Interest Payment Date or the Stated Maturity, as the case may be.

As specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note may also have either or both of the following (in each case expressed as a rate per annum on a simple interest basis): (i) a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period ("Maximum Interest Rate") and/or (ii) a minimum limitation, or floor, on the rate at which interest may accrue during any interest period ("Minimum Interest Rate"). In addition to any Maximum Interest Rate that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest rate will in no event be higher than the maximum rate permitted by applicable law, as the same may be modified by United States law of general application.

The Company will appoint, and enter into an agreement with, agents (each, a "Calculation Agent") to calculate interest rates on this Note. All determinations of interest rates by the Calculation Agent shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder hereof. Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, Deutsche Bank Trust Company Americas, shall be the Calculation Agent for this Note. At the request of the Holder hereof, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date.

The interest rate hereon will be reset daily, weekly, monthly, quarterly, semiannually or annually (such period being the "Interest Reset Period" specified on the face hereof or in the pricing supplement attached hereto or

delivered herewith, and the first day of each Interest Reset Period being an "Interest Reset Date"). Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Reset Dates will be as follows: (i) if this Note resets daily, each Business Day; (ii) if this Note (unless this Note is a Treasury Rate Note) resets weekly, Wednesday of each week; (iii) if this Note is a Treasury Rate Note that resets weekly, Tuesday of each week (except as provided below under "Determination of Treasury Rate"); (iv) if this Note resets monthly, the third Wednesday of each month (with the exception of monthly reset Eleventh District Cost of Funds Rate Notes, which reset on the first calendar day of each month); (v) if this Note is an Eleventh District Cost of

Funds Rate Note that resets monthly, the first calendar day of each month; (vi) if this Note resets quarterly, the third Wednesday of March, June, September and December of each year; (vii) if this Note resets semiannually, the third Wednesday of the two months of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (viii) if this Note resets annually, the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If an Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall instead be the immediately preceding Business Day. If an auction of direct obligations of United States Treasury Bills falls on a day that is an Interest Reset Date for Treasury Rate Notes, the Interest Reset Date shall be the succeeding Business Day.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest payable hereon on each Interest Payment Date shall be the accrued interest from and including the Original Issue Date or the last date to which interest has been paid, as the case may be, to but excluding such Interest Payment Date.

If more than one Interest Reset Date occurs during any period for which accrued interest is being calculated, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. The interest factor (expressed as a decimal calculated to seven decimal places without rounding) for each such day will be computed, unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, by dividing the interest rate in effect on such day by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh

District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate. In all other cases, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof) by the interest rate in effect during the period for which accrued interest is being calculated, and multiplying that product by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof is the Treasury Rate. For purposes of making the foregoing calculations, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on such date.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, all percentages resulting from any calculation of the rate of interest hereof will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward, and all currency amounts used in or

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resulting from such calculation will be rounded to the nearest one-hundredth of a unit (with .005 of a unit being rounded upward).

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, interest will be payable as follows: (i) if this Note resets daily, weekly or monthly (other than Eleventh District Cost of Funds Rate Notes), interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith or; (ii) in the case of Eleventh District Cost of Funds Rate Notes, interest will be payable on the first calendar day of each March, June, September and December; (iii) if this Note resets quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year; (iv) if this Note resets semiannually, interest will be payable on the third Wednesday of each of two months of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (v) if this Note resets annually, interest will be payable on the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in each case at Stated Maturity (each such day being an "Interest Payment Date"). If an Interest Payment Date would otherwise fall on a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Payment Date shall instead be the immediately preceding Business Day; provided, however,

if with respect to any Note for which "Accrue to Pay" is not specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if an Interest Payment Date with respect to such Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, further, that any payment required to be made in respect of a Note that does not Accrue to Pay on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date the rate of interest shall be the rate determined in accordance with the provisions of the applicable heading below.

Determination of CD Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the CD Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "CD Rate" for each Interest Reset Period shall be the rate as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "CD Rate Determination Date") for negotiable U.S. dollar certificates of deposit having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in H.15(519) under the heading "CDs (Secondary Market)". In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined

above) pertaining to such CD Rate Determination Date, then the "CD Rate" for such Interest Reset Period will be the rate on such CD Rate Determination Date for negotiable U.S. dollar certificates of deposit of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or H.15 Daily Update, then the "CD Rate" for such Interest Reset Period will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on such CD Rate Determination Date of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable U.S. dollar certificates of deposit of major United States money center banks of the highest credit standing (in the market for negotiable U.S. dollar certificates of deposit) with a remaining maturity closest to the Index Maturity on the face hereof or in the pricing supplement

attached hereto or delivered herewith in a denomination of \$5,000,000; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the CD Rate for such Interest Reset Period will be the same as the CD Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

Determination of Commercial Paper Rate

If the Base Rate shown on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Commercial Paper Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Commercial Paper Rate" for each Interest Reset Period will be determined by the Calculation Agent as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Commercial Paper Rate Determination Date") and shall be the Money Market Yield (as defined below) on such Commercial Paper Rate Determination Date of the rate for commercial paper having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate shall be published in H.15(519) under the heading "Commercial Paper-Nonfinancial". In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Commercial Paper Rate Determination Date, then the Commercial Paper Rate for such Interest Reset Period shall be the Money Market Yield on such Commercial Paper Rate Determination Date of the rate for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper-Nonfinancial." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or the H.15 Daily Update, then the "Commercial Paper Rate" for such Interest Reset Period shall be the Money Market Yield of the arithmetic mean of the offered rates as of 11:00 a.m., New York City time, on such Commercial Paper Rate Determination Date of three leading dealers of U.S. dollar commercial paper in The City of New York selected by the Calculation Agent for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith

placed for an industrial issuer whose bonds are rated "AA" or the equivalent by a nationally recognized rating agency; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the "Commercial Paper Rate" for such Interest Reset Period will be the same as the Commercial Paper Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

"Money Market Yield" shall be the yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal and "M" refers to the actual number of days in the applicable Interest Reset Period specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

Determination of Federal Funds Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Federal Funds Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Federal Funds Rate and Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Federal Funds Rate" for each Interest Reset Period shall be the effective rate on the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Federal Funds Rate Determination Date") for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service). In the event that such rate does not appear on Moneyline Telerate on Page 120 or is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Federal Funds Rate Determination Date, the "Federal Funds Rate" for such Interest Reset Period shall be the rate on such Federal Funds Rate Determination Date as published in the H.15 Daily Update under the heading "Federal Funds/Effective Rate," or other recognized electronic source used for the purpose of displaying the applicable rate. If by 3:00 p.m., New York City time, on such Calculation Date, such rate is not yet published, then the "Federal Funds Rate" for such Interest Reset Period shall be arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar Federal Funds transactions in New York City, selected by the Calculation Agent prior to 9:00 a.m., New York City time, on that Federal Funds Rate Determination Date; provided, however, that if the brokers so selected by the Calculation Agent are not quoting as mentioned above, the "Federal Funds Rate" for the Interest Reset Period will be the "Federal Funds Rate" in effect for the particular Federal Funds Rate Determination Date. If there was no Federal Funds Rate in effect for the Interest Reset Period, the "Federal Funds Rate" will be the initial interest rate.

Determination of LIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR, this Note will bear interest for

each Interest Reset Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof. "LIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows

On the second London Business Day prior to the Interest Reset Date for such Interest Reset Period (a "LIBOR Determination Date"), the Calculation Agent for such LIBOR Note will determine the offered rates for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appear on the Designated LIBOR Page at approximately 11:00 a.m., London time, on such LIBOR Determination Date. "Designated LIBOR Page" means either (a) if "LIBOR Moneyline Telerate" is designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the method for calculating LIBOR, the display designated as page "3750" on the Telerate Service ("Telerate") (or such other page as may replace page "3750" on such service or such other service as may be replaced by a successor service for the purpose of displaying the London interbank offered rates of major banks), and LIBOR for such Interest Reset Period will be the relevant offered rate as determined by the Calculation Agent or (b) if "LIBOR Reuters" is designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, "Designated LIBOR Page" means the display designated as page "LIBO" on the Reuters Monitor Money Rates Service and LIBOR will be the arithmetic means of the offered rates, calculated by the Calculation Agent, or the offered rates, if the designated LIBOR page by its terms provides only for a single rate (or such other page as may replace the LIBO page on such service or such other service as may be replaced by a successor service for purpose of displaying London interbank offered rates of major banks). If neither LIBOR Reuters nor LIBOR Telerate is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, LIBOR will be determined as if LIBOR Moneyline Telerate had been specified.

If LIBOR cannot be determined as described above (either because the Designated LIBOR Page is no longer available or because fewer than two offered rates appear on the Designated LIBOR Page on the LIBOR Determination Date), the Calculation Agent will determine "LIBOR" as follows. The Calculation Agent will request the principal London offices of each of the four major banks in the London interbank market selected by the Calculation Agent to provide the Calculation Agent with its offered quotations for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the LIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in the Specified Currency, that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic

mean of rates quoted by three major banks in The City of New York selected by the Calculation Agent at approximately 11:00 a.m., New York city time, on the LIBOR Determination Date for loans in the Specified Currency to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in the Specified Currency that is representative of a single transaction in such market at such time; provided, however, that if fewer than three banks selected as aforesaid by the Calculation Agent are quoting rates as mentioned in this sentence. "LIBOR" for such Interest Reset Period will be the same as LIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the LIBOR Rate will be the Initial Interest Rate).

Determination of Treasury Rate

If the Base Rate specified in the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate or Treasury Rate Constant Maturity, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, if an, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Unless "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate for the auction held on the Treasury Rate Determination Date (as defined below) for such Interest Reset Period of direct obligations of the United States ("Treasury Securities") that have the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate appears on either Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace the page on that service) or on page 57 (or any other page as may replace that page on that service) under the heading "Investment Rate." The following procedures will be followed if the Treasury Rate cannot be determined as described above. If not so published by 3:00 p.m., New York City time, on the Calculation Date, the "Treasury Rate" will be the Bond Equivalent Yield (defined below) of the rate for the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Auction High." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable Treasury Securities as announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury Securities is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the Treasury Rate Determination Date of the applicable Treasury Securities published in H.15(519) under the heading of "U.S. Government Securities/Treasury Bills/Secondary Market." If such rate is not so published by 3:00 p.m., New York

City time, on the related Calculated Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date of the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Secondary Market." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date calculated by the Calculation Agent as the

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Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the Treasury Rate Determination Date, of three primary United States government securities dealers selected by the Calculation Agent for the issue of Treasury Securities with a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting bid rates as mentioned in this sentence, then the "Treasury Rate" for such Interest Reset Period will be the same as the Treasury Rate for the immediately preceding Interest Reset Period (or, if there was no Interest Reset Period, the Initial Interest Rate).

The "Treasury Rate Determination Date" for each Interest Reset Period will be the day of the week in which the Interest Reset Date for such Interest Reset Period falls on which Treasury Securities would normally be auctioned. Treasury Securities are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Rate Determination Date pertaining to the Interest Reset Period commencing in the next succeeding week. If an auction date shall fall on any day that would otherwise be an Interest Reset Date for a Note whose Base Rate is the Treasury Rate, then such Interest Reset Date shall instead be the Business Day immediately following such auction date.

Bond Equivalent: Yield will be calculated as follows:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Securities quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

If "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate displayed on the

Designated CMT Telerate Rate Page under the caption "Treasury Constant Maturities" under the column for the Designated CMT Maturity Index in the following manner. If the Designated CMT Moneyline Telerate Page is 7051, the Treasury Rate will be the rate on the Constant Maturity Treasury Rate Determination Date. In the event that such rate does not appear on Moneyline Telerate Page 7051, then the Treasury Rate will be the treasury constant maturity rate for the designated CMT maturity index as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the constant treasury maturity rate on the Constant maturity Treasury Rate Determination Date for the designated CMT maturity index as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would have otherwise been published in H.15(519). If the Designated CMT Moneyline Telerate Page is 7052, the "Treasury Rate" will be the weekly or monthly average, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, for the week or the month, as applicable, ended

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immediately preceding the week or month, as applicable, in which the related Constant Maturity Treasury Rate Determination Date occurs. In the event that such rate does not appear on Moneyline Telerate Page 7052, then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the treasury constant maturity rate for the designated CMT maturity index for the week or month as applicable, preceding the Constant Maturity Treasury Determination Date as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the constant treasury maturity rate for the designated CMT maturity index as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the Constant Maturity Treasury Rate Determination Date falls.

The following procedures will be followed if the Treasury Rate cannot be determined as indicated above. If such information, as applicable, is not so published, then the Calculation Agent will calculate the Treasury Rate on the Constant Maturity Treasury Rate Determination Date as follows which shall be a yield to maturity, based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in The City of New York selected by the Calculation Agent, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for United States Treasury Securities ("Treasury

Notes"), with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year and in a principal amount that is representative for a single transaction in the securities in that market at that time.

If the Calculation Agent is unable to obtain three such Treasury Note quotations, the Treasury Rate on the Constant Maturity Treasury Rate Determination Date will be calculated by the Calculation Agent, and shall be a yield to maturity based on the arithmetic mean of the secondary market offer side prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in the City of New York, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for Treasury Notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in an amount that is representative for a single transaction in that market at that time.

If three or four, and not five, of such dealers are quoting as described above, then the Treasury Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotes will be eliminated. However, if fewer than three dealers so selected by the Calculation Agent are quoting as mentioned above, the Treasury Rate determined as of the Constant Maturity Treasury Rate Determination Date will be the Treasury Rate in effect

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on the Constant Maturity Treasury Rate Determination Date. If two Treasury Notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the Calculation Agent will obtain quotations for the Treasury Note with the shorter remaining term to maturity and will use such quotations to calculate the Treasury Rate as set forth above.

"Designated CMT Moneyline Telerate Page" means the display on the Telerate Service, or any successor service on the page specified in the applicable pricing supplement, or any other page as may replace such page on that service, or any successor service, for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable pricing supplement, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury Securities, either one, two, three, five, seven, ten, twenty or thirty years, specified in the applicable pricing supplement with respect to which the Treasury Rate will be calculated. If no such maturity is specified in

the applicable pricing supplement, the Designated CMT Maturity Index shall be two years.

"The Constant Maturity Treasury Rate Determination Date" shall be the second Business Day prior to the Interest Reset Date for the applicable Interest Reset Period.

Determination of Prime Rate

Prime Rate Notes will bear interest at the interest rates (calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any) specified in the Prime Rate Notes and in the applicable pricing supplement.

The "Prime Rate" for each Interest Reset Period will be determined by the Calculation Agent for such Prime Rate Note as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Prime Rate Determination Date") and shall be the rate made available and subsequently published on such date in H.15(519) under the heading "Bank Prime Loan." In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Prime Rate Determination Date, then the Prime Rate for such Interest Reset Period shall be the rate published in the H.15 Daily Update under the heading "Bank Prime Loan." In the event that such rate has not been published prior to 3:00 p.m., New York City time, on the Calculation Date, then the Prime Rate will be calculated by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen USPRIME1 Page (as defined below) as such bank's prime rate or base lending rate on the Prime Rate Determination Date. If fewer than four such rates appear on the Reuters Screen USPRIME1 Page for the Prime Rate Determination Date, the rate shall be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date by three major banks in The City of New York selected by the Calculation Agent. However, if the banks so selected by the Calculation Agent are not quoting as mentioned in the previous sentence, the Prime Rate will be the Prime Rate in effect on the Prime Rate Determination Date.

"Reuters Screen USPRIME1 Page" means the display designated as page "USPRIME1" on the Reuters Monitor Money Rates Service, (or such other page as may replace the USPRIME1 page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

Determination of Eleventh District Cost of Funds Rate

Eleventh District Cost of Funds Rate Notes will bear interest at the interest rates (calculated by reference to the Eleventh District Cost of Funds Rate and the Spread and/or Spread Multiplier, if any) specified in the Eleventh District Cost of Funds Rate Notes and in the applicable pricing supplement.

The "Eleventh District Cost of Funds Rate," for each Interest Reset Period will be determined by the Calculation Agent for such Eleventh District Cost of Funds Rate Note as of the last working day of the month immediately prior to such Interest Reset Date for such Interest Reset Period on which the Federal Home Loan Bank of San Francisco (the "FHLB of San Francisco") publishes the Eleventh District Cost of Funds Index (as defined below) (the "Eleventh District Cost of Funds Rate Determination Date"), and shall be the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate Determination Date as set forth under the caption "Eleventh District" on Moneyline Telerate (or any successor service) on page 7058 (which page shall include any successor page (as determined by the Calculation Agent)) as of 11:00 a.m., San Francisco time, on such Eleventh District Cost of Funds Rate Determination Date. If such rate does not appear on Telerate page 7058 on any related Eleventh District Cost of Funds Rate Determination Date, the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Eleventh District Cost of Funds Rate Index") by the FHLB of San Francisco as such cost of funds for the calendar month preceding the date of such announcement. If the FHLB of San Francisco fails to announce such rate on or prior to the Eleventh District Cost of Funds Rate Determination Date for the calendar month immediately preceding such date, then the Eleventh District Cost of Funds Rate for such date will be the Eleventh District Cost of Funds Rate in effect on the Eleventh District Cost of Funds Rate Determination Date.

Determination of EURIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is EURIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to EURIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. "EURIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows.

On the second TARGET Business Day prior to the Interest Reset Date for such Interest Reset Period (a "EURIBOR Determination Date"), the Calculation Agent for such EURIBOR Note will determine the offered rates for deposits in Euros as sponsored, calculated and published jointly by the European Banking Federation and ACI -- The Financial Market

Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appears on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on such EURIBOR Determination Date. "Designated EURIBOR Page" means the display designated as

page "248" on Telerate (or any successor service or such other page as may replace page "248" on such service), and EURIBOR for such Interest Reset Period will be the relevant offered rates as determined by the Calculation Agent.

If EURIBOR cannot be determined as described above the Calculation Agent will determine "EURIBOR" as follows. The Calculation Agent will request the principal Euro-zone (as defined below) office of each of four major banks in the Euro-zone interbank market selected by the Calculation Agent to provide the Calculation Agent with their respective offered quotations for deposits in Euros for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If less than two such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of rates quoted by four major banks in the Euro-zone selected by the Calculation Agent for such EURIBOR Note at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date for loans in Euros to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time; provided, however, that if the banks so selected a aforesaid by the Calculation Agent are not quoting rates as mentioned in this sentence, "EURIBOR" for such Interest Reset Period will be same as EURIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the EURIBOR Rate will be the Initial Interest Rate).

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

Inverse Floating Rate Notes

If this Note is designated as an Inverse Floating Rate Note on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Inverse Floating Rate shall be equal to (i) in the case of the period, if any, commencing on the Original Issue Date (or such other date which may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the date on which this Note shall begin to accrue interest), up to the first Interest Reset Date, the Initial Fixed Interest Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and (ii) in the case of each period commencing on an Interest Reset Date, the Reset Fixed Reference Rate specified on the face

hereof or in the pricing supplement attached hereto or delivered herewith minus the interest rate determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as adjusted by the Spread and/or Spread Multiplier, if any, as determined in accordance with the provisions hereof; provided, however, that (x) the interest rate thereon will not be less than zero and (y) the interest rate in effect for the ten days immediately prior to the date of Stated Maturity will be the rate in effect on the tenth day preceding such date.

Floating Rate / Fixed Rate Notes

If this Note is designated as a Floating Rate / Fixed Rate Note, this Note will be a Floating Rate note for a specified portion of its term and a Fixed Rate Note for the remainder of its term, in which event the interest rate on this Note will be determined as provided herein as if it were a Floating Rate Note and a Fixed Rate Note hereunder for each such respective period, all as described herein and in the applicable pricing supplement.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Spread, Spread Multiplier or method of calculation of the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Spread, Spread Multiplier or method of calculation of the Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee will mail to the Holder of this Note a notice (the "Reset Notice"), first class, postage prepaid, indicating whether the Company has elected to reset the Spread, Spread Multiplier or method of calculation of the Interest Rate, and if so, (i) such new Spread, Spread Multiplier or method of calculation of the Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Spread, Spread Multiplier or method of calculation of the Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Reset Notice and establish a higher Spread or Spread Multiplier for the Subsequent Interest Period by causing the Trustee to mail notice of such higher Spread or Spread Multiplier, first class, postage prepaid, to the Holder of this Note. Such notice shall be irrevocable. All Registered Notes with respect to which the Spread or Spread Multiplier is reset on an Optional Reset Date will bear such higher Spread or Spread Multiplier.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset

Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Trustee, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then certain or all interest payments, in the case of an Indexed Rate Note, and/or the principal amount payable at Stated Maturity or earlier redemption or retirement, in the case of an Indexed Principal Note, is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the amount of any interest payment will be determined by reference to the Face Amount described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed interest payments, if any, or any indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Specified Currency

If the Specified Currency is other than U.S. dollars, the amount of any U.S. dollar payment to be made in respect hereof will be determined by the

Company or its agent based on the specified currency/U.S. dollar exchange rate prevailing at 11:00 a.m., London time, on the second Exchange Rate Business Day prior to the applicable payment date. In the event that such exchange rate bid quotation is not so available, the Exchange Rate Agent after consultation with the Company's control. All currency exchange costs will be borne by the Holders of such Registered Notes by deductions from such payments. If no such bid quotations are available, then such payments will be made in the Specified Currency, unless the Specified Currency is unavailable due to the imposition of exchange controls or to other circumstances beyond the Company's control, in which case payment will be made as described in the next paragraph.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a specified currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified

Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be mailed in accordance with the terms of the applicable Tranche of Dual Currency Notes within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to the Trustee (or any duly appointed paying agent) at the corporate trust office of the Trustee or

agency of the Trustee in the City of New York not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to the Trustee (or any duly appointed paying agent) and, as soon as practicable following receipt of such Note the Trustee (or any duly appointed paying agent) shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, the Trustee or any duly appointed paying agent, shall issue in exchange for such Note in the name of such Holder a

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replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee will mail to the Holder of this Note not later than 40 days prior to the original Stated Maturity a notice (the "Extension Notice"), first class, postage prepaid, indicating (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) the Spread or Spread Multiplier applicable to the Extension Period, and (iv) the provisions, if any, for redemption during such Extension Period including the date or dates on which, or the period or periods during which, and

the price or prices at which, such redemption may occur during the Extension Period. Upon the Trustee's mailing of the Extension Notice, the Stated Maturity of this Note shall be extended automatically and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the mailing of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Extension Notice and establish a higher Spread or Spread Multiplier for the Extension Period by causing the Trustee to mail notice of such higher Spread or Spread Multiplier, first class, postage prepaid, to the Holder of this Note. Such notice shall be irrevocable. All Registered Notes with respect to which the Stated Maturity is extended will bear such higher Spread or Spread Multiplier for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Trustee, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If required under the Federal Reserve Capital Adequacy Rules, the Company will obtain the prior approval of the Federal Reserve before exercising its redemption rights. Unless otherwise stated on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Trustee shall mail to the Holder a notice of such redemption first class, postage prepaid, at least 30 days prior to the date of redemption. Unless otherwise stated herein, the Company may exercise such option with respect to a redemption of this Note in part only by notifying the Trustee for this Note at least 45 days prior to any Optional Redemption Date. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof will be issued to the Holder hereof upon the cancellation hereof.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. In order for this Note to be repaid, the Trustee must receive at least 30 but not more than 45 days prior to an Optional Repayment Date (i) this Note with the form below entitled "Option to Elect Repayment" duly completed; or (ii) a telegram, telex, facsimile transmission or letter from a member of a national securities exchange or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States of America setting forth the name of the Holder of this Note, the principal amount of the Note to be repaid, the certificate number or a description of the tenor and terms of this Note, a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note with the form below entitled "Option to Elect Repayment" duly completed will be received by the Trustee not later than five Business Days after the date of such telegram, telex, facsimile transmission or letter. If the procedure described in clause (ii) of the preceding sentence is followed, this Note with form duly completed must be received by the Trustee by such fifth Business Day. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of the Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued in the name of the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face

Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered

herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

The Company may at any time purchase Registered Notes at any price in the open market or otherwise. Registered Notes so purchased by the Company may, at the discretion of the Company, be held or resold or surrendered to the Trustee for such Notes for cancellation.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Registered Notes of different authorized denominations, as requested by the Person surrendering the same.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable on the Security Register of the Company, upon surrender of this Note for registration of transfer at the office or agency of the Company in the Borough of Manhattan, the City and State of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company, the Security Registrar and the Trustee duly executed by the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Registered Notes of this series, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the Holder hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note shall at any time become mutilated, destroyed, stolen or lost and this Note or evidence of the loss, theft, or destruction hereof (together with such indemnity and such other documents or proof as may be required by the Company or the Trustee) shall be delivered to the principal corporate trust office of the Trustee or the agent of the Company or Trustee a new Registered Note of like tenor and principal amount will be issued by the Company in exchange for, or in lieu of, this Note. All expenses and reasonable charges associated with procuring such indemnity and with the preparation, authentication and delivery of a new Registered Note shall be borne by the Holder of this Note.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-as tenants in common	UNIF GIFT MIN ACT	<u>Custodian</u>
TEN ENT	-as tenants by the entireties		(Cust) (Minor)
JT ENT	-as joint tenants with right of survivorship and not as tenants in common		Under Uniform Gifts to Minors Act
			<u>(State)</u>

Additional abbreviations may also be used though not in the above list

OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably requests and instructs the Company to repay \$_____ principal amount of the within Note, pursuant to its terms, on the "Optional Repayment Date" first occurring after the date of receipt of the within Note as specified below, together with interest thereon accrued to the date of repayment, to the undersigned at:

(Please Print or Type Name and Address of the Undersigned)

and to issue to the undersigned, pursuant to the terms of the Indenture, a new Note or Notes representing the remaining principal amount of this Note.

For this Option to Elect Repayment to be effective, this Note with the Option to Elect Repayment duly completed must be received by the Company within the relevant time period set forth above at its office or agency in the Borough of Manhattan, the City and State of New York, located initially at the office of the Trustee at, if delivery is by hand, 60 Wall Street, Attention: Corporate Trust Department, New York, New York 10005.

Dated:

Note: The signature to this Option to Elect Repayment must correspond with the name as written upon the face of the within Note in every particular without alteration or enlargement or any change whatsoever.

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

Please insert Social Security or Other
Identifying Number of Assignee

Please Print or Type Name and Address Including Zip Code of Assignee

the within Note and all rights thereunder, hereby irrevocably constituting and appointing

_____ attorney
to transfer such Note on the books of Citigroup Funding Inc. with full power of substitution in the premises.

Dated: _____

Signature

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatsoever.

BEARER
No. FX ____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.
MEDIUM-TERM SENIOR NOTE, SERIES A
(FIXED RATE)

COMMON CODE

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES

Issue Price: Original Issue Date:

Interest Rate: Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:
(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:
Designated Exchange Rate:

Interest Payment Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Interest Rate Reset: ☐ The Interest Rate may not be changed prior to Stated Maturity.

☐ The Interest Rate may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: ☐ Yes ☐ No

Optional Repayment Dates: Optional Repayment Prices:

Optional Extension of Stated Maturity: ☐ Yes ☐ No

Final Maturity:

Discount Note: ☐ Yes ☐ No

Total Amount of OID: Yield to Maturity:

Renewable Note: ☐ Yes (see attached) ☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount)
as to which election may be exercised:

If the Specified Currency of this Note is Pounds sterling, the following applies: This instrument constitutes

☐ commercial paper

☐ a shorter term debt security

☐ a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING

CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein and (b) accrued interest on the Principal Amount then outstanding (or in the case of an Indexed Principal Note, the Face Amount, then outstanding) to the bearer of the interest coupons attached hereto (the "Coupons") at the Interest Rate shown above from the Original Issue Date shown above or from the most recent date to which interest has been paid or duly provided for, annually in arrears (unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith) on the Interest Payment Dates specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith commencing on the first Interest Payment Date following the Original Issue Date shown above upon presentation and surrender of the Coupons as they shall severally mature, and on the Stated Maturity shown above, or upon earlier redemption or repayment, until, in either case, the Principal Amount then outstanding or the Face Amount is paid or duly provided for in accordance with the terms hereof. Unless otherwise specified herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note, if any, will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; (ii) with respect to Bearer Notes having a Specified Currency other than U.S. dollars only, other than Bearer Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; (iii) with respect to Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "TARGET Business Day"); and (iv) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a Specified Currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the Specified Currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

Except under certain circumstances for Notes having Specified Currencies other than U.S. dollars, payments of the principal hereof and any premium and interest hereon will be made only in the Specified Currency. Payments in respect of this Note and any Coupon will be made only

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against surrender of this Note or such Coupon, at the offices of the Paying Agents outside the United States listed on the reverse hereof. At the direction of the Holder of this Note or any Coupon, and subject to applicable laws and regulations, such payments will be made by check drawn on a bank in The City of New York (in the case of U.S. dollar payments) or outside the United States (in the case of payments in a currency other than U.S. dollars) mailed to an address outside the United States furnished by the Holder hereof or, at the option of the Holder hereof, by wire transfer (pursuant to written instructions supplied by the Holder hereof) to an account maintained by the payee with a bank located outside the United States. No payment in respect of this Note or any Coupon will be made upon presentation of this Note or such Coupon at any office or agency of the Trustee or any other paying agency maintained by the Company in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States. Notwithstanding the foregoing, if U.S. dollar payments in respect of this Note or any Coupons at the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. dollars, the Company will appoint an office or agency (which may be the Trustee) in the United States at which such payments may be made.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Citibank, N.A., or its successor, as authentication agent.

IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Bearer Notes issued under the within-mentioned Indenture.

Dated:

CITIBANK, N.A., as authentication agent

By _____
Authorized Signatory

(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
MEDIUM-TERM SENIOR NOTE, SERIES A
(FIXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., as trustee (the "Trustee," which term includes any successor Trustee under the Indenture), to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt

Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in bearer form. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of Bearer Notes denominated in U.S. dollars will be U.S.\$1,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Bearer Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Fixed Rate Notes

This Note will bear interest from its Original Issue Date, or from the last Interest Payment Date to which interest has been paid or duly provided for, at the Interest Rate stated on the face hereof or in the pricing supplement attached hereto or delivered herewith until the principal amount hereof is paid or made available for payment, except as otherwise described below under "Subsequent Interest Periods" and "Extension of Stated Maturity", and except that if so specified in the attached pricing supplement, the rate of interest payable may be subject to adjustment as specified therein.

Unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note will be payable semiannually in arrears on the Interest Payment Dates set forth above and at Stated Maturity. If an Interest Payment Date with respect to any Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, however, that any payment required to be made in respect of such Note on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment. However, if with respect to any Note for which "Accrue to Pay" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, any Interest Payment Date with respect

to such Fixed Rate Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day.

Each payment of interest in respect of an Interest Payment Date shall include interest accrued through the day before such Interest Payment Date. Unless otherwise specified herein, interest on this Note will be computed on the basis of a 360-day year of twelve 30-day months ("30 over 360") or, in the case

of an incomplete month, the number of days elapsed.

Subsequent Interest Periods

If so specified on the face hereof, the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof (each an "Optional Reset Date"). The Company may reset the Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee shall provide notice (the "Reset Notice"), in accordance with "Notices" below, indicating whether the Company has elected to reset the Interest Rate, and if so, (i) such new Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Interest Rate provided for in the Reset Notice and establish a higher Interest Rate for the Subsequent Interest Period by causing the Trustee to provide notice of such higher Interest Rate to the Holder of this Note. Such notice shall be irrevocable. All Bearer Notes with respect to which the Interest Rate is reset on an Optional Reset Date will bear such higher Interest Rate.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then the principal amount payable at Stated Maturity or earlier redemption or retirement is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular

Indexed Note and the third party either suspends the calculation or announcement of

such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a Specified Currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be provided in accordance with "Notices", below, within two Business Days of the

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Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the

Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to any duly appointed paying agent not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to any duly appointed paying agent and, as soon as practicable following receipt of such Note such paying agent shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note,

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such paying agent shall issue in exchange for such Note in the name of such Holder a replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee will mail to the Holder of this Note not later than 40 days prior to the original Stated Maturity notice (the "Extension Notice") in accordance with "Notices" below. The Extension Notice will set forth (i) the election of the Company to extend the Stated Maturity,

(ii) the new Stated Maturity, (iii) the Interest Rate applicable to the Extension Period, and (iv) the provisions, if any, for redemption during such Extension Period, including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the provision by the Trustee of an Extension Notice to the Holder hereof, the Stated Maturity of this Note shall be extended automatically, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the provision of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Interest Rate provided for in the Extension Notice and establish a higher Interest Rate for the Extension Period by causing the Trustee to provide notice of such higher Interest Rate, as the case may be, in accordance with "Notices" below. Such notice shall be irrevocable. All Notes with respect to which the Stated Maturity is extended will bear such higher Interest Rate for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Trustee, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If the Company elects to exercise such option with respect to this Note, at least 30 days prior to the date of

redemption, such Trustee shall provide notice of such redemption to the Holder hereof in accordance with "Notices" below. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof shall be issued to the Holder hereof upon the cancellation hereof. Notes redeemed prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any

missing unmatured Coupon will be deducted from the sum due for payment.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. Notes that are to be repaid prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

In order for this Note to be repaid, the Principal Paying Agent must receive this Note at least 30 but not more than 45 days prior to an Optional Repayment Date. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of this Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued to the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such

Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

Tax Redemption

The Bearer Notes of a series may be redeemed at the option of the Company in whole, but not in part, at any time on giving at least 30 but not more than 60 days' notice in accordance with "Notices" below (which notice shall be irrevocable), at the respective Redemption Prices thereof, if the Company has or will become obligated to pay additional interest on such Notes as described in the following paragraph as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after their respective Original Issue Dates, and such obligation cannot be avoided by the Company taking reasonable measures available to it; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of such Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Company shall deliver to the Trustee for the Notes to be redeemed a certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred, and an opinion of independent counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

Payment of Additional Interest

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the Holder of this Note or any Coupon that is a United States Alien (as defined below) such amounts as may be necessary so that every net payment on this Note or such Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided in this Note or such Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest to such Holder for or an account of:

(a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor or beneficiary of, or a Person holding a power over, such Holder, if such Holder is an estate or a trust, or a member or shareholder of such Holder,

if such Holder is a partnership or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, Person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such Holder's past or present status as a passive foreign investment company, a personal holding company, foreign personal holding company, a controlled foreign corporation for United States tax purposes or private foundation or other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

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(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Note or such Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later;

(d) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on this Note or such Coupon;

(e) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on this Note or such Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent;

(f) any tax, assessment or other governmental charge imposed on a Holder that actually or constructively owns ten percent or more of the combined voting power of all classes of stock of the Company or is a controlled foreign corporation related to the Company through stock ownership; nor shall such additional interest be paid with respect to a payment on this Note or such Coupon to a Holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the Holder of this Note or such Coupon.

The term "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States

federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

Special Tax Redemption

If the Company shall determine that any payment made outside the United States by the Company or any of its Paying Agents in respect of this Note or any Coupon appertaining thereto would, under any present or future laws or regulations of the United States, be subject to any certification, documentation, information or other reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any Paying Agent or any governmental authority of the nationality, residence or identity of a beneficial owner that is a United States Alien (other than such a requirement (a) that would not be applicable to a payment made by the Company or any one of its Paying Agents (i) directly to the beneficial owner or (ii) to a custodian, nominee or other agent of the beneficial owner or (b) that can be satisfied by such custodian, nominee or other agent certifying to the effect that the beneficial owner is a United States Alien; provided that, in any case referred to in clause (a) (ii) or (b), payment by the custodian, nominee, or agent to the beneficial owner is not otherwise subject to any such requirement), then the Company shall elect either (x) to redeem such Note in whole, but not in part, at its Redemption Price, or (y) if the conditions described in the next succeeding paragraph are satisfied, to pay the additional interest specified in such paragraph. The Company shall make such determination as soon as practicable and publish prompt notice thereof stating the effective date of such certification, documentation, information or other reporting requirement, whether the Company elects to redeem the Note or to pay the additional interest specified in the next succeeding paragraph and (if applicable) the last date by which the redemption of the Note must take place.

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If this Note is to be redeemed as described in this paragraph, the redemption shall take place on such date, not later than one year after the publication of the determination notice, as the Company shall specify by notice given to the Trustee at least 60 days before the redemption date. Notice of such redemption shall be given to the Holder of this Note at least 30 but not more than 60 days prior to the redemption date. Notwithstanding the foregoing, the Company shall not so redeem the Note if the Company shall subsequently determine, at least 30 days prior to the redemption date, that subsequent payments on the Note would not be subject to any such certification, documentation, information or other reporting requirement, in which case the Company shall publish prompt notice of such subsequent determination and any earlier redemption notice given shall be revoked and of no further effect.

Prior to the publication of any determination notice, the Company shall deliver to the Trustee for the Note to be redeemed a certificate stating that the Company is obligated to make such determination and setting forth a statement of facts showing that the conditions precedent to the obligation of

the Company to redeem the Note or to pay the additional interest specified in the next succeeding paragraph have occurred, and an opinion of independent counsel to the effect that such conditions have occurred.

If and so long as the certification, documentation, information or other reporting requirement referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect to pay as additional interest such amounts as may be necessary so that every net payment made outside the United States following the effective date of such requirement by the Company or any of its Paying Agents of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to the Company, any paying agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge that (i) would not be applicable in the circumstances referred to in the parenthetical clause of the first sentence of the first paragraph of this section or (ii) is imposed as a result of presentation of this Note for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount then due and payable.

If the Company elects to pay additional interest, then the Company shall have the right thereafter to redeem this Note at any time in whole, but not in part, at the Redemption Price, subject to the provisions described above. If the Company elects to pay additional interest and the condition specified above should no longer be satisfied, then the Company shall redeem this Note in whole, but not in part, at the Redemption Price, subject to the provisions of this section. Any such redemption payments made by the Company shall be subject to the continuing obligation of the Company to pay additional interest as described above.

Paying Agents

The Company has initially appointed as its Paying Agents for Bearer Notes of this Series the offices listed below:

Principal Paying Agent:

Citibank, N.A.
5 Carmelite Street
London, England EC4Y 0PA

Paying Agent:

Kredietbank S.A. Luxembourgise

The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and to approve any change in the office through which any Paying Agent acts, provided that there will at all times be a Paying Agent (which may be the Trustee) in at least one city in Europe, which, so long as Bearer Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange shall so require, shall include Luxembourg. Notice of any such termination or appointment and of any changes in the specified offices of the Trustee or any Paying Agent will be given to the Holder hereof as described below.

Notices

All notices to Holders of this Note will be deemed to have been duly given if published on two separate Business Days in a leading London daily newspaper (which is expected to be the Financial Times) and, with respect to any series of Bearer Notes that may be listed on the Luxembourg Stock Exchange, if such exchange so requires, in Luxembourg in a newspaper of general circulation in Luxembourg (which is expected to be the Luxemburger Wort). Such notices shall be deemed to have been given on the date of the first such publication.

Other Terms

If an Event of Default with respect to the Notes shall have occurred and be continuing, the principal of all Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Bearer Notes of different authorized denominations, as requested by the Person surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note

is registered as the Holder hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

If an Event of Default with respect to the Debt Securities of this

series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note or any Coupon shall at any time become mutilated, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying Agent in London; or, with respect to any series of Bearer Notes that are listed on the Luxembourg Stock Exchange, at the specified office of the Paying Agent in Luxembourg, upon payment by the claimant of such expenses as may be incurred in connection therewith and, in the case of destruction, theft or loss, on such terms as to evidence and indemnity as the Company or the Trustee may reasonably require. Mutilated or defaced Bearer Notes or Coupons must be surrendered before replacements will be issued.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The Company may, without the consent of the Holders of the Notes, consolidate with, merge into, or transfer substantially all of its assets to, a corporation that is a U.S. Person, provided that the successor corporation assumes all obligations of the Company under the Notes and certain other conditions are met, including a waiver by the successor corporation of any right to redeem the Notes under circumstances in which the successor corporation would be entitled to redeem the Notes but the Company would not have been entitled to do so.

Except as provided above, the obligation to pay the principal hereof (and premium, if any) and interest hereon in the designated currency of payment is of the essence. To the fullest extent possible under applicable law, judgments in respect of this Note shall be given in such currency. The

obligation of the Company to make such payments in the designated currency of payment shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the designated currency of payment

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that the Holder of this Note may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and cost of exchange) on the business day in the country of issue of the designated currency of payment or in the international banking community (in the case of a composite currency) immediately following the day on which such Holder receives such payment. If the amount in the designated currency of payment that may be so purchased is for any reason less than the amount originally due, the Company shall, as a separate and independent obligation, pay such additional amounts in the designated currency of payment as may be necessary to compensate for any such shortfall.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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BEARER
NO. FL _____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.
MEDIUM-TERM SENIOR NOTE, SERIES A
(FLOATING OR INDEXED RATE)

COMMON CODE

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES

Issue Price:

Original Issue Date:

Initial Interest Rate:

Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:

Designated Exchange Rate:

Base Rate: ☐ CD Rate ☐ Commercial Paper Rate ☐ Federal Funds Rate
☐ LIBOR Telerate ☐ LIBOR Reuters ☐ Treasury Rate
☐ Treasury Rate ☐ Prime Rate
Constant Maturity
☐ Eleventh District ☐ EURIBOR
Cost of Funds Rate
☐ Other (see attached)

Interest Reset Period
or Interest Reset Dates:

Index Maturity:

Interest Payment Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Floating Rate: ☐ Indexed Interest ☐ (see Rate: attached)

Spread Multiplier: Spread (+/-):

Spread Reset: ☐ The Spread or Spread Multiplier may not be changed prior to Stated Maturity.

☐ The Spread or Spread Multiplier may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Maximum Interest Rate: Minimum Interest Rate:

Inverse Floating Rate Note: ☐ Yes (see attached) ☐ No

Initial Fixed Interest Rate: Reset Fixed Reference Rate

Floating Rate / Fixed Rate Note: ☐ Yes (see attached) ☐ No

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: ☐ Yes ☐ No

Optional Repayment Dates: Optional Repayment Prices:

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Optional Extension of Stated Maturity: ☐ Yes ☐ No

Final Maturity:

Discount Note: ☐ Yes ☐ No

Total Amount of OID: Yield to Maturity:

Renewable Note: ☐ Yes (see attached) ☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount)
as to which election may be exercised:

If the Specified Currency of this Note is Pounds sterling, the following applies: This instrument constitutes

- ☐ commercial paper
- ☐ a shorter term debt security
- ☐ a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING APPLIES: THIS NOTE IS ISSUED IN ACCORDANCE WITH THE REGULATIONS MADE UNDER SECTION 4 OF THE BANKING ACT 1987.

CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof, (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein, and (b) accrued interest on the Principal Amount then outstanding (or, in the case of an Indexed Principal Note, the Face Amount then outstanding): (i) if this is a Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Base Rate shown above, adjusted by the Spread or Spread Multiplier, if any, shown above, determined in accordance with the provisions hereof, (ii) if this is an Indexed Rate Note, at a rate determined by reference to an index as described herein, (iii) if this is an Inverse Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Inverse Floating Rate, as determined in accordance with the provisions hereof, or (iv) if this is a Floating Rate / Fixed Rate Note, at a rate determined as described herein, to the bearer of the interest coupons attached hereto (the "Coupons") upon surrender thereof as they shall severally mature at the rates per annum and on the dates, determined as described on the reverse hereof, until, in each case, the Principal Amount or the Face Amount is paid or duly provided for in accordance with the terms hereof.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that is (i) not a day on which banking institutions are authorized or required by law or regulation to be closed in (a) The City of New York, (b) London, England, (c) the place in which this Note or any Coupon is presented for payment or (d) if the Specified Currency (as defined below) is other than U.S. dollars, the financial center of the country issuing the Specified Currency (which in the case of the Euro shall be Brussels, Belgium); (ii) if the Base Rate specified above is LIBOR, any such day on which dealings in deposits in the Specified Currency are transacted in the London interbank market (a "London Business Day"); (iii) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day"); (iv) with respect to Bearer Notes having a specified currency other than U.S. Dollars only, other than Bearer Notes denominated in Euros, any

day that, in the principal financial center (as defined below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and (v) with respect to EURIBOR Notes and Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "Target Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the specified currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is

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payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an index (as described above).

Except under certain circumstances that may apply if this Note has a specified currency other than U.S. dollars, payments of the principal hereof and any premium and interest hereon will be made only in the Specified Currency. Payments in respect of this Note and any Coupon will be made only against surrender of this Note or such Coupon, at the offices of the Paying Agents outside the United States listed on the reverse hereof. At the direction of the Holder of this Note or any Coupon, and subject to applicable laws and regulations, such payments will be made by check drawn on a bank in The City of New York (in the case of U.S. dollar payments) or outside the United States (in the case of payments in a currency other than U.S. dollars) mailed to an address outside the United States furnished by the Holder hereof or, at the option of the Holder hereof, by wire transfer (pursuant to written instructions supplied by the Holder hereof) to an account maintained by the payee with a bank located outside the United States. No payment in respect of this Note or any Coupon will be made upon presentation of this Note or such Coupon at any office or agency of the Trustee or any other paying agency maintained by the Company in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States. Notwithstanding the foregoing, if U.S. dollar payments in respect of this Note or any Coupons at the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. dollars, the Company will appoint an office or agency (which may be the Trustee) in the United States at which such payments may be made.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HEREWITH, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE

SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Citibank, N.A., or its successor, as authentication agent.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

CITIBANK, N.A., as authentication agent

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
MEDIUM-TERM SENIOR NOTE, SERIES A
(FLOATING OR INDEXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., as trustee (the "Trustee," which term includes any successor Trustee under the Indenture) to which indenture and all indentures supplemental thereto reference

is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in bearer form with coupons. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of Bearer Notes denominated in U.S. dollars will be U.S.\$10,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Bearer Notes denominated in a currency other than U.S. dollars will be unless otherwise specified herein the approximate equivalents thereof in the Specified Currency.

Floating Rate Notes

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if this Note is a Floating Rate Note, this Note will bear interest from its Original Issue Date to, but not including, the first Interest Reset Date (as defined below) at the Initial Interest Rate set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. Thereafter, the interest rate hereon for each Interest Reset Period will be determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Base Rates that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith are LIBOR, the Commercial Paper Rate, the Treasury Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, EURIBOR or any other Base Rate specified on the face hereof.

"H.15(519)" means the publication entitled "Statistical Release H.15(519), Selected Interest Rates" or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update/> or any successor site or publication.

"Calculation Date," where applicable, means the date on which the

Calculation Agent is to calculate the interest rate for the Notes which shall be the earlier of (1) the tenth calendar day after the related Rate Determination Date, or if any such day is not a Business Day, the next succeeding business day or (2) the Business Day preceding the applicable Interest Payment Date or the Stated Maturity, as the case may be.

As specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note may also have either or both of the following (in each case expressed as a rate per annum on a simple interest basis): (i) a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period ("Maximum Interest Rate") and/or (ii) a minimum limitation, or floor, on the rate at which interest may accrue during any interest period ("Minimum Interest Rate"). In addition to any Maximum Interest Rate that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest rate will in no event be higher than the maximum rate permitted by applicable law, as the same may be modified by United States law of general application.

The Company will appoint, and enter into an agreement with, agents (each, a "Calculation Agent") to calculate interest rates on this Note. All determinations of interest rates by the Calculation Agent shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder hereof. Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, Citibank, N.A. shall be the Calculation Agent for this Note. At the request of the Holder hereof, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date.

The interest rate hereon will be reset daily, weekly, monthly, quarterly, semiannually or annually (such period being the "Interest Reset Period" specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and the first day of each Interest Reset Period being an "Interest Reset Date"). Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Reset Dates will be as follows: (i) if this Note resets daily, each Business Day; (ii) if this Note (unless this Note is a Treasury Rate Note) resets weekly, Wednesday of each week; (iii) if this Note is a Treasury Rate Note that resets weekly, Tuesday of each week (except as provided below under "Determination of Treasury Rate"); (iv) if this Note resets monthly, the third Wednesday of each month (with the exception of monthly reset Eleventh District Cost of Funds Rate Notes, which reset on the first calendar day of each month); (v) if this Note is an Eleventh District Cost of Funds Rate Note that resets monthly, the first calendar day of each month; (vi) if this Note resets quarterly, the third Wednesday of March, June, September and December of each year; (vii) if this Note resets semiannually, the third Wednesday of the two months of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (viii) if this Note resets annually, the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If an Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date

shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest

Reset Date shall instead be the immediately preceding Business Day. If an auction of direct obligations of United States Treasury Bills falls on a day that is an Interest Reset Date for Treasury Rate Notes, the Interest Reset Date shall be the succeeding Business Day.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest payable hereon on each Interest Payment Date shall be the accrued interest from and including the Original Issue Date or the last date to which interest has been paid, as the case may be, to but excluding such Interest Payment Date.

If more than one Interest Reset Date occurs during any period for which accrued interest is being calculated, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. The interest factor (expressed as a decimal calculated to seven decimal places without rounding) for each such day will be computed, unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, by dividing the interest rate in effect on such day by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate. In all other cases, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof) by the interest rate in effect during the period for which accrued interest is being calculated, and multiplying that product by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof is the Treasury Rate. For purposes of making the foregoing calculations, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on such date.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, all percentages resulting from any calculation of the rate of interest hereof will be rounded, if necessary, to

the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward, and all currency amounts used in or resulting from such calculation will be rounded to the nearest one-hundredth of a unit (with .005 of a unit being rounded upward).

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, interest will be payable as follows: (i) if this Note resets daily, weekly or monthly (other than Eleventh District Cost of Funds Rate Notes), interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith or; (ii) in the case of Eleventh District Cost of Funds Rate Notes, interest will be payable on the first calendar day of each March, June, September and December; (iii) if this Note resets quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year; (iv) if this Note resets semiannually, interest will be payable on the third Wednesday of each of two months of each year specified on the face hereof or in the pricing

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supplement attached hereto or delivered herewith; and (v) if this Note resets annually, interest will be payable on the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in each case at Maturity (each such day being an "Interest Payment Date"). If an Interest Payment Date would otherwise fall on a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Payment Date shall instead be the immediately preceding Business Day; provided, however, if with respect to any Note for which "Accrue to Pay" is not specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if an Interest Payment Date with respect to such Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, further, that any payment required to be made in respect of a Note that does not Accrue to Pay on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date the rate of interest shall be the rate determined in accordance with the provisions of the applicable heading below.

Determination of CD Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the CD Rate, this Note will

bear interest for each Interest Reset Period at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "CD Rate" for each Interest Reset Period shall be the rate as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "CD Rate Determination Date") for negotiable U.S. dollar certificates of deposit having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in H.15(519) under the heading "CDs (Secondary Market)". In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such CD Rate Determination Date, then the "CD Rate" for such Interest Reset Period will be the rate on such CD Rate Determination Date for negotiable U.S. dollar certificates of deposit of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or H.15 Daily Update, then the "CD Rate" for such Interest Reset Period will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on such CD Rate Determination Date of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable U.S. dollar certificates of deposit of major United States money center banks of the highest credit standing (in the market for negotiable U.S. dollar certificates of deposit) with a remaining maturity closest to the Index Maturity on the face hereof or in the pricing supplement attached hereto or delivered herewith in a denomination of \$5,000,000; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the CD Rate for such Interest Reset Period will be the same as the CD Rate for the

immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

Determination of Commercial Paper Rate

If the Base Rate shown on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Commercial Paper Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Commercial Paper Rate" for each Interest Reset Period will be determined by the Calculation Agent as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Commercial Paper Rate Determination Date") and shall be the Money Market Yield (as defined below) on such Commercial Paper Rate Determination Date

of the rate for commercial paper having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate shall be published in H.15(519) under the heading "Commercial Paper-Nonfinancial". In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Commercial Paper Rate Determination Date, then the Commercial Paper Rate for such Interest Reset Period shall be the Money Market Yield on such Commercial Paper Rate Determination Date of the rate for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper-Nonfinancial". If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or the H.15 Daily Update, then the "Commercial Paper Rate" for such Interest Reset Period shall be the Money Market Yield of the arithmetic mean of the offered rates as of 11:00 a.m., New York City time, on such Commercial Paper Rate Determination Date of three leading dealers of U.S. dollar commercial paper in The City of New York selected by the Calculation Agent for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith placed for an industrial issuer whose bonds are rated "AA" or the equivalent by a nationally recognized rating agency; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the "Commercial Paper Rate" for such Interest Reset Period will be the same as the Commercial Paper Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

"Money Market Yield" shall be the yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal and "M" refers to the actual number of days in the applicable Interest Rest Period specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

Determination of Federal Funds Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Federal Funds Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Federal Funds Rate and Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement

attached hereto or delivered herewith. The "Federal Funds Rate" for each Interest Reset Period shall be the effective rate on the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Federal Funds Rate Determination Date") for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service). In the event that such rate does not appear on Moneyline Telerate on Page 120 or is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Federal Funds Rate Determination Date, the "Federal Funds Rate" for such Interest Reset Period shall be the rate on such Federal Funds Rate Determination Date as published in the H.15 Daily Update under the heading "Federal Funds/Effective Rate," or other recognized electronic source used for the purpose of displaying the applicable rate. If by 3:00 p.m., New York City time, on such Calculation Date, such rate is not yet published, then the "Federal Funds Rate" for such Interest Reset Period shall be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar Federal Funds transactions in New York City, selected by the Calculation Agent prior to 9:00 a.m., New York City time, on that Federal Funds Rate Determination Date; provided, however, that if the brokers so selected by the Calculation Agent are not quoting as mentioned above, the "Federal Funds Rate" for the Interest Reset Period will be the "Federal Funds Rate" in effect for the particular Federal Funds Rate Determination Date. If there was no Federal Funds Rate in effect for the Interest Reset Period, the "Federal Funds Rate" will be the initial interest rate.

Determination of LIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof. "LIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows

On the second London Business Day prior to the Interest Reset Date for such Interest Reset Period (a "LIBOR Determination Date"), the Calculation Agent for such LIBOR Note will determine the offered rates for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appear on the Designated LIBOR Page at approximately 11:00 a.m., London time, on such LIBOR Determination Date. "Designated LIBOR Page" means either (a) if "LIBOR Moneyline Telerate" is designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the method for calculating LIBOR, the display designated as page "3750" on the Telerate Service ("Telerate") (or such other page as may replace page "3750" on such service or such other service as may be replaced by a successor service for the purpose of displaying the London interbank offered rates of major banks), and LIBOR for such Interest Reset Period will be the

relevant offered rate as determined by the Calculation Agent or (b) if "LIBOR Reuters" is

designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, "Designated LIBOR Page" means the display designated as page "LIBO" on the Reuters Monitor Money Rates Service and LIBOR will be the arithmetic means of the offered rates, calculated by the Calculation Agent, or the offered rate, if the designated LIBOR page by its terms provides only for a single rate (or such other page as may replace the LIBO page on such service or such other service as may be replaced by a successor service for the purpose of displaying London interbank offered rates of major banks). If neither LIBOR Reuters nor LIBOR Telerate is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, LIBOR will be determined as if LIBOR Moneyline Telerate had been specified.

If LIBOR cannot be determined as described above (either because the Designated LIBOR Page is no longer available or because fewer than two offered rates appear on the Designated LIBOR Page on the LIBOR Determination Date), the Calculation Agent will determine "LIBOR" as follows. The Calculation Agent will request the principal London offices of each of the four major banks in the London interbank market selected by the Calculation Agent to provide the Calculation Agent with its offered quotations for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the LIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in the Specified Currency, that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic mean of rates quoted by three major banks in The City of New York selected by the Calculation Agent at approximately 11:00 a.m., New York City time, on the LIBOR Determination Date for loans in the Specified Currency to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in the Specified Currency that is representative of a single transaction in such market at such time; provided, however, that if fewer than three banks selected as aforesaid by the Calculation Agent are quoting rates as mentioned in this sentence. "LIBOR" for such Interest Reset Period will be the same as LIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the LIBOR Rate will be the Initial Interest Rate).

Determination of Treasury Rate

If the Base Rate specified in the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate or Treasury Rate Constant Maturity, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Unless "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate for the auction held on the Treasury Rate Determination Date (as defined below) for such Interest Reset Period of direct obligations of the United States ("Treasury Securities") that have the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate appears on either Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace the page on that service) or on page 57 (or any other page as may replace that page on that service) under the

heading "Investment Rate." The following procedures will be followed if the Treasury Rate cannot be determined as described above. If not so published by 3:00 p.m., New York City time, on the Calculation Date, the Treasury Rate will be the Bond Equivalent Yield (defined below) of the rate for the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Auction High." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable Treasury Securities as announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury Securities is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the Treasury Rate Determination Date of the applicable Treasury Securities published in H.15(519) under the heading of "U.S. Government Securities/Treasury Bills/Secondary Market." If such rate is not so published by 3:00 p.m., New York City time, on the related Calculated Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date of the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Secondary Market." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the Treasury Rate Determination Date, of three primary United States government securities dealers selected by the Calculation Agent for the issue of Treasury Securities with a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; provided, however,

that if the dealers selected as aforesaid by the Calculation Agent are not quoting bid rates as mentioned in this sentence, then the "Treasury Rate" for such Interest Reset Period will be the same as the Treasury Rate for the immediately preceding Interest Reset Period (or, if there was no Interest Reset Period, the Initial Interest Rate).

The "Treasury Rate Determination Date" for each Interest Reset Period will be the day of the week in which the Interest Reset Date for such Interest Reset Period falls on which Treasury Securities would normally be auctioned. Treasury Securities are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Rate Determination Date pertaining to the Interest Reset Period commencing in the next succeeding week. If an auction date shall fall on any day that would otherwise be an Interest Reset Date for a Note whose Base Rate is the Treasury Rate, then such Interest Reset Date shall instead be the Business Day immediately following such auction date.

Bond Equivalent: Yield will be calculated as follows:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times N)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Securities quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

If "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate displayed on the Designated CMT Telerate Rate Page under the caption "Treasury Constant Maturities" under the column for the Designated CMT Maturity Index in the following manner. If the Designated CMT Moneyline Telerate Page is 7051, the Treasury Rate will be the rate on the Constant Maturity Treasury Rate Determination Date. In the event that such rate does not appear on Moneyline Telerate Page 7051, then the Treasury Rate will be the treasury constant maturity rate for the designated CMT maturity index as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the constant treasury maturity rate on the Constant maturity Treasury Rate Determination Date for the designated CMT maturity index as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would have otherwise been published in H.15(519).

If the Designated CMT Moneyline Telerate Page is 7052, the "Treasury Rate" will be the weekly or monthly average, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, for the week or the month, as applicable, ended immediately preceding the week or month, as applicable, in which the related Constant Maturity Treasury Rate Determination Date occurs. In the event that such rate does not appear on Moneyline Telerate Page 7052, then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the treasury constant maturity rate for the designated CMT maturity index for the week or month as applicable, preceding the Constant Maturity Treasury Rate Determination Date as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the constant treasury maturity rate for the designated CMT maturity index as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the Constant Maturity Treasury Rate Determination Date falls.

The following procedures will be followed if the Treasury Rate cannot be determined as indicated above. If such information, as applicable, is not so published, then the Calculation Agent will calculate the Treasury Rate on the Constant Maturity Treasury Rate Determination Date as follows which shall be a yield to maturity, based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in The City of New York selected by the Calculation Agent, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for United States Treasury Securities ("Treasury Notes"), with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year and in a principal amount that is representative for a single transaction in the securities in that market at that time.

If the Calculation Agent is unable to obtain three such Treasury Note quotations, the Treasury Rate on the Constant Maturity Treasury Rate Determination Date will be calculated by the Calculation Agent, and shall be a yield to maturity based on the arithmetic mean of the secondary market offer side prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in

the City of New York, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation, or, in the

event of equality, one of the lowest, for Treasury Notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in an amount that is representative for a single transaction in that market at that time.

If three or four, and not five, of such dealers are quoting as described above, then the Treasury Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotes will be eliminated. However, if fewer than three dealers so selected by the Calculation Agent are quoting as mentioned above, the Treasury Rate determined as of the Constant Maturity Treasury Rate Determination Date will be the Treasury Rate in effect on the Constant Maturity Treasury Rate Determination Date. If two Treasury Notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the Calculation Agent will obtain quotations for the Treasury Note with the shorter remaining term to maturity and will use such quotations to calculate the Treasury Rate as set forth above.

"Designated CMT Moneyline Telerate Page" means the display on the Telerate Service, or any successor service on the page specified in the applicable pricing supplement, or any other page as may replace such page on that service, or any successor service, for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable pricing supplement, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury Securities, either one, two, three, five, seven, ten, twenty or thirty years, specified in the applicable pricing supplement with respect to which the Treasury Rate will be calculated. If no such maturity is specified in the applicable pricing supplement, the Designated CMT Maturity Index shall be two years.

"The Constant Maturity Treasury Rate Determination Date" shall be the second Business Day prior to the Interest Reset Date for the applicable Interest Reset Period.

Determination of Prime Rate

Prime Rate Notes will bear interest at the interest rates (calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any) specified in the Prime Rate Notes and in the applicable pricing supplement.

The "Prime Rate" for each Interest Reset Period will be determined by the Calculation Agent for such Prime Rate Note as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Prime Rate Determination Date") and shall be the rate made available and subsequently published on such date in H.15(519) under the heading "Bank Prime Loan." In the event that such rate is not published prior to 3:00 p.m., New York City time, on

the Calculation Date (as defined above) pertaining to such Prime Rate Determination Date, then the Prime Rate for such Interest Reset Period shall be the rate published in the H.15 Daily Update under the heading "Bank Prime Loan." In the event that such rate has not been published prior to 3:00

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p.m., New York City time, on the Calculation Date, then the Prime Rate will be calculated by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen USPRIME1 Page (as defined below) as such bank's prime rate or base lending rate on the Prime Rate Determination Date. If fewer than four such rates appear on the Reuters Screen USPRIME1 Page for the Prime Rate Determination Date, the rate shall be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date by three major banks in The City of New York selected by the Calculation Agent. However, if the banks so selected by the Calculation Agent are not quoting as mentioned in the previous sentence, the Prime Rate will be the Prime Rate in effect on the Prime Rate Determination Date.

"Reuters Screen USPRIME1 Page" means the display designated as page "USPRIME1" on the Reuters Monitor Money Rates Service (or such other page as may replace the USPRIME1 page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

Determination of Eleventh District Cost of Funds Rate

Eleventh District Cost of Funds Rate Notes will bear interest at the interest rates (calculated by reference to the Eleventh District Cost of Funds Rate and the Spread and/or Spread Multiplier, if any) specified in the Eleventh District Cost of Funds Rate Notes and in the applicable pricing supplement.

The "Eleventh District Cost of Funds Rate," for each Interest Reset Period will be determined by the Calculation Agent for such Eleventh District Cost of Funds Rate Note as of the last working day of the month immediately prior to such Interest Reset Date for such Interest Reset Period on which the Federal Home Loan Bank of San Francisco (the "FHLB of San Francisco") publishes the Eleventh District Cost of Funds Index (as defined below) (the "Eleventh District Cost of Funds Rate Determination Date"), and shall be the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate Determination Date as set forth under the caption "Eleventh District" on Moneyline Telerate (or any successor service) on page 7058 (which page shall include any successor page (as determined by the Calculation Agent)) as of 11:00 a.m., San Francisco time, on such Eleventh District Cost of Funds Rate Determination Date. If such rate does not appear on Telerate page 7058 on any related Eleventh District Cost of Funds Rate Determination Date, the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home

Loan Bank District that was most recently announced (the "Eleventh District Cost of Funds Rate Index") by the FHLB of San Francisco as such cost of funds for the calendar month preceding the date of such announcement. If the FHLB of San Francisco fails to announce such rate on or prior to the Eleventh District Cost of Funds Rate Determination Date for the calendar month immediately preceding such date, then the Eleventh District Cost of Funds Rate for such date will be the Eleventh District Cost of Funds Rate in effect on the Eleventh District Cost of Funds Rate Determination Date.

Determination of EURIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is EURIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to EURIBOR and the Spread or Spread Multiplier, if

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any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. "EURIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows.

On the second TARGET Business Day prior to the Interest Reset Date for such Interest Reset Period (a "EURIBOR Determination Date"), the Calculation Agent for such EURIBOR Note will determine the offered rates for deposits in Euros for the period of the index maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appears on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on such EURIBOR Determination Date. "Designated EURIBOR Page" means the display designated as page "248" on Telerate (or any successor service or such other page as may replace page "248" on such service), and EURIBOR for such Interest Reset Period will be the relevant offered rates as determined by the Calculation Agent.

If EURIBOR cannot be determined as described above, the Calculation Agent will determine "EURIBOR" as follows. The Calculation Agent will request the principal Euro-zone (as defined below) office of each of four major banks in the Euro-zone interbank market selected by the Calculation Agent to provide the Calculation Agent with their respective offered quotations for deposits in Euros for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If less than two such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of rates quoted by four major banks in the Euro-zone selected by the Calculation Agent for such EURIBOR Note at

approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date for loans in Euros to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time; provided, however, that if the banks so selected as aforesaid by the Calculation Agent are not quoting rates as mentioned in this sentence, "EURIBOR" for such Interest Reset Period will be the same as EURIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the EURIBOR Rate will be the Initial Interest Rate).

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

Inverse Floating Rate Notes

If this Note is designated as an Inverse Floating Rate Note on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Inverse Floating Rate shall be equal to (i) in the case of the period, if any, commencing on the Original Issue Date (or such other date which may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the date on which this Note shall begin to accrue interest), up to the first Interest Reset Date, the Initial Fixed Interest Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and (ii) in the case of each period commencing on an Interest Reset

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Date, the Reset Fixed Reference Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith minus the interest rate determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as adjusted by the Spread and/or Spread Multiplier, if any, as determined in accordance with the provisions hereof; provided, however, that (x) the interest rate thereon will not be less than zero and (y) the interest rate in effect for the ten days immediately prior to the date of Maturity will be the rate in effect on the tenth day preceding such date.

Floating Rate / Fixed Rate Notes

If this Note is designated as a Floating Rate / Fixed Rate Note, this Note will be a Floating Rate note for a specified portion of its term and a Fixed Rate Note for the remainder of its term, in which event the interest rate on this Note will be determined as provided herein as if it were a Floating Rate Note and a Fixed Rate Note hereunder for each such respective period, all as described herein and in the applicable pricing supplement.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Spread, Spread Multiplier or method of calculation of the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Spread, Spread Multiplier or method of calculation of the Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee shall provide notice (the "Reset Notice"), in accordance with "Notices" below, indicating whether the Company has elected to reset the Spread, Spread Multiplier or method of calculation of the Interest Rate, and if so, (i) such new Spread, Spread Multiplier or method of calculation of the Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Spread, Spread Multiplier or method of calculation of the Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Reset Notice and establish a higher Spread or Spread Multiplier for the Subsequent Interest Period by causing the Trustee to provide notice of such higher Spread or Spread Multiplier to the Holder of this Note. Such notice shall be irrevocable. All Bearer Notes with respect to which the Spread or Spread Multiplier is reset on an Optional Reset Date will bear such higher Spread or Spread Multiplier.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment

pursuant to a Reset Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then certain or all interest payments, in the case of an Indexed Rate Note, and/or the principal amount payable at Stated Maturity or earlier redemption or retirement, in the case of an Indexed Principal Note, is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the amount of any interest payment will be determined by reference to the Face Amount described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed interest payments, if any, or any indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a specified currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such

redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to

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fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be provided in accordance with "Notices" below within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together

with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

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The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to any duly appointed paying agent not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to any duly appointed paying agent and, as soon as practicable following receipt of such Note, such paying agent shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, such paying agent shall issue in exchange for such Note in the name of such Holder a replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but

not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustees will mail to the Holder of this Note not later than 40 days prior to the original Stated Maturity notice (the "Extension Notice") in accordance with "Notices" below. The Extension Notice will set forth (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) in the case of a Floating Rate Note, the Spread, Spread Multiplier or method of calculation applicable to the Extension Period, and (iv) the provisions, if any, for redemption during the Extension Period, including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the provision by the Trustee of an Extension Notice to the Holder hereof, the Stated Maturity of this Note shall be extended automatically, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the provision of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Extension Notice and establish a higher Spread or Spread Multiplier for the Extension Period by causing the Trustee to provide notice of such higher Spread or Spread Multiplier, as the case may be, to the Holder hereof in accordance with "Notices" below. Such

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notice shall be irrevocable. All Notes with respect to which the Stated Maturity is extended will bear such higher Spread or Spread Multiplier for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem

this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If the Company elects to exercise such option with respect to this Note, at least 30 days prior to the date of redemption, such Trustee shall provide notice of such redemption to the Holder hereof in accordance with "Notices" below. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof shall be issued to the Holder hereof upon the cancellation hereof. Notes redeemed prior to the Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. Notes that are to be repaid prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

In order for this Note to be repaid, the Principal Paying Agent must receive this Note at least 30 but not more than 45 days prior to an Optional Repayment Date. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of the Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued in the name of the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has

accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

Tax Redemption

The Bearer Notes of a series may be redeemed at the option of the Company in whole, but not in part, at any time on giving at least 30 but not more than 60 days' notice in accordance with "Notices" below (which notice shall be irrevocable), at the respective Redemption Prices thereof, if the Company has or will become obligated to pay additional interest on such Notes as described in the following paragraph as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after their respective Original Issue Dates, and such obligation cannot be avoided by the Company taking reasonable measures available to it; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of such Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Company shall deliver to the Trustee for the Notes to be redeemed a certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred, and an opinion of independent counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

Payment of Additional Interest

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the Holder of this Note or any Coupon that is a United States Alien (as defined below) such amounts as may be necessary so that every net payment on this Note or such Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any

political subdivision or taxing authority thereof or therein), will not be less than the amount provided in this Note or such Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest to such Holder for or an account of:

(a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor or beneficiary of, or a Person holding a power over, such Holder, if such Holder is an estate or a trust, or a member or shareholder of such Holder, if such Holder is a partnership or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, Person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such Holder's past or present status as a passive foreign investment company, a personal holding company, foreign personal holding company, a controlled foreign corporation for United States tax purposes or private foundation or other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Note or such Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later;

(d) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on this Note or such Coupon;

(e) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on this Note or such Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent;

(f) any tax, assessment or other governmental charge imposed on a Holder that actually or constructively owns ten percent or more of the combined voting power of all classes of stock of the Company or is a controlled foreign corporation related to the Company through stock ownership; nor shall such additional interest be paid with respect to a payment on this Note or such Coupon to a Holder that is a fiduciary or

partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the Holder of this Note or such Coupon.

The term "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

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Paying Agents

The Company has initially appointed as its Paying Agents for Bearer Notes of this Series the offices listed below:

Principal Paying Agent:

Citibank, N.A.
5 Carmelite Street
London, England EC4Y 0PA

Paying Agent:

Kredietbank S.A. Luxembourgeoise
43 Boulevard Royal Luxembourg
Luxembourg City 2955

The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and to approve any change in the office through which any Paying Agent acts, provided that there will at all times be a Paying Agent (which may be the Trustee) in at least one city in Europe, which, so long as Bearer Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange shall so require, shall include Luxembourg. Notice of any such termination or appointment and of any changes in the specified offices of the Trustee or any Paying Agent will be given to the Holder hereof as described below.

Notices

All notices to Holders of this Note will be deemed to have been duly given if published on two separate Business Days in a leading London daily newspaper (which is expected to be the Financial Times) and, with respect to any series of Bearer Notes that may be listed on the Luxembourg Stock Exchange, if such exchange so requires, in Luxembourg in a newspaper of general circulation in Luxembourg (which is expected to be the Luxemburger Wort). Such notices shall

be deemed to have been given on the date of the first such publication.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Registered Notes of different authorized denominations, as requested by the Person surrendering the same.

No service charge shall be made for any such exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note or any Coupon shall at any time become mutilated, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying Agent in London; or, with

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respect to any series of Bearer Notes that are listed on the Luxembourg Stock Exchange, at the specified office of the Paying Agent in Luxembourg, upon payment by the claimant of such expenses as may be incurred in connection therewith and, in the case of destruction, theft or loss, on such terms as to evidence and indemnity as the Company or the Trustee may reasonably require. Mutilated or defaced Bearer Notes or Coupons must be surrendered before replacements will be issued.

All monies paid by the Company to a Trustee or Paying Agent for the payment of principal of or any premium or interest on any Bearer Note or for the payment of any Coupon which remain unclaimed at the end of two years after such payments shall have become due and payable will be repaid to the Company, at its written request, and the Holder of such Note or Coupon will thereafter look only to the Company for payment, such payment to be made only outside the United States.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the

Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The Company may, without the consent of the Holders of the Notes, consolidate with, merge into, or transfer substantially all of its assets to, a corporation that is a U.S. Person, provided that the successor corporation assumes all obligations of the Company under the Notes and certain other conditions are met, including a waiver by the successor corporation of any right to redeem the Notes under circumstances in which the successor corporation would be entitled to redeem the Notes but the Company would not have been entitled to do so.

Except as provided above, the obligation to pay the principal hereof (and premium, if any) and interest hereon in the designated currency of payment is of the essence. To the fullest extent possible under applicable law, judgments in respect of this Note shall be given in such currency. The obligation of the Company to make such payments in the designated currency of payment shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the designated currency of payment that the Holder of this Note may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and cost of exchange) on the business day in the

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country of issue of the designated currency of payment or in the international banking community (in the case of a composite currency) immediately following the day on which such Holder receives such payment. If the amount in the designated currency of payment that may be so purchased is for any reason less than the amount originally due, the Company shall, as a separate and independent obligation, pay such additional amounts in the designated currency of payment as may be necessary to compensate for any such shortfall.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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BEARER
No. FX ____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FIXED RATE)

COMMON CODE

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES.

Issue Price: Original Issue Date:

Interest Rate: Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:
(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:
Designated Exchange Rate:

Interest Payment Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Interest Rate Reset: ☐ The Interest Rate may not be changed prior to Stated Maturity.

☐ The Interest Rate may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: ☐ Yes ☐ No

Optional Repayment Dates: Optional Repayment Prices:

Optional Extension of Stated Maturity: ☐ Yes ☐ No

Final Maturity:

Discount Note: ☐ Yes ☐ No

Total Amount of OID: Yield to Maturity:

Renewable Note: ☐ Yes (see attached) ☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount) as to which election may be exercised:

If the Specified Currency of this Note is Pounds sterling, the following applies: This instrument constitutes

☐ commercial paper

☐ a shorter term debt security

☐ a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING APPLIES: THIS NOTE IS ISSUED IN ACCORDANCE WITH THE REGULATIONS MADE UNDER

CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein and (b) accrued interest on the Principal Amount then outstanding (or in the case of an Indexed Principal Note, the Face Amount, then outstanding) to the bearer of the interest coupons attached hereto (the "Coupons") at the Interest Rate shown above from the Original Issue Date shown above or from the most recent date to which interest has been paid or duly provided for, annually in arrears (unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith) on the Interest Payment Dates specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith commencing on the first Interest Payment Date following the Original Issue Date shown above upon presentation and surrender of the Coupons as they shall severally mature, and on the Stated Maturity shown above, or upon earlier redemption or repayment, until, in either case, the Principal Amount then outstanding or the Face Amount is paid or duly provided for in accordance with the terms hereof. Unless otherwise specified herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note, if any, will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; (ii) with respect to Bearer Notes having a specified currency other than U.S. dollars only, other than Bearer Notes denominated in Euros, any day that, in the principal financial center (a specified currency below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; (iii) with respect to Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "TARGET Business Day"); and (iv) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the Specified Currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal

financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

The indebtedness evidenced by this Note is, to the extent set forth in the Indenture, expressly subordinated and subject in right of payment to the prior payment in full of Senior Indebtedness as defined in the Indenture, and this Note is issued subject to such provisions, and each Holder of this Note, by accepting the same, agrees to and shall be bound by such provisions and authorizes and directs the Trustee in his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination as provided in the Indenture and appoints the Trustee as his attorney-in-fact for any and all such purposes.

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If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

Except under certain circumstances for Notes having Specified Currencies other than U.S. dollars, payments of the principal hereof and any premium and interest hereon will be made only in the Specified Currency. Payments in respect of this Note and any Coupon will be made only against surrender of this Note or such Coupon, at the offices of the Paying Agents outside the United States listed on the reverse hereof. At the direction of the Holder of this Note or any Coupon, and subject to applicable laws and regulations, such payments will be made by check drawn on a bank in The City of New York (in the case of U.S. dollar payments) or outside the United States (in the case of payments in a currency other than U.S. dollars) mailed to an address outside the United States furnished by the Holder hereof or, at the option of the Holder hereof, by wire transfer (pursuant to written instructions supplied by the Holder hereof) to an account maintained by the payee with a bank located outside the United States. No payment in respect of this Note or any Coupon will be made upon presentation of this Note or such Coupon at any office or agency of the Trustee or any other paying agency maintained by the Company in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States. Notwithstanding the foregoing, if U.S. dollar payments in respect of this Note or any Coupons at the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. dollars, the Company will appoint an office or agency (which may be the Trustee) in the United States at which such payments may be made.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Deutsche Bank Trust Company Americas, or its successor, as Trustee.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Bearer Notes issued under the within-mentioned Indenture.

Dated:

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Trustee

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FIXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and Deutsche Bank Trust Company

Americas, as trustee (the "Trustee," which term includes any successor Trustee under the Indenture), to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in bearer form. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of Bearer Notes denominated in U.S. dollars will be U.S.\$1,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Bearer Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Fixed Rate Notes

This Note will bear interest from its Original Issue Date, or from the last Interest Payment Date to which interest has been paid or duly provided for, at the Interest Rate stated on the face hereof or in the pricing supplement attached hereto or delivered herewith until the principal amount hereof is paid or made available for payment, except as otherwise described below under "Subsequent Interest Periods" and "Extension of Stated Maturity", and except that if so specified in the attached pricing supplement, the rate of interest payable may be subject to adjustment as specified therein.

Unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note will be payable semiannually in arrears on the Interest Payment Dates set forth above and at Stated Maturity. If an Interest Payment Date with respect to any Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, however, that any payment required to be made in respect of such Note on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment. However, if with respect to any Note for which "Accrue to Pay" is specified on the face hereof or in

the pricing supplement attached hereto or delivered herewith, any Interest Payment Date with respect to such Fixed Rate Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day.

Each payment of interest in respect of an Interest Payment Date shall include interest accrued through the day before such Interest Payment Date. Unless otherwise specified herein, interest on this Note will be computed on the basis of a 360-day year of twelve 30-day months ("30 over 360") or, in the case of an incomplete month, the number of days elapsed.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Interest Rate by notifying the Trustee for this Note at least 45 but no more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee shall provide notice (the "Reset Notice"), in accordance with "Notices" below, indicating whether the Company has elected to reset the Interest Rate, and if so, (i) such new Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Interest Rate provided for in the Reset Notice and establish a higher Interest Rate for the Subsequent Interest Period by causing the Trustee to provide notice of such higher Interest Rate to the Holder of this Note. Such notice shall be irrevocable. All Bearer Notes with respect to which the Interest Rate is reset on an Optional Reset Date will bear such higher Interest Rate.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then the principal amount payable at Stated Maturity or earlier redemption or retirement is determined by reference to the amount designated on the face hereof or in the pricing

supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may

be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a specified currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute a Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to fluctuations in exchange rates or (ii) any redenomination of any component

currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in

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the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be provided in accordance with "Notices" below, within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period

equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to any duly appointed paying agent not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to such paying agent and, as soon as practicable following receipt of such Note such paying agent shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note

shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, such paying agent shall issue in exchange for such Note in the name of such Holder a replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may

exercise such option by notifying the Trustee for this Note at least 45 days but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee shall provide to the Holder of this Note not later than 40 days prior to the original Stated Maturity notice (the "Extension Notice") in accordance with "Notices" below. The Extension Notice will set forth (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) the interest rate applicable to the Extension Period, and (iv) the provisions, if any, for redemption during the Extension Period, including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the provision by such Trustee of an Extension Notice to the Holder hereof, the Stated Maturity of this Note shall be extended automatically, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the provision of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the interest rate provided for in the Extension Notice for this Note and establish a higher Spread or Spread Multiplier (in the case of a Floating Rate Note) for the Extension Period, by causing the Trustee to provide notice of such higher interest rate, as the case may be, to the Holder hereof in accordance with "Notices" below. Such notice shall be irrevocable. All Notes with respect to which the Stated Maturity is extended will bear such higher interest rate for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery of this Note or notification to the Paying Agent shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Trustee, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date

or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If required under the Federal Reserve Capital

Adequacy Rules, the Company will obtain the prior approval of the Federal Reserve before exercising its redemption rights. If the Company elects to exercise such option with respect to this Note, at least 30 days prior to the date of redemption, such Trustee shall provide notice of such redemption to the Holder hereof in accordance with "Notices" below. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof shall be issued to the Holder hereof upon the cancellation hereof. Notes redeemed prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. Notes that are to be repaid prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

In order for this Note to be repaid, the Principal Paying Agent must receive this Note at least 30 but not more than 45 days prior to an Optional Repayment Date. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of this Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued to the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation

principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption

Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

Tax Redemption

The Bearer Notes of a series may be redeemed at the option of the Company in whole, but not in part, at any time on giving at least 30 but not more than 60 days' notice in accordance with "Notices" below (which notice shall be irrevocable), at the respective Redemption Prices thereof, if the Company has or will become obligated to pay additional interest on such Notes as described in the following paragraph as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after their respective Original Issue Dates, and such obligation cannot be avoided by the Company taking reasonable measures available to it; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of such Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Company shall deliver to the Trustee for the Notes to be redeemed a certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred, and an opinion of independent counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

Payment of Additional Interest

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the Holder of this Note or any Coupon that is a United States Alien (as defined below) such amounts as may be necessary so that every net payment on this Note or such Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or

therein), will not be less than the amount provided in this Note or such Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest to such Holder for or an account of:

(a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor or beneficiary of, or a Person holding a power over, such Holder, if such Holder is an estate or a trust, or a member or shareholder of such Holder, if such Holder is a partnership or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, Person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such Holder's past or present status as a passive foreign investment company, a personal holding company, foreign personal holding company, a controlled foreign corporation for United States tax purposes or private foundation or other

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tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Note or such Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later;

(d) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on this Note or such Coupon;

(e) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on this Note or such Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent;

(f) any tax, assessment or other governmental charge imposed on a Holder that actually or constructively owns ten percent or more of the combined voting power of all classes of stock of the Company or is a controlled foreign corporation related to the Company through stock ownership; nor shall such additional interest be paid with respect to a payment on this Note or such Coupon to a Holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the

extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the Holder of this Note or such Coupon.

The term "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

Special Tax Redemption

If the Company shall determine that any payment made outside the United States by the Company or any of its Paying Agents in respect of this Note or any Coupon appertaining thereto would, under any present or future laws or regulations of the United States, be subject to any certification, documentation, information or other reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any Paying Agent or any governmental authority of the nationality, residence or identity of a beneficial owner that is a United States Alien (other than such a requirement (a) that would not be applicable to a payment made by the Company or any one of its Paying Agents (i) directly to the beneficial owner or (ii) to a custodian, nominee or other agent of the beneficial owner or (b) that can be satisfied by such custodian, nominee or other agent certifying to the effect that the beneficial owner is a United States Alien; provided that, in any case referred to in clause (a) (ii) or (b), payment by the custodian, nominee, or agent to the beneficial owner is not otherwise subject to any such requirement), then the Company shall elect either (x) to redeem such Note in whole, but not in part, at its Redemption Price, or (y) if the conditions described

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in the next succeeding paragraph are satisfied, to pay the additional interest specified in such paragraph. The Company shall make such determination as soon as practicable and publish prompt notice thereof stating the effective date of such certification, documentation, information or other reporting requirement, whether the Company elects to redeem the Note or to pay the additional interest specified in the next succeeding paragraph and (if applicable) the last date by which the redemption of the Note must take place.

If this Note is to be redeemed as described in this paragraph, the redemption shall take place on such date, not later than one year after the publication of the determination notice, as the Company shall specify by notice given to the Trustee at least 60 days before the redemption date. Notice of such redemption shall be given to the Holder of this Note at least 30 but not more than 60 days prior to the redemption date. Notwithstanding the foregoing, the Company shall not so redeem the Note if the Company shall subsequently determine, at least 30 days prior to the redemption date, that subsequent

payments on the Note would not be subject to any such certification, documentation, information or other reporting requirement, in which case the Company shall publish prompt notice of such subsequent determination and any earlier redemption notice given shall be revoked and of no further effect.

Prior to the publication of any determination notice, the Company shall deliver to the Trustee for the Note to be redeemed a certificate stating that the Company is obligated to make such determination and setting forth a statement of facts showing that the conditions precedent to the obligation of the Company to redeem the Note or to pay the additional interest specified in the next succeeding paragraph have occurred, and an opinion of independent counsel to the effect that such conditions have occurred.

If and so long as the certification, documentation, information or other reporting requirement referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect to pay as additional interest such amounts as may be necessary so that every net payment made outside the United States following the effective date of such requirement by the Company or any of its Paying Agents of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to the Company, any paying agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge that (i) would not be applicable in the circumstances referred to in the parenthetical clause of the first sentence of the first paragraph of this section or (ii) is imposed as a result of presentation of this Note for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount then due and payable.

If the Company elects to pay additional interest, then the Company shall have the right thereafter to redeem this Note at any time in whole, but not in part, at the Redemption Price, subject to the provisions described above. If the Company elects to pay additional interest and the condition specified above should no longer be satisfied, then the Company shall redeem this Note in whole, but not in part, at the Redemption Price, subject to the provisions of this section. Any such redemption payments made by the Company shall be subject to the continuing obligation of the Company to pay additional interest as described above.

Paying Agents

The Company has initially appointed as its Paying Agents for Bearer Notes of this Series the offices listed below:

Principal Paying Agent:

Deutsche Bank U.K.
Winchester House
1 Great Winchester Street
London, England EC2 N2DB

Paying Agent:

Deutsche Bank Luxembourg
P.O. Box 586
L-2015 Luxembourg

The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and to approve any change in the office through which any Paying Agent acts, provided that there will at all times be a Paying Agent (which may be the Trustee) in at least one city in Europe, which, so long as Bearer Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange shall so require, shall include Luxembourg. Notice of any such termination or appointment and of any changes in the specified offices of the Trustee or any Paying Agent will be given to the Holder hereof as described below.

Notices

All notices to Holders of this Note will be deemed to have been duly given if published on two separate Business Days in a leading London daily newspaper (which is expected to be the Financial Times) and, with respect to any series of Bearer Notes that may be listed on the Luxembourg Stock Exchange, if such exchange so requires, in Luxembourg in a newspaper of general circulation in Luxembourg (which is expected to be the Luxemburger Wort). Such notices shall be deemed to have been given on the date of the first such publication.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Bearer Notes of different authorized denominations, as requested by the Person surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the Holder hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note or any Coupon shall at any time become mutilated, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying Agent in London; or, with respect to any series of Bearer Notes that are listed on the Luxembourg Stock Exchange, at the specified office of the Paying Agent in Luxembourg, upon payment by the claimant of such expenses as may be incurred in connection therewith and, in the case of destruction, theft or loss, on such terms as to evidence and indemnity as the Company or the Trustee may reasonably require. Mutilated or defaced Bearer Notes or Coupons must be surrendered before replacements will be issued.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The Company may, without the consent of the Holders of the Notes, consolidate with, merge into, or transfer substantially all of its assets to, a corporation, provided that the successor corporation assumes all obligations of the Company under the Notes and certain other conditions are met.

Except as provided above, the obligation to pay the principal hereof (and premium, if any) and interest hereon in the designated currency of payment is of the essence. To the fullest extent possible under applicable law, judgments in respect of this Note shall be given in such currency. The obligation of the Company to make such payments in the designated currency of

payment shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the designated currency of payment that the Holder of this Note may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and cost of exchange) on the business day in the country of issue of the designated currency of payment or in the international banking community (in the case of a composite currency) immediately following the day on which such Holder receives such payment. If the amount in the designated currency of payment that may be so purchased is for any

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reason less than the amount originally due, the Company shall, as a separate and independent obligation, pay such additional amounts in the designated currency of payment as may be necessary to compensate for any such shortfall.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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BEARER
NO. FL____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$_____
CUSIP: _____

CITIGROUP FUNDING INC.
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FLOATING OR INDEXED RATE)

COMMON CODE

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES.

Issue Price:

Original Issue Date:

Initial Interest Rate:

Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:
Designated Exchange Rate:

Base Rate: ☐ CD Rate ☐ Commercial Paper Rate ☐ Federal Funds Rate
☐ LIBOR Telerate ☐ LIBOR Reuters ☐ Treasury Rate
☐ Treasury Rate
Constant Maturity ☐ Prime Rate
☐ Eleventh District ☐ EURIBOR
Cost of Funds Rate
☐ Other (see attached)

Interest Reset Period or Interest Reset Dates: Index Maturity:

Interest Payment Dates:
Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes see attached) ☐ No

Floating Rate: ☐ Indexed Interest Rate: ☐ (see attached)

Spread Multiplier: Spread (+/-):

Spread Reset: ☐ The Spread or Spread Multiplier may not be changed prior to Stated Maturity.
☐ The Spread or Spread Multiplier may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Maximum Interest Rate: Minimum Interest Rate:

Inverse Floating Rate Note: ☐ Yes (see attached) ☐ No

Initial Fixed Interest Rate: Reset Fixed Reference Rate

Floating Rate / Fixed Rate Note: ☐ Yes (see attached) ☐ No

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity:

Bond Yield to Call:

Optional Repayment:

☐ Yes

☐ No

Optional Repayment Dates:

Optional Repayment Prices:

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Optional Extension of
Stated Maturity:

☐ Yes

☐ No

Final Maturity:

Discount Note:

☐ Yes

☐ No

Total Amount of OID:

Yield to Maturity:

Renewable Note:

☐ Yes (see attached)

☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal
amount) as to which election may be exercised:

If the Specified Currency of this Note is Pounds sterling, the following
applies: This instrument constitutes

☐ commercial paper

☐ a shorter term debt security

☐ a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING
APPLIES: THIS NOTE IS ISSUED IN ACCORDANCE WITH THE REGULATIONS MADE UNDER
SECTION 4 OF THE BANKING ACT 1987.

CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof, (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein, and (b) accrued interest on the Principal Amount then outstanding (or, in the case of an Indexed Principal Note, the Face Amount then outstanding): (i) if this is a Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Base Rate shown above, adjusted by the Spread or Spread Multiplier, if any, shown above, determined in accordance with the provisions hereof, (ii) if this is an Indexed Rate Note, at a rate determined by reference to an Index as described herein, (iii) if this is an Inverse Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Inverse Floating Rate, as determined in accordance with the provisions hereof, or (iv) if this is a Floating Rate / Fixed Rate Note, at a rate determined as described herein, to the bearer of the interest coupons attached hereto (the "Coupons") upon surrender thereof as they shall severally mature at the rates per annum and on the dates, determined as described on the reverse hereof, until, in each case, the Principal Amount or the Face Amount then outstanding is paid or duly provided for in accordance with the terms hereof.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that is (i) not a day on which banking institutions are authorized or required by law or regulation to be closed in (a) The City of New York, (b) London, England, (c) the place in which this Note or any Coupon is presented for payment or (d) if the Specified Currency (as defined below) is other than U.S. dollars, the financial center of the country issuing the Specified Currency (which in the case of the Euro shall be Brussels, Belgium) and (ii) if the Base Rate specified above is LIBOR, a London Banking Day. "London Banking Day" means any day on which dealings in deposits in the Specified Currency are transacted in the London interbank market (a "London Business Day"); (iii) with respect to Bearer Notes having any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a Specified Currency other than U.S. dollars, a day on which banking institutions and foreign exchange markets settle payments in the City of New York and London (an "Exchange Rate Business Day"); (iv) with respect to Bearer Notes having a Specified Currency other than US. Dollars only, other than bearer notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and (v) with respect to EURIBOR Notes and Notes denominated in Euros, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer ("TARGET") System is open (a "Target Business

Day").

As used above, a "principal financial center" means the capital city of the country issuing the Specified Currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

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The indebtedness evidenced by this Note is, to the extent set forth in the Indenture, expressly subordinated and subject in right of payment to the prior payment in full of Senior Indebtedness as defined in the Indenture, and this Note is issued subject to such provisions, and each Holder of this Note, by accepting the same, agrees to and shall be bound by such provisions and authorizes and directs the Trustee in his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination as provided in the Indenture and appoints the Trustee as his attorney-in-fact for any and all such purposes.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

Except under certain circumstances that may apply if this Note has a Specified Currency other than U.S. dollars, payments of the principal hereof and any premium and interest hereon will be made only in the Specified Currency. Payments in respect of this Note and any Coupon will be made only against surrender of this Note or such Coupon, at the offices of the Paying Agents outside the United States listed on the reverse hereof. At the direction of the Holder of this Note or any Coupon, and subject to applicable laws and regulations, such payments will be made by check drawn on a bank in The City of New York (in the case of U.S. dollar payments) or outside the United States (in the case of payments in a currency other than U.S. dollars) mailed to an address outside the United States furnished by the Holder hereof or, at the option of the Holder hereof, by wire transfer (pursuant to written instructions supplied by the Holder hereof) to an account maintained by the payee with a bank located outside the United States. No payment in respect of this Note or any Coupon will be made upon presentation of this Note or such Coupon at any office or agency of the Trustee or any other paying agency maintained by the Company in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States. Notwithstanding the foregoing, if U.S. dollar payments in respect of this Note or any Coupons at the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. dollars, the Company will appoint an office or agency (which may be the Trustee) in the United States at which such payments may be made.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Deutsche Bank Trust Company Americas, or its successor, as Trustee.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Trustee

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FLOATING OR INDEXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and Deutsche Bank Trust Company Americas, as trustee (the "Trustee," which term includes any successor Trustee under the Indenture) to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in bearer form with coupons. Unless otherwise specified in the applicable pricing supplement, the authorized denominations of Bearer Notes denominated in U.S. dollars will be U.S.\$10,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Bearer Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Floating Rate Notes

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if this Note is a Floating Rate Note, this Note will bear interest from its Original Issue Date to, but not including, the first Interest Reset Date (as defined below) at the Initial Interest Rate set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. Thereafter, the interest rate hereon for each Interest Reset Period will be determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Base Rates that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith are LIBOR, the Commercial Paper Rate, the Treasury Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, EURIBOR or any other Base Rate specified on the face hereof.

"H.15(519)" means the publication entitled "Statistical Release H.15(519), Selected Interest Rates" or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update/> or any successor site or publication.

"Calculation Date," where applicable, means the date on which the Calculation Agent is to calculate the interest rate for the Notes which shall be the earlier of (1) the tenth calendar day after the related Rate Determination Date, or if any such day is not a Business Day, the next succeeding business day or (2) the Business Day preceding the applicable Interest Payment Date or the Stated Maturity, as the case may be.

As specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note may also have either or both of the following (in each case expressed as a rate per annum on a simple interest basis): (i) a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period ("Maximum Interest Rate") and/or (ii) a minimum limitation, or floor, on the rate at which interest may accrue during any interest period ("Minimum Interest Rate"). In addition to any Maximum Interest Rate that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest rate will in no event be higher than the maximum rate permitted by applicable law, as the same may be modified by United States law of general application.

The Company will appoint, and enter into an agreement with, agents (each, a "Calculation Agent") to calculate interest rates on this Note. All determinations of interest rates by the Calculation Agent shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder hereof. Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, Deutsche Bank Trust Company Americas, shall be the Calculation Agent for this Note. At the request of the Holder hereof, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date.

The interest rate hereon will be reset daily, weekly, monthly, quarterly, semiannually or annually (such period being the "Interest Reset Period" specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and the first day of each Interest Reset Period being an "Interest Reset Date"). Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Reset Dates will be as follows: (i) if this Note resets daily, each Business Day; (ii) if this Note (unless this Note is a Treasury Rate Note) resets weekly, Wednesday of each week; (iii) if this Note is a Treasury Rate Note that resets weekly, Tuesday of each week (except as provided below under "Determination of Treasury Rate"); (iv) if this Note resets monthly, the third Wednesday of each month (with the exception of monthly reset Eleventh District Cost of Funds Rate Notes, which reset on the first calendar day of each month); (v) if this Note is an Eleventh District Cost of Funds Rate Note that resets monthly, the first

calendar day of each month; (vi) if this Note resets quarterly, the third Wednesday of March, June, September and December of each year; (vii) if this Note resets semiannually, the third Wednesday of the two months of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (viii) if this Note resets annually, the third Wednesday of the month of

each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If an Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall instead be the immediately preceding Business Day. If an auction of direct obligations of United States Treasury Bills falls on a day that is an Interest Reset Date for Treasury Rate Notes, the Interest Reset Date shall be the succeeding Business Day.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest payable hereon on each Interest Payment Date shall be the accrued interest from and including the Original Issue Date or the last date to which interest has been paid, as the case may be, to but excluding such Interest Payment Date.

If more than one Interest Reset Date occurs during any period for which accrued interest is being calculated, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. The interest factor (expressed as a decimal calculated to seven decimal places without rounding) for each such day will be computed, unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, by dividing the interest rate in effect on such day by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate. In all other cases, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof) by the interest rate in effect during the period for which accrued interest is being calculated, and multiplying that product by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or

by the actual number of days in the year, if the Base Rate specified on the face hereof is the Treasury Rate. For purposes of making the foregoing calculations, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on such date.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, all percentages resulting from any calculation of the rate of interest hereof will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward, and all currency amounts used in or resulting from such calculation will be rounded to the nearest one-hundredth of a unit (with .005 of a unit being rounded upward).

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, interest will be payable as follows: (i) if this Note resets daily, weekly or monthly (other than Eleventh District Cost of Funds Rate Notes), interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and

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December of each year, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith or; (ii) in the case of Eleventh District Cost of Funds Rate Notes, interest will be payable on the first calendar day of each March, June, September and December; (iii) if this Note resets quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year; (iv) if this Note resets semiannually, interest will be payable on the third Wednesday of each of two months of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (v) if this Note resets annually, interest will be payable on the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in each case at Stated Maturity (each such day being an "Interest Payment Date"). If an Interest Payment Date would otherwise fall on a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Payment Date shall instead be the immediately preceding Business Day; provided, however, if with respect to any Note for which "Accrue to Pay" is not specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if an Interest Payment Date with respect to such Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, further, that any payment required to be made in respect of a Note that does not Accrue to Pay on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date the rate of interest shall be the rate determined in accordance with the provisions of the applicable heading below.

Determination of CD Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the CD Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "CD Rate" for each Interest Reset Period shall be the rate as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "CD Rate Determination Date") for negotiable U.S. dollar certificates of deposit having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in H.15(519) under the heading "CDs (Secondary Market)". In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such CD Rate Determination Date, then the "CD Rate" for such Interest Reset Period will be the rate on such CD Rate Determination Date for negotiable U.S. dollar certificates of deposit of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or H.15 Daily Update, then the "CD Rate" for such Interest Reset Period will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on such CD Rate Determination Date of three leading nonbank dealers in negotiable

U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable U.S. dollar certificates of deposit of major United States money center banks of the highest credit standing (in the market for negotiable U.S. dollar certificates of deposit) with a remaining maturity closest to the Index Maturity on the face hereof or in the pricing supplement attached hereto or delivered herewith in a denomination of \$5,000,000; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the CD Rate for such Interest Reset Period will be the same as the CD Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

Determination of Commercial Paper Rate

If the Base Rate shown on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Commercial Paper Rate,

this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Commercial Paper Rate" for each Interest Reset Period will be determined by the Calculation Agent as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Commercial Paper Rate Determination Date") and shall be the Money Market Yield (as defined below) on such Commercial Paper Rate Determination Date of the rate for commercial paper having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate shall be published in H.15(519) under the heading "Commercial Paper-Nonfinancial". In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Commercial Paper Rate Determination Date, then the Commercial Paper Rate for such Interest Reset Period shall be the Money Market Yield on such Commercial Paper Rate Determination Date of the rate for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper-Nonfinancial." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or the H.15 Daily Update, then the "Commercial Paper Rate" for such Interest Reset Period shall be the Money Market Yield of the arithmetic mean of the offered rates as of 11:00 a.m., New York City time, on such Commercial Paper Rate Determination Date of three leading dealers of U.S. dollar commercial paper in The City of New York selected by the Calculation Agent for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith placed for an industrial issuer whose bonds are rated "AA" or the equivalent by a nationally recognized rating agency; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the "Commercial Paper Rate" for such Interest Reset Period will be the same as the Commercial Paper Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

"Money Market Yield" shall be the yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

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where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal and "M" refers to the actual number of days in the applicable Interest Reset Period specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

Determination of Federal Funds Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Federal Funds Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Federal Funds Rate and Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Federal Funds Rate" for each Interest Reset Period shall be the effective rate on the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Federal Funds Rate Determination Date") for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service). In the event that such rate does not appear on Moneyline Telerate on Page 120 or is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Federal Funds Rate Determination Date, the "Federal Funds Rate" for such Interest Reset Period shall be the rate on such Federal Funds Rate Determination Date as published in the H.15 Daily Update under the heading "Federal Funds/Effective Rate," or other recognized electronic source used for the purpose of displaying the applicable rate. If by 3:00 p.m., New York City time, on such Calculation Date, such rate is not yet published, then the "Federal Funds Rate" for such Interest Reset Period shall be arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar Federal Funds transactions in New York City, selected by the Calculation Agent prior to 9:00 a.m., New York City time, on that Federal Funds Rate Determination Date; provided, however, that if the brokers so selected by the Calculation Agent are not quoting as mentioned above, the "Federal Funds Rate" for the Interest Reset Period will be the "Federal Funds Rate" in effect for the particular Federal Funds Rate Determination Date. If there was no Federal Funds Rate in effect for the Interest Reset Period, the "Federal Funds Rate" will be the initial interest rate.

Determination of LIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof. "LIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows

On the second London Business Day prior to the Interest Reset Date for such Interest Reset Period (a "LIBOR Determination Date"), the Calculation Agent for such LIBOR Note will determine the offered rates for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appear on the Designated LIBOR Page at approximately 11:00 a.m., London time, on such LIBOR Determination Date. "Designated LIBOR Page" means either (a) if "LIBOR Moneyline Telerate" is designated on the face hereof or in the pricing supplement attached hereto or

delivered herewith, or if neither "LIBOR Reuters" nor

"LIBOR Moneyline Telerate" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the method for calculating LIBOR, the display designated as page "3750" on the Telerate Service ("Telerate") (or such other page as may replace page "3750" on such service or such other service as may be replaced by a successor service for the purpose of displaying the London interbank offered rates of major banks), and LIBOR for such Interest Reset Period will be the relevant offered rate as determined by the Calculation Agent or (b) if "LIBOR Reuters" is designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, "Designated LIBOR Page" means the display designated as page "LIBO" on the Reuters Monitor Money Rates Service and LIBOR will be the arithmetic means of the offered rates, calculated by the Calculation Agent, or the offered rates, if the designated LIBOR page by its terms provides only for a single rate (or such other page as may replace the LIBO page on such service or such other service as may be replaced by a successor service for purpose of displaying London interbank offered rates of major banks). If neither LIBOR Reuters nor LIBOR Telerate is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, LIBOR will be determined as if LIBOR Moneyline Telerate had been specified.

If LIBOR cannot be determined as described above (either because the Designated LIBOR Page is no longer available or because fewer than two offered rates appear on the Designated LIBOR Page on the LIBOR Determination Date), the Calculation Agent will determine "LIBOR" as follows. The Calculation Agent will request the principal London offices of each of the four major banks in the London interbank market selected by the Calculation Agent to provide the Calculation Agent with its offered quotations for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the LIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in the Specified Currency, that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic mean of rates quoted by three major banks in The City of New York selected by the Calculation Agent at approximately 11:00 a.m., New York city time, on the LIBOR Determination Date for loans in the Specified Currency to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in the Specified Currency that is representative of a single transaction in such market at such time; provided, however, that if fewer than three banks selected as aforesaid by the Calculation Agent are

quoting rates as mentioned in this sentence. "LIBOR" for such Interest Reset Period will be the same as LIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the LIBOR Rate will be the Initial Interest Rate).

Determination of Treasury Rate

If the Base Rate specified in the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate or Treasury Rate Constant Maturity, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, if an, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Unless "Treasury Rate Constant Maturity"

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is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate for the auction held on the Treasury Rate Determination Date (as defined below) for such Interest Reset Period of direct obligations of the United States ("Treasury Securities") that have the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate appears on either Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace the page on that service) or on page 57 (or any other page as may replace that page on that service) under the heading "Investment Rate." The following procedures will be followed if the Treasury Rate cannot be determined as described above. If not so published by 3:00 p.m., New York City time, on the Calculation Date, the "Treasury Rate" will be the Bond Equivalent Yield (defined below) of the rate for the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Auction High." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable Treasury Securities as announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury Securities is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the Treasury Rate Determination Date of the applicable Treasury Securities published in H.15(519) under the heading of "U.S. Government Securities/Treasury Bills/Secondary Market." If such rate is not so published by 3:00 p.m., New York City time, on the related Calculated Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date of the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Secondary Market." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, then the Treasury Rate will be the rate on the Treasury Rate

Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the Treasury Rate Determination Date, of three primary United States government securities dealers selected by the Calculation Agent for the issue of Treasury Securities with a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting bid rates as mentioned in this sentence, then the "Treasury Rate" for such Interest Reset Period will be the same as the Treasury Rate for the immediately preceding Interest Reset Period (or, if there was no Interest Reset Period, the Initial Interest Rate).

The "Treasury Rate Determination Date" for each Interest Reset Period will be the day of the week in which the Interest Reset Date for such Interest Reset Period falls on which Treasury Securities would normally be auctioned. Treasury Securities are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Rate Determination Date pertaining to the Interest Reset Period commencing in the next succeeding week. If an auction date shall fall on any day that would otherwise be an Interest Reset Date for a Note whose Base Rate is the Treasury Rate, then such Interest Reset Date shall instead be the Business Day immediately following such auction date.

Bond Equivalent: Yield will be calculated as follows:

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$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Securities quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

If "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate displayed on the Designated CMT Telerate Rate Page under the caption "Treasury Constant Maturities" under the column for the Designated CMT Maturity Index in the following manner. If the Designated CMT Moneyline Telerate Page is 7051, the Treasury Rate will be the rate on the Constant Maturity Treasury Rate Determination Date. In the event that such rate does not appear on Moneyline Telerate Page 7051, then the Treasury Rate will be the treasury constant maturity rate for the designated CMT maturity index as published in the relevant

H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the constant treasury maturity rate on the Constant maturity Treasury Rate Determination Date for the designated CMT maturity index as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would have otherwise been published in H.15(519). If the Designated CMT Moneyline Telerate Page is 7052, the "Treasury Rate" will be the weekly or monthly average, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, for the week or the month, as applicable, ended immediately preceding the week or month, as applicable, in which the related Constant Maturity Treasury Rate Determination Date occurs. In the event that such rate does not appear on Moneyline Telerate Page 7052, then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the treasury constant maturity rate for the designated CMT maturity index for the week or month as applicable, preceding the Constant Maturity Treasury Rate Determination Date as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the constant treasury maturity rate for the designated CMT maturity index as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the Constant Maturity Treasury Rate Determination Date falls.

The following procedures will be followed if the Treasury Rate cannot be determined as indicated above. If such information, as applicable, is not so published, then the Calculation Agent will calculate the Treasury Rate on the Constant Maturity Treasury Rate Determination Date as follows which shall be a yield to maturity, based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in The City of New York selected by the Calculation Agent, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for United States Treasury Securities ("Treasury Notes"), with an original maturity of approximately the

Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year and in a principal amount that is representative for a single transaction in the securities in that market at that time.

If the Calculation Agent is unable to obtain three such Treasury Note quotations, the Treasury Rate on the Constant Maturity Treasury Rate

Determination Date will be calculated by the Calculation Agent, and shall be a yield to maturity based on the arithmetic mean of the secondary market offer side prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in the City of New York, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for Treasury Notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in an amount that is representative for a single transaction in that market at that time.

If three or four, and not five, of such dealers are quoting as described above, then the Treasury Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotes will be eliminated. However, if fewer than three dealers so selected by the Calculation Agent are quoting as mentioned above, the Treasury Rate determined as of the Constant Maturity Treasury Rate Determination Date will be the Treasury Rate in effect on the Constant Maturity Treasury Rate Determination Date. If two Treasury Notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the Calculation Agent will obtain quotations for the Treasury Note with the shorter remaining term to maturity and will use such quotations to calculate the Treasury Rate as set forth above.

"Designated CMT Moneyline Telerate Page" means the display on the Telerate Service, or any successor service on the page specified in the applicable pricing supplement, or any other page as may replace such page on that service, or any successor service, for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable pricing supplement, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury Securities, either one, two, three, five, seven, ten, twenty or thirty years, specified in the applicable pricing supplement with respect to which the Treasury Rate will be calculated. If no such maturity is specified in the applicable pricing supplement, the Designated CMT Maturity Index shall be two years.

"The Constant Maturity Treasury Rate Determination Date" shall be the second Business Day prior to the Interest Reset Date for the applicable Interest Reset Period.

Prime Rate Notes will bear interest at the interest rates (calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any) specified in the Prime Rate Notes and in the applicable pricing supplement.

The "Prime Rate" for each Interest Reset Period will be determined by the Calculation Agent for such Prime Rate Note as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Prime Rate Determination Date") and shall be the rate made available and subsequently published on such date in H.15(519) under the heading "Bank Prime Loan." In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Prime Rate Determination Date, then the Prime Rate for such Interest Reset Period shall be the rate published in the H.15 Daily Update under the heading "Bank Prime Loan." In the event that such rate has not been published prior to 3:00 p.m., New York City time, on the Calculation Date, then the Prime Rate will be calculated by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen USPRIME1 Page (as defined below) as such bank's prime rate or base lending rate on the Prime Rate Determination Date. If fewer than four such rates appear on the Reuters Screen USPRIME1 Page for the Prime Rate Determination Date, the rate shall be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date by three major banks in The City of New York selected by the Calculation Agent. However, if the banks so selected by the Calculation Agent are not quoting as mentioned in the previous sentence, the Prime Rate will be the Prime Rate in effect on the Prime Rate Determination Date.

"Reuters Screen USPRIME1 Page" means the display designated as page "USPRIME1" on the Reuters Monitor Money Rates Service, (or such other page as may replace the USPRIME1 page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

Determination of Eleventh District Cost of Funds Rate

Eleventh District Cost of Funds Rate Notes will bear interest at the interest rates (calculated by reference to the Eleventh District Cost of Funds Rate and the Spread and/or Spread Multiplier, if any) specified in the Eleventh District Cost of Funds Rate Notes and in the applicable pricing supplement.

The "Eleventh District Cost of Funds Rate," for each Interest Reset Period will be determined by the Calculation Agent for such Eleventh District Cost of Funds Rate Note as of the last working day of the month immediately prior to such Interest Reset Date for such Interest Reset Period on which the Federal Home Loan Bank of San Francisco (the "FHLB of San Francisco") publishes the Eleventh District Cost of Funds Index (as defined below) (the "Eleventh District Cost of Funds Rate Determination Date"), and shall be the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate Determination Date as set forth under the caption "Eleventh District" on Moneyline Telerate (or any successor service) on page 7058 (which page shall include any successor page (as determined by the

Calculation Agent)) as of 11:00 a.m., San Francisco time, on such Eleventh District Cost of Funds Rate Determination Date. If such rate does not appear on Telerate page 7058 on any related Eleventh

District Cost of Funds Rate Determination Date, the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Eleventh District Cost of Funds Rate Index") by the FHLB of San Francisco as such cost of funds for the calendar month preceding the date of such announcement. If the FHLB of San Francisco fails to announce such rate on or prior to the Eleventh District Cost of Funds Rate Determination Date for the calendar month immediately preceding such date, then the Eleventh District Cost of Funds Rate for such date will be the Eleventh District Cost of Funds Rate in effect on the Eleventh District Cost of Funds Rate Determination Date.

Determination of EURIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is EURIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to EURIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. "EURIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows.

On the second TARGET Business Day prior to the Interest Reset Date for such Interest Reset Period (a "EURIBOR Determination Date"), the Calculation Agent for such EURIBOR Note will determine the offered rates for deposits in Euros as sponsored, calculated and published jointly by the European Banking Federation and ACI -- The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appears on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on such EURIBOR Determination Date. "Designated EURIBOR Page" means the display designated as page "248" on Telerate (or any successor service or such other page as may replace page "248" on such service), and EURIBOR for such Interest Reset Period will be the relevant offered rates as determined by the Calculation Agent.

If EURIBOR cannot be determined as described above the Calculation Agent will determine "EURIBOR" as follows. The Calculation Agent will request the principal Euro-zone (as defined below) office of each of four major banks in the Euro-zone interbank market selected by the Calculation Agent to provide the Calculation Agent with their respective offered quotations for deposits in Euros for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such

Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If less than two such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of rates quoted by four major banks in the Euro-zone selected by the Calculation Agent for such EURIBOR Note at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date for loans in Euros to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time; provided, however,

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that if the banks so selected a aforesaid by the Calculation Agent are not quoting rates as mentioned in this sentence, "EURIBOR" for such Interest Reset Period will be same as EURIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the EURIBOR Rate will be the Initial Interest Rate).

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

Inverse Floating Rate Notes

If this Note is designated as an Inverse Floating Rate Note on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Inverse Floating Rate shall be equal to (i) in the case of the period, if any, commencing on the Original Issue Date (or such other date which may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the date on which this Note shall begin to accrue interest), up to the first Interest Reset Date, the Initial Fixed Interest Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and (ii) in the case of each period commencing on an Interest Reset Date, the Reset Fixed Reference Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith minus the interest rate determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as adjusted by the Spread and/or Spread Multiplier, if any, as determined in accordance with the provisions hereof; provided, however, that (x) the interest rate thereon will not be less than zero and (y) the interest rate in effect for the ten days immediately prior to the date of Stated Maturity will be the rate in effect on the tenth day preceding such date.

If this Note is designated as a Floating Rate / Fixed Rate Note, this Note will be a Floating Rate note for a specified portion of its term and a Fixed Rate Note for the remainder of its term, in which event the interest rate on this Note will be determined as provided herein as if it were a Floating Rate Note and a Fixed Rate Note hereunder for each such respective period, all as described herein and in the applicable pricing supplement.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Spread, Spread Multiplier or method of calculation of the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Spread, Spread Multiplier or method of calculation of the Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee shall provide notice of such election (the "Reset Notice"), in accordance with "Notices" below, indicating whether the Company has elected to reset the Spread, Spread Multiplier or method of calculation of the Interest Rate, and if so, (i) such new Spread, Spread Multiplier or method of calculation of the Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of

this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Spread, Spread Multiplier or method of calculation of the Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Reset Notice and establish a higher Spread or Spread Multiplier for the Subsequent Interest Period by causing the Trustee to provide notice of such higher Spread or Spread Multiplier to the Holder of this Note. Such notice shall be irrevocable. All Bearer Notes with respect to which the Spread or Spread Multiplier is reset on an Optional Reset Date will bear such higher Spread or Spread Multiplier.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the

procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then certain or all interest payments, in the case of an Indexed Rate Note, and/or the principal amount payable at Stated Maturity or earlier redemption or retirement, in the case of an Indexed Principal Note, is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the amount of any interest payment will be determined by reference to the Face Amount described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed interest payments, if any, or any indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a Specified Currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available

Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be provided in accordance with "Notices" below within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note

will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to any duly appointed paying agent not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to any duly appointed paying agent and, as soon as practicable following receipt of such Note such paying agent shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, such paying agent shall issue in exchange for such Note in the name of such Holder a replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee shall provide to the Holder of this Note not later than 40 days prior to the original Stated Maturity notice (the "Extension Notice") in accordance with "Notices" below. The Extension Notice will set forth (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) in the case of a Floating Rate Note, the Spread, Spread Multiplier or method of calculation applicable to the Extension Period, and (iv) the provisions, if any, for redemption during the Extension Period, including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the provision by such Trustee of an Extension Notice to the Holder hereof, the Stated Maturity of this Note shall be extended automatically, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the provision of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Extension Notice and establish a higher Spread or Spread Multiplier for the Extension Period by causing the Trustee to provide notice of such higher Spread or Spread Multiplier, as the case may be, to the Holder hereof in accordance with "Notices" below. Such notice shall be irrevocable. All Notes with respect to which the Stated Maturity is extended will bear such higher Spread or Spread Multiplier for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth calendar day

before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If required under the Federal Reserve Capital Adequacy Rules, the Company will obtain the prior

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approval of the Federal Reserve before exercising its redemption rights. If the Company elects to exercise such option with respect to this Note, at least 30 days prior to the date of redemption, such Trustee shall provide notice of such redemption to the Holder hereof in accordance with "Notices" below. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof shall be issued to the Holder hereof upon the cancellation hereof. Notes redeemed prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment. Unless this is an Amortizing Note, this Note will not be subject to any sinking fund.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable to Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. Notes that are to be repaid prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

In order for this Note to be repaid, the Principal Paying Agent must receive this Note at least 30 but not more than 45 days prior to an Optional Repayment Date. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of this Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued in the name of the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date,

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the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

Tax Redemption

The Bearer Notes of a series may be redeemed at the option of the Company in whole, but not in part, at any time on giving at least 30 but not more than 60 days' notice in accordance with "Notices" below (which notice shall be irrevocable), at the respective Redemption Prices thereof, if the Company has or will become obligated to pay additional interest on such Notes as described in the following paragraph as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after their respective Original Issue Dates, and such obligation cannot be avoided by the Company taking reasonable measures available to it; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of such Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Company shall deliver to

the Trustee for the Notes to be redeemed a certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred, and an opinion of independent counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

Payment of Additional Interest

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the Holder of this Note or any Coupon that is a United States Alien (as defined below) such amounts as may be necessary so that every net payment on this Note or such Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided in this Note or such Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest to such Holder for or an account of:

(a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor or beneficiary of, or a Person holding a power over, such Holder, if such Holder is an estate or a trust, or a member or shareholder of such Holder, if such Holder is a partnership or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, Person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such Holder's past or present status as a passive foreign investment company, a personal holding company, foreign personal holding company, a controlled foreign corporation for United States tax purposes or private foundation or other

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tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Note or such Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later;

(d) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on this Note or such Coupon;

(e) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on this Note or such Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent;

(f) any tax, assessment or other governmental charge imposed on a Holder that actually or constructively owns ten percent or more of the combined voting power of all classes of stock of the Company or is a controlled foreign corporation related to the Company through stock ownership; nor shall such additional interest be paid with respect to a payment on this Note or such Coupon to a Holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the Holder of this Note or such Coupon.

The term "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

Paying Agents

The Company has initially appointed as its Paying Agents for Bearer Notes of this Series the offices listed below:

Principal Paying Agent:

Deutsche Bank U.K.
Winchester House
1 Great Winchester Street
London, England EC2 N2DB

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Paying Agent:

Deutsche Bank Luxembourg
P.O. Box 586
L-2015 Luxembourg

The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents

and to approve any change in the office through which any Paying Agent acts, provided that there will at all times be a Paying Agent (which may be the Trustee) in at least one city in Europe, which, so long as Bearer Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange shall so require, shall include Luxembourg. Notice of any such termination or appointment and of any changes in the specified offices of the Trustee or any Paying Agent will be given to the Holder hereof as described below.

Notices

All notices to Holders of this Note will be deemed to have been duly given if published on two separate Business Days in a leading London daily newspaper (which is expected to be the Financial Times) and, with respect to any series of Bearer Notes that may be listed on the Luxembourg Stock Exchange, if such exchange so requires, in Luxembourg in a newspaper of general circulation in Luxembourg (which is expected to be the Luxemburger Wort). Such notices shall be deemed to have been given on the date of the first such publication.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Registered Notes of different authorized denominations, as requested by the Person surrendering the same.

No service charge shall be made for any such exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note or any Coupon shall at any time become mutilated, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying Agent in London; or, with respect to any series of Bearer Notes that are listed on the Luxembourg Stock Exchange, at the specified office of the Paying Agent in Luxembourg, upon payment by the claimant of such expenses as may be incurred in connection therewith and, in the case of destruction, theft or loss, on such terms as to evidence and indemnity as the Company or the Trustee may reasonably require. Mutilated or defaced Bearer Notes or Coupons must be surrendered before replacements will be issued.

All monies paid by the Company to a Trustee or Paying Agent for the payment of principal of or any premium or interest on any Bearer Note or for the payment of any Coupon which

remain unclaimed at the end of two years after such payments shall have become due and payable will be repaid to the Company, at its written request, and the Holder of such Note or Coupon will thereafter look only to the Company for payment, such payment to be made only outside the United States.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The Company may, without the consent of the Holders of the Notes, consolidate with, merge into, or transfer substantially all of its assets to, a corporation, provided that the successor corporation assumes all obligations of the Company under the Notes and certain other conditions are met.

Except as provided above, the obligation to pay the principal hereof (and premium, if any) and interest hereon in the designated currency of payment is of the essence. To the fullest extent possible under applicable law, judgments in respect of this Note shall be given in such currency. The obligation of the Company to make such payments in the designated currency of payment shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the designated currency of payment that the Holder of this Note may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and cost of exchange) on the business day in the country of issue of the designated currency of payment or in the international banking community (in the case of a composite currency) immediately following the day on which such Holder receives such payment. If the amount in the designated currency of payment that may be so purchased is for any reason less than the amount originally due, the Company shall, as a separate and

independent obligation, pay such additional amounts in the designated currency of payment as may be necessary to compensate for any such shortfall.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

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All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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BEARER
No. FX _____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC. COMMON CODE
TEMPORARY GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SENIOR NOTE, SERIES A
(FIXED RATE)

THIS SECURITY IS A TEMPORARY GLOBAL NOTE, WITHOUT COUPONS, EXCHANGEABLE FOR AN INTEREST IN A PERMANENT GLOBAL NOTE, WITHOUT COUPONS, REPRESENTING (AND EXCHANGEABLE FOR) INDIVIDUAL BEARER NOTES. THE RIGHTS ATTACHING TO THIS NOTE AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR A PERMANENT GLOBAL NOTE ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN).

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR THE INDIVIDUAL BEARER NOTES REPRESENTED HEREBY, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165 (j) AND 1287 (a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES

Issue Price: Original Issue Date:

Interest Rate: Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:
Designated Exchange Rate:

Interest Payment Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Interest Rate Reset: ☐ The Interest Rate may not be changed prior to Stated Maturity.

☐ The Interest Rate may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: ☐ Yes ☐ No

Optional Repayment Dates: Optional Repayment Prices:

Optional Extension of Stated Maturity: ☐ Yes ☐ No

Final Maturity:

Discount Note: ☐ Yes ☐ No

Total Amount of OID: Yield to Maturity:

Renewable Note: ☐ Yes (see attached) ☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount) as to which
election may be exercised:

If the Specified Currency of this Note is Pounds sterling, the following
applies: This instrument constitutes

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☐ commercial paper

☐ a shorter term debt security

☐ a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING
APPLIES: THIS NOTE IS ISSUED IN ACCORDANCE WITH THE REGULATIONS MADE UNDER
SECTION 4 OF THE BANKING ACT 1987.

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CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof, (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing

supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein and (b) accrued interest on the Principal Amount then outstanding (or in the case of an Indexed Principal Note, the Face Amount, then outstanding) at the Interest Rate shown above from the Original Issue Date shown above or from the most recent date to which interest has been paid or duly provided for, annually in arrears (unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith) on the Interest Payment Dates specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith and at Stated Maturity, until, in either case, the Principal Amount then outstanding or the Face Amount is paid or duly provided for in accordance with the terms hereof; but, in the case of principal, only after exchange of this Note for interests in a Permanent Global Note, as provided herein and in the Indenture (as defined on the reverse hereof) and, in the case of interest due on or before the exchange of this Note for interests in a Permanent Global Note, any interest payable will be paid to each of Euroclear and Clearstream (as defined below) with respect to that portion of this Note held for its account, but only upon receipt in each case, as of the relevant Interest Payment Date, of a Certificate of Non-U.S. Beneficial Ownership (as defined on the reverse hereof). Each of Euroclear and Clearstream will undertake in such circumstances to credit such interest received by it in respect of this Note to the respective accounts having an interest therein. Unless otherwise specified herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note, if any, will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

For purposes of this Note, "Business Day" means: (i) with respect to any Registered Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; (ii) with respect to Registered Notes having a specified currency other than U.S. dollars only, other than Registered Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the specified currency, is not a day on which banking institutions generally are authorized or obligated by law to close; (iii) with respect to Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "TARGET Business Day"); and (iv) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the specified currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is

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payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

The principal hereof and any premium and interest hereon are payable by the Company in the Specified Currency shown above. If the Specified Currency shown above is other than U.S. dollars, the Company will arrange to convert all payments in respect hereof into U.S. dollars in the manner described on the reverse hereof. The Holder hereof may, if so indicated above, elect to receive all payments in respect hereof in the Specified Currency by delivery of a written notice to the Trustee not later than fifteen calendar days prior to the applicable payment date. Such election will remain in effect until revoked by

written notice to the Trustee received not later than fifteen calendar days prior to the applicable payment date. If the Company determines that the Specified Currency is not available for making payments in respect hereof due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions or within the international banking community, then the Holder hereof may not so elect to receive payments in the Specified Currency, and any such outstanding election shall be automatically suspended, and payments shall be in U.S. dollars, until the Company determines that the Specified Currency is again available for making such payments.

This Note will be deposited with a common depositary in London (the "Depositary") for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream International ("Clearstream"), for credit to the accounts designated by or on behalf of the purchasers hereof. On or after the 40th day following the issuance of this Note, beneficial interests in this Note will be exchangeable for interests in a definitive Global Security in bearer form, without Coupons attached (a "Permanent Global Note"), in a denomination equal to the aggregate principal amount of all interests in this Note so exchanged, only upon receipt (at such time or in connection with an Interest Payment Date prior to such day) of a Certificate of Non-U.S. Beneficial Ownership. Each Permanent Global Note will be deposited with the Depositary for credit to the account or accounts designated by or on behalf of the beneficial owner or owners thereof. The beneficial owner of a Bearer Note represented by an interest in a Permanent Global Note may, upon 30 days' notice to the Trustee given through either Euroclear or Clearstream, exchange such interest for one or more individual Bearer Notes, with appropriate Coupons attached, in any authorized denomination or denominations. References herein to "Bearer Notes" shall, except where otherwise indicated, include interests in a Permanent Global Note as well as individual Bearer Notes and any appurtenant Coupons. Upon any exchange of any portion of this Note for an interest in a Permanent Global Note, the portion of the principal amount hereof so exchanged shall be endorsed by the Trustee on the Schedule of Exchanges hereto, and the principal amount hereof shall be reduced for all purposes by the amount so exchanged.

Except as otherwise provided herein or in the Indenture, until exchanged in whole for an interest in a Permanent Global Note, this Note shall in all respects be entitled to the same benefits and be subject to the same terms and conditions of and the Company shall be subject to the same restrictions as those contained on the Permanent Global Note and in the Indenture.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

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This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Citibank, N.A., or its successor, as authentication agent.

IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

CITIBANK, N.A., as authentication agent

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC
TEMPORARY GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SENIOR NOTE, SERIES A OF ISSUE
(FIXED RATE)

General

This Note represents one or more Bearer Notes having the same Original Issue Date and otherwise identical in terms of a series of a duly authorized issue of securities of the Company designated as specified in the title hereof, and issued and to be issued in either registered or bearer form under an indenture dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., as trustee (the "Trustee"). This Note is governed by the terms and conditions of the Permanent Global Note to be issued in exchange for this Note, which terms and conditions are incorporated herein by reference mutatis mutandis and, except as otherwise provided herein, shall be binding on the Company, the Guarantor, the Holder hereof and the Holders of the Bearer Notes represented hereby as if fully set forth herein. Capitalized terms used in this Note that are defined in the Indenture or the Permanent Global Note and are not otherwise defined herein shall have the meanings assigned to them therein.

Except as set forth on the Permanent Global Note, the principal hereof and any premium and interest hereon will be paid by the Company in such coin or currency as specified above as at the time of payment shall be legal tender for the payment of public and private debts (the "Specified Currency"), at the office of any paying agent located outside the United States as the Company may appoint from time to time (the "Paying Agents").

As used herein, a "Certificate of Non-U.S. Beneficial Ownership" is a certificate, in the form adopted by the Company, as to beneficial ownership by persons other than United States persons or as to other qualifying ownership by or through financial institutions in compliance with applicable U.S. Treasury regulations.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York, and for all purposes shall be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

SCHEDULE OF EXCHANGES

The following exchanges of a portion of this Note for interests in a Permanent Global Note and the following payments of interest in respect of this Note have been made.

<TABLE>
<CAPTION>

[illegible]

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BEARER
NO. FL

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.

COMMON CODE

TEMPORARY GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SENIOR NOTE, SERIES A
(FLOATING OR INDEXED RATE)

THIS SECURITY IS A TEMPORARY GLOBAL NOTE, WITHOUT COUPONS, EXCHANGEABLE FOR AN INTEREST IN A PERMANENT GLOBAL NOTE, WITHOUT COUPONS, REPRESENTING (AND EXCHANGEABLE FOR) INDIVIDUAL BEARER NOTES. THE RIGHTS ATTACHING TO THIS NOTE AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR A PERMANENT GLOBAL NOTE ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN).

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR THE INDIVIDUAL BEARER NOTES REPRESENTED HEREBY, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165 (j) AND 1287 (a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES.

Issue Price: Original Issue Date:

Initial Interest Rate: Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:
Designated Exchange Rate:

Base Rate: ☐ CD Rate ☐ Commercial Paper Rate ☐ Federal Funds Rate
☐ LIBOR Telerate ☐ LIBOR Reuters ☐ Treasury Rate
☐ Treasury Rate ☐ Prime Rate
Constant Maturity
☐ Eleventh District ☐ EURIBOR
Cost of Funds Rate

☐ Other (see attached)

Interest Reset Period Index Maturity:
or Interest Reset Dates:

Interest Payment
Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Floating Rate: ☐ Indexed Interest Rate: ☐ (see attached)

Spread Multiplier: Spread (+/-):

Spread Reset: ☐ The Spread or Spread Multiplier may
not be changed prior to Stated Maturity.

[] The Spread or Spread Multiplier may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Maximum Interest Rate:

Minimum Interest Rate:

Inverse Floating Rate Note: [] Yes (see attached) [] No

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Initial Fixed Interest Rate: Reset Fixed Reference Rate

Floating Rate / Fixed Rate Note: [] Yes (see attached) [] No

Amortizing Note: [] Yes [] No

Amortization Schedule:

Optional Redemption: [] Yes [] No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: [] Yes [] No

Optional Repayment Dates: Optional Repayment Prices:

Optional Extension of Stated Maturity: [] Yes [] No

Final Maturity:

Discount Note: [] Yes [] No

Total Amount of OID: Yield to Maturity:

Renewable Note: [] Yes (see attached) [] No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount)
as to which election may be exercised:

If the Specified Currency of this Note is Pounds sterling, the following applies: This instrument constitutes

- [] commercial paper
- [] a shorter term debt security
- [] a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a

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European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING APPLIES: THIS NOTE IS ISSUED IN ACCORDANCE WITH THE REGULATIONS MADE UNDER SECTION 4 OF THE BANKING ACT 1987.

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CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof, (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein, and (b) accrued interest on the Principal Amount then outstanding (or, in the case of an Indexed Principal Note, the Face Amount then outstanding): (i) if this is a Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Base Rate shown above, adjusted by the Spread or Spread Multiplier, if any, shown above, determined in accordance with the provisions hereof, (ii) if this is an Indexed Rate Note, at a rate determined by reference to an Index as described herein, (iii) if this is an Inverse Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Inverse Floating Rate, as determined in accordance with the provisions hereof, or (iv) if this is a Floating Rate / Fixed Rate Note, at a rate determined as described herein, until, in each case, the Principal Amount or the Face Amount then outstanding is paid or duly provided for in accordance with the terms hereof; but, in the case of principal, only after exchange of this Note for interests in a Permanent Global Note, as provided herein and in the Indenture (as defined on the reverse hereof) and, in the case of interest due on or before the exchange of this Note for interests in a Permanent Global Note, any interest payable will be paid to each of Euroclear and Clearstream (as defined below) with respect to that portion of this Note held for its account, but only upon receipt in each case, as of the relevant Interest Payment Date, of a Certificate of Non-U.S. Beneficial Ownership (as defined on the reverse hereof). Each of Euroclear and Clearstream will undertake in such circumstances to credit such interest received by it in respect of this Note to the respective accounts having an interest therein.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that is (i) not a day on which banking institutions are authorized or required by law or regulation to be closed in (a) The City of New York, (b) London, England, (c) the place in which this Note is presented for payment or (d) if the Specified Currency (as defined below) is other than U.S. dollars, the financial center of the country issuing the Specified Currency (which in the case of the Euro shall be Brussels, Belgium) and (ii) if the Base Rate specified above is LIBOR, any such day on which dealings in deposits in the Specified Currency are transacted in the London interbank market (a "London Business Day"); (iii) with respect to Bearer Notes having any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in the City of New York and London (an "Exchange Rate Business Day"); (iv) with respect to Bearer Notes having a specified currency other than U.S. dollars only, other than Bearer Notes denominated in Euros, any day that, in the principal financial center (as

defined below) of the country of the specified currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and (v) with respect to EURIBOR Notes and Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "Target Business Day").

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As used above, a "principal financial center" means the capital city of the country issuing the specified currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

This Note will be deposited with a common depositary in London (the "Depositary") for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream International ("Clearstream"), for credit to the accounts designated by or on behalf of the purchasers hereof. On or after the 40th day following the issuance of this Note, beneficial interests in this Note will be exchangeable for interests in a definitive Global Security in bearer form, without Coupons attached (a "Permanent Global Note"), in a denomination equal to the aggregate principal amount of all interests in this Note so exchanged, only upon receipt (at such time or in connection with an Interest Payment Date prior to such day) of a Certificate of Non-U.S. Beneficial Ownership. Each Permanent Global Note will be deposited with the Depositary for credit to the account or accounts designated by or on behalf of the beneficial owner or owners thereof. The beneficial owner of a Bearer Note represented by an interest in a Permanent Global Note may, upon 30 days' notice to the Trustee given through either Euroclear or Clearstream, exchange such interest for one or more individual Bearer Notes, with appropriate Coupons attached, in any authorized denomination or denominations. References herein to "Bearer Notes" shall, except where otherwise indicated, include interests in a Permanent Global Note as well as individual Bearer Notes and any appurtenant Coupons. Upon any exchange of any portion of this Note for an interest in a Permanent Global Note, the portion of the principal amount hereof so exchanged shall be endorsed by the Trustee on the Schedule of Exchanges hereto, and the principal amount hereof shall be reduced for all purposes by the amount so exchanged.

Except as otherwise provided herein or in the Indenture, until exchanged in whole for an interest in a Permanent Global Note, this Note shall in all respects be entitled to the same benefits and be subject to the same terms and conditions of and the Company shall be subject to the same restrictions as those contained on the Permanent Global Note and in the Indenture.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Citibank, N.A., or its successor, as authentication agent.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

CITIBANK, N.A., as authentication agent

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
TEMPORARY GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SENIOR NOTE, SERIES A
(FLOATING OR INDEXED RATE)

This Note represents one or more Bearer Notes having the same Original Issue Date and otherwise identical in terms of a series of a duly authorized issue of securities of the Company designated as specified in the title hereof, and issued and to be issued in either registered or bearer form under the Senior Debt Indenture dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., as trustee (the "Trustee"). This Note is governed by the terms and conditions of the Permanent Global Note to be issued in exchange for this Note, which terms and conditions are incorporated herein by reference mutatis mutandis and, except as otherwise provided herein, shall be binding on the Company, the Guarantor, the Holder hereof and the Holders of the Bearer Notes represented hereby as if fully set forth herein. Capitalized terms used in this Note that are defined in the Indenture or the Permanent Global Note and are not otherwise defined herein shall have the meanings assigned to them therein.

Except as set forth on the Permanent Global Note, the principal hereof and any premium and interest hereon will be paid by the Company in such coin or currency as specified above as at the time of payment shall be legal tender for the payment of public and private debts (the "Specified Currency"), at the office of any paying agent located outside the United States as the Company may appoint from time to time (the "Paying Agents").

As used herein, a "Certificate of Non-U.S. Beneficial Ownership" is a certificate, in the form adopted by the Company, as to beneficial ownership by persons other than United States persons or as to other qualifying ownership by or through financial institutions in compliance with applicable U.S. Treasury regulations.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York, and for all purposes shall be governed by, and construed in accordance with, the laws of said State without regard to the

<TABLE>
<CAPTION>

The following exchanges of a portion of this Note for interests in a Permanent Global Note and the following payments of interest in respect of this Note have been made.

[illegible]

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP:

CITIGROUP FUNDING INC.
TEMPORARY GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FIXED RATE)

COMMON CODE

THIS SECURITY IS A TEMPORARY GLOBAL NOTE, WITHOUT COUPONS, EXCHANGEABLE FOR AN INTEREST IN A PERMANENT GLOBAL NOTE, WITHOUT COUPONS, REPRESENTING (AND EXCHANGEABLE FOR) INDIVIDUAL BEARER NOTES. THE RIGHTS ATTACHING TO THIS NOTE AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR A PERMANENT GLOBAL NOTE ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN).

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR THE INDIVIDUAL BEARER NOTES REPRESENTED HEREBY, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165 (j) AND 1287 (a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES.

Issue Price: Original Issue Date:

Interest Rate: Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:
Designated Exchange Rate:

Interest Payment
Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Interest Rate Reset: ☐ The Interest Rate may not be changed prior to Stated Maturity.

☐ The Interest Rate may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: ☐ Yes ☐ No

Optional Repayment Dates: Optional Repayment Prices:

Optional Extension of Stated Maturity: ☐ Yes ☐ No

Final Maturity:

Discount Note: ☐ Yes ☐ No

Total Amount of OID: Yield to Maturity:

Renewable Note: ☐ Yes (see attached) ☐ No

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal amount)
as to which election may be exercised:

If the Specified Currency of this Note is Pounds sterling, the following
applies: This instrument constitutes

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- ☐ commercial paper
- ☐ a shorter term debt security
- ☐ a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING
APPLIES: THIS NOTE IS ISSUED IN ACCORDANCE WITH THE REGULATIONS MADE UNDER
SECTION 4 OF THE BANKING ACT 1987.

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CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof, (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein and (b) accrued interest on the Principal Amount then outstanding (or in the case of an Indexed Principal Note, the Face Amount, then outstanding) at the Interest Rate shown above from the Original Issue Date shown above or from the most recent date to which interest has been paid or duly provided for, annually in arrears (unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith) on the Interest Payment Dates specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith and at Stated Maturity, until, in either case, the Principal Amount then outstanding or the Face Amount is paid or duly provided for in accordance with the terms hereof; but, in the case of principal, only after

exchange of this Note for interests in a Permanent Global Note, as provided herein and in the Indenture (as defined on the reverse hereof) and, in the case of interest due on or before the exchange of this Note for interests in a Permanent Global Note, any interest payable will be paid to each of Euroclear and Clearstream (as defined below) with respect to that portion of this Note held for its account, but only upon receipt in each case, as of the relevant Interest Payment Date, of a Certificate of Non-U.S. Beneficial Ownership (as defined on the reverse hereof). Each of Euroclear and Clearstream will undertake in such circumstances to credit such interest received by it in respect of this Note to the respective accounts having an interest therein. Unless otherwise specified herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note, if any, will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

For purposes of this Note, "Business Day" means: (i) with respect to any Registered Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; (ii) with respect to Registered Notes having a specified currency other than U.S. dollars only, other than Registered Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the specified currency, is not a day on which banking institutions generally are authorized or obligated by law to close; (iii) with respect to Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "TARGET Business Day"); and (iv) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the specified currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

The indebtedness evidenced by this Note is, to the extent set forth in the Indenture, expressly subordinated and subject in right of payment to the prior payment in full of Senior

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Indebtedness as defined in the Indenture, and this Note is issued subject to such provisions, and each Holder of this Note, by accepting the same, agrees to and shall be bound by such provisions and authorizes and directs the Trustee in his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination as provided in the Indenture and appoints the Trustee as his attorney-in-fact for any and all such purposes.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

The principal hereof and any premium and interest hereon are payable by the Company in the Specified Currency shown above. If the Specified Currency shown above is other than U.S. dollars, the Company will arrange to convert all payments in respect hereof into U.S. dollars in the manner described on the reverse hereof. The Holder hereof may, if so indicated above, elect to receive all payments in respect hereof in the Specified Currency by delivery of a written notice to the Trustee not later than fifteen calendar days prior to the applicable payment date. Such election will remain in effect until revoked by written notice to the Trustee received not later than fifteen calendar days prior to the applicable payment date. If the Company determines that the Specified Currency is not available for making payments in respect hereof due to

the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions or within the international banking community, then the Holder hereof may not so elect to receive payments in the Specified Currency, and any such outstanding election shall be automatically suspended, and payments shall be in U.S. dollars, until the Company determines that the Specified Currency is again available for making such payments.

This Note will be deposited with a common depositary in London (the "Depositary") for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream International ("Clearstream"), for credit to the accounts designated by or on behalf of the purchasers hereof. On or after the 40th day following the issuance of this Note, beneficial interests in this Note will be exchangeable for interests in a definitive Global Security in bearer form, without Coupons attached (a "Permanent Global Note"), in a denomination equal to the aggregate principal amount of all interests in this Note so exchanged, only upon receipt (at such time or in connection with an Interest Payment Date prior to such day) of a Certificate of Non-U.S. Beneficial Ownership. Each Permanent Global Note will be deposited with the Depositary for credit to the account or accounts designated by or on behalf of the beneficial owner or owners thereof. The beneficial owner of a Bearer Note represented by an interest in a Permanent Global Note may, upon 30 days' notice to the Trustee given through either Euroclear or Clearstream, exchange such interest for one or more individual Bearer Notes, with appropriate Coupons attached, in any authorized denomination or denominations. References herein to "Bearer Notes" shall, except where otherwise indicated, include interests in a Permanent Global Note as well as individual Bearer Notes and any appurtenant Coupons. Upon any exchange of any portion of this Note for an interest in a Permanent Global Note, the portion of the principal amount hereof so exchanged shall be endorsed by the Trustee on the Schedule of Exchanges hereto, and the principal amount hereof shall be reduced for all purposes by the amount so exchanged.

Except as otherwise provided herein or in the Indenture, until exchanged in whole for an interest in a Permanent Global Note, this Note shall in all respects be entitled to the same benefits

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and be subject to the same terms and conditions of and the Company shall be subject to the same restrictions as those contained on the Permanent Global Note and in the Indenture.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Deutsche Bank Trust Company Americas, or its successor, as Trustee.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

DEUTSCHE BANK TRUST COMPANY AMERICAS
as Trustee

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
TEMPORARY GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FIXED RATE)

General

This Note represents one or more Bearer Notes having the same Original Issue Date and otherwise identical in terms of a series of a duly authorized issue of securities of the Company designated as specified in the title hereof, and issued and to be issued in either registered or bearer form under an indenture dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and Deutsche Bank Trust Company Americas, as trustee (the "Trustee"). This Note is governed by the terms and conditions of the Permanent Global Note to be issued in exchange for this Note, which terms and conditions are incorporated herein by reference mutatis mutandis and, except as otherwise provided herein, shall be binding on the Company, the Guarantor, the Holder hereof and the Holders of the Bearer Notes represented hereby as if fully set forth herein. Capitalized terms used in this Note that are defined in the Indenture or the Permanent Global Note and are not otherwise defined herein shall have the meanings assigned to them therein.

Except as set forth on the Permanent Global Note, the principal hereof and any premium and interest hereon will be paid by the Company in such coin or currency as specified above as at the time of payment shall be legal tender for the payment of public and private debts (the "Specified Currency"), at the office of any paying agent located outside the United States as the Company may appoint from time to time (the "Paying Agents").

As used herein, a "Certificate of Non-U.S. Beneficial Ownership" is a certificate, in the form adopted by the Company, as to beneficial ownership by persons other than United States persons or as to other qualifying ownership by or through financial institutions in compliance with applicable U.S. Treasury regulations.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York, and for all purposes shall be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

CITIGROUP FUNDING INC. COMMON CODE
TEMPORARY GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FLOATING OR INDEXED RATE)

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[] The Spread or Spread Multiplier may be changed prior to Stated Maturity (see attached).

European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING APPLIES: THIS NOTE IS ISSUED IN ACCORDANCE WITH THE REGULATIONS MADE UNDER SECTION 4 OF THE BANKING ACT 1987.

CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein, and (b) accrued interest on the Principal Amount then outstanding (or, in the case of an Indexed Principal Note, the Face Amount then outstanding): (i) if this is a Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Base Rate shown above, adjusted by the Spread or Spread Multiplier, if any, shown above, determined in accordance with the provisions hereof, (ii) if this is an Indexed Rate Note, at a rate determined by reference to an Index as described herein, (iii) if this is an Inverse Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Inverse Floating Rate, as determined in accordance with the provisions hereof, or (iv) if this is a Floating Rate / Fixed Rate Note, at a rate determined as described herein, until, in each case, the Principal Amount or the Face Amount then outstanding is paid or duly provided for in accordance with the terms hereof; but, in the case of principal, only after exchange of this Note for interests in a Permanent Global Note, as provided herein and in the Indenture (as defined on the reverse hereof) and, in the case of interest due on or before the exchange of this Note for interests in a Permanent Global Note, any interest payable will be paid to each of Euroclear and Clearstream (as defined below) with respect to that portion of this Note held for its account, but only upon receipt in each case, as of the relevant Interest Payment Date, of a Certificate of Non-U.S. Beneficial Ownership (as defined on the reverse hereof). Each of Euroclear and Clearstream will undertake in such circumstances to credit such interest received by it in respect of this Note to the respective accounts having an interest therein.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that is (i) not a day on which banking institutions are authorized or required by law or regulation to be closed in (a) The City of New York, (b) London, England, (c) the place in which this Note is presented for payment or (d) if the Specified Currency (as defined below) is other than U.S. dollars, the financial center of the country issuing the Specified Currency (which in the case of the Euro shall be Brussels, Belgium) and (ii) if the Base Rate specified above is LIBOR, any such day on which dealings in deposits in the Specified Currency are transacted in the London interbank market (a "London Business Day"); (iii) with respect to Bearer Notes having any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign

exchange markets settle payments in the City of New York and London (an "Exchange Rate Business Day"); (iv) with respect to Bearer Notes having a specified currency other than U.S. dollars only, other than Bearer Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the specified currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and (v) with respect to EURIBOR Notes and Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "Target Business Day").

The indebtedness evidenced by this Note is, to the extent set forth in the Indenture, expressly subordinated and subject in right of payment to the prior payment in full of Senior Indebtedness as defined in the Indenture, and this Note is issued subject to such provisions, and each Holder of this Note, by accepting the same, agrees to and shall be bound by such provisions and authorizes and directs the Trustee in his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination as provided in the Indenture and appoints the Trustee as his attorney-in-fact for any and all such purposes.

As used above, a "principal financial center" means the capital city of the country issuing the specified currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

This Note will be deposited with a common depositary in London (the "Depositary") for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream International ("Clearstream"), for credit to the accounts designated by or on behalf of the purchasers hereof. On or after the 40th day following the issuance of this Note, beneficial interests in this Note will be exchangeable for interests in a definitive Global Security in bearer form, without Coupons attached (a "Permanent Global Note"), in a denomination equal to the aggregate principal amount of all interests in this Note so exchanged, only upon receipt (at such time or in connection with an Interest Payment Date prior to such day) of a Certificate of Non-U.S. Beneficial Ownership. Each Permanent Global Note will be deposited with the Depositary for credit to the account or accounts designated by or on behalf of the beneficial owner or owners thereof. The beneficial owner of a Bearer Note represented by an interest in a Permanent Global Note may, upon 30 days' notice to the Trustee given through either Euroclear or Clearstream, exchange such interest for one or more individual Bearer Notes, with appropriate Coupons attached, in any authorized denomination or denominations. References herein to "Bearer Notes" shall, except where otherwise indicated, include interests in a Permanent Global Note as well as individual Bearer Notes and any appurtenant Coupons. Upon any exchange of any portion of this Note for an interest in a Permanent Global Note, the portion of the principal amount hereof so exchanged shall be endorsed by the Trustee on the Schedule of Exchanges hereto, and the principal amount hereof shall be reduced for all purposes by the amount so exchanged.

Except as otherwise provided herein or in the Indenture, until exchanged in whole for an interest in a Permanent Global Note, this Note shall in all respects be entitled to the same benefits and be subject to the same terms and conditions of and the Company shall be subject to the same restrictions as those contained on the Permanent Global Note and in the Indenture.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET

FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

6

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Deutsche Bank Trust Company Americas, or its successor, as Trustee.

7

IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____
Authorized Officer

[Seal]

Attest _____
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

DEUTSCHE BANK TRUST COMPANY
AMERICAS, as Trustee

By _____
Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
TEMPORARY GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FLOATING OR INDEXED RATE)

This Note represents one or more Bearer Notes having the same Original Issue Date and otherwise identical in terms of a series of a duly authorized issue of securities of the Company designated as specified in the title hereof, and issued and to be issued in either registered or bearer form under an indenture dated as of _____, 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and Deutsche Bank Trust Company Americas, as trustee (the "Trustee"). This Note is governed by the terms and conditions of the Permanent Global Note to be issued in exchange for this Note, which terms and conditions are incorporated herein by reference mutatis mutandis and, except as otherwise provided herein, shall be binding on the Company, the Guarantor, the Holder hereof and the Holders of the Bearer Notes represented hereby as if fully set forth herein. Capitalized terms used in this Note that are defined in the Indenture or the Permanent Global Note and are not otherwise defined herein

Except as set forth on the Permanent Global Note, the principal hereof and any premium and interest hereon will be paid by the Company in such coin or currency as specified above as at the time of payment shall be legal tender for the payment of public and private debts (the "Specified Currency"), at the office of any paying agent located outside the United States as the Company may appoint from time to time (the "Paying Agents").

This Note shall be deemed to be a contract made and to be performed solely in the State of New York, and for all purposes shall be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

The following exchanges of a portion of this Note for interests in a Permanent Global Note and the following payments of interest in respect of this Note have been made.

[illegible]

</TABLE>

BEARER
No. FX ____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC. PERMANENT GLOBAL COMMON CODE
NOTE REPRESENTING
MEDIUM-TERM SENIOR NOTE, SERIES A
(FIXED RATE)

THIS SECURITY IS A PERMANENT GLOBAL NOTE, WITHOUT COUPONS, EXCHANGEABLE FOR INDIVIDUAL BEARER NOTES, WITH COUPONS, IF ANY, IN THE DENOMINATION OF U.S. \$10,000 OR ANY LARGER AMOUNT THAT IS AN INTEGRAL MULTIPLE OF U.S. \$1,000 (OR SUCH OTHER DENOMINATIONS AS ARE SPECIFIED BELOW FOR ANOTHER CURRENCY). THE RIGHTS ATTACHING TO THIS NOTE AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR INDIVIDUAL BEARER NOTES ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN).

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR THE INDIVIDUAL BEARER NOTES REPRESENTED HEREBY, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES.

Issue Price: Original Issue Date:

Interest Rate: Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:
Designated Exchange Rate:

Interest Payment Dates: Accrue to Pay: ☐ Yes ☐ No

Indexed Principal Note: ☐ Yes (see attached) ☐ No

Interest Rate Reset: ☐ The Interest Rate may not be changed prior to Stated Maturity.

☐ The Interest Rate may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Amortizing Note: ☐ Yes ☐ No

Amortization Schedule:

Optional Redemption: ☐ Yes ☐ No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: ☐ Yes ☐ No

Optional Repayment Dates: Optional Repayment Prices:

Optional Extension of Stated Maturity: ☐ Yes ☐ No

Final Maturity:

Discount Note: ☐ Yes ☐ No

Total Amount of OID: Yield to Maturity:

Renewable Note: ☐ Yes (see attached) ☐ No

Initial Maturity Date:

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Special Election Interval (if applicable):

Amount (if less than entire principal amount) as to which election may be exercised:

If the Specified Currency of this Note is Pounds sterling, the following applies: This instrument constitutes

- ☐ commercial paper
- ☐ a shorter term debt security
- ☐ a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING APPLIES: THIS NOTE IS ISSUED IN ACCORDANCE WITH THE REGULATIONS MADE UNDER SECTION 4 OF THE BANKING ACT 1987.

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CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein and (b) accrued interest on the Principal Amount then outstanding (or in the case of an Indexed Principal Note, the Face Amount, then outstanding) at the Interest Rate shown above from the Original Issue Date shown above or from the most recent date to which interest has been paid or duly provided for, annually in arrears (unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith) on the Interest Payment Dates specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith and at Maturity, until, in either case, the Principal Amount then outstanding or the Face Amount is paid or duly provided for in accordance with the terms hereof. Unless otherwise specified herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note, if any,

will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; (ii) with respect to Bearer Notes having a specified currency other than U.S. dollars only, other than Bearer Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the specified currency, is not a day on which banking institutions generally are authorized or obligated by law to close; (iii) with respect to Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "TARGET Business Day"); and (iv) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the specified currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

This Note is exchangeable in whole or from time to time in part without charge for individual Bearer Notes, with appropriate Coupons attached, if any, in the denomination of U.S.\$10,000 or any larger amount that is an integral multiple of U.S.\$1,000 (or such other denominations as are specified above for another currency), upon 30 days' notice to the Trustee given through either Euroclear Bank S.A./N.V. or Clearstream International. Upon any exchange of any portion of this Note for individual Bearer Notes, the portion of the principal amount hereof so exchanged shall be endorsed by the Trustee in the Schedule of Issuances, Exchanges and Aggregate

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Principal Amount hereto, and the Principal Amount hereof shall be reduced for all purposes by the amount so exchanged.

Except as otherwise provided herein or in the Indenture, until exchanged in full for individual Bearer Notes, this Note shall in all respects be entitled to the same benefits and subject to the same terms and conditions of, and the Company shall be subject to the same restrictions as those contained on the individual Bearer Notes and in the Indenture.

Except under certain circumstances for Notes having Specified Currencies other than U.S. dollars, payments of the principal hereof and any premium and interest hereon will be made only in the Specified Currency. Payments in respect of this Note and any Coupon will be made only against surrender of this Note or such Coupon, at the offices of the Paying Agents outside the United States listed on the reverse hereof. At the direction of the Holder of this Note or any Coupon, and subject to applicable laws and regulations, such payments will be made by check drawn on a bank in The City of New York (in the case of U.S. dollar payments) or outside the United States (in the case of payments in a currency other than U.S. dollars) mailed to an address outside the United States furnished by the Holder hereof or, at the option of the Holder hereof, by wire transfer (pursuant to written instructions supplied by the Holder hereof) to an account maintained by the payee with a bank located outside the United States. No payment in respect of this Note or any Coupon will be made upon presentation of this Note or such Coupon at any office or agency of the Trustee or any other paying agency maintained by the Company in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States. Notwithstanding the foregoing, if U.S. dollar payments in respect of this Note or any Coupons at the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the

imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. dollars, the Company will appoint an office or agency (which may be the Trustee) in the United States at which such payments may be made.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Citibank, N.A., or its successor, as authentication agent.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By

Authorized Officer

[Seal]

Attest

Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Bearer Notes issued under the within-mentioned Indenture.

Dated:

CITIBANK, N.A., as authentication agent

By

Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
PERMANENT GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SENIOR NOTE, SERIES A
(FIXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of [-], 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., as trustee (the "Trustee," which term includes any successor Trustee under the Indenture) to which indenture and all indentures supplemental thereto reference is hereby

made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in bearer form with coupons. Unless otherwise specified in the applicable pricing supplement attached hereto or delivered herewith, the authorized denominations of Bearer Notes denominated in U.S. dollars will be U.S.\$10,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Bearer Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Fixed Rate Notes

This Note will bear interest from its Original Issue Date, or from the last Interest Payment Date to which interest has been paid or duly provided for, at the Interest Rate stated on the face hereof or in the pricing supplement attached hereto or delivered herewith until the principal amount hereof is paid or made available for payment, except as otherwise described below under "Subsequent Interest Periods" and "Extension of Stated Maturity", and except that if so specified in the attached pricing supplement, the rate of interest payable may be subject to adjustment as specified therein.

Unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note will be payable semiannually in arrears on the Interest Payment Dates set forth above and at Stated Maturity. If an Interest Payment Date with respect to any Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, however, that any payment required to be made in respect of such Note on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect

as if made on such date, and no additional interest shall accrue as a result of such delayed payment. However, if with respect to any Note for which "Accrue to Pay" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, any Interest Payment Date with respect to such Fixed Rate Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day.

Each payment of interest in respect of an Interest Payment Date shall include interest accrued through the day before such Interest Payment Date. Unless otherwise specified herein, interest on this Note will be computed on the basis of a 360-day year of twelve 30-day months ("30 over 360") or, in the case of an incomplete month, the number of days elapsed.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee shall provide notice (the "Reset Notice"), in accordance with "Notices" below, indicating whether the Company has elected to reset the Interest Rate, and if so, (i) such new Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Interest Rate shall take effect automatically as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior

to the Optional Reset Date, the Company may, at its option, revoke the Interest Rate provided for in the Reset Notice and establish a higher Interest Rate for the Subsequent Interest Period by causing the Trustee to provide notice of such higher Interest Rate to the Holder of this Note. Such notice shall be irrevocable. All Bearer Notes with respect to which the Interest Rate is reset on an Optional Reset Date will bear such higher Interest Rate.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then the principal amount payable at Stated Maturity or earlier redemption or retirement is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the

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principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a Specified Currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to

fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated). If this Note is denominated in a currency of a country participating in the European Monetary Union, the procedures described in this paragraph shall not apply, and the obligations of the Company with respect to payments on this Note shall instead be determined as set forth in the following paragraph.

Certain of the foreign currencies in which debt securities may be denominated or payments in respect of index warrants may be due or by which amounts due on the offered securities may be calculated could be issued by countries participating in Stage III of the European Economic and Monetary Union. Stage III began on January 1, 1999 for the eleven participating member states of the European Union that satisfied the economic convergence criteria in the Treaty on European Union: Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain. Greece became a participating member state on January 1, 2001.

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Stage III includes the introduction of the "Euro," which, along with the present national currency of each participating member state, is legal tender in the participating member states.

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be provided, in accordance with "Notices" below, within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period

prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

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The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to any duly appointed paying agent not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to any duly appointed paying agent and, as soon as practicable following receipt of such Note such paying agent shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, such paying agent shall issue in exchange for such Note in the name of such Holder a replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee shall provide to the Holder of this Note not later than 40 days prior to the original Stated Maturity notice (the "Extension Notice"), in accordance with "Notices" below. The Extension Notice will set forth (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) the Interest Rate applicable to the Extension Period, and (iv) the provisions, if any, for redemption during such Extension Period including the date or dates on which, or the period or periods during which, and the price or prices at which, such redemption may occur during the Extension Period. Upon the provision by such Trustee of an Extension Notice to the Holder hereof, the Stated Maturity of this Note shall be extended automatically and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the provision of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Interest Rate provided for in the Extension Notice and establish a higher Interest Rate for the Extension Period by causing the Trustee to provide notice of such higher Interest Rate, as the case may be, hereof in accordance with "Notices" below. Such notice shall be irrevocable. All Notes with respect to which the Stated

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Maturity is extended will bear such higher Interest Rate for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Trustee or Paying Agent, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If the Company elects to exercise such option with respect to this Note, at least 30 days prior to the date of redemption, the Trustee shall provide notice of such redemption to the Holder hereof in accordance with "Notices" below. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof shall be issued to the Holder hereof upon the cancellation hereof. Notes redeemed prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated Maturity at the option of the Holder, on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached herein or delivered herewith, together with accrued interest to the date of repayment. Notes that are to be repaid prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

In order for this Note to be repaid, the Principal Paying Agent must receive this Note at least 30 but not more than 45 days prior to an Optional Repayment Date. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of this Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued to the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Stated Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith

or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

Tax Redemption

The Bearer Notes of a series may be redeemed at the option of the Company in whole, but not in part, at any time on giving at least 30 but not more than 60 days' notice in accordance with "Notices" below (which notice shall be irrevocable), at the respective Redemption Prices thereof, if the Company has or will become obligated to pay additional interest on such Notes as described in the following paragraph as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after their respective Original Issue Dates, and such obligation cannot be avoided by the Company taking reasonable measures available to it; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of such Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Company shall deliver to the Trustee for the Notes to be redeemed a certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred, and an opinion of independent counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

Payment of Additional Interest

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the Holder of this Note or any Coupon that is a United States Alien (as defined below) such amounts as may be necessary so that every net payment on this Note or such Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any

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political subdivision or taxing authority thereof or therein), will not be less than the amount provided in this Note or such Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest to such Holder for or on account of:

(a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor or beneficiary of, or a Person holding a power over, such Holder, if such Holder is an estate or a trust, or a member or shareholder of such Holder, if such Holder is a partnership or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, Person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such Holder's past or present status as a passive foreign investment company, a personal holding company, foreign personal holding company, a controlled foreign corporation for United States tax purposes or private foundation or other tax-exempt organization with respect to the United States or as a

corporation that accumulates earnings to avoid United States federal income tax;

(b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Note or such Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later;

(d) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on this Note or such Coupon;

(e) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on this Note or such Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent; or

(f) any tax, assessment or other governmental charge imposed on a Holder that actually or constructively owns ten percent or more of the combined voting power of all classes of stock of the Company or is a controlled foreign corporation related to the Company through stock ownership; nor shall such additional interest be paid with respect to a payment on this Note or such Coupon to a Holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the Holder of this Note or such Coupon.

The term "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

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Special Tax Redemption

If the Company shall determine that any payment made outside the United States by the Company or any of its Paying Agents in respect of this Note or any Coupon appertaining thereto would, under any present or future laws or regulations of the United States, be subject to any certification, documentation, information or other reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any Paying Agent or any governmental authority of the nationality, residence or identity of a beneficial owner that is a United States Alien (other than such a requirement (a) that would not be applicable to a payment made by the Company or any one of its Paying Agents (i) directly to the beneficial owner or (ii) to a custodian, nominee or other agent of the beneficial owner or (b) that can be satisfied by such custodian, nominee or other agent certifying to the effect that the beneficial owner is a United States Alien; provided that, in any case referred to in clause (a) (ii) or (b), payment by the custodian, nominee, or agent to the beneficial owner is not otherwise subject to any such requirement), then the Company shall elect either (x) to redeem such Note in whole, but not in part, at its Redemption Price, or (y) if the conditions described in the next succeeding paragraph are satisfied, to pay the additional interest specified in such paragraph. The Company shall make such determination as soon as practicable and publish prompt notice thereof stating the effective date of such certification, documentation, information or other reporting requirement, whether the Company elects to redeem the Note or to pay the additional interest specified in the next succeeding paragraph and (if applicable) the last date by which the redemption of the Note must take place.

If this Note is to be redeemed as described in this paragraph, the redemption shall take place on such date, not later than one year after the publication of the determination notice, as the Company shall specify by notice

given to the Trustee at least 60 days before the redemption date. Notice of such redemption shall be given to the Holder of this Note at least 30 but not more than 60 days prior to the redemption date. Notwithstanding the foregoing, the Company shall not so redeem the Note if the Company shall subsequently determine, at least 30 days prior to the redemption date, that subsequent payments on the Note would not be subject to any such certification, documentation, information or other reporting requirement, in which case the Company shall publish prompt notice of such subsequent determination and any earlier redemption notice given shall be revoked and of no further effect.

Prior to the publication of any determination notice, the Company shall deliver to the Trustee for the Note to be redeemed a certificate stating that the Company is obligated to make such determination and setting forth a statement of facts showing that the conditions precedent to the obligation of the Company to redeem the Note or to pay the additional interest specified in the next succeeding paragraph have occurred, and an opinion of independent counsel to the effect that such conditions have occurred.

If and so long as the certification, documentation, information or other reporting requirement referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect to pay as additional interest such amounts as may be necessary so that every net payment made outside the United States following the effective date of such requirement by the Company or any of its Paying Agents of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to the Company, any paying agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge that (i) would not be applicable

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in the circumstances referred to in the parenthetical clause of the first sentence of the first paragraph of this section or (ii) is imposed as a result of presentation of this Note for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount then due and payable.

If the Company elects to pay additional interest, then the Company shall have the right thereafter to redeem this Note at any time in whole, but not in part, at the Redemption Price, subject to the provisions described above. If the Company elects to pay additional interest and the condition specified above should no longer be satisfied, then the Company shall redeem this Note in whole, but not in part, at the Redemption Price, subject to the provisions of this section. Any such redemption payments made by the Company shall be subject to the continuing obligation of the Company to pay additional interest as described above.

Paying Agents

The Company has initially appointed as its Paying Agents for Bearer Notes of this Series the offices listed below:

Principal Paying Agent:

Citibank, N.A.
5 Carmelite Street
London, England EC4Y 0PA

Paying Agent:

Kredietbank S.A. Luxembourg
43 Boulevard Royal Luxembourg
Luxembourg City 2955

The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and to approve any change in the office through which any Paying Agent acts, provided that there will at all times be a Paying Agent (which may be the Trustee) in at least one city in Europe, which, so long as Bearer Notes are

listed on the Luxembourg Stock Exchange and the rules of that exchange shall so require, shall include Luxembourg. Notice of any such termination or appointment and of any changes in the specified offices of the Trustee or any Paying Agent will be given to the Holder hereof as described below.

Notices

All notices to Holders of this Note will be deemed to have been duly given if published on two separate Business Days in a leading London daily newspaper (which is expected to be the Financial Times) and, with respect to any series of Bearer Notes that may be listed on the Luxembourg Stock Exchange, if such exchange so requires, in Luxembourg in a newspaper of general circulation in Luxembourg (which is expected to be the Luxemburger Wort). Such notices shall be deemed to have been given on the date of the first such publication.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Bearer Notes of different authorized denominations, as requested by the Person surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note or any Coupon shall at any time become mutilated, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying Agent in London; or, with respect to any series of Bearer Notes that are listed on the Luxembourg Stock Exchange, at the specified office of the Paying Agent in Luxembourg, upon payment by the claimant of such expenses as may be incurred in connection therewith and, in the case of destruction, theft or loss, on such terms as to evidence and indemnity as the Company or the Trustee may reasonably require. Mutilated or defaced Bearer Notes or Coupons must be surrendered before replacements will be issued.

All monies paid by the Company to a Trustee or Paying Agent for the payment of principal of or any premium or interest on any Bearer Note or for the payment of any Coupon which remain unclaimed at the end of two years after such payments shall have become due and payable will be repaid to the Company, at its written request, and the Holder of such Note or Coupon will thereafter look only to the Company for payment, such payment to be made only outside the United States.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to

pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

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The Company may, without the consent of the Holders of the Notes, consolidate with, merge into, or transfer substantially all of its assets to, a corporation that is a U.S. Person, provided that the successor corporation assumes all obligations of the Company under the Notes and certain other conditions are met, including a waiver by the successor corporation of any right to redeem the Notes under circumstances in which the successor corporation would be entitled to redeem the Notes but the Company would not have been entitled to do so.

Except as provided above, the obligation to pay the principal hereof (and premium, if any) and interest hereon in the designated currency of payment is of the essence. To the fullest extent possible under applicable law, judgments in respect of this Note shall be given in such currency. The obligation of the Company to make such payments in the designated currency of payment shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the designated currency of payment that the Holder of this Note may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and cost of exchange) on the business day in the country of issue of the designated currency of payment or in the international banking community (in the case of a composite currency) immediately following the day on which such Holder receives such payment. If the amount in the designated currency of payment that may be so purchased is for any reason less than the amount originally due, the Company shall, as a separate and independent obligation, pay such additional amounts in the designated currency of payment as may be necessary to compensate for any such shortfall.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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SCHEDULE OF
ISSUANCES, EXCHANGES AND AGGREGATE PRINCIPAL AMOUNT

The following issuances and exchanges of a part of this Note have been made, and the aggregate principal amount of Bearer Notes represented by this Note at any time is as shown in the last entry of Column III hereof unless one or more entries have been made in Column IV hereof reflecting exchanges for individual Bearer Notes, in which event such aggregate principal amount is as shown in the last entry of Column V hereof.

<TABLE>

<CAPTION>

I.	II.	III.	IV.	V.	VI.
Settlement Date or Exchange	Principal Amount Issued	Aggregate Principal Amount Issued	Principal Amount Exchanged for Individual Bearer Notes	Aggregate Principal Amount Remaining After Exchange	Notation Made on behalf of the Trustee
<S>	<C>	<C>	<C>	<C>	<C>

</TABLE>

SCHEDULE OF INTEREST PAYMENTS

The following payments of interest in respect of this Note have been made.

<TABLE> <CAPTION>		
Date of Interest Payment	Interest Paid	Notation Made on behalf of the Trustee
<S>	<C>	<C>

</TABLE>

BEARER
NO. FL _____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.
PERMANENT GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SENIOR NOTE, SERIES A
(FLOATING OR INDEXED RATE)

COMMON CODE

THIS SECURITY IS A PERMANENT GLOBAL NOTE, WITHOUT COUPONS, EXCHANGEABLE FOR INDIVIDUAL BEARER NOTES, WITH COUPONS, IF ANY, IN THE DENOMINATION OF U.S. \$10,000 OR ANY LARGER AMOUNT THAT IS AN INTEGRAL MULTIPLE OF U.S. \$1,000 (OR SUCH OTHER DENOMINATIONS AS ARE SPECIFIED BELOW FOR ANOTHER CURRENCY). THE RIGHTS ATTACHING TO THIS NOTE AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR INDIVIDUAL BEARER NOTES ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN).

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR THE INDIVIDUAL BEARER NOTES REPRESENTED HEREBY, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES

Issue Price:

Original Issue Date:

Initial Interest Rate:

Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note: ☐ Yes (see attached) ☐ No

Optional Payment Currency:

Designated Exchange Rate:

Base Rate: ☐ CD Rate

☐ Commercial Paper Rate ☐ Federal Funds

Rate

[] LIBOR Telerate [] LIBOR Reuters [] Treasury Rate

[] Treasury Rate
Constant Maturity [] Prime Rate

[] Eleventh District
Cost of Funds Rate [] EURIBOR

[] Other
(see attached)

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<TABLE>

<S>

<C>

<C>

Interest Reset Period
or Interest Reset Dates:

Index Maturity:

Interest Payment Dates: Accrue to Pay: [] Yes [] No

Indexed Principal Note: [] Yes (see attached) [] No

Floating Rate: [] Indexed Interest Rate: [] (see attached)

Spread Multiplier: Spread (+/-):

Spread Reset: [] The Spread or Spread Multiplier may not be
changed prior to Stated Maturity.

[] The Spread or Spread Multiplier may be changed
prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Maximum Interest Rate: Minimum Interest Rate:

Inverse Floating Rate Note: [] Yes (see attached) [] No

Initial Fixed Interest Rate: Reset Fixed Reference Rate

Floating Rate / Fixed Rate Note: [] Yes (see attached) [] No

Amortizing Note: [] Yes [] No

Amortization Schedule:

Optional Redemption: [] Yes [] No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity: Bond Yield to Call:

Optional Repayment: [] Yes [] No

Optional Repayment Dates: Optional Repayment Prices:

Optional Extension of
Stated Maturity: [] Yes [] No

</TABLE>

3

<TABLE>

<S>

<C>

<C>

Final Maturity:

Discount Note: [] Yes [] No

Total Amount of OID:

Yield to Maturity:

Renewable Note:

☐ Yes (see attached)

☐ No

Initial Maturity Date:

</TABLE>

Special Election Interval (if applicable):

Amount (if less than entire principal amount) as to
which election may be exercised:

If the Specified Currency of this Note is Pounds sterling, the following
applies: This instrument constitutes

- ☐ commercial paper
- ☐ a shorter term debt security
- ☐ a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING
APPLIES: THIS NOTE IS ISSUED IN ACCORDANCE WITH THE REGULATIONS MADE UNDER
SECTION 4 OF THE BANKING ACT 1987.

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CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof, (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein, and (b) accrued interest on the Principal Amount then outstanding (or, in the case of an Indexed Principal Note, the Face Amount then outstanding): (i) if this is a Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Base Rate shown above, adjusted by the Spread or Spread Multiplier, if any, shown above, determined in accordance with the provisions hereof, (ii) if this is an Indexed Rate Note, at a rate determined by reference to an Index as described herein, (iii) if this is an Inverse Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Inverse Floating Rate, as determined in accordance with the provisions hereof, or (iv) if this is a Floating Rate/Fixed Rate Note, at a rate determined as described herein, until, in each case, the Principal Amount or the Face Amount then outstanding is paid or duly provided for in accordance with the terms hereof.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that is not a day on which banking institutions are authorized or required by law or regulation to be closed in (a) The City of New York, (b) London, England, (c) the place in which this Note or any Coupon is presented for payment or (d) if the Specified Currency (as defined below) is other than U.S. dollars, the financial center of the country issuing the Specified Currency (which in the case of the Euro shall be Brussels, Belgium); (ii) if the Base Rate specified above is LIBOR, any such day on which dealings in deposits in the Specified Currency are transacted in the London interbank market (a "London Business Day"); (iii) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such

day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day"); (iv) with respect to Bearer Notes having a specified currency other than U.S. dollars only, other than Bearer Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and (v) with respect to EURIBOR Notes and Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "Target Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the specified currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

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This Note is exchangeable in whole or from time to time in part without charge for individual Bearer Notes, with appropriate Coupons attached, if any, in the denomination of U.S.\$10,000 or any larger amount that is an integral multiple of U.S.\$1,000 (or such other denominations as are specified above for another currency), upon 30 days' notice to the Trustee given through either Euroclear Bank S.A./N.V. or Clearstream International. Upon any exchange of any portion of this Note for individual Bearer Notes, the portion of the principal amount hereof so exchanged shall be endorsed by the Trustee in the Schedule of Issuances, Exchanges and Aggregate Principal Amount hereto, and the Principal Amount hereof shall be reduced for all purposes by the amount so exchanged.

Except as otherwise provided herein or in the Indenture, until exchanged in full for individual Bearer Notes, this Note shall in all respects be entitled to the same benefits and subject to the same terms and conditions of, and the Company shall be subject to the same restrictions as those contained on the individual Bearer Notes and in the Indenture.

Except under certain circumstances that may apply if this Note has a specified currency other than U.S. dollars, payments of the principal hereof and any premium and interest hereon will be made only in the Specified Currency. Payments in respect of this Note and any Coupon will be made only against surrender of this Note or such Coupon, at the offices of the Paying Agents outside the United States listed on the reverse hereof. At the direction of the Holder of this Note or any Coupon, and subject to applicable laws and regulations, such payments will be made by check drawn on a bank in The City of New York (in the case of U.S. dollar payments) or outside the United States (in the case of payments in a currency other than U.S. dollars) mailed to an address outside the United States furnished by the Holder hereof or, at the option of the Holder hereof, by wire transfer (pursuant to written instructions supplied by the Holder hereof) to an account maintained by the payee with a bank located outside the United States. No payment in respect of this Note or any Coupon will be made upon presentation of this Note or such Coupon at any office or agency of the Trustee or any other paying agency maintained by the Company in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States. Notwithstanding the foregoing, if U.S. dollar payments in respect of this Note or any Coupons at the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. dollars, the Company will appoint an office or agency (which may be the Trustee) in the United States at which such payments may be made.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HEREWITH, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and

until this Note has been authenticated by Citibank, N.A., or its successor, as authentication agent.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By

Authorized Officer

[Seal]

Attest

Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

CITIBANK, N.A., as authentication agent

By

Authorized Signatory

(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
PERMANENT GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SENIOR NOTE, SERIES A
(FLOATING OR INDEXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of [-], 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., as trustee (the "Trustee," which term includes any successor Trustee under the Indenture) to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in bearer form with coupons. Unless otherwise specified in the applicable pricing supplement attached hereto or delivered herewith, the authorized denominations of Bearer Notes denominated in U.S. dollars will be U.S.\$10,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Bearer Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if this Note is a Floating Rate Note, this Note will bear interest from its Original Issue Date to, but not including, the first Interest Reset Date (as defined below) at the Initial Interest Rate set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. Thereafter, the interest rate hereon for each Interest Reset Period will be determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Base Rates that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith are LIBOR, the Commercial Paper Rate, the Treasury Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, EURIBOR or any other Base Rate specified on the face hereof.

"H.15(519)" means the publication entitled "Statistical Release H.15(519), Selected Interest Rates" or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update/> or any successor site or publication.

"Calculation Date," where applicable, means the date on which the Calculation Agent is to calculate the interest rate for the Notes which shall be the earlier of (1) the tenth calendar day after the related Rate Determination Date, or if any such day is not a Business Day, the next succeeding business day or (2) the Business Day preceding the applicable Interest Payment Date or the Stated Maturity, as the case may be.

As specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note may also have either or both of the following (in each case expressed as a rate per annum on a simple interest basis): (i) a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period ("Maximum Interest Rate") and/or (ii) a minimum limitation, or floor, on the rate at which interest may accrue during any interest period ("Minimum Interest Rate"). In addition to any Maximum Interest Rate that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest rate will in no event be higher than the maximum rate permitted by applicable law, as the same may be modified by United States law of general application.

The Company will appoint, and enter into an agreement with, agents (each, a "Calculation Agent") to calculate interest rates on this Note. All determinations of interest rates by the Calculation Agent shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder hereof. Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, Citibank, N.A. shall be the Calculation Agent for this Note. At the request of the Holder hereof, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date.

The interest rate hereon will be reset daily, weekly, monthly, quarterly, semiannually or annually (such period being the "Interest Reset Period" specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and the first day of each Interest Reset Period being an "Interest Reset Date"). Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Reset Dates will be as follows: (i) if this Note resets daily, each Business Day; (ii) if this Note (unless this Note is a Treasury Rate Note) resets weekly, Wednesday of each week; (iii) if this Note is a Treasury Rate Note that resets weekly, Tuesday of each week (except as provided below under "Determination of Treasury Rate"); (iv) if this Note resets monthly, the third Wednesday of each month (with the exception of monthly reset Eleventh District Cost of Funds Rate Notes, which reset on the first calendar day of each month); (v) if this Note is an Eleventh District Cost of Funds Rate Note that resets monthly, the first calendar day of each month; (vi) if this Note resets quarterly, the third Wednesday of March, June, September and December of each year; (vii) if this Note resets semiannually, the third Wednesday of the two months of each year

specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (viii) if this Note resets annually, the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered

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herewith. If an Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall instead be the immediately preceding Business Day. If an auction of direct obligations of United States Treasury Bills falls on a day that is an Interest Reset Date for Treasury Rate Notes, the Interest Reset Date shall be the succeeding Business Day.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest payable hereon on each Interest Payment Date shall be the accrued interest from and including the Original Issue Date or the last date to which interest has been paid, as the case may be, to but excluding such Interest Payment Date.

If more than one Interest Reset Date occurs during any period for which accrued interest is being calculated, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. The interest factor (expressed as a decimal calculated to seven decimal places without rounding) for each such day will be computed, unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, by dividing the interest rate in effect on such day by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate. In all other cases, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof) by the interest rate in effect during the period for which accrued interest is being calculated, and multiplying that product by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof is the Treasury Rate. For purposes of making the foregoing calculations, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on such date.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, all percentages resulting from any calculation of the rate of interest hereof will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward, and all currency amounts used in or resulting from such calculation will be rounded to the nearest one-hundredth of a unit (with .005 of a unit being rounded upward).

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, interest will be payable as follows: (i) if this Note resets daily, weekly or monthly (other than Eleventh District Cost of Funds Rate Notes), interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith or; (ii) in the case of Eleventh District Cost of Funds Rate Notes, interest will

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be payable on the first calendar day of each March, June, September and December; (iii) if this Note resets quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year; (iv) if this Note resets semiannually, interest will be payable on the third Wednesday of each of two months of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (v) if this Note resets annually, interest will be payable on the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in each case at Maturity (each such day being an "Interest Payment Date"). If an Interest Payment Date would otherwise fall on a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Payment Date shall instead be the immediately preceding Business Day; provided, however, if with respect to any Note for which "Accrue to Pay" is not specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if an Interest Payment Date with respect to such Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, further, that any payment required to be made in respect of a Note that does not Accrue to Pay on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date the rate of interest shall be the rate determined in accordance with the provisions of the applicable heading below.

Determination of CD Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the CD Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "CD Rate" for each Interest Reset Period shall be the rate as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "CD Rate Determination Date") for negotiable U.S. dollar certificates of deposit having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in H.15(519) under the heading "CDs (Secondary Market)". In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such CD Rate Determination Date, then the "CD Rate" for such Interest Reset Period will be the rate on such CD Rate Determination Date for negotiable U.S. dollar certificates of deposit of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or H.15 Daily Update, then the "CD Rate" for such Interest Reset Period will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on such CD Rate Determination Date of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable U.S. dollar certificates of deposit of major United States money center banks of the highest credit standing (in the market for negotiable U.S. dollar certificates of deposit) with a

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remaining maturity closest to the Index Maturity on the face hereof or in the pricing supplement attached hereto or delivered herewith in a denomination of \$5,000,000; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the CD Rate for such Interest Reset Period will be the same as the CD Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

Determination of Commercial Paper Rate

If the Base Rate shown on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Commercial Paper Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Commercial Paper Rate" for each Interest Reset Period will be determined by the Calculation Agent as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Commercial Paper Rate Determination Date") and shall be the Money Market Yield (as defined below) on such Commercial Paper Rate Determination Date of the rate for commercial paper having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate shall be published in H.15(519) under the heading "Commercial Paper-Nonfinancial." In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Commercial Paper Rate Determination Date, then the Commercial Paper Rate for such Interest Reset Period shall be the Money Market Yield on such Commercial Paper Rate Determination Date of the rate for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper-Nonfinancial." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or the H.15 Daily Update, then the "Commercial Paper Rate" for such Interest Reset Period shall be the Money Market Yield of the arithmetic mean of the offered rates as of 11:00 a.m., New York City time, on such Commercial Paper Rate Determination Date of three leading dealers of U.S. dollar commercial paper in The City of New York selected by the Calculation Agent for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith placed for an industrial issuer whose bonds are rated "AA" or the equivalent by a nationally recognized rating agency; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the "Commercial Paper Rate" for such Interest Reset Period will be the same as the Commercial Paper Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

"Money Market Yield" shall be the yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal and "M" refers to the actual number of days in the applicable Interest Reset Period specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

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Determination of Federal Funds Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Federal Funds Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Federal Funds Rate and Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Federal Funds Rate" for each Interest Reset Period shall be the effective rate on the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Federal Funds Rate Determination Date") for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service). In the event that such rate does not appear on Moneyline Telerate on Page 120 or is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Federal Funds Rate Determination Date, the "Federal Funds Rate" for such Interest Reset Period shall be the rate on such Federal Funds Rate Determination Date as published in the H.15 Daily Update under the heading "Federal

Funds/Effective Rate," or other recognized electronic source used for the purpose of displaying the applicable rate. If by 3:00 p.m., New York City time, on such Calculation Date, such rate is not yet published, then the "Federal Funds Rate" for such Interest Reset Period shall be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar Federal Funds transactions in New York City, selected by the Calculation Agent prior to 9:00 a.m., New York City time, on that Federal Funds Rate Determination Date; provided, however, that if brokers so selected by the Calculation Agent are not quoting as mentioned above, the "Federal Funds Rate" for the Interest Reset Period will be the "Federal Funds Rate" in effect for the particular Federal Funds Rate Determination Date. If there was no Federal Funds Rate in effect for the Interest Reset Period, the "Federal Funds Rate" will be the initial interest rate.

Determination of LIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof. "LIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows.

On the second London Business Day prior to the Interest Reset Date for such Interest Reset Period (a "LIBOR Determination Date"), the Calculation Agent for such LIBOR Note will determine the offered rates for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appear on the Designated LIBOR Page at approximately 11:00 a.m., London time, on such LIBOR Determination Date. "Designated LIBOR Page" means either (a) if "LIBOR Moneyline Telerate" is designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the method for calculating LIBOR, the display designated as page "3750" on the Telerate Service ("Telerate") (or such other page as may replace page "3750" on such service or such other service as may be replaced by a successor service for the purpose of displaying the London interbank offered rates of major banks), and LIBOR for such Interest Reset Period will be the relevant offered rate as determined by the Calculation Agent or (b) if "LIBOR Reuters" is

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designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, "Designated LIBOR Page" means the display designated as page "LIBO" on the Reuters Monitor Money Rates Service and LIBOR will be the arithmetic means of the offered rates, calculated by the Calculation Agent, or the offered rate, if the designated LIBOR page by its terms provides only for a single rate (or such other page as may replace the LIBO page on such service or such other service as may be replaced by a successor service for the purpose of displaying London interbank offered rates of major banks). If neither LIBOR Reuters nor LIBOR Telerate is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, LIBOR will be determined as if LIBOR Moneyline Telerate had been specified.

If LIBOR cannot be determined as described above (either because the Designated LIBOR Page is no longer available or because fewer than two offered rates appear on the Designated LIBOR Page on the LIBOR Determination Date), the Calculation Agent will determine "LIBOR" as follows. The Calculation Agent will request the principal London offices of each of the four major banks in the London interbank market selected by the Calculation Agent to provide the Calculation Agent with its offered quotations for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the LIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in the Specified Currency, that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, "LIBOR" for

such Interest Reset Period will be the arithmetic mean of rates quoted by three major banks in The City of New York selected by the Calculation Agent at approximately 11:00 a.m., New York city time, on the LIBOR Determination Date for loans in the Specified Currency to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in the Specified Currency that is representative of a single transaction in such market at such time; provided, however, that if fewer than three banks selected as aforesaid by the Calculation Agent are quoting rates as mentioned in this sentence. "LIBOR" for such Interest Reset Period will be the same as LIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the LIBOR Rate will be the Initial Interest Rate).

Determination of Treasury Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate or Treasury Rate Constant Maturity, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Unless "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate for the auction held on the Treasury Rate Determination Date (as defined below) for such Interest Reset Period of direct obligations of the United States ("Treasury Securities") that have the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate appears on either Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) or on page 57 (or any other page as may replace that page on that service) under

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the heading "INVESTMENT RATE." The following procedures will be followed if the Treasury Rate cannot be determined as described above. If not so published by 3:00 p.m., New York City time, on the Calculation Date, the Treasury Rate will be the Bond Equivalent Yield (defined below) of the rate for the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Auction High." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable Treasury Securities as announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury Securities is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the Treasury Rate Determination Date of the applicable Treasury Securities published in H.15(519) under the heading of "U.S. Government Securities/Treasury Bills/Secondary Market." If such rate is not so published by 3:00 p.m., New York City time, on the related Calculated Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date of the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Secondary Market." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the Treasury Rate Determination Date, of three primary United States government securities dealers selected by the Calculation Agent for the issue of Treasury Securities with a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting bid rates as mentioned in this sentence, then the "Treasury Rate" for such Interest Reset Period will be the same as the Treasury Rate for the immediately preceding Interest Reset Period (or, if there was no Interest Reset Period, the Initial Interest Rate).

The "Treasury Rate Determination Date" for each Interest Reset Period will be the day of the week in which the Interest Reset Date for such Interest Reset Period falls on which Treasury Securities would normally be auctioned. Treasury Securities are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Rate Determination Date pertaining to the Interest Reset Period commencing in the next succeeding week. If an auction date shall fall on any day that would otherwise be an Interest Reset Date for a Note whose Base Rate is the Treasury Rate, then such Interest Reset Date shall instead be the Business Day immediately following such auction date.

Bond Equivalent: Yield will be calculated as follows:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Securities quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

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If "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate displayed on the Designated CMT Telerate Rate Page under the caption "Treasury Constant Maturities" under the column for the Designated CMT Maturity Index in the following manner. If the Designated CMT Moneyline Telerate Page is 7051, the Treasury Rate will be the rate on the Constant Maturity Treasury Rate Determination Date. In the event that such rate does not appear on Moneyline Telerate Page 7051, then the Treasury Rate will be the treasury constant maturity rate for the designated CMT maturity index as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the constant treasury maturity rate on the Constant maturity Treasury Rate Determination Date for the designated CMT maturity index as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would have otherwise been published in H.15(519). If the Designated CMT Moneyline Telerate Page is 7052, the "Treasury Rate" will be the weekly or monthly average, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, for the week or the month, as applicable, ended immediately preceding the week or month, as applicable, in which the related Constant Maturity Treasury Rate Determination Date occurs. In the event that such rate does not appear on Moneyline Telerate Page 7052, then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the treasury constant maturity rate for the designated CMT maturity index for the week or month as applicable, preceding the Constant Maturity Treasury Determination Date as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the constant treasury maturity rate for the designated CMT maturity index as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the Constant Maturity Treasury Rate Determination Date falls.

The following procedures will be followed if the Treasury Rate cannot be determined as indicated above. If such information, as applicable, is not so published, then the Calculation Agent will calculate the Treasury Rate on the Constant Maturity Treasury Rate Determination Date as follows which shall be a yield to maturity, based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government

securities dealers in The City of New York selected by the Calculation Agent, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for United States Treasury Securities ("Treasury Notes"), with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year and in a principal amount that is representative for a single transaction in the securities in that market at that time.

If the Calculation Agent is unable to obtain three such Treasury Note quotations, the Treasury Rate on the Constant Maturity Treasury Rate Determination Date will be calculated by the Calculation Agent, and shall be a yield to maturity based on the arithmetic mean of the secondary market offer side prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in

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the City of New York, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for Treasury Notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in an amount that is representative for a single transaction in that market at that time.

If three or four, and not five, of such dealers are quoting as described above, then the Treasury Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotes will be eliminated. However, if fewer than three dealers so selected by the Calculation Agent are quoting as mentioned above, the Treasury Rate determined as of the Constant Maturity Treasury Rate Determination Date will be the Treasury Rate in effect on the Constant Maturity Treasury Rate Determination Date. If two Treasury Notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the Calculation Agent will obtain quotations for the Treasury Note with the shorter remaining term to maturity and will use such quotations to calculate the Treasury Rate as set forth above.

"Designated CMT Moneyline Telerate Page" means the display on the Telerate, or any successor service on the page specified in the applicable pricing supplement, or any other page as may replace such page on that service, or any successor service, for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable pricing supplement, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury Securities, either one, two, three, five, seven, ten, twenty or thirty years, specified in the applicable pricing supplement with respect to which the Treasury Rate will be calculated. If no such maturity is specified in the applicable pricing supplement, the Designated CMT Maturity Index shall be two years.

"The Constant Maturity Treasury Rate Determination Date" shall be the second Business Day prior to the Interest Reset Date for the applicable Interest Reset Period.

Determination of Prime Rate

Prime Rate Notes will bear interest at the interest rates (calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any) specified in the Prime Rate Notes and in the applicable pricing supplement.

The "Prime Rate" for each Interest Reset Period will be determined by the Calculation Agent for such Prime Rate Note as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Prime Rate

Determination Date") and shall be the rate made available and subsequently published on such date in H.15(519) under the heading "Bank Prime Loan." In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Prime Rate Determination Date, then the Prime Rate for such Interest Reset Period shall be the rate published in the H.15 Daily Update under the heading "Bank Prime Loan." In the event that such rate has not been published prior to 3:00 p.m., New York City time, on the Calculation Date, then the Prime Rate will be calculated by the

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Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen USPRIME1 Page (as defined below) as such bank's prime rate or base lending rate on the Prime Rate Determination Date. If fewer than four such rates appear on the Reuters Screen USPRIME1 Page for the Prime Rate Determination Date, the rate shall be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date by three major banks in The City of New York selected by the Calculation Agent. However, if the banks so selected by the Calculation Agent are not quoting as mentioned in the previous sentence, the Prime Rate will be the Prime Rate in effect on the Prime Rate Determination Date.

"Reuters Screen USPRIME1 Page" means the display designated as page "USPRIME1" on the Reuters Monitor Money Rates Service, (or such other page as may replace the USPRIME1 page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

Determination of Eleventh District Cost of Funds Rate

Eleventh District Cost of Funds Rate Notes will bear interest at the interest rates (calculated by reference to the Eleventh District Cost of Funds Rate and the Spread and/or Spread Multiplier, if any) specified in the Eleventh District Cost of Funds Rate Notes and in the applicable pricing supplement.

The "Eleventh District Cost of Funds Rate," for each Interest Reset Period will be determined by the Calculation Agent for such Eleventh District Cost of Funds Rate Note as of the last working day of the month immediately prior to such Interest Reset Date for such Interest Reset Period on which the Federal Home Loan Bank of San Francisco (the "FHLB of San Francisco") publishes the Eleventh District Cost of Funds Index (as defined below) (the "Eleventh District Cost of Funds Rate Determination Date"), and shall be the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate Determination Date as set forth under the caption "Eleventh District" on Moneyline Telerate (or any successor service) on page 7058 (which page shall include any successor page (as determined by the Calculation Agent)) as of 11:00 a.m., San Francisco time, on such Eleventh District Cost of Funds Rate Determination Date. If such rate does not appear on Telerate page 7058 on any related Eleventh District Cost of Funds Rate Determination Date, the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Eleventh District Cost of Funds Rate Index") by the FHLB of San Francisco as such cost of funds for the calendar month preceding the date of such announcement. If the FHLB of San Francisco fails to announce such rate on or prior to the Eleventh District Cost of Funds Rate Determination Date for the calendar month immediately preceding such date, then the Eleventh District Cost of Funds Rate for such date will be the Eleventh District Cost of Funds Rate in effect on the Eleventh District Cost of Funds Rate Determination Date.

Determination of EURIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is EURIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to EURIBOR and the Spread or Spread Multiplier, if

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any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. "EURIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows.

On the second TARGET Business Day prior to the Interest Reset Date for such Interest Reset Period (a "EURIBOR Determination Date"), the Calculation Agent for such EURIBOR Note will determine the offered rates for deposits in Euros for the period of the index maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appears on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on such EURIBOR Determination Date. "Designated EURIBOR Page" means the display designated as page "248" on Telerate (or any successor service or such other page as may replace page "248" on such service), and EURIBOR for such Interest Reset Period will be the relevant offered rates as determined by the Calculation Agent.

If EURIBOR cannot be determined as described above the Calculation Agent will determine "EURIBOR" as follows. The Calculation Agent will request the principal Euro-zone (as defined below) office of each of four major banks in the Euro-zone interbank market selected by the Calculation Agent to provide the Calculation Agent with their respective offered quotations for deposits in Euros for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If less than two such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of rates quoted by four major banks in the Euro-zone selected by the Calculation Agent for such EURIBOR Note at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date for loans in Euros to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time; provided, however, that if the banks so selected aforesaid by the Calculation Agent are not quoting rates as mentioned in this sentence, "EURIBOR" for such Interest Reset Period will be same as EURIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the EURIBOR Rate will be the Initial Interest Rate).

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

Inverse Floating Rate Notes

If this Note is designated as an Inverse Floating Rate Note on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Inverse Floating Rate shall be equal to (i) in the case of the period, if any, commencing on the Original Issue Date (or such other date which may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the date on which this Note shall begin to accrue interest), up to the first Interest Reset Date, the Initial Fixed Interest Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and (ii) in the case of each period commencing on an Interest Reset

Date, the Reset Fixed Reference Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith minus the interest rate determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as adjusted by the Spread and/or Spread Multiplier, if any, as determined in accordance with the provisions hereof; provided, however, that (x) the interest rate thereon will not be less than zero and (y) the interest rate in effect for the ten days immediately prior to the date of Stated Maturity will be the rate in effect on the tenth day preceding such date.

If this Note is designated as a Floating Rate / Fixed Rate Note, this Note will be a Floating Rate note for a specified portion of its term and a Fixed Rate Note for the remainder of its term, in which event the interest rate on this Note will be determined as provided herein as if it were a Floating Rate Note and a Fixed Rate Note hereunder for each such respective period, all as described herein and in the applicable pricing supplement.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Spread, Spread Multiplier or method of calculation of the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Spread, Spread Multiplier or method of calculation of the Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee shall provide a notice of such election (the "Reset Notice"), in accordance with "Notices" below, indicating whether the Company has elected to reset the Spread, Spread Multiplier or method of calculation of the Interest Rate, and if so, (i) such new Spread, Spread Multiplier or method of calculation of the Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Spread, Spread Multiplier or method of calculation of the Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Reset Notice and establish a higher Spread or Spread Multiplier for the Subsequent Interest Period by causing the Trustee to provide notice of such higher Spread or Spread Multiplier, to the Holder of this Note. Such notice shall be irrevocable. All Bearer Notes with respect to which the Spread or Spread Multiplier is reset on an Optional Reset Date will bear such higher Spread or Spread Multiplier, whether or not tendered for repayment.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days prior to

such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then certain or all interest payments, in the case of an Indexed Rate Note, and/or the principal amount payable at Stated Maturity or earlier redemption or retirement, in the case of an Indexed Principal Note, is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the amount of any interest payment will be determined by reference to the Face Amount described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount

payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed interest payments, if any, or any indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a specified currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to

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fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be provided in accordance with "Notices" below within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at

the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

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The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to any duly appointed paying agent not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to any duly appointed paying agent and, as soon as practicable following receipt of such Note such paying agent shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, such paying agent shall issue in exchange for such Note in the name of such Holder a replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 days but not more than 60 days prior to the original Stated Maturity of this Note. If the

Company exercises such option, the Trustee will provide to the Holder of this Note not later than 40 days prior to the original Stated Maturity notice (the "Extension Notice") in accordance with "Notices" below. The Extension Notice will set forth (i) the election of the Company to extend the Stated Maturity of this Note, (ii) the new Stated Maturity, (iii) the Spread, Spread Multiplier or method of calculation applicable to the Extension Period, and (iv) the provisions, if any, for redemption during the Extension Period, including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the provision by such Trustee of an Extension Notice to the Holder hereof, the Stated Maturity of this Note shall be extended automatically, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the provision of such Notice. Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Extension Notice and establish a higher Spread or Spread Multiplier for the Extension Period by causing the Trustee to provide notice of such higher interest rate or higher Spread or Spread Multiplier, as the case may be, to the Holder hereof in accordance with "Notices" below. Such notice shall be irrevocable. All Notes with respect to which

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the Stated Maturity is extended will bear such higher Spread or Spread Multiplier for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If the Company elects to exercise such option with respect to this Note, at least 30 days prior to the date of redemption, the Trustee shall provide notice of such redemption to the Holder hereof in accordance with "Notices" below. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof shall be issued to the Holder hereof upon the cancellation hereof. Notes redeemed prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith Price specified herein at which, together with accrued interest to the date of repayment. Notes that are to be repaid prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

In order for this Note to be repaid, the Principal Paying Agent must receive this Note at least 30 but not more than 45 days prior to an Optional Repayment Date. Any tender of this Note for repayment (except pursuant to a

Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of the Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued in the name of the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

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Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

Tax Redemption

The Bearer Notes of a series may be redeemed at the option of the Company in whole, but not in part, at any time on giving at least 30 but not more than 60 days' notice in accordance with "Notices" below (which notice shall be irrevocable), at the respective Redemption Prices thereof, if the Company has or will become obligated to pay additional interest on such Notes as described in the following paragraph as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after their respective Original Issue Dates, and such obligation cannot be avoided by the Company taking reasonable measures available to it; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of such Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Company shall deliver to the Trustee for the Notes to be redeemed a certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred, and an opinion of independent counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

Payment of Additional Interest

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the Holder of this Note or any Coupon that is a United States Alien (as defined below) such amounts as may be necessary so that every net payment on this Note or such Coupon, after deduction or withholding for or on account of any present or future tax, assessment or

other governmental charge imposed upon or as a result of such payment by the United States (or any

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political subdivision or taxing authority thereof or therein), will not be less than the amount provided in this Note or such Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest to such Holder for or an account of:

(a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor or beneficiary of, or a Person holding a power over, such Holder, if such Holder is an estate or a trust, or a member or shareholder of such Holder, if such Holder is a partnership or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, Person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such Holder's past or present status as a passive foreign investment company, a personal holding company, foreign personal holding company, a controlled foreign corporation for United States tax purposes or private foundation or other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Note or such Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later;

(d) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on this Note or such Coupon;

(e) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on this Note or such Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent;

(f) any tax, assessment or other governmental charge imposed on a Holder that actually or constructively owns ten percent or more of the combined voting power of all classes of stock of the Company or is a controlled foreign corporation related to the Company through stock ownership; nor shall such additional interest be paid with respect to a payment on this Note or such Coupon to a Holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the Holder of this Note or such Coupon.

The term "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

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Paying Agents

The Company has initially appointed as its Paying Agents for Bearer Notes of this Series the offices listed below:

Principal Paying Agent:

Citibank, N.A.
5 Carmelite Street
London, England EC4Y 0PA

Paying Agent:

Kredietbank S.A. Luxembourgeoise
43 Boulevard Royal Luxembourg
Luxembourg City 2955

The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and to approve any change in the office through which any Paying Agent acts, provided that there will at all times be a Paying Agent (which may be the Trustee) in at least one city in Europe, which, so long as Bearer Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange shall so require, shall include Luxembourg. Notice of any such termination or appointment and of any changes in the specified offices of the Trustee or any Paying Agent will be given to the Holder hereof as described below.

Notices

All notices to Holders of this Note will be deemed to have been duly given if published on two separate Business Days in a leading London daily newspaper (which is expected to be the Financial Times) and, with respect to any series of Bearer Notes that may be listed on the Luxembourg Stock Exchange, if such exchange so requires, in Luxembourg in a newspaper of general circulation in Luxembourg (which is expected to be the Luxemburger Wort). Such notices shall be deemed to have been given on the date of the first such publication.

The Company may at any time purchase Registered Notes at any price in the open market or otherwise. Registered Notes so purchased by the Company may, at the discretion of the Company, be held or resold or surrendered to the Trustee for such Notes for cancellation.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Registered Notes of different authorized denominations, as requested by the Person surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

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If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

In case this Note or any Coupon shall at any time become mutilated, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying Agent in London; or, with respect to any series of Bearer Notes that are listed on the Luxembourg Stock Exchange, at the specified office of the Paying Agent in Luxembourg, upon payment by the claimant of such expenses as may be incurred in connection therewith and, in the case of destruction, theft or loss, on such terms as to evidence and indemnity as the Company or the Trustee may reasonably require. Mutilated or defaced Bearer Notes or Coupons must be surrendered before replacements will be issued.

All monies paid by the Company to a Trustee or Paying Agent for the payment of principal of or any premium or interest on any Bearer Note or for the payment of any Coupon which remain unclaimed at the end of two years after such payments shall have become due and payable will be repaid to the Company, at its written request, and the Holder of such Note or Coupon will thereafter look only to the Company for payment, such payment to be made only outside the United States.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and the coin or currency, herein prescribed.

The Company may, without the consent of the Holders of the Notes, consolidate with, merge into, or transfer substantially all of its assets to, a corporation that is a U.S. Person, provided that the successor corporation assumes all obligations of the Company under the Notes and certain other conditions are met, including a waiver by the successor corporation of any right to redeem the Notes under circumstances in which the successor corporation would be entitled to redeem the Notes but the Company would not have been entitled to do so.

Except as provided above, the obligation to pay the principal hereof (and premium, if any) and interest hereon in the designated currency of payment is of the essence. To the fullest

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extent possible under applicable law, judgments in respect of this Note shall be given in such currency. The obligation of the Company to make such payments in the designated currency of payment shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the designated currency of payment that the Holder of this Note may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and cost of exchange) on the business day in the country of issue of the designated currency of payment or in the international banking community (in the case of a composite currency) immediately following the day on which such Holder receives such payment. If the amount in the designated currency of payment that may be so purchased is for any reason less than the amount originally due, the Company shall, as a separate and independent obligation, pay such additional amounts in the designated currency of payment as may be necessary to compensate for any such shortfall.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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SCHEDULE OF
ISSUANCES, EXCHANGES AND AGGREGATE PRINCIPAL AMOUNT

The following issuances and exchanges of a part of this Note have

been made, and the aggregate principal amount of Bearer Notes represented by this Note at any time is as shown in the last entry of Column III hereof unless one or more entries have been made in Column IV hereof reflecting exchanges for individual Bearer Notes, in which event such aggregate principal amount is as shown in the last entry of Column V hereof.

<TABLE>
<CAPTION>

I.	II.	III.	IV.	V.	VI.
Settlement Date or Exchange	Principal Amount Issued	Aggregate Principal Amount Issued	Principal Amount Exchanged for Individual Bearer Notes	Aggregate Principal Amount Remaining After	Notation Made on behalf of the Trustee Exchange
<S>	<C>	<C>	<C>	<C>	<C>

</TABLE>

SCHEDULE OF INTEREST PAYMENTS

The following payments of interest in respect of this Note have been made.

<TABLE>
<CAPTION>

Date of Interest Payment	Interest Paid	Notation Made on behalf of the Trustee
<S>	<C>	<C>

</TABLE>

BEARER
No. FX ____

PRINCIPAL AMOUNT
OR FACE AMOUNT
\$ _____
CUSIP: _____

CITIGROUP FUNDING INC.

COMMON CODE

PERMANENT GLOBAL NOTE

REPRESENTING

MEDIUM-TERM SUBORDINATED NOTE, SERIES B
(FIXED RATE)

THIS SECURITY IS A PERMANENT GLOBAL NOTE, WITHOUT COUPONS, EXCHANGEABLE FOR INDIVIDUAL BEARER NOTES, WITH COUPONS, IF ANY, IN THE DENOMINATION OF U.S. \$10,000 OR ANY LARGER AMOUNT THAT IS AN INTEGRAL MULTIPLE OF U.S. \$1,000 (OR SUCH OTHER DENOMINATIONS AS ARE SPECIFIED BELOW FOR ANOTHER CURRENCY). THE RIGHTS ATTACHING TO THIS NOTE AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR INDIVIDUAL BEARER NOTES ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN).

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR THE INDIVIDUAL BEARER NOTES REPRESENTED HEREBY, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES.

<TABLE>

<S>

<C>

<C>

Issue Price:

Original Issue Date:

Interest Rate:

Stated Maturity:

Specified Currency (If other than U.S. dollars):

Authorized Denominations:

(If other than as set forth in the Prospectus Supplement)

Dual Currency Note:

[] Yes (see attached)

[] No

Optional Payment Currency:

Designated Exchange Rate:

Interest Payment Dates: Accrue to Pay:

[] Yes

[] No

Indexed Principal Note:

[] Yes (see attached)

[] No

measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein and (b) accrued interest on the Principal Amount then outstanding (or in the case of an Indexed Principal Note, the Face Amount, then outstanding) at the Interest Rate shown above from the Original Issue Date shown above or from the most recent date to which interest has been paid or duly provided for, annually in arrears (unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith) on the Interest Payment Dates specified on the face of this Note or in the pricing supplement attached hereto or delivered herewith and at Stated Maturity, until, in either case, the Principal Amount then outstanding or the Face Amount is paid or duly provided for in accordance with the terms hereof. Unless otherwise specified herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note, if any, will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that, in The City of New York, is not a day on which banking institutions generally are authorized or obligated by law or executive order to close; (ii) with respect to Bearer Notes having a specified currency other than U.S. dollars only, other than Bearer Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the specified currency, is not a day on which banking institutions generally are authorized or obligated by law to close; (iii) with respect to Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "TARGET Business Day"); and (iv) with respect to any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, any such day on which banking institutions and foreign exchange markets settle payments in New York City and London (an "Exchange Rate Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the specified currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

The indebtedness evidenced by this Note is, to the extent set forth in the Indenture, expressly subordinated and subject in right of payment to the prior payment in full of Senior Indebtedness as defined in the Indenture, and this Note is issued subject to such provisions, and each Holder of this Note, by accepting the same, agrees to and shall be bound by such provisions and authorizes and directs the Trustee in his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination as provided in the Indenture and appoints the Trustee as his attorney-in-fact for any and all such purposes.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

This Note is exchangeable in whole or from time to time in part without charge for individual Bearer Notes, with appropriate Coupons attached, if any, in the denomination of U.S.\$10,000 or any larger amount that is an integral multiple of U.S.\$1,000 (or such other denominations as are specified above for another currency), upon 30 days' notice to the Trustee given through either Euroclear Bank S.A./N.V. or Clearstream International. Upon any exchange of any portion of this Note for individual Bearer Notes, the portion of the principal amount hereof so exchanged shall be endorsed by the Trustee in the Schedule of Issuances, Exchanges and Aggregate principal amount hereto, and the principal amount hereof shall be reduced for all purposes by the amount so exchanged.

Except as otherwise provided herein or in the Indenture, until exchanged in full for individual Bearer Notes, this Note shall in all respects be entitled to the same benefits and subject to the same terms and conditions of, and the Company shall be subject to the same restrictions as those contained

on the individual Bearer Notes and in the Indenture.

Except under certain circumstances for Notes having Specified Currencies other than U.S. dollars, payments of the principal hereof and any premium and interest hereon will be made only in the Specified Currency. Payments in respect of this Note and any Coupon will be made only against surrender of this Note or such Coupon, at the offices of the Paying Agents outside the United States listed on the reverse hereof. At the direction of the Holder of this Note or any Coupon, and subject to applicable laws and regulations, such payments will be made by check drawn on a bank in The City of New York (in the case of U.S. dollar payments) or outside the United States (in the case of payments in a currency other than U.S. dollars) mailed to an address outside the United States furnished by the Holder hereof or, at the option of the Holder hereof, by wire transfer (pursuant to written instructions supplied by the Holder hereof) to an account maintained by the payee with a bank located outside the United States. No payment in respect of this Note or any Coupon will be made upon presentation of this Note or such Coupon at any office or agency of the Trustee or any other paying agency maintained by the Company in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States. Notwithstanding the foregoing, if U.S. dollar payments in respect of this Note or any Coupons at the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. dollars, the Company will appoint an office or agency (which may be the Trustee) in the United States at which such payments may be made.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Deutsche Bank Trust Company Americas (formerly Bankers Trust Company), or its successor, as Trustee.

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IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By

Authorized Officer

[Seal]

Attest

Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Bearer Notes issued under the within-mentioned Indenture.

Dated:

DEUTSCHE BANK TRUST COMPANY
AMERICAS (formerly BANKERS TRUST
COMPANY), as Trustee

By

Authorized Signatory

(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
 PERMANENT GLOBAL NOTE
 REPRESENTING
 MEDIUM-TERM SUBORDINATED NOTE, SERIES B
 (FIXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of [.], 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and Deutsche Bank Trust Company Americas (formerly Bankers Trust Company), as trustee (the "Trustee," which term includes any successor Trustee under the Indenture), to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in bearer form with coupons. Unless otherwise specified on the face hereof or in the in the applicable pricing supplement attached hereto or delivered herewith, the authorized denominations of Bearer Notes denominated in U.S. dollars will be U.S.\$10,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Bearer Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Fixed Rate Notes

This Note will bear interest from its Original Issue Date, or from the last Interest Payment Date to which interest has been paid or duly provided for, at the Interest Rate stated on the face hereof or in the pricing supplement attached hereto or delivered herewith until the principal amount hereof is paid or made available for payment, except as otherwise described below under "Subsequent Interest Periods" and "Extension of Stated Maturity", and except that if so specified in the attached pricing supplement, the rate of interest payable may be subject to adjustment as specified therein.

Unless otherwise set forth herein or in the pricing supplement attached hereto or delivered herewith, interest on this Note will be payable semiannually in arrears on the Interest Payment Dates set forth above and at Stated Maturity. If an Interest Payment Date with respect to any Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, however, that any payment required to be made in respect of such Note on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect

as if made on such date, and no additional interest shall accrue as a result of such delayed payment. However, if with respect to any Note for which "Accrue to Pay" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, any Interest Payment Date with respect to such Fixed Rate Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day.

Each payment of interest in respect of an Interest Payment Date shall include interest accrued through the day before such Interest Payment Date. Unless otherwise specified herein, interest on this Note will be computed on the basis of a 360-day year of twelve 30-day months ("30 over 360") or, in the case of an incomplete month, the number of days elapsed.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee shall provide notice (the "Reset Notice"), in accordance with "Notices" below, indicating whether the Company has elected to reset the Interest Rate, and if so, (i) such new Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Interest Rate provided for in the Reset Notice and establish a higher Interest Rate for the Subsequent Interest Period by causing the Trustee to provide notice of such higher Interest Rate to the Holder of this Note. Such notice shall be irrevocable. All Bearer Notes with respect to which the Interest Rate is reset on an Optional Reset Date will bear such higher Interest Rate.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then the principal amount payable at Stated Maturity or earlier redemption or retirement is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing

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supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a Specified Currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the

country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute a Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any change in the value of the Specified Currency hereof relative to any other currency due solely to fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

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If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be provided, in accordance with "Notices" below, within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of

any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to any duly appointed paying agent not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to any duly appointed paying agent and, as soon as practicable following receipt of such Note such paying agent shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount

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equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, such paying agent shall issue in exchange for such Note in the name of such Holder a replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee shall provide to the Holder of this Note not later than 40 days prior to the original Stated Maturity notice (the "Extension Notice"), in accordance with "Notices" below. The Extension Notice will set forth (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) the Interest Rate applicable to the Extension Period, and (iv) the provisions, if any, for redemption during such Extension Period including the date or dates on which, or the period or periods during which, and the price or prices at which, such redemption may occur during the Extension Period. Upon the provision by the Trustee of an Extension Notice to the Holder hereof, the Stated Maturity of this Note shall be extended automatically and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the provision of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Interest Rate provided for in the Extension Notice and establish a higher Interest Rate for the Extension Period by causing the Trustee to provide notice of such higher Interest Rate, as the case may be, hereof in accordance with "Notices" below. Such notice shall be irrevocable. All Notes with respect to which the Stated Maturity is extended will bear such higher Interest Rate for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder

will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Trustee or Paying Agent, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

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Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If required under the Federal Reserve Capital Adequacy Rules, the Company will obtain the prior approval of the Federal Reserve before exercising its redemption rights. If the Company elects to exercise such option with respect to this Note, at least 30 days prior to the date of redemption, such Trustee shall provide notice of such redemption to the Holder hereof in accordance with "Notices" below. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof shall be issued to the Holder hereof upon the cancellation hereof. Notes redeemed prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to its Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. Notes that are to be repaid prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

In order for this Note to be repaid, the Principal Paying Agent must receive this Note at least 30 but not more than 45 days prior to an Optional Repayment Date. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of this Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued to the Holder of this Note.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case

in accordance with generally accepted United States bond yield computation principles); provided,

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however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

Tax Redemption

The Bearer Notes of a series may be redeemed at the option of the Company in whole, but not in part, at any time on giving at least 30 but not more than 60 days' notice in accordance with "Notices" below (which notice shall be irrevocable), at the respective Redemption Prices thereof, if the Company has or will become obligated to pay additional interest on such Notes as described in the following paragraph as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after their respective Original Issue Dates, and such obligation cannot be avoided by the Company taking reasonable measures available to it; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of such Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Company shall deliver to the Trustee for the Notes to be redeemed a certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred, and an opinion of independent counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

Payment of Additional Interest

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the Holder of this Note or any Coupon that is a United States Alien (as defined below) such amounts as may be necessary so that every net payment on this Note or such Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided in this Note or such Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest to such Holder for or on account of:

(a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor or beneficiary of, or a Person holding a power over, such Holder, if such Holder is an estate or a trust, or a member or shareholder of such Holder, if such Holder is a partnership or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, Person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent

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establishment therein or (ii) such Holder's past or present status as a passive foreign investment company, a personal holding company, foreign personal holding company, a controlled foreign corporation for United

States tax purposes or private foundation or other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Note or such Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later;

(d) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on this Note or such Coupon;

(e) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on this Note or such Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent; or

(f) any tax, assessment or other governmental charge imposed on a Holder that actually or constructively owns ten percent or more of the combined voting power of all classes of stock of the Company or is a controlled foreign corporation related to the Company through stock ownership; nor shall such additional interest be paid with respect to a payment on this Note or such Coupon to a Holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the Holder of this Note or such Coupon.

The term "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

Special Tax Redemption

If the Company shall determine that any payment made outside the United States by the Company or any of its Paying Agents in respect of this Note or any Coupon appertaining thereto would, under any present or future laws or regulations of the United States, be subject to any certification, documentation, information or other reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any Paying Agent or any governmental authority of the nationality, residence or identity of a beneficial owner that is a United States Alien (other than such a requirement (a) that would not be applicable to a payment made by the Company or any one of its Paying Agents (i) directly to the beneficial owner or (ii) to a custodian, nominee or other agent of the beneficial owner or (b) that can be satisfied by such custodian, nominee or other agent certifying to the effect that the beneficial owner is a United States Alien; provided that, in any

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case referred to in clause (a) (ii) or (b), payment by the custodian, nominee, or agent to the beneficial owner is not otherwise subject to any such requirement), then the Company shall elect either (x) to redeem such Note in whole, but not in part, at its Redemption Price, or (y) if the conditions described in the next succeeding paragraph are satisfied, to pay the additional interest specified in such paragraph. The Company shall make such determination as soon as practicable and publish prompt notice thereof stating the effective date of such certification, documentation, information or other reporting requirement, whether the Company elects to redeem the Note or to pay the additional interest specified in the next succeeding paragraph and (if applicable) the last date by which the redemption of the Note must take place.

If this Note is to be redeemed as described in this paragraph, the

redemption shall take place on such date, not later than one year after the publication of the determination notice, as the Company shall specify by notice given to the Trustee at least 60 days before the redemption date. Notice of such redemption shall be given to the Holder of this Note at least 30 but not more than 60 days prior to the redemption date. Notwithstanding the foregoing, the Company shall not so redeem the Note if the Company shall subsequently determine, at least 30 days prior to the redemption date, that subsequent payments on the Note would not be subject to any such certification, documentation, information or other reporting requirement, in which case the Company shall publish prompt notice of such subsequent determination and any earlier redemption notice given shall be revoked and of no further effect.

Prior to the publication of any determination notice, the Company shall deliver to the Trustee for the Note to be redeemed a certificate stating that the Company is obligated to make such determination and setting forth a statement of facts showing that the conditions precedent to the obligation of the Company to redeem the Note or to pay the additional interest specified in the next succeeding paragraph have occurred, and an opinion of independent counsel to the effect that such conditions have occurred.

If and so long as the certification, documentation, information or other reporting requirement referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect to pay as additional interest such amounts as may be necessary so that every net payment made outside the United States following the effective date of such requirement by the Company or any of its Paying Agents of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to the Company, any paying agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge that (i) would not be applicable in the circumstances referred to in the parenthetical clause of the first sentence of the first paragraph of this section or (ii) is imposed as a result of presentation of this Note for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount then due and payable.

If the Company elects to pay additional interest, then the Company shall have the right thereafter to redeem this Note at any time in whole, but not in part, at the Redemption Price, subject to the provisions described above. If the Company elects to pay additional interest and the condition specified above should no longer be satisfied, then the Company shall redeem this Note in whole, but not in part, at the Redemption Price, subject to the provisions of this section. Any such redemption payments made by the Company shall be subject to the continuing obligation of the Company to pay additional interest as described above.

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Paying Agents

The Company has initially appointed as its Paying Agents for Bearer Notes of this Series the offices listed below:

Principal Paying Agent:

Deutsche Bank U.K.
Winchester House
1 Great Winchester Street
London, England EC2 N2DB

Paying Agent:

Deutsche Bank Luxembourg
P.O. Box 586
L-2015 Luxembourg

The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and to approve any change in the office through which any Paying Agent acts, provided that there will at all times be a Paying Agent (which may be the

Trustee) in at least one city in Europe, which, so long as Bearer Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange shall so require, shall include Luxembourg. Notice of any such termination or appointment and of any changes in the specified offices of the Trustee or any Paying Agent will be given to the Holder hereof as described below.

Notices

All notices to Holders of this Note will be deemed to have been duly given if published on two separate Business Days in a leading London daily newspaper (which is expected to be the Financial Times) and, with respect to any series of Bearer Notes that may be listed on the Luxembourg Stock Exchange, if such exchange so requires, in Luxembourg in a newspaper of general circulation in Luxembourg (which is expected to be the Luxemburger Wort). Such notices shall be deemed to have been given on the date of the first such publication.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Bearer Notes of different authorized denominations, as requested by the Person surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and with the effect provided in the Indenture.

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In case this Note or any Coupon shall at any time become mutilated, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying Agent in London; or, with respect to any series of Bearer Notes that are listed on the Luxembourg Stock Exchange, at the specified office of the Paying Agent in Luxembourg, upon payment by the claimant of such expenses as may be incurred in connection therewith and, in the case of destruction, theft or loss, on such terms as to evidence and indemnity as the Company or the Trustee may reasonably require. Mutilated or defaced Bearer Notes or Coupons must be surrendered before replacements will be issued.

All monies paid by the Company to a Trustee or Paying Agent for the payment of principal of or any premium or interest on any Bearer Note or for the payment of any Coupon which remain unclaimed at the end of two years after such payments shall have become due and payable will be repaid to the Company, at its written request, and the Holder of such Note or Coupon will thereafter look only to the Company for payment, such payment to be made only outside the United States.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter

or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The Company may, without the consent of the Holders of the Notes, consolidate with, merge into, or transfer substantially all of its assets to, a corporation, provided that the successor corporation assumes all obligations of the Company under the Notes and certain other conditions are met.

Except as provided above, the obligation to pay the principal hereof (and premium, if any) and interest hereon in the designated currency of payment is of the essence. To the fullest extent possible under applicable law, judgments in respect of this Note shall be given in such currency. The obligation of the Company to make such payments in the designated currency of payment shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the designated currency of payment that the Holder of this Note may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and cost of exchange) on the business day in the

country of issue of the designated currency of payment or in the international banking community (in the case of a composite currency) immediately following the day on which such Holder receives such payment. If the amount in the designated currency of payment that may be so purchased is for any reason less than the amount originally due, the Company shall, as a separate and independent obligation, pay such additional amounts in the designated currency of payment as may be necessary to compensate for any such shortfall.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and construed in accordance with, the laws of said State without regard to the conflicts of law rules of said State.

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

SCHEDULE OF
ISSUANCES, EXCHANGES AND AGGREGATE PRINCIPAL AMOUNT

The following issuances and exchanges of a part of this Note have been made, and the aggregate principal amount of Bearer Notes represented by this Note at any time is as shown in the last entry of Column III hereof unless one or more entries have been made in Column IV hereof reflecting exchanges for individual Bearer Notes, in which event such aggregate principal amount is as shown in the last entry of Column V hereof.

<TABLE>
<CAPTION>

I. Settlement Date or Exchange	II. Principal Amount Issued	III. Aggregate Principal Amount Issued	IV. Principal Amount Exchanged for Individual Bearer Notes	V. Aggregate Principal Amount Remaining After Exchange	VI. Notation Made on behalf of the Trustee
<S>	<C>	<C>	<C>	<C>	<C>

THIS SECURITY IS A PERMANENT GLOBAL NOTE, WITHOUT COUPONS, EXCHANGEABLE FOR INDIVIDUAL BEARER NOTES, WITH COUPONS, IF ANY, IN THE DENOMINATION OF U.S. \$10,000 OR ANY LARGER AMOUNT THAT IS AN INTEGRAL MULTIPLE OF U.S. \$1,000 (OR SUCH OTHER DENOMINATIONS AS ARE SPECIFIED BELOW FOR ANOTHER CURRENCY). THE RIGHTS ATTACHING TO THIS NOTE AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR INDIVIDUAL BEARER NOTES ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN).

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR THE INDIVIDUAL BEARER NOTES REPRESENTED HEREBY, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID" AND "YIELD TO MATURITY" SET FORTH BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE UNITED STATES FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT ("OID") RULES.

<TABLE>			
<S>	<C>	<C>	<C>
Issue Price:			Original Issue Date:

Initial Interest Rate:	Stated Maturity:
------------------------	------------------

Specified Currency (If other than U.S. dollars):

Authorized Denominations:
(If other than as set forth in the Prospectus Supplement)

</TABLE>			
<TABLE>			
<S>	<C>	<C>	<C> <C> <C> <C>
Dual Currency Note:	[]	Yes (see attached)	[] No
Optional Payment Currency:			
Designated Exchange Rate:			

Base Rate:	[]	CD Rate	[]	Commercial Paper Rate	[]	Federal Funds Rate
	[]	LIBOR Telerate	[]	LIBOR Reuters	[]	Treasury Rate
	[]	Treasury Rate	[]	Prime Rate		
		Constant Maturity				
	[]	Eleventh District			[]	EURIBOR
		Cost of Funds Rate				
			[]	Other (see attached)		

</TABLE>

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<TABLE>		
<S>	<C>	<C>
Interest Reset Period or Interest Reset Dates:		Index Maturity:
Interest Payment Dates: Accrue to Pay:	[]	Yes [] No
Indexed Principal Note:	[]	Yes (see attached) [] No
Floating Rate:	[]	Indexed Interest Rate: [] (see attached)
Spread Multiplier:		Spread (+/-):
Spread Reset:	[]	The Spread or Spread Multiplier may not be changed prior to Stated Maturity.

[] The Spread or Spread Multiplier may be changed prior to Stated Maturity (see attached).

Optional Reset Dates (if applicable):

Maximum Interest Rate:

Minimum Interest Rate:

Inverse Floating Rate Note:

[] Yes (see attached)

[] No

Initial Fixed Interest Rate:

Reset Fixed Reference Rate

Floating Rate / Fixed Rate Note:

[] Yes (see attached)

[] No

Amortizing Note:

[] Yes

[] No

Amortization Schedule:

Optional Redemption:

[] Yes

[] No

Optional Redemption Dates:

Redemption Prices:

Bond Yield to Maturity:

Bond Yield to Call:

Optional Repayment:

[] Yes

[] No

Optional Repayment Dates:

Optional Repayment Prices:

Optional Extension of
Stated Maturity:

[] Yes

[] No

</TABLE>

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<TABLE>

<S>

Final Maturity:

<C>

<C>

Discount Note:

[] Yes

[] No

Total Amount of OID:

Yield to Maturity:

Renewable Note:

[] Yes (see attached)

[] No

</TABLE>

Initial Maturity Date:

Special Election Interval (if applicable):

Amount (if less than entire principal
amount) as to which election may be
exercised:

If the Specified Currency of this Note is Pounds sterling, the
following applies: This instrument constitutes

- [] commercial paper
- [] a shorter term debt security
- [] a longer term debt security

issued in accordance with regulations made under section 4 of the Banking Act 1987. The issuer of this Note is Citigroup Funding Inc., which is not an authorized institution or a European authorized institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulation 1997). Repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed

IF THE SPECIFIED CURRENCY OF THIS NOTE IS POUNDS STERLING, THE FOLLOWING

CITIGROUP FUNDING INC., a corporation duly organized and existing under the laws of the State of Delaware (herein referred to as the "Company"), for value received hereby promises to pay to bearer, upon presentation and surrender hereof, (a) the Principal Amount or, in the case of an Indexed Principal Note, the Face Amount adjusted by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities or by such other objective price, economic or other measures (an "Index") as described on the face hereof or in the pricing supplement attached hereto or delivered herewith, in the Specified Currency on the Stated Maturity shown above or earlier if and to the extent so provided herein, and (b) accrued interest on the Principal Amount then outstanding (or, in the case of an Indexed Principal Note, the Face Amount then outstanding): (i) if this is a Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Base Rate shown above, adjusted by the Spread or Spread Multiplier, if any, shown above, determined in accordance with the provisions hereof, (ii) if this is an Indexed Rate Note, at a rate determined by reference to an Index as described herein, (iii) if this is an Inverse Floating Rate Note, at the Initial Interest Rate shown above from the Original Issue Date shown above until the first Interest Reset Date shown above following the Original Issue Date and thereafter at the Inverse Floating Rate, as determined in accordance with the provisions hereof, or (iv) if this is a Floating Rate / Fixed Rate Note, at a rate determined as described herein, until, in each case, the Principal Amount or the Face Amount then outstanding is paid or duly provided for in accordance with the terms hereof.

For purposes of this Note, "Business Day" means: (i) with respect to any Bearer Note, any day that is not a Saturday or Sunday and that is (i) not a day on which banking institutions are authorized or required by law or regulation to be closed in (a) The City of New York, (b) London, England, (c) the place in which this Note or any Coupon is presented for payment or (d) if the Specified Currency (as defined below) is other than U.S. dollars, the financial center of the country issuing the Specified Currency (which in the case of the Euro shall be Brussels, Belgium) and (ii) if the Base Rate specified above is LIBOR, any day on which dealings in deposits in the Specified Currency are transacted in the London interbank market (a "London Business Day"); (iii) with respect to Bearer Notes having any determination by the exchange rate agent (as defined below) of an exchange rate pursuant to notes having a specified currency other than U.S. dollars, a day on which banking institutions and foreign exchange markets settle payments in the City of New York and London (an "Exchange Rate Business Day"); (iv) with respect to Bearer Notes having a specified currency other than U.S. dollars only, other than Bearer Notes denominated in Euros, any day that, in the principal financial center (as defined below) of the country of the Specified Currency, is not a day on which banking institutions generally are authorized or obligated by law to close; and (v) with respect to EURIBOR Notes and Notes denominated in Euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is open (a "TARGET Business Day").

As used above, a "principal financial center" means the capital city of the country issuing the Specified Currency. However, with respect to U.S. dollars, Australian dollars, Canadian dollars, and Swiss francs, the principal financial center shall be The City of New York, Sydney, Toronto, and Zurich, respectively.

The indebtedness evidenced by this Note is, to the extent set forth in the Indenture, expressly subordinated and subject in right of payment to the prior payment in full of Senior Indebtedness as defined in the Indenture, and this Note is issued subject to such provisions, and each Holder of this Note, by accepting the same, agrees to and shall be bound by such provisions and

authorizes and directs the Trustee in his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination as

provided in the Indenture and appoints the Trustee as his attorney-in-fact for any and all such purposes.

If this Note is an Amortizing Note as shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, a portion or all the principal amount of the Note is payable prior to Stated Maturity in accordance with a schedule, by application of a formula, or by reference to an Index (as described above).

This Note is exchangeable in whole or from time to time in part without charge for individual Bearer Notes, with appropriate Coupons attached, if any, in the denomination of U.S.\$10,000 or any larger amount that is an integral multiple of U.S.\$1,000 (or such other denominations as are specified above for another currency), upon 30 days' notice to the Trustee given through either Euroclear Bank S.A./N.V. or Clearstream International. Upon any exchange of any portion of this Note for individual Bearer Notes, the portion of the principal amount hereof so exchanged shall be endorsed by the Trustee in the Schedule of Issuances, Exchanges and Aggregate Principal Amount hereto, and the Principal Amount hereof shall be reduced for all purposes by the amount so exchanged.

Except as otherwise provided herein or in the Indenture, until exchanged in full for individual Bearer Notes, this Note shall in all respects be entitled to the same benefits and subject to the same terms and conditions of, and the Company shall be subject to the same restrictions as those contained on the individual Bearer Notes and in the Indenture.

Except under certain circumstances that may apply if this Note has a specified currency other than U.S. dollars, payments of the principal hereof and any premium and interest hereon will be made only in the Specified Currency. Payments in respect of this Note and any Coupon will be made only against surrender of this Note or such Coupon, at the offices of the Paying Agents outside the United States listed on the reverse hereof. At the direction of the Holder of this Note or any Coupon, and subject to applicable laws and regulations, such payments will be made by check drawn on a bank in The City of New York (in the case of U.S. dollar payments) or outside the United States (in the case of payments in a currency other than U.S. dollars) mailed to an address outside the United States furnished by the Holder hereof or, at the option of the Holder hereof, by wire transfer (pursuant to written instructions supplied by the Holder hereof) to an account maintained by the payee with a bank located outside the United States. No payment in respect of this Note or any Coupon will be made upon presentation of this Note or such Coupon at any office or agency of the Trustee or any other paying agency maintained by the Company in the United States, nor will any such payment be made by transfer to an account, or by mail to an address, in the United States. Notwithstanding the foregoing, if U.S. dollar payments in respect of this Note or any Coupons at the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. dollars, the Company will appoint an office or agency (which may be the Trustee) in the United States at which such payments may be made.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF AND IN ANY PRICING SUPPLEMENT ATTACHED HERETO OR DELIVERED HERewith, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

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This Note shall not become valid or obligatory for any purpose unless and until this Note has been authenticated by Deutsche Bank Trust Company Americas (formerly Bankers Trust Company), or its successor, as Trustee.

IN WITNESS WHEREOF, the Company has caused this Note to be executed under its corporate seal.

Dated:

CITIGROUP FUNDING INC.

By _____

[Seal]

Attest

Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

Dated:

DEUTSCHE BANK TRUST COMPANY AMERICAS
(formerly BANKERS TRUST
COMPANY), as Trustee

By

Authorized Signatory

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(REVERSE OF SECURITY)

CITIGROUP FUNDING INC.
PERMANENT GLOBAL NOTE
REPRESENTING
MEDIUM-TERM SENIOR NOTE, SERIES B
(FLOATING OR INDEXED RATE)

General

This Note is one of a series of duly authorized debt securities of the Company (the "Debt Securities") issued or to be issued in one or more series under an indenture, dated as of [-], 2005, as such indenture may be amended from time to time (the "Indenture"), among the Company, as issuer, Citigroup Inc., as guarantor (the "Guarantor"), and JPMorgan Chase Bank, N.A., as trustee (the "Trustee," which term includes any successor Trustee under the Indenture) to which indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Debt Securities and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. The U.S. dollar equivalent of the public offering price or purchase price of Notes denominated in currencies other than U.S. dollars will be determined by the Company or its agent, as exchange rate agent for the Notes (the "Exchange Rate Agent") on the basis of the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "Market Exchange Rate") for such currencies on the applicable issue dates.

The Notes are in bearer form with coupons. Unless otherwise specified in the applicable pricing supplement attached hereto or delivered herewith, the authorized denominations of Bearer Notes denominated in U.S. dollars will be U.S.\$10,000 and any larger amount that is an integral multiple of U.S.\$1,000. The authorized denominations of Bearer Notes denominated in a currency other than U.S. dollars will be the approximate equivalents thereof in the Specified Currency.

Floating Rate Notes

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if this Note is a Floating Rate Note, this Note will bear interest from its Original Issue Date to, but not including, the first Interest Reset Date (as defined below) at the Initial

Interest Rate set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. Thereafter, the interest rate hereon for each Interest Reset Period will be determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Base Rates that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith are LIBOR, the Commercial Paper Rate, the Treasury Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, EURIBOR or any other Base Rate specified on the face hereof.

"H.15(519)" means the publication entitled "Statistical Release H.15(519), Selected Interest Rates" or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update/> or any successor site or publication.

"Calculation Date," where applicable, means the date on which the Calculation Agent is to calculate the interest rate for the Notes which shall be the earlier of (1) the tenth calendar day after the related Rate Determination Date, or if any such day is not a Business Day, the next succeeding business day or (2) the Business Day preceding the applicable Interest Payment Date or the Stated Maturity, as the case may be.

As specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note may also have either or both of the following (in each case expressed as a rate per annum on a simple interest basis): (i) a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period ("Maximum Interest Rate") and/or (ii) a minimum limitation, or floor, on the rate at which interest may accrue during any interest period ("Minimum Interest Rate"). In addition to any Maximum Interest Rate that may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest rate will in no event be higher than the maximum rate permitted by applicable law, as the same may be modified by United States law of general application.

The Company will appoint, and enter into an agreement with, agents (each, a "Calculation Agent") to calculate interest rates on this Note. All determinations of interest rates by the Calculation Agent shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder hereof. Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, Citibank, N.A. shall be the Calculation Agent for this Note. At the request of the Holder hereof, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date.

The interest rate hereon will be reset daily, weekly, monthly, quarterly, semiannually or annually (such period being the "Interest Reset Period" specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and the first day of each Interest Reset Period being an "Interest Reset Date"). Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Interest Reset Dates will be as follows: (i) if this Note resets daily, each Business Day; (ii) if this Note (unless this Note is a Treasury Rate Note) resets weekly, Wednesday of each week; (iii) if this Note is a Treasury Rate Note that resets weekly, Tuesday of each week (except as provided below under "Determination of Treasury Rate"); (iv) if this Note resets monthly, the third Wednesday of each month (with the exception of monthly reset Eleventh District Cost of Funds Rate Notes, which reset on the first calendar day of each month); (v) if this Note is an Eleventh District Cost of Funds Rate Note that resets monthly, the first calendar day of each month; (vi) if this Note resets quarterly, the third Wednesday of March, June, September and December of each year; (vii) if this Note resets semiannually, the third Wednesday of the two months of each year specified on the face hereof or in the pricing supplement attached hereto or

delivered herewith; and (viii) if this Note resets annually, the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered

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herewith. If an Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall instead be the immediately preceding Business Day. If an auction of direct obligations of United States Treasury Bills falls on a day that is an Interest Reset Date for Treasury Rate Notes, the Interest Reset Date shall be the succeeding Business Day.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the interest payable hereon on each Interest Payment Date shall be the accrued interest from and including the Original Issue Date or the last date to which interest has been paid, as the case may be, to but excluding such Interest Payment Date.

If more than one Interest Reset Date occurs during any period for which accrued interest is being calculated, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. The interest factor (expressed as a decimal calculated to seven decimal places without rounding) for each such day will be computed, unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, by dividing the interest rate in effect on such day by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate. In all other cases, accrued interest shall be calculated by multiplying the principal amount hereof (or if this Note is an Indexed Principal Note, the Face Amount specified on the face hereof) by the interest rate in effect during the period for which accrued interest is being calculated, and multiplying that product by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by 360, if the Base Rate specified on the face hereof is the Commercial Paper Rate, the Federal Funds Rate, the CD Rate, the Prime Rate, the Eleventh District Cost of Funds Rate, LIBOR, or EURIBOR, or by the actual number of days in the year, if the Base Rate specified on the face hereof is the Treasury Rate. For purposes of making the foregoing calculations, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on such date.

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, all percentages resulting from any calculation of the rate of interest hereof will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward, and all currency amounts used in or resulting from such calculation will be rounded to the nearest one-hundredth of a unit (with .005 of a unit being rounded upward).

Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, interest will be payable as follows: (i) if this Note resets daily, weekly or monthly (other than Eleventh District Cost of Funds Rate Notes), interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith or; (ii) in the case of Eleventh District Cost of Funds Rate Notes, interest will

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be payable on the first calendar day of each March, June, September and December; (iii) if this Note resets quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year; (iv) if this Note resets semiannually, interest will be payable on the third Wednesday of each of two months of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; and (v) if this Note resets annually, interest will be payable on the third Wednesday of the month of each year specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in each case at Maturity (each such day being an "Interest Payment Date"). If an Interest Payment Date would otherwise fall on a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day, except that, if the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR or EURIBOR and such Business Day is in the next succeeding calendar month, such Interest Payment Date shall instead be the immediately preceding Business Day; provided, however, if with respect to any Note for which "Accrue to Pay" is not specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, if an Interest Payment Date with respect to such Note would otherwise be a day that is not a Business Day, such Interest Payment Date shall not be postponed; provided, further, that any payment required to be made in respect of a Note that does not Accrue to Pay on a date (including the day of Stated Maturity) that is not a Business Day for such Note need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no additional interest shall accrue as a result of such delayed payment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date the rate of interest shall be the rate determined in accordance with the provisions of the applicable heading below.

Determination of CD Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the CD Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "CD Rate" for each Interest Reset Period shall be the rate as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "CD Rate Determination Date") for negotiable U.S. dollar certificates of deposit having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in H.15(519) under the heading "CDs (Secondary Market)". In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such CD Rate Determination Date, then the "CD Rate" for such Interest Reset Period will be the rate on such CD Rate Determination Date for negotiable U.S. dollar certificates of deposit of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or H.15 Daily Update, then the "CD Rate" for such Interest Reset Period will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on such CD Rate Determination Date of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable U.S. dollar certificates of deposit of major United States money center banks of the highest credit standing (in the market for negotiable U.S. dollar certificates of deposit) with a

remaining maturity closest to the Index Maturity on the face hereof or in the pricing supplement attached hereto or delivered herewith in a denomination of \$5,000,000; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the CD Rate for such Interest Reset Period will be the same as the CD Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

Determination of Commercial Paper Rate

If the Base Rate shown on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Commercial Paper Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Commercial Paper Rate" for each Interest Reset Period will be determined by the Calculation Agent as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Commercial Paper Rate Determination Date") and shall be the Money Market Yield (as defined below) on such Commercial Paper Rate Determination Date of the rate for commercial paper having the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate shall be published in H.15(519) under the heading "Commercial Paper-Nonfinancial." In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Commercial Paper Rate Determination Date, then the Commercial Paper Rate for such Interest Reset Period shall be the Money Market Yield on such Commercial Paper Rate Determination Date of the rate for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as published in the H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper-Nonfinancial." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or the H.15 Daily Update, then the "Commercial Paper Rate" for such Interest Reset Period shall be the Money Market Yield of the arithmetic mean of the offered rates as of 11:00 a.m., New York City time, on such Commercial Paper Rate Determination Date of three leading dealers of U.S. dollar commercial paper in The City of New York selected by the Calculation Agent for commercial paper of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith placed for an industrial issuer whose bonds are rated "AA" or the equivalent by a nationally recognized rating agency; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting offered rates as mentioned in this sentence, the "Commercial Paper Rate" for such Interest Reset Period will be the same as the Commercial Paper Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the Initial Interest Rate).

"Money Market Yield" shall be the yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal and "M" refers to the actual number of days in the applicable Interest Reset Period specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

Determination of Federal Funds Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Federal Funds Rate, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Federal Funds Rate and Spread or Spread Multiplier, if any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. The "Federal Funds Rate" for each Interest Reset Period shall be the effective rate on the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Federal Funds Rate Determination Date") for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on Page 120 (or any other page as may replace the specified Page on that service). In the event that such rate does not appear on Moneyline Telerate on Page 120 or is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining

to such Federal Funds Rate Determination Date, the "Federal Funds Rate" for such Interest Reset Period shall be the rate on such Federal Funds Rate Determination Date as published in the H.15 Daily Update under the heading "Federal Funds/Effective Rate," or other recognized electronic source used for the purpose of displaying the applicable rate. If by 3:00 p.m., New York City time, on such Calculation Date, such rate is not yet published, then the "Federal Funds Rate" for such Interest Reset Period shall be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar Federal Funds transactions in New York City, selected by the Calculation Agent prior to 9:00 a.m., New York City time, on that Federal Funds Rate Determination Date; provided, however, that if brokers so selected by the Calculation Agent are not quoting as mentioned above, the "Federal Funds Rate" for the Interest Reset Period will be the "Federal Funds Rate" in effect for the particular Federal Funds Rate Determination Date. If there was no Federal Funds Rate in effect for the Interest Reset Period, the "Federal Funds Rate" will be the initial interest rate.

Determination of LIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is LIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof. "LIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows.

On the second London Business Day prior to the Interest Reset Date for such Interest Reset Period (a "LIBOR Determination Date"), the Calculation Agent for such LIBOR Note will determine the offered rates for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appear on the Designated LIBOR Page at approximately 11:00 a.m., London time, on such LIBOR Determination Date. "Designated LIBOR Page" means either (a) if "LIBOR Moneyline Telerate" is designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the method for calculating LIBOR, the display designated as page "3750" on the Telerate Service ("Telerate") (or such other page as may replace page "3750" on such service or such other service as may be replaced by a successor service for the purpose of displaying the London interbank offered rates of major banks), and LIBOR for such Interest Reset Period will be the relevant offered rate as determined by the Calculation Agent or (b) if "LIBOR Reuters" is

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designated on the face hereof or in the pricing supplement attached hereto or delivered herewith, "Designated LIBOR Page" means the display designated as page "LIBO" on the Reuters Monitor Money Rates Service and LIBOR will be the arithmetic means of the offered rates, calculated by the Calculation Agent, or the offered rate, if the designated LIBOR page by its terms provides only for a single rate (or such other page as may replace the LIBO page on such service or such other service as may be replaced by a successor service for the purpose of displaying London interbank offered rates of major banks). If neither LIBOR Reuters nor LIBOR Telerate is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, LIBOR will be determined as if LIBOR Moneyline Telerate had been specified.

If LIBOR cannot be determined as described above (either because the Designated LIBOR Page is no longer available or because fewer than two offered rates appear on the Designated LIBOR Page on the LIBOR Determination Date), the Calculation Agent will determine "LIBOR" as follows. The Calculation Agent will request the principal London offices of each of the four major banks in the London interbank market selected by the Calculation Agent to provide the Calculation Agent with its offered quotations for deposits in the Specified Currency for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the LIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate

equivalent thereof in the Specified Currency, that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, "LIBOR" for such Interest Reset Period will be the arithmetic mean of rates quoted by three major banks in The City of New York selected by the Calculation Agent at approximately 11:00 a.m., New York city time, on the LIBOR Determination Date for loans in the Specified Currency to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in the Specified Currency that is representative of a single transaction in such market at such time; provided, however, that if fewer than three banks selected as aforesaid by the Calculation Agent are quoting rates as mentioned in this sentence. "LIBOR" for such Interest Reset Period will be the same as LIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the LIBOR Rate will be the Initial Interest Rate).

Determination of Treasury Rate

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is the Treasury Rate or Treasury Rate Constant Maturity, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Unless "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate for the auction held on the Treasury Rate Determination Date (as defined below) for such Interest Reset Period of direct obligations of the United States ("Treasury Securities") that have the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as such rate appears on either Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) or on page 57 (or any other page as may replace that page on that service) under the

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heading "INVESTMENT RATE." The following procedures will be followed if the Treasury Rate cannot be determined as described above. If not so published by 3:00 p.m., New York City time, on the Calculation Date, the Treasury Rate will be the Bond Equivalent Yield (defined below) of the rate for the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Auction High." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable Treasury Securities as announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury Securities is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the Treasury Rate Determination Date of the applicable Treasury Securities published in H.15(519) under the heading of "U.S. Government Securities/Treasury Bills/Secondary Market." If such rate is not so published by 3:00 p.m., New York City time, on the related Calculated Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date of the applicable Treasury Securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the heading "U.S. Government Securities/Treasury Bills/Secondary Market." In the event that such rate is not so published by 3:00 p.m., New York City time, on the related Calculation Date, then the Treasury Rate will be the rate on the Treasury Rate Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the Treasury Rate Determination Date, of three primary United States government securities dealers selected by the Calculation Agent for the issue of Treasury Securities with a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith; provided, however,

that if the dealers selected as aforesaid by the Calculation Agent are not quoting bid rates as mentioned in this sentence, then the "Treasury Rate" for such Interest Reset Period will be the same as the Treasury Rate for the immediately preceding Interest Reset Period (or, if there was no Interest Reset Period, the Initial Interest Rate).

The "Treasury Rate Determination Date" for each Interest Reset Period will be the day of the week in which the Interest Reset Date for such Interest Reset Period falls on which Treasury Securities would normally be auctioned. Treasury Securities are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Rate Determination Date pertaining to the Interest Reset Period commencing in the next succeeding week. If an auction date shall fall on any day that would otherwise be an Interest Reset Date for a Note whose Base Rate is the Treasury Rate, then such Interest Reset Date shall instead be the Business Day immediately following such auction date.

Bond Equivalent: Yield will be calculated as follows:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Securities quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

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If "Treasury Rate Constant Maturity" is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the "Treasury Rate" for each Interest Reset Period will be the rate displayed on the Designated CMT Telerate Rate Page under the caption "Treasury Constant Maturities" under the column for the Designated CMT Maturity Index in the following manner. If the Designated CMT Moneyline Telerate Page is 7051, the Treasury Rate will be the rate on the Constant Maturity Treasury Rate Determination Date. In the event that such rate does not appear on Moneyline Telerate Page 7051, then the Treasury Rate will be the treasury constant maturity rate for the designated CMT maturity index as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the constant treasury maturity rate on the Constant maturity Treasury Rate Determination Date for the designated CMT maturity index as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would have otherwise been published in H.15(519). If the Designated CMT Moneyline Telerate Page is 7052, the "Treasury Rate" will be the weekly or monthly average, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, for the week or the month, as applicable, ended immediately preceding the week or month, as applicable, in which the related Constant Maturity Treasury Rate Determination Date occurs. In the event that such rate does not appear on Moneyline Telerate Page 7052, then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the treasury constant maturity rate for the designated CMT maturity index for the week or month as applicable, preceding the Constant Maturity Treasury Determination Date as published in the relevant H.15(519) under the caption "Treasury Constant Maturities." In the event that such rate does not so appear in H.15(519), then the Treasury Rate will be the one-week or one-month, as specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, average of the constant treasury maturity rate for the designated CMT maturity index as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the Constant Maturity Treasury Rate Determination Date falls.

The following procedures will be followed if the Treasury Rate

cannot be determined as indicated above. If such information, as applicable, is not so published, then the Calculation Agent will calculate the Treasury Rate on the Constant Maturity Treasury Rate Determination Date as follows which shall be a yield to maturity, based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in The City of New York selected by the Calculation Agent, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for United States Treasury Securities ("Treasury Notes"), with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year and in a principal amount that is representative for a single transaction in the securities in that market at that time.

If the Calculation Agent is unable to obtain three such Treasury Note quotations, the Treasury Rate on the Constant Maturity Treasury Rate Determination Date will be calculated by the Calculation Agent, and shall be a yield to maturity based on the arithmetic mean of the secondary market offer side prices as of approximately 3:30 p.m., New York City time, on the Constant Maturity Treasury Rate Determination Date of three leading U.S. government securities dealers in

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the City of New York, one of which may be the Agent, from five such dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation, or, in the event of equality, one of the lowest, for Treasury Notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining maturity closest to the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and in an amount that is representative for a single transaction in that market at that time.

If three or four, and not five, of such dealers are quoting as described above, then the Treasury Rate will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotes will be eliminated. However, if fewer than three dealers so selected by the Calculation Agent are quoting as mentioned above, the Treasury Rate determined as of the Constant Maturity Treasury Rate Determination Date will be the Treasury Rate in effect on the Constant Maturity Treasury Rate Determination Date. If two Treasury Notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the Calculation Agent will obtain quotations for the Treasury Note with the shorter remaining term to maturity and will use such quotations to calculate the Treasury Rate as set forth above.

"Designated CMT Moneyline Telerate Page" means the display on the Telerate, or any successor service on the page specified in the applicable pricing supplement, or any other page as may replace such page on that service, or any successor service, for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable pricing supplement, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury Securities, either one, two, three, five, seven, ten, twenty or thirty years, specified in the applicable pricing supplement with respect to which the Treasury Rate will be calculated. If no such maturity is specified in the applicable pricing supplement, the Designated CMT Maturity Index shall be two years.

"The Constant Maturity Treasury Rate Determination Date" shall be the second Business Day prior to the Interest Reset Date for the applicable Interest Reset Period.

Determination of Prime Rate

Prime Rate Notes will bear interest at the interest rates

(calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any) specified in the Prime Rate Notes and in the applicable pricing supplement.

The "Prime Rate" for each Interest Reset Period will be determined by the Calculation Agent for such Prime Rate Note as of the second Business Day prior to the Interest Reset Date for such Interest Reset Period (a "Prime Rate Determination Date") and shall be the rate made available and subsequently published on such date in H.15(519) under the heading "Bank Prime Loan." In the event that such rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date (as defined above) pertaining to such Prime Rate Determination Date, then the Prime Rate for such Interest Reset Period shall be the rate published in the H.15 Daily Update under the heading "Bank Prime Loan." In the event that such rate has not been published prior to 3:00

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p.m., New York City time, on the Calculation Date, then the Prime Rate will be calculated by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen USPRIME1 Page (as defined below) as such bank's prime rate or base lending rate on the Prime Rate Determination Date. If fewer than four such rates appear on the Reuters Screen USPRIME1 Page for the Prime Rate Determination Date, the rate shall be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by 360 as of the close of business on the Prime Rate Determination Date by three major banks in The City of New York selected by the Calculation Agent. However, if the banks so selected by the Calculation Agent are not quoting as mentioned in the previous sentence, the Prime Rate will be the Prime Rate in effect on the Prime Rate Determination Date.

"Reuters Screen USPRIME1 Page" means the display designated as page "USPRIME1" on the Reuters Monitor Money Rates Service, (or such other page as may replace the USPRIME1 page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

Determination of Eleventh District Cost of Funds Rate

Eleventh District Cost of Funds Rate Notes will bear interest at the interest rates (calculated by reference to the Eleventh District Cost of Funds Rate and the Spread and/or Spread Multiplier, if any) specified in the Eleventh District Cost of Funds Rate Notes and in the applicable pricing supplement.

The "Eleventh District Cost of Funds Rate," for each Interest Reset Period will be determined by the Calculation Agent for such Eleventh District Cost of Funds Rate Note as of the last working day of the month immediately prior to such Interest Reset Date for such Interest Reset Period on which the Federal Home Loan Bank of San Francisco (the "FHLB of San Francisco") publishes the Eleventh District Cost of Funds Index (as defined below) (the "Eleventh District Cost of Funds Rate Determination Date"), and shall be the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate Determination Date as set forth under the caption "Eleventh District" on Moneyline Telerate (or any successor service) on page 7058 (which page shall include any successor page (as determined by the Calculation Agent)) as of 11:00 a.m., San Francisco time, on such Eleventh District Cost of Funds Rate Determination Date. If such rate does not appear on Telerate page 7058 on any related Eleventh District Cost of Funds Rate Determination Date, the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Eleventh District Cost of Funds Rate Index") by the FHLB of San Francisco as such cost of funds for the calendar month preceding the date of such announcement. If the FHLB of San Francisco fails to announce such rate on or prior to the Eleventh District Cost of Funds Rate Determination Date for the calendar month immediately preceding such date, then the Eleventh District Cost of Funds Rate for such date will be the Eleventh District Cost of Funds Rate in effect on the Eleventh District Cost of Funds Rate Determination Date.

Determination of EURIBOR

If the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith is EURIBOR, this Note will bear interest for each Interest Reset Period at the interest rate calculated with reference to EURIBOR and the Spread or Spread Multiplier, if

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any, specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. "EURIBOR" for each Interest Reset Period will be determined by the Calculation Agent as follows.

On the second TARGET Business Day prior to the Interest Reset Date for such Interest Reset Period (a "EURIBOR Determination Date"), the Calculation Agent for such EURIBOR Note will determine the offered rates for deposits in Euros for the period of the index maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, which appears on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on such EURIBOR Determination Date. "Designated EURIBOR Page" means the display designated as page "248" on Telerate (or any successor service or such other page as may replace page "248" on such service), and EURIBOR for such Interest Reset Period will be the relevant offered rates as determined by the Calculation Agent.

If EURIBOR cannot be determined as described above the Calculation Agent will determine "EURIBOR" as follows. The Calculation Agent will request the principal Euro-zone (as defined below) office of each of four major banks in the Euro-zone interbank market selected by the Calculation Agent to provide the Calculation Agent with their respective offered quotations for deposits in Euros for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date, in a principal amount equal to an amount of at least \$1,000,000 or its approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time. If two or more such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of such quotations. If less than two such quotations are provided, "EURIBOR" for such Interest Reset Period will be the arithmetic mean of rates quoted by four major banks in the Euro-zone selected by the Calculation Agent for such EURIBOR Note at approximately 11:00 a.m., Brussels time, on the EURIBOR Determination Date for loans in Euros to leading European banks for the period of the Index Maturity specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, commencing on such Interest Reset Date, in a principal amount equal to an amount of at least \$1,000,000 or the approximate equivalent thereof in Euros that is representative of a single transaction in such market at such time; provided, however, that if the banks so selected aforesaid by the Calculation Agent are not quoting rates as mentioned in this sentence, "EURIBOR" for such Interest Reset Period will be same as EURIBOR for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the EURIBOR Rate will be the Initial Interest Rate).

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

Inverse Floating Rate Notes

If this Note is designated as an Inverse Floating Rate Note on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Inverse Floating Rate shall be equal to (i) in the case of the period, if any, commencing on the Original Issue Date (or such other date which may be specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as the date on which this Note shall begin to accrue interest), up to the first Interest Reset

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Date, the Initial Fixed Interest Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, and (ii) in the case

of each period commencing on an Interest Reset Date, the Reset Fixed Reference Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith minus the interest rate determined by reference to the Base Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, as adjusted by the Spread and/or Spread Multiplier, if any, as determined in accordance with the provisions hereof; provided, however, that (x) the interest rate thereon will not be less than zero and (y) the interest rate in effect for the ten days immediately prior to the date of Stated Maturity will be the rate in effect on the tenth day preceding such date.

Floating Rate / Fixed Rate Notes

If this Note is designated as a Floating Rate / Fixed Rate Note, this Note will be a Floating Rate note for a specified portion of its term and a Fixed Rate Note for the remainder of its term, in which event the interest rate on this Note will be determined as provided herein as if it were a Floating Rate Note and a Fixed Rate Note hereunder for each such respective period, all as described herein and in the applicable pricing supplement.

Subsequent Interest Periods

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Spread, Spread Multiplier or method of calculation of the Interest Rate on this Note may be reset by the Company on the date or dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Optional Reset Date"). The Company may reset the Spread, Spread Multiplier or method of calculation of the Interest Rate Interest Rate by notifying the Trustee for this Note at least 45 but not more than 60 days prior to each Optional Reset Date. Not later than 40 days prior to each Optional Reset Date, the Trustee shall provide a notice of such election (the "Reset Notice"), in accordance with "Notices" below, indicating whether the Company has elected to reset the Spread, Spread Multiplier or method of calculation of the Interest Rate, and if so, (i) such new Spread, Spread Multiplier or method of calculation of the Interest Rate and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date, or, if there is no such next Optional Reset Date, to the Stated Maturity of this Note (each such period, a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period. Upon the transmittal by the Trustee of a Reset Notice to the Holder of a Note, such new Spread, Spread Multiplier or method of calculation of the Interest Rate shall take effect automatically. Except as modified by the Reset Notice and as described below, such Note will have the same terms as prior to the transmittal of such Reset Notice. Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Reset Notice and establish a higher Spread or Spread Multiplier for the Subsequent Interest Period by causing the Trustee to provide notice of such higher Spread or Spread Multiplier, to the Holder of this Note. Such notice shall be irrevocable. All Bearer Notes with respect to which the Spread or Spread Multiplier is reset on an Optional Reset Date will bear such higher Spread or Spread Multiplier, whether or not tendered for repayment.

The Holder of this Note will have the option to elect repayment of the Note by the Company on each Optional Reset Date at a price equal to the principal amount hereof, plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth below for optional repayment, except that the period for

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delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days prior to such Optional Reset Date, and except that if the Holder has tendered this Note for repayment pursuant to a Reset Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth day before the Optional Reset Date.

Indexed Notes

If this Note is an Indexed Principal Note, then certain or all

interest payments, in the case of an Indexed Rate Note, and/or the principal amount payable at Stated Maturity or earlier redemption or retirement, in the case of an Indexed Principal Note, is determined by reference to the amount designated on the face hereof or in the pricing supplement attached hereto or delivered herewith as the Face Amount of this Note and by reference to the Index as described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the amount of any interest payment will be determined by reference to the Face Amount described on the face hereof or in the pricing supplement attached hereto or delivered herewith. If this Note is an Indexed Principal Note, the principal amount payable at Stated Maturity or any earlier redemption or repayment of this Note may be different from the Face Amount. If a third party is appointed to calculate or announce the Index for a particular Indexed Note and the third party either suspends the calculation or announcement of such Index or changes the basis upon which such Index is calculated in a manner that is inconsistent with the applicable pricing supplement, then the Company will select another third party to calculate or announce the Index. The agent or another affiliate of the Company may be either the original or successor third party selected by the Company.

If for any reason such Index cannot be calculated on the same basis and subject to the same conditions and controls as applied to the original third party, then the indexed interest payments, if any, or any indexed principal amount of this Note shall be calculated in the manner set forth in the applicable pricing supplement. Any determination of such third party shall in the absence of manifest error be binding on all parties.

Payments in Currencies other than the Specified Currency

Except as set forth below, if any payment in respect hereof is required to be made in a specified currency other than U.S. dollars and such currency is unavailable due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the country issuing such currency or for the settlement of transactions by public institutions of or within the international banking community, then such payment shall be made in U.S. dollars until such currency is again available or so used. The amount so payable in such foreign currency shall be converted into U.S. dollars on the basis of the most recently available Market Exchange Rate for such currency or as otherwise indicated on the face hereof or in the pricing supplement attached hereto or delivered herewith. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Indenture.

In the event of an official redenomination of the Specified Currency of this Note (other than as a result of European Monetary Union, but including, without limitation, an official redenomination of any such Specified Currency that is a composite currency), the obligations of the Company with respect to payments on this Note shall, in all cases, be deemed immediately following such redenomination to provide for the payment of that amount of redenominated currency representing the amount of such obligations immediately before such redenomination. This Note does not provide for any adjustment to any amount payable under this Note as a result of (i) any

change in the value of the Specified Currency hereof relative to any other currency due solely to fluctuations in exchange rates or (ii) any redenomination of any component currency of any composite currency (unless such composite currency is itself officially redenominated).

Dual Currency Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Dual Currency Note, the Company may have a one time option of making all payments of principal, premium, if any, and interest on all Dual Currency Notes issued on the same day and having the same terms (a "Tranche"), which payments would otherwise be made in the Specified Currency of such Notes, in an optional currency (the "Optional Payment Currency"). Such option will be exercisable in whole but not in part on an "Option Election Date," which will be any one of the dates specified on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Company makes such an election, the amount payable in the Optional Payment Currency shall be determined using the Designated Exchange Rate specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. If such election is made, notice of such election shall be provided in accordance with "Notices" below within two Business Days of the Option Election Date and shall state (i) the first date, whether an Interest Payment Date and/or Stated Maturity, in which scheduled payments in the Optional Payment Currency will be made and (ii) the Designated Exchange Rate. Any such notice by the Company, once given, may not be withdrawn. The equivalent value in the Specified Currency of payments made after such an election may be less, at the then current exchange rate, than if the Company had made such payment in the Specified Currency.

Renewable Notes

If this Note is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith as a Renewable Note, this Note will mature on an Interest Payment Date occurring in or prior to the twelfth month following the Original Issue Date of this Note (the "Initial Maturity Date") unless the term of all or any portion of this Note is renewed in accordance with the following procedures:

On the Interest Payment Date occurring in the sixth month (unless a different interval (the "Special Election Interval") is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith) prior to the Initial Maturity Date of this Note (the "Initial Renewal Date") and on the Interest Payment Date occurring in each sixth month (or in the last month of each Special Election Interval) after such Initial Renewal Date (each, together with the Initial Renewal Date, a "Renewal Date"), the term of this Note may be extended to the Interest Payment Date occurring in the twelfth month (or, if a Special Election Interval is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the last month in a period equal to twice the Special Election Interval) after such Renewal Date, if the Holder of this Note elects to extend the term of this Note or any portion thereof as described below. If the Holder does not elect to extend the term of any portion of the principal amount of this Note during the specified period prior to any Renewal Date, such portion will become due and payable on the Interest Payment Date occurring in the sixth month (or the last month in the Special Election Interval) after such Renewal Date (the "New Maturity Date").

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The Holder may elect to renew the term of this Note, or if so specified, any portion thereof, by delivering a notice to such effect to any duly appointed paying agent not less than 15 nor more than 30 days prior to such Renewal Date, unless another period is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Such election will be irrevocable and will be binding upon each subsequent Holder of this Note. An election to renew the term of this Note may be exercised with respect to less than the entire principal amount of this Note only if so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith and then only in such principal amount, or any integral multiple in excess thereof, as is specified on the face hereof or in the pricing supplement attached hereto or delivered herewith. Notwithstanding the foregoing, the term of this Note may not be extended beyond the Stated Maturity specified for this Note on the face hereof or in the pricing supplement attached hereto or delivered herewith.

If the Holder does not elect to renew the term, this Note must be presented to any duly appointed paying agent and, as soon as practicable following receipt of such Note such paying agent shall issue in exchange therefor in the name of such Holder (i) a Note, in a principal amount equal to the principal amount of such exchanged Note for which no election to renew the term thereof was exercised, with terms identical to those specified on such exchanged Note (except that such Note shall have a fixed, nonrenewable Stated Maturity on the New Maturity Date) and (ii) if an election to renew is made with respect to less than the full principal amount of such Holder's Note, such paying agent shall issue in exchange for such Note in the name of such Holder a replacement Renewable Note, in a principal amount equal to the principal amount of such exchanged Note for which the election to renew was made, with terms otherwise identical to the exchanged Note.

Extension of Stated Maturity

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Stated Maturity of this Note may be extended at the option of the Company for one or more periods of whole years specified on the face hereof or in the pricing supplement attached hereto or delivered herewith (each an "Extension Period") from one to five years up to but not beyond the date (the "Final Maturity") set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith. The Company may exercise such option by notifying the Trustee for this Note at least 45 days but not more than 60 days prior to the original Stated Maturity of this Note. If the Company exercises such option, the Trustee will provide to the Holder of this Note not later than 40 days prior to the original Stated Maturity notice (the "Extension Notice") in accordance with "Notices" below. The Extension Notice will set forth (i) the election of the Company to extend the Stated Maturity of this Note, (ii) the new Stated Maturity, (iii) the Spread, Spread Multiplier or method of calculation applicable to the Extension Period, and (iv) the provisions, if any, for redemption during the Extension Period, including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the provision by such Trustee of an Extension Notice to the Holder hereof, the Stated Maturity of this Note shall be extended automatically, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the provision of such Notice.

Notwithstanding the foregoing, not later than 20 days prior to the original Stated Maturity of this Note, the Company may, at its option, revoke the Spread or Spread Multiplier provided for in the Extension Notice and establish a higher Spread or Spread Multiplier for the Extension Period by causing the Trustee to provide notice of such higher interest rate or higher Spread or Spread Multiplier, as the case may be, to the Holder hereof in accordance with "Notices"

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below. Such notice shall be irrevocable. All Notes with respect to which the Stated Maturity is extended will bear such higher Spread or Spread Multiplier for the Extension Period, whether or not tendered for repayment.

If the Company extends the Stated Maturity of this Note, the Holder will have the option to elect repayment of this Note by the Company on the original Stated Maturity at a price equal to the principal amount hereof, plus interest accrued to such date. In order to obtain repayment on such original Stated Maturity once the Company has extended the Stated Maturity hereof, the Holder must follow the procedures set forth below for optional repayment, except that the period for delivery or notification to the Paying Agent shall be at least 25 but not more than 35 days before the original Stated Maturity, and except that if the Holder has tendered this Note for repayment pursuant to an Extension Notice, the Holder may, by written notice to the Paying Agent, revoke such tender for repayment until the close of business on the tenth calendar day before the original Stated Maturity.

Optional Redemption, Repayment and Repurchase

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, the Company may, at its option, redeem this Note in whole or in part, on the date or dates (each an "Optional Redemption Date") specified herein, at the price (the "Redemption Price") (together with accrued interest to such Optional Redemption Date) specified herein. If required under the Federal Reserve Capital Adequacy Rules, the Company will obtain the prior approval of the Federal Reserve before exercising its redemption rights. If the Company elects to exercise such option with respect to this Note, at least 30 days prior to the date of redemption, such Trustee shall provide notice of such redemption to the Holder hereof in accordance with "Notices" below. In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof shall be issued to the Holder hereof upon the cancellation hereof. Notes redeemed prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

If so specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will be repayable prior to Stated Maturity at the option of the Holder on the Optional Repayment Dates shown on the face hereof or in the pricing supplement attached hereto or delivered herewith at the Optional Repayment Prices shown on the face hereof or in the pricing supplement attached hereto or delivered herewith, together with accrued interest to the date of repayment. Notes that are to be repaid prior to Stated Maturity must be presented for payment together with all unmatured Coupons, if any, appertaining thereto, failing which the amount of any missing unmatured Coupon will be deducted from the sum due for payment.

In order for this Note to be repaid, the Principal Paying Agent must receive this Note at least 30 but not more than 45 days prior to an Optional Repayment Date. Any tender of this Note for repayment (except pursuant to a Reset Notice or an Extension Notice) shall be irrevocable. The repayment option may be exercised by the Holder of this Note for less than the entire principal amount of the Note; provided that the principal amount of this Note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, this Note shall be canceled and a new Note or Notes for the remaining principal amount hereof shall be issued in the name of the Holder of this Note.

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Unless otherwise specified on the face hereof or in the pricing supplement attached hereto or delivered herewith, this Note will not be subject to any sinking fund.

Notwithstanding anything herein to the contrary, if this Note is a Discount Note, the amount payable in the event of redemption or repayment prior to the Stated Maturity hereof (other than pursuant to an optional redemption by the Company at a stated Redemption Price), in lieu of the principal amount due at the Stated Maturity hereof, shall be the Amortized Face Amount of this Note as of the redemption date or the date of repayment, as the case may be. The Amortized Face Amount of this Note on any date shall be the amount equal to (i) the Issue Price set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith plus (ii) that portion of the difference between such Issue Price and the stated principal amount of such Note that has accrued by such date at (x) the Bond Yield to Maturity set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith or (y) if so specified, the Bond Yield to Call set forth on the face hereof or in the pricing supplement attached hereto or delivered herewith (computed in each case in accordance with generally accepted United States bond yield computation principles); provided, however, that in no event shall the Amortized Face Amount of a Note exceed its stated principal amount. The Bond Yield to Call listed on the face of this Note or in the pricing supplement attached hereto or delivered herewith shall be computed on the basis of the first occurring Optional Redemption Date with respect to such Note and the amount payable on such Optional Redemption Date. In the event that such Note is not redeemed on such first occurring Optional Redemption Date, the Bond Yield to Call with respect to such Note shall be recomputed on such Optional Redemption Date on the basis of the next occurring Optional Redemption Date and the amount payable on such Optional Redemption Date, and shall continue to be so recomputed on each succeeding Optional Redemption Date until the Note is so redeemed.

Tax Redemption

The Bearer Notes of a series may be redeemed at the option of the Company in whole, but not in part, at any time on giving at least 30 but not more than 60 days' notice in accordance with "Notices" below (which notice shall be irrevocable), at the respective Redemption Prices thereof, if the Company has or will become obligated to pay additional interest on such Notes as described in the following paragraph as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after their respective Original Issue Dates, and such obligation cannot be avoided by the Company taking reasonable measures available to it; provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of such Notes then due. Prior to the publication of any

notice of redemption pursuant to this paragraph, the Company shall deliver to the Trustee for the Notes to be redeemed a certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred, and an opinion of independent counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

Payment of Additional Interest

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the Holder of this Note or any Coupon that is a United States Alien (as defined

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below) such amounts as may be necessary so that every net payment on this Note or such Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided in this Note or such Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest to such Holder for or on account of:

(a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor or beneficiary of, or a Person holding a power over, such Holder, if such Holder is an estate or a trust, or a member or shareholder of such Holder, if such Holder is a partnership or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, Person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such Holder's past or present status as a passive foreign investment company, a personal holding company, foreign personal holding company, a controlled foreign corporation for United States tax purposes or private foundation or other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Note or such Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later;

(d) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on this Note or such Coupon;

(e) any tax, assessment or other governmental charge required to be deducted or withheld by any Paying Agent from a payment on this Note or such Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent;

(f) any tax, assessment or other governmental charge imposed on a Holder that actually or constructively owns ten percent or more of the combined voting power of all classes of stock of the Company or is a controlled foreign corporation related to the Company through stock ownership; nor shall such additional interest be paid with respect to a payment on this Note or such Coupon to a Holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the Holder of this Note or such Coupon.

The term "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is,

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for United States federal income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

Paying Agents

The Company has initially appointed as its Paying Agents for Bearer Notes of this Series the offices listed below:

Principal Paying Agent:

Deutsche Bank U.K.
Winchester House
1 Great Winchester Street
London, England EC2 N2DB

Paying Agent:

Deutsche Bank Luxembourg
P.O. Box 586
L-2015 Luxembourg

The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and to approve any change in the office through which any Paying Agent acts, provided that there will at all times be a Paying Agent (which may be the Trustee) in at least one city in Europe, which, so long as Bearer Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange shall so require, shall include Luxembourg. Notice of any such termination or appointment and of any changes in the specified offices of the Trustee or any Paying Agent will be given to the Holder hereof as described below.

Notices

All notices to Holders of this Note will be deemed to have been duly given if published on two separate Business Days in a leading London daily newspaper (which is expected to be the Financial Times) and, with respect to any series of Bearer Notes that may be listed on the Luxembourg Stock Exchange, if such exchange so requires, in Luxembourg in a newspaper of general circulation in Luxembourg (which is expected to be the Luxemburger Wort). Such notices shall be deemed to have been given on the date of the first such publication.

The Company may at any time purchase Registered Notes at any price in the open market or otherwise. Registered Notes so purchased by the Company may, at the discretion of the Company, be held or resold or surrendered to the Trustee for such Notes for cancellation.

Other Terms

As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Registered Notes of different authorized denominations, as requested by the Person surrendering the same.

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No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

If an Event of Default with respect to the Debt Securities of this series shall have occurred and be continuing, the principal of all the Debt Securities of this series may be declared due and payable in this manner and

with the effect provided in the Indenture.

In case this Note or any Coupon shall at any time become mutilated, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying Agent in London; or, with respect to any series of Bearer Notes that are listed on the Luxembourg Stock Exchange, at the specified office of the Paying Agent in Luxembourg, upon payment by the claimant of such expenses as may be incurred in connection therewith and, in the case of destruction, theft or loss, on such terms as to evidence and indemnity as the Company or the Trustee may reasonably require. Mutilated or defaced Bearer Notes or Coupons must be surrendered before replacements will be issued.

All monies paid by the Company to a Trustee or Paying Agent for the payment of principal of or any premium or interest on any Bearer Note or for the payment of any Coupon which remain unclaimed at the end of two years after such payments shall have become due and payable will be repaid to the Company, at its written request, and the Holder of such Note or Coupon will thereafter look only to the Company for payment, such payment to be made only outside the United States.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Debt Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of Debt Securities at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Debt Securities of any series at the time outstanding, on behalf of the Holders of all the Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Debt Security shall be conclusive and binding upon such Holder and upon all future Holders of this Debt Security and of any Debt Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon the Debt Security.

Holders of Debt Securities may not enforce their rights pursuant to the Indenture or the Note except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The Company may, without the consent of the Holders of the Notes, consolidate with, merge into, or transfer substantially all of its assets to, a corporation, provided that the successor corporation assumes all obligations of the Company under the Notes and certain other conditions are met.

21

Except as provided above, the obligation to pay the principal hereof (and premium, if any) and interest hereon in the designated currency of payment is of the essence. To the fullest extent possible under applicable law, judgments in respect of this Note shall be given in such currency. The obligation of the Company to make such payments in the designated currency of payment shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the designated currency of payment that the Holder of this Note may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and cost of exchange) on the business day in the country of issue of the designated currency of payment or in the international banking community (in the case of a composite currency) immediately following the day on which such Holder receives such payment. If the amount in the designated currency of payment that may be so purchased is for any reason less than the amount originally due, the Company shall, as a separate and independent obligation, pay such additional amounts in the designated currency of payment as may be necessary to compensate for any such shortfall.

This Note shall be deemed to be a contract made and to be performed solely in the State of New York and for all purposes be governed by, and

All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

SCHEDULE OF
ISSUANCES, EXCHANGES AND AGGREGATE PRINCIPAL AMOUNT

[illegible]

The following payments of interest in respect of this Note have been made.

Notation Made
on behalf of
the Trustee

<S>	<C>	<C>

</TABLE>

MEDIUM TERM NOTE - MASTER NOTE

, 2005

(Date of Issuance)

Citigroup Funding Inc. ("Issuer"), a corporation organized and existing under the laws of the State of Delaware, for value received, hereby promises to pay to Cede & Co. or its registered assigns: (i) on each principal payment date, including each amortization date, redemption date, repayment date, maturity date, and extended maturity date, as applicable, of each obligation identified on the records of Issuer (which records are maintained by Citibank, N.A. ("Paying Agent")) as being evidenced by this Master Note, the principal amount then due and payable for each such obligation, and (ii) on each interest payment date, if any, the interest then due and payable on the principal amount for each such obligation. Payment shall be made by wire transfer of United States dollars to the registered owner, or in immediately available funds or the equivalent to a party as authorized by the registered owner and in the currency other than United States dollars as provided for in each such obligation, by Paying Agent without the necessity of presentation and surrender of this Master Note.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS MASTER NOTE SET FORTH ON THE REVERSE HEREOF AND TO THE TERMS OF THE PROSPECTUS, PROSPECTUS SUPPLEMENT AND PRICING SUPPLEMENT(S), WHICH ARE INCORPORATED HEREIN BY REFERENCE.

This Master Note is a valid and binding obligation of Issuer.

IN WITNESS WHEREOF, Issuer has caused this instrument to be duly executed under its corporate seal.

ATTEST:

Citigroup Funding Inc.

(Issuer)

By: _____

(Authorized Signature)

(Signature)

[Seal]

JPMorgan Chase Bank, N.A.

(Trustee)

By: _____
(Authorized Signature)

This Master Note evidences indebtedness of Issuer of a single Series
C

----- and Rank senior and are designated Retail Medium-Term Notes,
(Series Designator) -----
series C, Due Nine

(Secured/Unsecured/Senior/Subordinated/Unsubordinated) Months or
More from the Date of Issue (the "Debt Obligations"), all issued or to be issued
under and pursuant to an Indenture dated as of _____, 2005, as amended (the
"Indenture"), duly executed and delivered by Issuer and Citigroup Inc., as
guarantor, to JPMorgan Chase Bank, N.A., as trustee ("Trustee"), to which
Indenture reference is hereby made for a description of the rights, duties, and
immunities thereunder of Trustee and the rights thereunder of the holders of the
Debt Obligations. As provided in the Indenture, the Debt Obligations may mature
at different times, may bear interest, if any, at different rates, may be
subject to different redemption and repayment provisions, if any, may be subject
to different sinking, purchase, or analogous funds, if any, may be subject to
different covenants and events of default, and may otherwise vary as in the
Indenture provided or permitted. The Debt Obligations aggregated with any other
indebtedness of Issuer of this Series are limited (except as provided in the
Indenture) to the principal amount of \$5,000,000,000 designated as the
Medium-Term Notes of Issuer Due 9 Months or More from Date of Issue.

No reference herein to the Indenture and no provision of this Master Note
or of the Indenture shall alter or impair the obligation of Issuer, which is
absolute and unconditional, to pay the principal of, premium, if any, and
interest, if any, on each Debt Obligation at the times, places, and rates, and
in the coin or currency, identified on the records of Issuer.

At the request of the registered owner, Issuer shall promptly issue and
deliver one or more separate note certificates evidencing each Debt Obligation
evidenced by this Master Note. As of the date any such note certificate or
certificates are issued, the Debt Obligation which are evidenced thereby shall
no longer be evidenced by this Master Note.

=====

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers
unto

(Name, Address, and Taxpayer Identification Number of Assignee)

the Master Note and all rights thereunder, hereby irrevocably constituting and appointing _____ attorney to transfer said Master Note on the books of Issuer with full power of substitution in the premises.

Dated:
Signature(s) Guaranteed:

(Signature)
NOTICE: The signature on this assignment must correspond with the name as written upon the face of this Master Note, in every particular, without alteration or enlargement or any change whatsoever.

=====

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer of its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Citigroup Inc.

May 2, 2005

Citigroup Funding Inc.
Citigroup Inc.
399 Park Avenue
New York, NY 10043

Ladies and Gentlemen:

I am General Counsel - Capital Markets of Citigroup Inc., a Delaware corporation (the "Guarantor") and the parent company of Citigroup Funding Inc., a Delaware corporation (the "Company"). I refer to the filing by the Company and the Guarantor with the Securities and Exchange Commission (the "Commission") of a Registration Statement on Form S-3 (the "Registration Statement") relating to (i) debt securities of the Company, which may be senior debt securities (the "Senior Securities") or subordinated debt securities (the "Subordinated Securities" and, together with the Senior Securities, the "Debt Securities"), (ii) warrants of the Company ("Index Warrants") representing the right to receive, upon exercise, an amount in cash that will be determined by reference to prices, yields, levels or other specified objective measures, (iii) debt security and index warrant units ("Debt Security and Index Warrant Units") representing ownership of a Debt Security and an Index Warrant and (iv) guarantees of the Guarantor (the "Guarantees") in respect of the Senior Securities, Subordinated Securities, Index Warrants and Debt Security and Index Warrant Units (collectively, the "Offered Securities"). The Offered Securities being registered under the Registration Statement, as amended, will have an aggregate initial offering price of up to \$10,000,000,000 or the equivalent thereof in foreign currencies or composite currencies and will be offered on a continued or delayed basis pursuant to the provisions of Rule 415 under the Securities Act of 1933, as amended (the "Act").

Unless otherwise provided in any prospectus supplement forming a part of the Registration Statement relating to a particular series of Debt Securities, the Senior Securities will be issued under (i) an indenture to be entered into among the Company, the Guarantor and The Bank of New York, as trustee, or (ii) an indenture (together with the first indenture, the "Senior Indentures") to be entered into among the Company, the Guarantor and JPMorgan Chase Bank, N.A., as trustee, and the Subordinated Securities will be issued under an indenture (the "Subordinated Indenture" and, together with the Senior Indentures, the "Indentures," each of which may be referred to herein as an "Indenture") to be entered into among the Company, the Guarantor and Deutsche Bank Trust Company Americas, as trustee (each of The Bank of New York, JPMorgan

Chase Bank, N.A. and Deutsche Bank Trust Company Americas being referred to herein as a "Trustee"). The Index Warrants will be issued under one or more warrant agreements (each, a "Warrant Agreement"), each to be entered into among the Company, the Guarantor and one or more institutions as identified in the applicable Warrant Agreement.

I, or attorneys under my supervision, have examined and am familiar with originals, or copies certified or otherwise identified to my satisfaction, of such corporate records of the Company and the Guarantor, certificates or documents as I have deemed appropriate as a

basis for the opinions expressed below. In such examination, I (or such persons) have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to me (or such persons) as originals, the conformity to original documents of all documents submitted to me (or such persons) as certified or photostatic copies and the authenticity of the originals of such copies.

Based upon and subject to the foregoing and assuming that (i) the Registration Statement and any amendments thereto (including post-effective amendments) will have become effective and comply with all applicable laws at the time the Offered Securities are offered or issued as contemplated by the Registration Statement; (ii) a prospectus, prospectus supplement, pricing supplement and/or term sheet will have been prepared and filed with the Commission describing the Offered Securities offered thereby and will comply with all applicable laws; (iii) all Offered Securities will be issued and sold in compliance with applicable federal and state laws and in the manner stated in the Registration Statement and the appropriate prospectus, prospectus supplement, pricing supplement and/or term sheet; (iv) a definitive purchase, underwriting or similar agreement and any other necessary agreement with respect to any Offered Securities offered or issued will have been duly authorized and validly executed and delivered by the parties thereto; (v) the Offered Securities will be sold and delivered at the price and in accordance with the terms of such agreement and as set forth in the Registration Statement and the prospectus(es), prospectus supplement(s), pricing supplement(s) or term sheet(s) referred to therein; and (vi) the Company will authorize the offering and issuance of the Offered Securities and the terms and conditions thereof and will take any other appropriate additional corporate action, I am of the opinion that:

1. Each of the Company and the Guarantor is a duly incorporated and existing corporation under the laws of the State of Delaware.

2. With respect to the Debt Securities and related Guarantees to be issued under the Senior Indentures or the Subordinated Indenture, assuming the (i) due qualification of the applicable Trustee under the Trust Indenture Act of 1939, as amended, (ii) due authorization, execution, and delivery of the applicable Indenture by the applicable Trustee and (iii) due execution, authentication and delivery of the Debt Securities in accordance with the terms

of the applicable Indenture, when such Debt Securities have been issued and sold in the manner contemplated by the Registration Statement, such Debt Securities (including any Debt Securities issued as part of any Debt Security and Index Warrant Units) and Guarantees will be legal, valid and binding obligations of the Company and the Guarantor and will be entitled to the benefits of the applicable Indenture.

3. With respect to the Index Warrants and related Guarantees, assuming the (i) due authorization, execution and delivery of the applicable Warrant Agreement by the parties thereto, and (ii) due execution, countersignature and delivery of the Index Warrants, such Index Warrants and Guarantees will be legal, valid and binding obligations of the Company and the Guarantor.

4. With respect to the Debt Security and Index Warrant Units and related Guarantees, assuming the due execution, countersignature and delivery of the Debt Security and Index Warrant Units, when such Debt Security and Index Warrant Units have been issued and

2

sold, such Debt Security and Index Warrant Units and Guarantees will be legal, valid and binding obligations of the Company and the Guarantor.

Insofar as my opinion relates to the validity, binding effect or enforceability of any agreement or obligation of the Company or the Guarantor, it is subject to applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws affecting creditors' rights generally from time to time in effect and subject to general principles of equity, regardless of whether such is considered in a proceeding in equity or at law.

My opinion is limited to matters governed by the federal laws of the United States of America, the laws of the State of New York and the General Corporation Law of the State of Delaware (including the applicable provisions of the Delaware Constitution and the reported judicial decisions interpreting the General Corporation Law of the State of Delaware and such applicable provisions of the Delaware Constitution). I am not admitted to the practice of law in the State of Delaware.

I consent to the filing of this opinion in the Registration Statement and to the reference to my name in the Prospectuses and Prospectus Supplements constituting a part of such Registration Statement under the heading "Legal Matters". In giving such consent, I do not thereby admit that I come within the category of persons whose consent is required under Section 7 of the Act, or the rules and regulations of the Commission thereunder.

Very truly yours,

John R. Dye

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Citigroup Inc.:

We consent to the incorporation by reference in Amendment No. 1 to the Registration Statement on Form S-3 ("Registration Statement") of Citigroup Inc. of our reports dated February 25, 2005, with respect to the consolidated balance sheets of Citigroup Inc. and subsidiaries ("Citigroup") as of December 31, 2004 and 2003, and the related consolidated statements of income, changes in stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2004, management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2004 and the effectiveness of internal control over financial reporting as of December 31, 2004, which reports are included in the Annual Report on Form 10-K of Citigroup Inc. for the year ended December 31, 2004. Our report refers to changes, in 2003, in Citigroup's methods of accounting for variable interest entities and stock-based compensation, and, in 2002, in Citigroup's methods of accounting for goodwill and intangible assets and accounting for the impairment or disposal of long-lived assets.

/s/ KPMG LLP

New York, New York
May 2, 2005

FORM T-1

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) ☐ _____

THE BANK OF NEW YORK

(Exact name of trustee as specified in its charter)

New York	13-5160382
(State of incorporation	(I.R.S. employer
if not a U.S. national bank)	identification no.)

One Wall Street, New York, N.Y.	10286
(Address of principal executive offices)	(Zip code)

Citigroup Funding Inc.

(Exact name of obligor as specified in its charter)

Delaware	42-1658283
(State or other jurisdiction of	(I.R.S. employer
incorporation or organization)	identification no.)

Citigroup Inc.

(Exact name of obligor as specified in its charter)

Delaware	52-1568099
(State or other jurisdiction of	(I.R.S. employer
incorporation or organization)	identification no.)

399 Park Avenue
New York, NY

10043

Debt Securities
(Title of the indenture securities)

= = = = =

1. GENERAL INFORMATION. FURNISH THE FOLLOWING INFORMATION AS TO THE TRUSTEE:

(A) NAME AND ADDRESS OF EACH EXAMINING OR SUPERVISING AUTHORITY TO WHICH IT IS SUBJECT.

Name	Address
Superintendent of Banks of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(B) WHETHER IT IS AUTHORIZED TO EXERCISE CORPORATE TRUST POWERS.

Yes.

2. AFFILIATIONS WITH OBLIGOR.

IF THE OBLIGOR IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

None.

16. LIST OF EXHIBITS.

EXHIBITS IDENTIFIED IN PARENTHESES BELOW, ON FILE WITH THE COMMISSION, ARE INCORPORATED HEREIN BY REFERENCE AS AN EXHIBIT HERETO, PURSUANT TO RULE 7A-29 UNDER THE TRUST INDENTURE ACT OF 1939 (THE "ACT") AND 17 C.F.R. 229.10 (D).

1. A copy of the Organization Certificate of The Bank of New York

(formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195.)

4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121195.)

-3-

6. The consent of the Trustee required by Section 321(b) of the Act. (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-106702.)
7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

-4-

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 29th day of April, 2005.

THE BANK OF NEW YORK

By: /S/ KISHA A. HOLDER

Name: KISHA A. HOLDER

Title: ASSISTANT VICE PRESIDENT

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EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK

of One Wall Street, New York, N.Y. 10286

And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2004, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

<TABLE>

<CAPTION>

	Dollar Amounts In Thousands <C>
ASSETS	
<S>	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin.....	\$3,866,500
Interest-bearing balances.....	8,455,170
Securities:	
Held-to-maturity securities.....	1,885,665
Available-for-sale securities.....	20,781,508
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold in domestic offices.....	3,730,007
Securities purchased under agreements to resell.....	847,805
Loans and lease financing receivables:	
Loans and leases held for sale.....	0
Loans and leases, net of unearned income.....	36,195,743
LESS: Allowance for loan and lease losses.....	587,611
Loans and leases, net of unearned income and allowance.....	35,608,132
Trading Assets.....	4,174,521
Premises and fixed assets (including capitalized leases).....	949,424
Other real estate owned.....	754
Investments in unconsolidated subsidiaries and associated companies.....	268,366
Customers' liability to this bank on acceptances outstanding.....	52,800
Intangible assets.....	
Goodwill.....	2,746,404
Other intangible assets.....	758,137

</TABLE>

<TABLE>

<S>

<C>

Other assets.....	8,013,234
-------------------	-----------

Total assets.....	\$92,138,427
-------------------	--------------

LIABILITIES

Deposits:

In domestic offices.....	\$41,480,131
--------------------------	--------------

Noninterest-bearing.....	16,898,525
--------------------------	------------

Interest-bearing.....	24,581,606
-----------------------	------------

In foreign offices, Edge and Agreement subsidiaries, and IBFs...	24,028,722
---	------------

Noninterest-bearing.....	576,431
--------------------------	---------

Interest-bearing.....	23,452,291
-----------------------	------------

Federal funds purchased and
securities sold under agreements
to repurchase.....

Federal funds purchased in domestic offices.....	1,040,432
--	-----------

Securities sold under agreements to repurchase.....	491,007
--	---------

Trading liabilities.....	2,724,930
--------------------------	-----------

Other borrowed money:

(includes mortgage indebtedness and obligations under capitalized leases).....	4,780,573
--	-----------

Not applicable

Bank's liability on acceptances

executed and outstanding.....	54,517
-------------------------------	--------

Subordinated notes and debentures.....	2,390,000
--	-----------

Other liabilities.....	6,901,014
------------------------	-----------

Total liabilities.....	\$83,891,326
------------------------	--------------

Minority interest in consolidated

subsidiaries.....	140,499
-------------------	---------

EQUITY CAPITAL

Perpetual preferred stock and related
surplus.....

0

Common stock.....	1,135,284
-------------------	-----------

Surplus (exclude all surplus related
to preferred stock).....

2,087,221

Retained earnings.....	4,892,420
Accumulated other comprehensive income	-8,323
Other equity capital components.....	0
Total equity capital.....	8,106,602

</TABLE>

<TABLE>

<S>	<C>
Total liabilities, minority interest, and equity capital.....	\$92,138,427
	=====

</TABLE>

I, Thomas J. Mastro, Senior Vice President and Comptroller of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas J. Mastro,
Senior Vice President and Comptroller

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Thomas A. Renyi
Gerald L. Hassell
Alan R. Griffith

Directors

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF
A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF
A TRUSTEE PURSUANT TO SECTION 305(b) (2)

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
(Exact name of trustee as specified in its charter)

(State of incorporation if not a national bank)	13-4994650 (I.R.S. employer identification No.)
--	---

1111 POLARIS PARKWAY COLUMBUS, OHIO (Address of principal executive offices)	43271 (Zip Code)
--	---------------------

Thomas F. Godfrey
Vice President and Assistant General Counsel
JPMorgan Chase Bank, National Association
1 Chase Manhattan Plaza, 25th Floor
New York, NY 10081
Tel: (212) 552-2192
(Name, address and telephone number of agent for service)

CITIGROUP FUNDING INC.
(Exact name of obligor as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization)	42-1658283 (I.R.S. employer identification No.)
---	---

399 PARK AVENUE NEW YORK, NY (Address of principal executive offices)	10043 (Zip Code)
---	---------------------

DEBT SECURITIES OF CITIGROUP FUNDING INC.
(Title of the indenture securities)

GENERAL

Item 1. General Information.

Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Comptroller of the Currency, Washington, D.C.

Board of Governors of the Federal Reserve System, Washington, D.C., 20551

Federal Deposit Insurance Corporation, Washington, D.C., 20429.

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

Item 2. Affiliations with the Obligor and Guarantors.

If the obligor or any guarantor is an affiliate of the trustee, describe each such affiliation.

None.

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Item 16. List of Exhibits

List below all exhibits filed as a part of this Statement of Eligibility.

1. A copy of the Articles of Association of JPMorgan Chase Bank, N.A. (see Exhibit 1 to Form T-1 filed in connection with Registration Statement No. 333-106575 which is incorporated by reference).

2. A copy of the Certificate of Authority of the Comptroller of the Currency for the trustee to commence business. (see Exhibit 2 to Form T-1 filed in connection with Registration Statement No. 333-106575 which is incorporated

by reference).

3. None, the authority of the trustee to exercise corporate trust powers being contained in the documents described in Exhibits 1 and 2.

4. A copy of the existing By-Laws of the Trustee. (see Exhibit 4 to Form T-1 filed in connection with Registration Statement No. 333-106575 which is incorporated by reference).

5. Not applicable.

6. The consent of the Trustee required by Section 321(b) of the Act. (see Exhibit 6 to Form T-1 filed in connection with Registration Statement No. 333-106575 which is incorporated by reference).

7. A copy of the latest report of condition of the Trustee, published pursuant to law or the requirements of its supervising or examining authority. (see Exhibit 7 to Form T-1 filed in connection with Registration Statement No. 333-106575 which is incorporated by reference).

8. Not applicable.

9. Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939 the Trustee, JPMorgan Chase Bank, N.A., has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York and State of New York, on the 29th day of April, 2005.

JPMORGAN CHASE BANK, N.A.

By /s/ Natalie Pesce

Natalie Pesce

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER THE TRUST INDENTURE ACT
OF 1939 OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A
TRUSTEE PURSUANT TO SECTION 305(b) (2)

DEUTSCHE BANK TRUST COMPANY AMERICAS
(FORMERLY BANKERS TRUST COMPANY)
(Exact name of trustee as specified in its charter)

NEW YORK (Jurisdiction of Incorporation or organization if not a U.S. national bank)	13-4941247 (I.R.S. Employer Identification no.)
60 WALL STREET NEW YORK, NEW YORK (Address of principal executive offices)	10005 (Zip Code)

DEUTSCHE BANK TRUST COMPANY AMERICAS
ATTENTION: WILL CHRISTOPH
LEGAL DEPARTMENT
1301 6TH AVENUE, 8TH FLOOR
NEW YORK, NEW YORK 10019

(212) 469-0378
(Name, address and telephone number of agent for service)

CITIGROUP FUNDING INC.
CITIGROUP INC.
(Exact name of Registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization)	42-1658283 52-1568099 (IRS Employer Identification No.)
---	---

399 PARK AVENUE
NEW YORK, NY 10043
(212) 559-1000
(Address and telephone number, including
area code, of Registrant's principal executive offices)

DEBT SECURITIES

ITEM 1. GENERAL INFORMATION.

Furnish the following information as to the trustee.

- (a) Name and address of each examining or supervising
authority to which it is subject.

NAME	ADDRESS
Federal Reserve Bank (2nd District)	New York, NY
Federal Deposit Insurance Corporation	Washington, D.C.
New York State Banking Department	Albany, NY

- (b) Whether it is authorized to exercise corporate trust powers.
Yes.

ITEM 2. AFFILIATIONS WITH OBLIGOR.

If the obligor is an affiliate of the Trustee, describe each such
affiliation.

None.

ITEM 3. -15. NOT APPLICABLE

ITEM 16. LIST OF EXHIBITS.

EXHIBIT 1 - Restated Organization Certificate of Bankers Trust Company dated August 6, 1998, Certificate of Amendment of the Organization Certificate of Bankers Trust Company dated September 25, 1998, Certificate of Amendment of the Organization Certificate of Bankers Trust Company dated December 16, 1998, and Certificate of Amendment of the Organization Certificate of Bankers Trust Company dated February 22, 2002, copies attached.

EXHIBIT 2 - Certificate of Authority to commence business - Incorporated herein by reference to Exhibit 2 filed with Form T-1 Statement, Registration No. 33-21047.

EXHIBIT 3 - Authorization of the Trustee to exercise corporate trust powers - Incorporated herein by reference to Exhibit 2 filed with Form T-1 Statement, Registration No. 33-21047.

EXHIBIT 4 - Existing By-Laws of Bankers Trust Company, as amended on April 15, 2002. Copy attached.

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EXHIBIT 5 - Not applicable.

EXHIBIT 6 - Consent of Bankers Trust Company required by Section 321(b) of the Act. - Incorporated herein by reference to Exhibit 4 filed with Form T-1 Statement, Registration No. 22-18864.

EXHIBIT 7 - The latest report of condition of Deutsche Bank Trust Company Americas dated as of December 31, 2004. Copy attached.

EXHIBIT 8 - Not Applicable.

EXHIBIT 9 - Not Applicable.

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SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, Deutsche Bank Trust Company Americas, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on this 28th day of April, 2005.

DEUTSCHE BANK TRUST COMPANY AMERICAS

By: /s/ Yana Kalachikova

Yana Kalachikova
Associate

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State of New York,

Banking Department

I, MANUEL KURSKY, Deputy Superintendent of Banks of the State of New

York, DO HEREBY APPROVE the annexed Certificate entitled "CERTIFICATE OF AMENDMENT OF THE ORGANIZATION CERTIFICATE OF BANKERS TRUST COMPANY UNDER SECTION 8005 OF THE BANKING LAW," dated September 16, 1998, providing for an increase in authorized capital stock from \$3,001,666,670 consisting of 200,166,667 shares with a par value of \$10 each designated as Common Stock and 1,000 shares with a par value of \$1,000,000 each designated as Series Preferred Stock to \$3,501,666,670 consisting of 200,166,667 shares with a par value of \$10 each designated as Common Stock and 1,500 shares with a par value of \$1,000,000 each designated as Series Preferred Stock.

WITNESS, my hand and official seal of the Banking Department at the City of New York,

this 25TH day of SEPTEMBER in the Year of our Lord one

thousand nine hundred and NINETY-EIGHT.

Manuel Kursky

Deputy Superintendent of Banks

RESTATED
ORGANIZATION
CERTIFICATE
OF

BANKERS TRUST COMPANY

Under Section 8007
Of the Banking Law

Bankers Trust Company
1301 6th Avenue, 8th Floor
New York, N.Y. 10019

Counterpart Filed in the Office of the Superintendent of Banks, State of New York, August 31, 1998

RESTATED ORGANIZATION CERTIFICATE
OF
BANKERS TRUST
Under Section 8007 of the Banking Law

We, James T. Byrne, Jr. and Lea Lahtinen, being respectively a Managing Director and an Assistant Secretary and a Vice President and an Assistant Secretary of BANKERS TRUST COMPANY, do hereby certify:

1. The name of the corporation is Bankers Trust Company.
2. The organization certificate of the corporation was filed by the Superintendent of Banks of the State of New York on March 5, 1903.
3. The text of the organization certificate, as amended heretofore, is hereby restated without further amendment or change to read as herein-set forth in full, to wit:

"Certificate of Organization
of
Bankers Trust Company

Know All Men By These Presents That we, the undersigned, James A. Blair, James G. Cannon, E. C. Converse, Henry P. Davison, Granville W. Garth, A. Barton Hepburn, Will Logan, Gates W. McGarrah, George W. Perkins, William H. Porter, John F. Thompson, Albert H. Wiggin, Samuel Woolverton and Edward F. C. Young, all being persons of full age and citizens of the United States, and a majority of us being residents of the State of New York, desiring to form a corporation to be known as a Trust Company, do hereby associate ourselves together for that purpose under and pursuant to the laws of the State of New York, and for such purpose we do hereby, under our respective hands and seals, execute and duly acknowledge this Organization Certificate in duplicate, and hereby specifically state as follows, to wit:

I. The name by which the said corporation shall be known is Bankers Trust Company.

II. The place where its business is to be transacted is the City of New York, in the State of New York.

III. Capital Stock: The amount of capital stock which the corporation is hereafter to have is Three Billion One Million, Six Hundred Sixty-Six Thousand, Six Hundred Seventy Dollars (\$3,001,666,670), divided into Two Hundred Million, One Hundred Sixty-Six Thousand, Six Hundred Sixty-Seven (200,166,667) shares with a par value of \$10 each designated as Common Stock and 1,000 shares with a par value of One Million Dollars (\$1,000,000) each designated as Series Preferred Stock.

(a) Common Stock

1. Dividends: Subject to all of the rights of the Series Preferred Stock, dividends may be declared and paid or set apart for payment upon the Common Stock out of any assets or funds of the corporation legally available for the payment of dividends.

2. Voting Rights: Except as otherwise expressly provided with respect to the Series Preferred Stock or with respect to any series of the Series Preferred Stock, the Common Stock shall have

the exclusive right to vote for the election of directors and for all other purposes, each holder of the Common Stock being entitled to one vote for each share thereof held.

3. Liquidation: Upon any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, and after the holders of the Series Preferred Stock of each series shall have been paid in full the amounts to which they respectively shall be entitled, or a sum sufficient for the payment in full set aside, the remaining net assets of the corporation shall be distributed pro rata to the holders of the Common Stock in accordance with their respective rights and interests, to the exclusion of the holders of the Series Preferred Stock.

4. Preemptive Rights: No holder of Common Stock of the corporation shall be entitled, as such, as a matter of right, to subscribe for or purchase any part of any new or additional issue of stock of any class or series whatsoever, any rights or options to purchase stock of any class or series whatsoever, or any securities convertible into, exchangeable for or carrying rights or options to purchase stock of any class or series whatsoever, whether now or hereafter authorized, and whether issued for cash or other consideration, or by way of dividend or other distribution.

(b) Series Preferred Stock

1. Board Authority: The Series Preferred Stock may be issued from time to time by the Board of Directors as herein provided in one or more series. The designations, relative rights, preferences and limitations of the Series Preferred Stock, and particularly of the shares of each series thereof, may, to the extent permitted by law, be similar to or may differ from those of any other series. The Board of Directors of the corporation is hereby expressly granted authority, subject to the provisions of this Article III, to issue from time to time Series Preferred Stock in one or more series and to fix from time to time before issuance thereof, by filing a certificate pursuant to the Banking Law, the number of shares in each such series of such class and all designations, relative rights (including the right, to the extent permitted by law, to convert into shares of any class or into shares of any series of any class), preferences and limitations of the shares in each such series, including, buy without limiting the generality of the foregoing, the following:

(i) The number of shares to constitute such series (which number may at any time, or from time to time, be increased or decreased by the Board of Directors, notwithstanding that shares of the series may be outstanding at the time of such increase or decrease, unless the Board of Directors shall have otherwise provided in creating such series) and the distinctive designation thereof;

(ii) The dividend rate on the shares of such series, whether or not dividends on the shares of such series shall be cumulative, and the date or dates, if any, from which dividends thereon shall be cumulative;

(iii) Whether or not the share of such series shall be redeemable, and, if redeemable, the date or dates upon or after which they shall be redeemable, the amount or amounts per share (which shall be, in the case of each share, not less than its preference upon involuntary liquidation, plus an amount equal to all dividends thereon accrued and unpaid, whether or not earned or declared) payable thereon in the case of the redemption thereof, which amount may vary at different redemption dates or otherwise as permitted by law;

(iv) The right, if any, of holders of shares of such series to convert the same into, or exchange the same for, Common Stock or other stock as permitted by law, and the terms and conditions of such conversion or exchange, as well as provisions for adjustment of the conversion rate in such events as the Board of Directors shall determine;

(v) The amount per share payable on the shares of such series upon the voluntary and involuntary liquidation, dissolution or winding up of the corporation;

(vi) Whether the holders of shares of such series shall have voting power, full or limited, in addition to the voting powers provided by law and, in case additional voting powers are accorded, to fix the extent thereof; and

(vii) Generally to fix the other rights and privileges and any qualifications, limitations or restrictions of such rights and privileges of such series, provided, however, that no such rights, privileges, qualifications, limitations or restrictions shall be in conflict with the organization certificate of the corporation or with the resolution or resolutions adopted by the Board of Directors providing for the issue of any series of which there are shares outstanding.

All shares of Series Preferred Stock of the same series shall be identical in all respects, except that shares of any one series issued at different times may differ as to dates, if any, from which dividends thereon may accumulate. All shares of Series Preferred Stock of all series shall be of equal rank and shall be identical in all respects except that to the extent not otherwise limited in this Article III any series may differ from any other series with respect to any one or more of the designations, relative rights, preferences and limitations described or referred to in subparagraphs (I) to (vii) inclusive above.

2. Dividends: Dividends on the outstanding Series Preferred Stock of each series shall be declared and paid or set apart for payment before any dividends shall be declared and paid or set apart for payment on the Common Stock with respect to the same quarterly dividend period. Dividends on any shares of Series Preferred Stock shall be cumulative only if and to the extent set forth in a certificate filed pursuant to law. After dividends on all shares of Series Preferred Stock (including cumulative dividends if and to the extent any such shares shall be entitled thereto) shall have been declared and paid or set apart for payment with respect to any quarterly dividend period, then and not otherwise so long as any shares of Series Preferred Stock shall remain outstanding, dividends may be declared and paid or set apart for payment with respect to the same quarterly dividend period on the Common Stock out the assets or funds of the corporation legally available therefor.

All Shares of Series Preferred Stock of all series shall be of equal rank, preference and priority as to dividends irrespective of whether or not the rates of dividends to which the same shall be entitled shall be the same and when the stated dividends are not paid in full, the shares of all series of the Series Preferred Stock shall share ratably in the payment thereof in accordance with the sums which would be payable on such shares if all dividends were paid in full, provided, however, that any two or more series of the Series Preferred Stock may differ from each other as to the existence and extent of the right to cumulative dividends, as aforesaid.

3. Voting Rights: Except as otherwise specifically provided in the certificate filed pursuant to law with respect to any series of the Series Preferred Stock, or as otherwise provided by law, the Series Preferred Stock shall not have any right to vote for the election of directors or for any other purpose and the Common Stock shall have the exclusive right to vote for the election of directors and for all other purposes.

4. Liquidation: In the event of any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, each series of Series Preferred Stock shall have preference and priority over the Common Stock for

payment of the amount to which each outstanding series of Series Preferred Stock shall be entitled in accordance with the provisions thereof and each holder of Series Preferred Stock shall be entitled to be paid in full such amount, or have a sum sufficient for the payment in full set aside, before any payments shall be made to the holders of the Common Stock. If, upon liquidation, dissolution or winding up of the corporation, the assets of the corporation or proceeds thereof, distributable among the holders of the shares of all series of the Series Preferred Stock shall be insufficient to pay in full the preferential amount aforesaid, then such assets, or the proceeds thereof, shall be distributed among such holders ratably in accordance with the respective amounts which would be payable if all amounts payable thereon were paid in full. After the payment to the holders of Series Preferred Stock of all such amounts to which they are entitled, as above provided, the remaining assets and funds of the corporation shall be divided and paid to the holders of the Common Stock.

5. Redemption: In the event that the Series Preferred Stock of any series shall be made redeemable as provided in clause (iii) of paragraph 1 of section (b) of this Article III, the corporation, at the option of the Board of Directors, may redeem at any time or times, and from time to time, all or any part of any one or more series of Series Preferred Stock outstanding by paying for each share the then applicable redemption price fixed by the Board of Directors as provided herein, plus an amount equal to accrued and

unpaid dividends to the date fixed for redemption, upon such notice and terms as may be specifically provided in the certificate filed pursuant to law with respect to the series.

6. Preemptive Rights: No holder of Series Preferred Stock of the corporation shall be entitled, as such, as a matter of right, to subscribe for or purchase any part of any new or additional issue of stock of any class or series whatsoever, any rights or options to purchase stock of any class or series whatsoever, or any securities convertible into, exchangeable for or carrying rights or options to purchase stock of any class or series whatsoever, whether now or hereafter authorized, and whether issued for cash or other consideration, or by way of dividend.

(c) Provisions relating to Floating Rate Non-Cumulative Preferred Stock, Series A. (Liquidation value \$1,000,000 per share.)

1. Designation: The distinctive designation of the series established hereby shall be "Floating Rate Non-Cumulative Preferred Stock, Series A" (hereinafter called "Series A Preferred Stock").

2. Number: The number of shares of Series A Preferred Stock shall initially be 250 shares. Shares of Series A Preferred Stock redeemed, purchased or otherwise acquired by the corporation shall be cancelled and shall revert to authorized but unissued Series Preferred Stock undesignated as to series.

3. Dividends:

(a) Dividend Payments Dates. Holders of the Series A Preferred Stock shall be entitled to receive non-cumulative cash dividends when, as and if declared by the Board of Directors of the corporation, out of funds legally available therefor, from the date of original issuance of such shares (the "Issue Date") and such dividends will be payable on March 28, June 28, September 28 and December 28 of each year ("Dividend Payment Date") commencing September 28, 1990, at a rate per annum as determined in paragraph 3(b) below. The period beginning on the Issue Date and ending on the day preceding the first Dividend Payment Date and each successive period beginning on a Dividend Payment Date and ending on the date preceding the next succeeding Dividend Payment Date is herein called a "Dividend Period". If any Dividend Payment Date shall be, in The City of New York, a Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then payment will be postponed to the next succeeding business day with the same force and effect as if made on the Dividend Payment Date, and no interest shall accrue for such Dividend Period after such Dividend Payment Date.

(b) Dividend Rate. The dividend rate from time to time payable in respect of Series A Preferred Stock (the "Dividend Rate") shall be determined on the basis of the following provisions:

(i) On the Dividend Determination Date, LIBOR will be determined on the basis of the offered rates for deposits in U.S. dollars having a maturity of three months commencing on the second London Business Day immediately following such Dividend Determination Date, as such rates appear on the Reuters Screen LIBO Page as of 11:00 A.M. London time, on such Dividend Determination Date. If at least two such offered rates appear on the Reuters Screen LIBO Page, LIBOR in respect of such Dividend Determination Dates will be the arithmetic mean (rounded to the nearest one-hundredth of a percent, with five one-thousandths of a percent rounded upwards) of such offered rates. If fewer than those offered rates appear, LIBOR in respect of such Dividend Determination Date will be determined as described in paragraph (ii) below.

(ii) On any Dividend Determination Date on which fewer than those offered rates for the applicable maturity appear on the Reuters Screen LIBO Page as specified in paragraph (I) above, LIBOR will be determined on the basis of the rates at which deposits in U.S. dollars having a maturity of three months commencing on the second London Business Day immediately following such Dividend Determination Date and in a principal amount of not less than \$1,000,000 that is representative of a single transaction in such market at such time are offered by three major banks in the London interbank market selected by the corporation at approximately 11:00 A.M., London time, on such Dividend Determination Date to prime banks in the London market. The corporation will request the principal London office of each of such banks to provide a quotation of its rate. If at least two such quotations are provided, LIBOR in respect of such Dividend Determination Date will be the arithmetic

mean (rounded to the nearest one-hundredth of a percent, with five one-thousandths of a percent rounded upwards) of such quotations. If fewer than two quotations are provided, LIBOR in respect of such Dividend Determination Date will be the arithmetic mean (rounded to the nearest one-hundredth of a percent, with five one-thousandths of a percent rounded upwards) of the rates quoted by three major banks in New York City selected by the corporation at approximately 11:00 A.M., New York City time, on such Dividend Determination Date for loans in U.S. dollars to leading European banks having a maturity of three months commencing on the second London Business Day immediately following such Dividend Determination Date and in a principal amount of not less than \$1,000,000 that is representative of a single transaction in such market at such time; provided, however, that if the banks selected as aforesaid by the corporation are not quoting as aforementioned in this sentence, then, with respect to such Dividend Period, LIBOR for the preceding Dividend Period will be continued as LIBOR for such Dividend Period.

(ii) The Dividend Rate for any Dividend Period shall be equal to the lower of 18% or 50 basis points above LIBOR for such Dividend Period as LIBOR is determined by sections (I) or (ii) above.

As used above, the term "Dividend Determination Date" shall mean, with respect to any Dividend Period, the second London Business Day prior to the commencement of such Dividend Period; and the term "London Business Day" shall mean any day that is not a Saturday or Sunday and that, in New York City, is not a day on which banking institutions generally are authorized or required by law or executive order to close and that is a day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

4. Voting Rights: The holders of the Series A Preferred Stock shall have the voting power and rights set forth in this paragraph 4 and shall have no other voting power or rights except as otherwise may from time to time be required by law.

So long as any shares of Series A Preferred Stock remain outstanding, the corporation shall not, without the affirmative vote or consent of the holders of at least a majority of the votes of the Series Preferred Stock entitled to vote outstanding at the time, given in person or by proxy, either in writing or by resolution adopted at a meeting at which the holders of Series A Preferred Stock (alone or together with the holders of one or more other series of Series Preferred Stock at the time outstanding and entitled to vote) vote separately as a class, alter the provisions of the Series Preferred Stock so as to materially adversely affect its rights; provided, however, that in the event any such materially adverse alteration affects the rights of only the Series A Preferred Stock, then the alteration may be effected with the vote or consent of at least a majority of the votes of the Series A Preferred Stock; provided, further, that an increase in the amount of the authorized Series Preferred Stock and/or the creation and/or issuance of other series of Series Preferred Stock in accordance with the organization certificate shall not be, nor be deemed to be, materially adverse alterations. In connection with the exercise of the voting rights contained in the preceding sentence, holders of all series of Series Preferred Stock which are granted such voting rights (of which the Series A Preferred Stock is the initial series) shall vote as a class (except as specifically provided otherwise) and each holder of Series A Preferred Stock shall have one vote for each share of stock held and each other series shall have such number of votes, if any, for each share of stock held as may be granted to them.

The foregoing voting provisions will not apply if, in connection with the matters specified, provision is made for the redemption or retirement of all outstanding Series A Preferred Stock.

5. Liquidation: Subject to the provisions of section (b) of this Article III, upon any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, the holders of the Series A Preferred Stock shall have preference and priority over the Common Stock for payment out of the assets of the corporation or proceeds thereof, whether from capital or surplus, of \$1,000,000 per share (the "liquidation value") together with the amount of all dividends accrued and unpaid thereon, and after such payment the holders of Series A Preferred Stock shall be entitled to no other payments.

6. Redemption: Subject to the provisions of section (b) of this Article III, Series A Preferred Stock may be redeemed, at the option of the corporation in whole or part, at any time or from time to time at a redemption price of \$1,000,000 per share, in each case plus accrued and unpaid dividends to the date of redemption.

At the option of the corporation, shares of Series A Preferred Stock redeemed or otherwise acquired may be restored to the status of authorized but unissued shares of Series Preferred Stock.

In the case of any redemption, the corporation shall give notice of such redemption to the holders of the Series A Preferred Stock to be redeemed in the following manner: a notice specifying the shares to be redeemed and the time and place of redemption (and, if less than the total outstanding shares are to be redeemed, specifying the certificate numbers and number of shares to be redeemed) shall be mailed by first class mail, addressed to the holders of record of the Series A Preferred Stock to be redeemed at their respective addresses as the same shall appear upon the books of the corporation, not more than sixty (60) days and not less than thirty (30) days previous to the date fixed for redemption. In the event such notice is not given to any shareholder such failure to give notice shall not affect the notice given to other shareholders. If less than the whole amount of outstanding Series A Preferred Stock is to be redeemed, the shares to be redeemed shall be selected by lot or pro rata in any manner determined by resolution of the Board of Directors to be fair and proper. From and after the date fixed in any such notice as the date of redemption (unless default shall be made by the corporation in providing moneys at the time and place of redemption for the payment of the redemption price) all dividends upon the Series A Preferred Stock so called for redemption shall cease to accrue, and all rights of the holders of said Series A Preferred Stock as stockholders in the corporation, except the right to receive the redemption price (without interest) upon surrender of the certificate representing the Series A Preferred Stock so called for redemption, duly endorsed for transfer, if required, shall cease and terminate. The corporation's obligation to provide moneys in accordance with the preceding sentence shall be deemed fulfilled if, on or before the redemption date, the corporation shall deposit with a bank or trust company (which may be an affiliate of the corporation) having an office in the Borough of Manhattan, City of New York, having a capital and surplus of at least \$5,000,000 funds necessary for such redemption, in trust with irrevocable instructions that such funds be applied to the redemption of the shares of Series A Preferred Stock so called for redemption. Any interest accrued on such funds shall be paid to the corporation from time to time. Any funds so deposited and unclaimed at the end of two (2) years from such redemption date shall be released or repaid to the corporation, after which the holders of such shares of Series A Preferred Stock so called for redemption shall look only to the corporation for payment of the redemption price.

IV. The name, residence and post office address of each member of the corporation are as follows:

<TABLE>

<CAPTION>

Name ----	RESIDENCE	POST OFFICE ADDRESS
<S>	<C>	<C>
James A. Blair	9 West 50th Street, Manhattan, New York City	33 Wall Street, Manhattan, New York City
James G. Cannon	72 East 54th Street, Manhattan New York City	14 Nassau Street, Manhattan, New York City
E. C. Converse	3 East 78th Street, Manhattan, New York City	139 Broadway, Manhattan, New York City
Henry P. Davison	Englewood, New Jersey	2 Wall Street, Manhattan, New York City
Granville W. Garth	160 West 57th Street, Manhattan, New York City	33 Wall Street Manhattan, New York City
A. Barton Hepburn	205 West 57th Street Manhattan, New York City	83 Cedar Street Manhattan, New York City
William Logan	Montclair, New Jersey	13 Nassau Street Manhattan, New York City
George W. Perkins	Riverdale, New York	23 Wall Street, Manhattan, New York City
William H. Porter	56 East 67th Street Manhattan, New York City	270 Broadway, Manhattan, New York City

John F. Thompson	Newark,	143 Liberty Street,
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</TABLE>

<TABLE>
<CAPTION>
<S>

	<C>	<C>
	New Jersey	Manhattan, New York City

Albert H. Wiggin	42 West 49th Street, Manhattan, New York City	214 Broadway, Manhattan, New York City
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Samuel Woolverton	Mount Vernon, New York	34 Wall Street, Manhattan, New York City
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Edward F.C. Young	85 Glenwood Avenue, Jersey City, New Jersey	1 Exchange Place, Jersey City, New Jersey
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</TABLE>

V. The existence of the corporation shall be perpetual.

VI. The subscribers, the members of the said corporation, do, and each for himself does, hereby declare that he will accept the responsibilities and faithfully discharge the duties of a director therein, if elected to act as such, when authorized accordance with the provisions of the Banking Law of the State of New York.

VII. The number of directors of the corporation shall not be less than 10 nor more than 25."

4. The foregoing restatement of the organization certificate was authorized by the Board of Directors of the corporation at a meeting held on July 21, 1998.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 6th day of August, 1998.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 6th day of August, 1998.

James T. Byrne, Jr.

James T. Byrne, Jr.
Managing Director and Secretary

Lea Lahtinen

Lea Lahtinen
Vice President and Assistant Secretary

Lea Lahtinen

Lea Lahtinen

State of New York)
) ss:
County of New York)

Lea Lahtinen, being duly sworn, deposes and says that she is a Vice President and an Assistant Secretary of Bankers Trust Company, the corporation described in the foregoing certificate; that she has read the foregoing certificate and knows the contents thereof, and that the statements herein contained are true.

Lea Lahtinen

Lea Lahtinen

Sworn to before me this
6th day of August, 1998.

Sandra L. West

Notary Public

SANDRA L. WEST

State of New York,

Banking Department

I, MANUEL KURSKY, Deputy Superintendent of Banks of the State of New York, DO HEREBY APPROVE the annexed Certificate entitled "RESTATED ORGANIZATION CERTIFICATE OF BANKERS TRUST COMPANY UNDER SECTION 8007 OF THE BANKING LAW," dated August 6, 1998, providing for the restatement of the Organization Certificate and all amendments into a single certificate.

WITNESS, my hand and official seal of the Banking Department at the City of New York,

this 31ST day of AUGUST in the Year of our Lord one thousand

nine hundred and NINETY-EIGHT.

Manuel Kursky

DEPUTY Superintendent of Banks

CERTIFICATE OF AMENDMENT

OF THE

ORGANIZATION CERTIFICATE

OF BANKERS TRUST

Under Section 8005 of the Banking Law

We, James T. Byrne, Jr. and Lea Lahtinen, being respectively a Managing Director and Secretary and a Vice President and an Assistant Secretary of Bankers Trust Company, do hereby certify:

1. The name of the corporation is Bankers Trust Company.
2. The organization certificate of said corporation was filed by the Superintendent of Banks on the 5th of March, 1903.
3. The organization certificate as heretofore amended is hereby amended to increase the aggregate number of shares which the corporation shall have authority to issue and to increase the amount of its authorized capital stock in conformity therewith.
4. Article III of the organization certificate with reference to the authorized capital stock, the number of shares into which the capital stock shall be divided, the par value of the shares and the capital stock outstanding, which reads as follows:

"III. The amount of capital stock which the corporation is hereafter to have is Three Billion, One Million, Six Hundred Sixty-Six Thousand, Six Hundred Seventy Dollars (\$3,001,666,670), divided into Two Hundred Million, One Hundred Sixty-Six Thousand, Six Hundred Sixty-Seven (200,166,667) shares with a par value of \$10 each designated as Common Stock and 1000 shares with a par value of One Million Dollars (\$1,000,000) each designated as Series Preferred Stock."

is hereby amended to read as follows:

"III. The amount of capital stock which the corporation is hereafter to have is Three Billion, Five Hundred One Million, Six Hundred Sixty-Six Thousand, Six Hundred Seventy Dollars (\$3,501,666,670), divided into Two Hundred Million, One Hundred Sixty-Six Thousand, Six Hundred Sixty-Seven (200,166,667) shares with a par value of \$10 each designated as Common Stock and 1500 shares with a par value of One Million Dollars (\$1,000,000) each designated as Series Preferred Stock."

5. The foregoing amendment of the organization certificate was authorized by unanimous written consent signed by the holder of all outstanding shares entitled to vote thereon.

IN WITNESS WHEREOF, we have made and subscribed this certificate this

25th day of September, 1998

James T. Byrne, Jr.

James T. Byrne, Jr.
Managing Director and Secretary

Lea Lahtinen

Lea Lahtinen
Vice President and Assistant Secretary

State of New York)
) ss:
County of New York)

Lea Lahtinen, being fully sworn, deposes and says that she is a Vice President and an Assistant Secretary of Bankers Trust Company, the corporation described in the foregoing certificate; that she has read the foregoing certificate and knows the contents thereof, and that the statements herein contained are true.

Lea Lahtinen

Lea Lahtinen

Sworn to before me this 25th day
of September, 1998

Sandra L. West

Notary Public

SANDRA L. WEST
Notary Public State of New York
No. 31-4942101
Qualified in New York County
Commission Expires September 19, 2000

State of New York,

Banking Department

I, P. VINCENT CONLON, Deputy Superintendent of Banks of the State of New York, DO HEREBY APPROVE the annexed Certificate entitled "CERTIFICATE OF AMENDMENT OF THE ORGANIZATION CERTIFICATE OF BANKERS TRUST COMPANY UNDER SECTION 8005 OF THE BANKING LAW," dated December 16, 1998, providing for an increase in authorized capital stock from \$3,501,666,670 consisting of 200,166,667 shares with a par value of \$10 each designated as Common Stock and 1,500 shares with a par value of \$1,000,000 each designated as Series Preferred Stock to \$3,627,308,670 consisting of 212,730,867 shares with a par value of \$10 each designated as Common Stock and 1,500 shares with a par value of \$1,000,000 each designated as Series Preferred Stock.

WITNESS, my hand and official seal of the Banking Department at the City of New York,

this 18TH day of DECEMBER in the Year of our Lord one

thousand nine hundred and NINETY-EIGHT.

P. Vincent Conlon

Deputy Superintendent of Banks

CERTIFICATE OF AMENDMENT

OF THE

ORGANIZATION CERTIFICATE

OF BANKERS TRUST

Under Section 8005 of the Banking Law

We, James T. Byrne, Jr. and Lea Lahtinen, being respectively a Managing Director and Secretary and a Vice President and an Assistant Secretary of Bankers Trust Company, do hereby certify:

1. The name of the corporation is Bankers Trust Company.

2. The organization certificate of said corporation was filed by the Superintendent of Banks on the 5th of March, 1903.

3. The organization certificate as heretofore amended is hereby amended to increase the aggregate number of shares which the corporation shall have authority to issue and to increase the amount of its authorized capital stock in conformity therewith.

4. Article III of the organization certificate with reference to the authorized capital stock, the number of shares into which the capital stock shall be divided, the par value of the shares and the capital stock outstanding, which reads as follows:

"III. The amount of capital stock which the corporation is hereafter to have is Three Billion, Five Hundred One Million, Six Hundred Sixty-Six Thousand, Six Hundred Seventy Dollars (\$3,501,666,670), divided into Two Hundred Million, One Hundred Sixty-Six Thousand, Six Hundred Sixty-Seven (200,166,667) shares with a par value of \$10 each designated as Common Stock and 1500 shares with a par value of One Million Dollars (\$1,000,000) each designated as Series Preferred Stock."

is hereby amended to read as follows:

"III. The amount of capital stock which the corporation is hereafter to have is Three Billion, Six Hundred Twenty-Seven Million, Three Hundred Eight Thousand, Six Hundred Seventy Dollars (\$3,627,308,670), divided into Two Hundred Twelve Million, Seven Hundred Thirty Thousand, Eight Hundred Sixty-Seven (212,730,867) shares with a par value of \$10 each designated as Common Stock and 1500 shares with a par value of One Million Dollars (\$1,000,000) each designated as Series Preferred Stock."

5. The foregoing amendment of the organization certificate was authorized by unanimous written consent signed by the holder of all outstanding shares entitled to vote thereon.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 16th day of December, 1998

James T. Byrne, Jr.

James T. Byrne, Jr.
Managing Director and Secretary

Lea Lahtinen

Lea Lahtinen
Vice President and Assistant Secretary

State of New York)
) ss:
County of New York)

Lea Lahtinen, being fully sworn, deposes and says that she is a Vice President and an Assistant Secretary of Bankers Trust Company, the corporation described in the foregoing certificate; that she has read the foregoing certificate and knows the contents thereof, and that the statements herein contained are true.

Lea Lahtinen

Lea Lahtinen

Sworn to before me this 16th day
of December, 1998

Sandra L. West

Notary Public

SANDRA L. WEST
Notary Public State of New York
No. 31-4942101
Qualified in New York County
Commission Expires September 19, 2000

ASSISTANT SECRETARY'S CERTIFICATE

I, Lea Lahtinen, Vice President and Assistant Secretary of Bankers Trust Company, a corporation duly organized and existing under the laws of the State of New York, the United States of America, do hereby certify that attached copy of the Certificate of

Amendment of the Organization Certificate of Bankers Trust Company, dated February 27, 2002, providing for a change of name of Bankers Trust Company to Deutsche Bank Trust Company Americas and approved by the New York State Banking Department on March 14, 2002 to effective on April 15, 2002, is a true and correct copy of the original Certificate of Amendment of the Organization Certificate of Bankers Trust Company on file in the Banking Department, State of New York.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Bankers Trust Company this 4th day of April, 2002.

[SEAL]

/s/ Lea Lahtinen

Lea Lahtinen, Vice President and Assistant Secretary
Bankers Trust Company

State of New York)
) ss.:
County of New York)

On the 4th day of April in the year 2002 before me, the undersigned, a Notary Public in and for said state, personally appeared Lea Lahtinen, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

/s/ Sonja K. Olsen

Notary Public

SONJA K. OLSEN
Notary Public, State of New York
No. 01OL4974457
Qualified in New York County
Commission Expires November 13, 2002

State of New York,

Banking Department

I, P. VINCENT CONLON, Deputy Superintendent of Banks of the State of New York, DO HEREBY APPROVE the annexed Certificate entitled "CERTIFICATE OF AMENDMENT OF THE ORGANIZATION CERTIFICATE OF BANKERS TRUST COMPANY under Section 8005 of the Banking Law" dated February 27, 2002, providing for a change of name of BANKERS TRUST COMPANY to DEUTSCHE BANK TRUST COMPANY AMERICAS.

Witness, my hand and official seal of the Banking Department at the City of New York,

this 14th day of March two thousand and two.

/s/ P. Vincent Conlon

Deputy Superintendent of Banks

CERTIFICATE OF AMENDMENT

OF THE

ORGANIZATION CERTIFICATE

OF

BANKERS TRUST COMPANY

Under Section 8005 of the Banking Law

We, James T. Byrne Jr., and Lea Lahtinen, being respectively the Secretary, and Vice President and an Assistant Secretary of Bankers Trust Company, do hereby

certify:

1. The name of corporation is Bankers Trust Company.
2. The organization certificate of said corporation was filed by the Superintendent of Banks on the 5th day of March, 1903.
3. Pursuant to Section 8005 of the Banking Law, attached hereto as Exhibit A is a certificate issued by the State of New York, Banking Department listing all of the amendments to the Organization Certificate of Bankers Trust Company since its organization that have been filed in the Office of the Superintendent of Banks.
4. The organization certificate as heretofore amended is hereby amended to change the name of Bankers Trust Company to Deutsche Bank Trust Company Americas to be effective on April 15, 2002.
5. The first paragraph number 1 of the organization of Bankers Trust Company with the reference to the name of the Bankers Trust Company, which reads as follows:

"1. The name of the corporation is Bankers Trust
Company."

is hereby amended to read as follows effective on April 15, 2002:

"1. The name of the corporation is Deutsche Bank Trust
Company Americas."

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6. The foregoing amendment of the organization certificate was authorized by unanimous written consent signed by the holder of all outstanding shares entitled to vote thereon.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 27th day of February, 2002.

/s/ James T. Byrne Jr.

James T. Byrne Jr.
Secretary

/s/ Lea Lahtinen

Lea Lahtinen
Vice President and Assistant Secretary

State of New York)
) ss.:
County of New York)

Lea Lahtinen, being duly sworn, deposes and says that she is a Vice President and an Assistant Secretary of Bankers Trust Company, the corporation described in the foregoing certificate; that she has read the foregoing certificate and knows the contents thereof, and that the statements therein contained are true.

/s/ Lea Lahtinen

Lea Lahtinen

Sworn to before me this 27th day
of February, 2002

/s/ Sandra L. West

Notary Public

SANDRA L. WEST
Notary Public, State of New York
No. 01WE4942401
Qualified in New York County
Commission Expires September 19, 2002

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EXHIBIT A

State of New York

Banking Department

I, P. VINCENT CONLON, Deputy Superintendent of Banks of the State of New York,
DO HEREBY CERTIFY:

THAT, the records in the Office of the Superintendent of Banks indicate that BANKERS TRUST COMPANY is a corporation duly organized and existing under the laws of the State of New York as a trust company, pursuant to Article III of the Banking Law; and

THAT, the Organization Certificate of BANKERS TRUST COMPANY was filed in the Office of the Superintendent of Banks on March 5, 1903, and such corporation was authorized to commence business on March 24, 1903; and

THAT, the following amendments to its Organization Certificate have been filed in the Office of the Superintendent of Banks as of the dates specified:

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on January 14, 1905

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on August 4, 1909

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on February 1, 1911

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on June 17, 1911

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on August 8, 1911

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on August 8, 1911

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on March 21, 1912

Certificate of Amendment of Certificate of Incorporation providing for a decrease in number of directors - filed on January 15, 1915

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Certificate of Amendment of Certificate of Incorporation providing for a decrease in number of directors - filed on December 18, 1916

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on April 20, 1917

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on April 20, 1917

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on December 28, 1918

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on December 4, 1919

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on January 15, 1926

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on June 12, 1928

Certificate of Amendment of Certificate of Incorporation providing for a change in shares - filed on April 4, 1929

Certificate of Amendment of Certificate of Incorporation providing for a minimum and maximum number of directors - filed on January 11, 1934

Certificate of Extension to perpetual - filed on January 13, 1941

Certificate of Amendment of Certificate of Incorporation providing for a minimum and maximum number of directors - filed on January 13, 1941

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on December 11, 1944

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed January 30, 1953

Restated Certificate of Incorporation - filed November 6, 1953

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on April 8, 1955

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Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on February 1, 1960

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on July 14, 1960

Certificate of Amendment of Certificate of Incorporation providing for a change in shares - filed on September 30, 1960

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on January 26, 1962

Certificate of Amendment of Certificate of Incorporation providing for a change in shares - filed on September 9, 1963

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on February 7, 1964

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on February 24, 1965

Certificate of Amendment of the Organization Certificate providing for a decrease in capital stock - filed January 24, 1967

Restated Organization Certificate - filed June 1, 1971

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed October 29, 1976

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 22, 1977

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed August 5, 1980

Restated Organization Certificate - filed July 1, 1982

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 27, 1984

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed September 18, 1986

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Certificate of Amendment of the Organization Certificate providing for a minimum and maximum number of directors - filed January 22, 1990

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed June 28, 1990

Restated Organization Certificate - filed August 20, 1990

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed June 26, 1992

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed March 28, 1994

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed June 23, 1995

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 27, 1995

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed March 21, 1996

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 27, 1996

Certificate of Amendment to the Organization Certificate providing for an increase in capital stock - filed June 27, 1997

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed September 26, 1997

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 29, 1997

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed March 26, 1998

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed June 23, 1998

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Restated Organization Certificate - filed August 31, 1998

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed September 25, 1998

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 18, 1998; and

Certificate of Amendment of the Organization Certificate providing for a change in the number of directors - filed September 3, 1999; and

THAT, no amendments to its Restated Organization Certificate have been filed in the Office of the Superintendent of Banks except those set forth above; and attached hereto; and

I DO FURTHER CERTIFY THAT, BANKERS TRUST COMPANY is validly existing as a banking organization with its principal office and place of business located at 130 Liberty Street, New York, New York.

WITNESS, my hand and official seal of the Banking Department at the City of New York this 16th day of October in the Year Two Thousand and One.

/s/ P. Vincent Conlon

Deputy Superintendent of Banks

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DEUTSCHE BANK TRUST COMPANY AMERICAS

BY-LAWS

APRIL 15, 2002

DEUTSCHE BANK TRUST COMPANY AMERICAS

NEW YORK

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BY-LAWS
OF

DEUTSCHE BANK TRUST COMPANY AMERICAS

ARTICLE I

MEETINGS OF STOCKHOLDERS

SECTION 1. The annual meeting of the stockholders of this Company shall be held at the office of the Company in the Borough of Manhattan, City of New York, in January of each year, for the election of directors and such other business as may properly come before said meeting.

SECTION 2. Special meetings of stockholders other than those regulated by statute may be called at any time by a majority of the directors. It shall be the duty of the Chairman of the Board, the Chief Executive Officer, the President or any Co-President to call such meetings whenever requested in writing to do so by stockholders owning a majority of the capital stock.

SECTION 3. At all meetings of stockholders, there shall be present, either in person or by proxy, stockholders owning a majority of the capital stock of the Company, in order to constitute a quorum, except at special elections of directors, as provided by law, but less than a quorum shall have power to adjourn any meeting.

SECTION 4. The Chairman of the Board or, in his absence, the Chief Executive Officer or, in his absence, the President or any Co-President or, in their absence, the senior officer present, shall preside at meetings of the stockholders and shall direct the proceedings and the order of business. The Secretary shall act as secretary of such meetings and record the proceedings.

ARTICLE II

DIRECTORS

SECTION 1. The affairs of the Company shall be managed and its corporate powers exercised by a Board of Directors consisting of such number of directors, but not less than seven nor more than fifteen, as may from time to time be fixed by resolution adopted by a majority of the directors then in office, or by the stockholders. In the event of any increase in the number of directors, additional directors may be elected within the limitations so fixed, either by the stockholders or within the limitations imposed by law, by a majority of directors then in office. One-third of the number of directors, as fixed from time to time, shall constitute a quorum. Any one or more members of the Board of Directors or any Committee thereof may participate in a meeting of the Board of Directors or Committee thereof by means of a conference telephone, video conference or similar communications equipment which allows all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such a meeting.

All directors hereafter elected shall hold office until the next annual meeting of the stockholders and until their successors are elected and have qualified.

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No Officer-Director who shall have attained age 65, or earlier relinquishes his responsibilities and title, shall be eligible to serve as a director.

SECTION 2. Vacancies not exceeding one-third of the whole number of the Board of Directors may be filled by the affirmative vote of a majority of the directors then in office, and the directors so elected shall hold office for the balance of the unexpired term.

SECTION 3. The Chairman of the Board shall preside at meetings of the Board of Directors. In his absence, the Chief Executive Officer or, in his absence the President or any Co-President or, in their absence such other director as the Board of Directors from time to time may designate shall preside at such meetings.

SECTION 4. The Board of Directors may adopt such Rules and Regulations for the conduct of its meetings and the management of the affairs of the Company as it may deem proper, not inconsistent with the laws of the State of New York, or these By-Laws, and all officers and employees shall strictly adhere to, and be bound by, such Rules and Regulations.

SECTION 5. Regular meetings of the Board of Directors shall be held from time to time provided, however, that the Board of Directors shall hold a regular meeting not less than six times a year, provided that during any three consecutive calendar months the Board of Directors shall meet at least once, and its Executive Committee shall not be required to meet at least once in each thirty day period during which the Board of Directors does not meet. Special meetings of the Board of Directors may be called upon at least two day's notice whenever it may be deemed proper by the Chairman of the Board or, the Chief Executive Officer or, the President or any Co-President or, in their absence, by such other director as the Board of Directors may have designated pursuant to Section 3 of this Article, and shall be called upon like notice whenever any three of the directors so request in writing.

SECTION 6. The compensation of directors as such or as members of committees shall be fixed from time to time by resolution of the Board of Directors.

ARTICLE III

COMMITTEES

SECTION 1. There shall be an Executive Committee of the Board consisting of not less than five directors who shall be appointed annually by the Board of Directors. The Chairman of the Board shall preside at meetings of the Executive Committee. In his absence, the Chief Executive Officer or, in his absence, the President or any Co-President or, in their absence, such other member of the Committee as the Committee from time to time may designate shall preside at such meetings.

The Executive Committee shall possess and exercise to the extent permitted by law all of the powers of the Board of Directors, except when the latter is in session, and shall keep minutes of its proceedings, which shall be presented to

the Board of Directors at its next subsequent meeting. All acts done and powers and authority conferred by the Executive Committee from time to time shall be and be deemed to be, and may be certified as being, the act and under the authority of the Board of Directors.

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A majority of the Committee shall constitute a quorum, but the Committee may act only by the concurrent vote of not less than one-third of its members, at least one of who must be a director other than an officer. Any one or more directors, even though not members of the Executive Committee, may attend any meeting of the Committee, and the member or members of the Committee present, even though less than a quorum, may designate any one or more of such directors as a substitute or substitutes for any absent member or members of the Committee, and each such substitute or substitutes shall be counted for quorum, voting, and all other purposes as a member or members of the Committee.

SECTION 2. There shall be an Audit Committee appointed annually by resolution adopted by a majority of the entire Board of Directors which shall consist of such number of directors, who are not also officers of the Company, as may from time to time be fixed by resolution adopted by the Board of Directors. The Chairman shall be designated by the Board of Directors, who shall also from time to time fix a quorum for meetings of the Committee. Such Committee shall conduct the annual directors' examinations of the Company as required by the New York State Banking Law; shall review the reports of all examinations made of the Company by public authorities and report thereon to the Board of Directors; and shall report to the Board of Directors such other matters as it deems advisable with respect to the Company, its various departments and the conduct of its operations.

In the performance of its duties, the Audit Committee may employ or retain, from time to time, expert assistants, independent of the officers or personnel of the Company, to make studies of the Company's assets and liabilities as the Committee may request and to make an examination of the accounting and auditing methods of the Company and its system of internal protective controls to the extent considered necessary or advisable in order to determine that the operations of the Company, including its fiduciary departments, are being audited by the General Auditor in such a manner as to provide prudent and adequate protection. The Committee also may direct the General Auditor to make such investigation as it deems necessary or advisable with respect to the Company, its various departments and the conduct of its operations. The Committee shall hold regular quarterly meetings and during the intervals thereof shall meet at other times on call of the Chairman.

SECTION 3. The Board of Directors shall have the power to appoint any other Committees as may seem necessary, and from time to time to suspend or continue the powers and duties of such Committees. Each Committee appointed pursuant to this Article shall serve at the pleasure of the Board of Directors.

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ARTICLE IV

OFFICERS

SECTION 1. The Board of Directors shall elect from among their number a Chairman of the Board and a Chief Executive Officer; and shall also elect a President, or two or more Co-Presidents, and may also elect, one or more Vice Chairmen, one or more Executive Vice Presidents, one or more Managing Directors, one or more Senior Vice Presidents, one or more Directors, one or more Vice Presidents, one or more General Managers, a Secretary, a Controller, a Treasurer, a General Counsel, a General Auditor, a General Credit Auditor, who need not be directors. The officers of the corporation may also include such other officers or assistant officers as shall from time to time be elected or appointed by the Board. The Chairman of the Board or the Chief Executive Officer or, in their absence, the President or any Co-President, or any Vice Chairman, may from time to time appoint assistant officers. All officers elected or appointed by the Board of Directors shall hold their respective offices during the pleasure of the Board of Directors, and all assistant officers shall hold office at the pleasure of the Board or the Chairman of the Board or the Chief Executive Officer or, in their absence, the President, or any Co-President or any Vice Chairman. The Board of Directors may require any and all officers and employees to give security for the faithful performance of their duties.

SECTION 2. The Board of Directors shall designate the Chief Executive Officer of the Company who may also hold the additional title of Chairman of the Board, or President, or any Co-President, and such person shall have, subject to the supervision and direction of the Board of Directors or the Executive Committee, all of the powers vested in such Chief Executive Officer by law or by these By-Laws, or which usually attach or pertain to such office. The other officers shall have, subject to the supervision and direction of the Board of Directors

or the Executive Committee or the Chairman of the Board or, the Chief Executive Officer, the powers vested by law or by these By-Laws in them as holders of their respective offices and, in addition, shall perform such other duties as shall be assigned to them by the Board of Directors or the Executive Committee or the Chairman of the Board or the Chief Executive Officer.

The General Auditor shall be responsible, through the Audit Committee, to the Board of Directors for the determination of the program of the internal audit function and the evaluation of the adequacy of the system of internal controls. Subject to the Board of Directors, the General Auditor shall have and may exercise all the powers and shall perform all the duties usual to such office and shall have such other powers as may be prescribed or assigned to him from time to time by the Board of Directors or vested in him by law or by these By-Laws. He shall perform such other duties and shall make such investigations, examinations and reports as may be prescribed or required by the Audit Committee. The General Auditor shall have unrestricted access to all records and premises of the Company and shall delegate such authority to his subordinates. He shall have the duty to report to the Audit Committee on all matters concerning the internal audit program and the adequacy of the system of internal controls of the Company which he deems advisable or which the Audit Committee may request. Additionally, the General Auditor shall have the duty of reporting independently of all officers of the Company to the Audit Committee at least quarterly on any matters concerning the internal audit program and the adequacy of the system of internal controls of the Company that should be brought to the attention of the directors except those matters responsibility for which has been vested in the General Credit Auditor. Should the General Auditor deem any matter to be of special immediate importance, he shall report thereon forthwith

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to the Audit Committee. The General Auditor shall report to the Chief Financial Officer only for administrative purposes.

The General Credit Auditor shall be responsible to the Chief Executive Officer and, through the Audit Committee, to the Board of Directors for the systems of internal credit audit, shall perform such other duties as the Chief Executive Officer may prescribe, and shall make such examinations and reports as may be required by the Audit Committee. The General Credit Auditor shall have unrestricted access to all records and may delegate such authority to subordinates.

SECTION 3. The compensation of all officers shall be fixed under such plan or plans of position evaluation and salary administration as shall be approved from time to time by resolution of the Board of Directors.

SECTION 4. The Board of Directors, the Executive Committee, the Chairman of the Board, the Chief Executive Officer or any person authorized for this purpose by the Chief Executive Officer, shall appoint or engage all other employees and agents and fix their compensation. The employment of all such employees and agents shall continue during the pleasure of the Board of Directors or the Executive Committee or the Chairman of the Board or the Chief Executive Officer or any such authorized person; and the Board of Directors, the Executive Committee, the Chairman of the Board, the Chief Executive Officer or any such authorized person may discharge any such employees and agents at will.

ARTICLE V

INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS

SECTION 1. The Company shall, to the fullest extent permitted by Section 7018 of the New York Banking Law, indemnify any person who is or was made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, whether involving any actual or alleged breach of duty, neglect or error, any accountability, or any actual or alleged misstatement, misleading statement or other act or omission and whether brought or threatened in any court or administrative or legislative body or agency, including an action by or in the right of the Company to procure a judgment in its favor and an action by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any director or officer of the Company is servicing or served in any capacity at the request of the Company by reason of the fact that he, his testator or intestate, is or was a director or officer of the Company, or is serving or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, amounts paid in settlement, and costs, charges and expenses, including attorneys' fees, or any appeal therein; provided, however, that no indemnification shall be provided to any such person if a judgment or other final adjudication adverse to the director or officer establishes that (i) his acts were committed in bad faith or were the result of active and deliberate dishonesty and, in either case, were material to the cause of action so adjudicated, or (ii) he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

SECTION 2. The Company may indemnify any other person to whom the Company is permitted to provide indemnification or the advancement of expenses by applicable law, whether pursuant to

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rights granted pursuant to, or provided by, the New York Banking Law or other rights created by (i) a resolution of stockholders, (ii) a resolution of directors, or (iii) an agreement providing for such indemnification, it being expressly intended that these By-Laws authorize the creation of other rights in any such manner.

SECTION 3. The Company shall, from time to time, reimburse or advance to any person referred to in Section 1 the funds necessary for payment of expenses, including attorneys' fees, incurred in connection with any action or proceeding referred to in Section 1, upon receipt of a written undertaking by or on behalf of such person to repay such amount(s) if a judgment or other final adjudication adverse to the director or officer establishes that (i) his acts were committed in bad faith or were the result of active and deliberate dishonesty and, in either case, were material to the cause of action so adjudicated, or (ii) he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

SECTION 4. Any director or officer of the Company serving (i) another corporation, of which a majority of the shares entitled to vote in the election of its directors is held by the Company, or (ii) any employee benefit plan of the Company or any corporation referred to in clause (i) in any capacity shall be deemed to be doing so at the request of the Company. In all other cases, the provisions of this Article V will apply (i) only if the person serving another corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise so served at the specific request of the Company, evidenced by a written communication signed by the Chairman of the Board, the Chief Executive Officer, the President or any Co-President, and (ii) only if and to the extent that, after making such efforts as the Chairman of the Board, the Chief Executive Officer, the President or any Co-President shall deem adequate in the circumstances, such person shall be unable to obtain indemnification from such other enterprise or its insurer.

SECTION 5. Any person entitled to be indemnified or to the reimbursement or advancement of expenses as a matter of right pursuant to this Article V may elect to have the right to indemnification (or advancement of expenses) interpreted on the basis of the applicable law in effect at the time of occurrence of the event or events giving rise to the action or proceeding, to the extent permitted by law, or on the basis of the applicable law in effect at the time indemnification is sought.

SECTION 6. The right to be indemnified or to the reimbursement or advancement of expense pursuant to this Article V (i) is a contract right pursuant to which the person entitled thereto may bring suit as if the provisions hereof were set forth in a separate written contract between the Company and the director or officer, (ii) is intended to be retroactive and shall be available with respect to events occurring prior to the adoption hereof, and (iii) shall continue to exist after the rescission or restrictive modification hereof with respect to events occurring prior thereto.

SECTION 7. If a request to be indemnified or for the reimbursement or advancement of expenses pursuant hereto is not paid in full by the Company within thirty days after a written claim has been received by the Company, the claimant may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled also to be paid the expenses of prosecuting such claim. Neither the failure of the Company (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstance, nor an

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actual determination by the Company (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses, shall be a defense to the action or create a presumption that the claimant is not so entitled.

SECTION 8. A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in Section 1 shall be entitled to indemnification only as provided in Sections 1 and 3, notwithstanding any provision of the New York Banking Law to the contrary.

ARTICLE VI

SEAL

SECTION 1. The Board of Directors shall provide a seal for the Company, the counterpart dies of which shall be in the charge of the Secretary of the Company and such officers as the Chairman of the Board, the Chief Executive Officer or the Secretary may from time to time direct in writing, to be affixed to certificates of stock and other documents in accordance with the directions of the Board of Directors or the Executive Committee.

SECTION 2. The Board of Directors may provide, in proper cases on a specified occasion and for a specified transaction or transactions, for the use of a printed or engraved facsimile seal of the Company.

ARTICLE VII

CAPITAL STOCK

SECTION 1. Registration of transfer of shares shall only be made upon the books of the Company by the registered holder in person, or by power of attorney, duly executed, witnessed and filed with the Secretary or other proper officer of the Company, on the surrender of the certificate or certificates of such shares properly assigned for transfer.

ARTICLE VIII

CONSTRUCTION

SECTION 1. The masculine gender, when appearing in these By-Laws, shall be deemed to include the feminine gender.

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ARTICLE IX

AMENDMENTS

SECTION 1. These By-Laws may be altered, amended or added to by the Board of Directors at any meeting, or by the stockholders at any annual or special meeting, provided notice thereof has been given.

I, Yana Kalachikova, an Associate, of Deutsche Bank Trust Company Americas, New York, New York, hereby certify that the foregoing is a complete, true and correct copy of the By-Laws of Deutsche Bank Trust Company Americas, and that the same are in full force and effect at this date.

Associate

Dated: April 28, 2005

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FFIEC 031

Consolidated Report of Condition for Insured Commercial
and State-Chartered Savings Banks for December 31, 2004

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

Schedule RC -- Balance Sheet

<TABLE>

<CAPTION>

	Dollar Amounts in Thousands	RCFD		
<S>			<C>	<C>
ASSETS				
1. Cash and balances due from depository institutions (from Schedule RC-A):				
a.Noninterest-bearing balances and currency and coin(1).....	0081	2,741,000	1.a.	
b.Interest-bearing balances(2).....	0071	108,000	1.b.	
2. Securities:				
a.Held-to-maturity securities (from Schedule RC-B, column A).....	1754	0	2.a.	
b.Available-for-sale securities (from Schedule RC-B, column D)	1773	1,601,000	2.b.	
3. Federal funds sold and securities purchased under agreements to resell:				
a.Federal funds sold in domestic offices.....	RCON B987	345,000	3.a.	
b.Securities purchased under agreements to resell(3).....	RCFD B989	10,636,000	3.b.	
4. Loans and lease financing receivables (from Schedule RC-C):	RCFD			
a.Loans and leases held for sale.....	5369	0	4.a.	
b.Loans and leases, net of unearned income....	B528 8,983,000		4.b.	
c.LESS: Allowance for loan and lease losses....	3123 210,000		4.c.	
d.Loans and leases, net of unearned income and allowance (item 4.b minus 4.c)	B529	8,773,000	4.d.	
5. Trading assets (from Schedule RC-D).....	3545	3,836,000	5.	
6. Premises and fixed assets (including capitalized leases).....	2145	209,000	6.	
7. Other real estate owned (from Schedule RC-M).....	2150	6,000	7.	
8. Investments in unconsolidated subsidiaries and associated companies				
(from Schedule RC-M).....	2130	9,000	8.	
9. Customers' liability to this bank on acceptances outstanding.....	2155	0	9.	
10.Intangible assets:				
a.Goodwill.....	3163	0	10.a.	
b.Other intangible assets (from Schedule RC-M).....	0426	33,000	10.b.	
11. Other assets (from Schedule RC-F).....	2160	5,044,000	11.	
12. Total assets (sum of items 1 through 11).....	2170	33,341,000	12.	

</TABLE>

(1) Includes cash items in process of collection and unposted debits.

(2) Includes time certificates of deposit not held for trading.

(3) Includes all securities resale agreements in domestic and foreign offices, regardless of maturity.

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Schedule RC -- Continued

<TABLE>

<CAPTION>

	Dollar Amounts in Thousands			
<S>			<C>	<C>
LIABILITIES				
13. Deposits:				
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part I).....	RCON 2200	8,573,000	13.a.	
(1) Noninterest-bearing(1).....	RCON 6631 3,522,000		13.a. (1)	
(2) Interest-bearing.....	RCON 6636 5,051,000		13.a. (2)	
b. In foreign offices, Edge and Agreement subsidiaries, and IBFs	RCFN			
(from Schedule RC-E, part II).....	2200	6,417,000		
(1) Noninterest-bearing.....	RCFN 6631 2,311,000		13.b. (1)	
(2) Interest-bearing.....	RCFN 6636 4,106,000		13.b. (2)	
14. Federal funds purchased and securities sold under agreements to repurchase:				
a.Federal funds purchased in domestic offices(2).....	RCFN B993	6,951,000	14.a.	
b.Securities sold under agreements to repurchase(3).....	RCFD B995	140,000	14.b.	
15. Trading liabilities (from Schedule RC-D).....	RCFD 3548	867,000	15.	
16. Other borrowed money (includes mortgage indebtedness and obligations under	RCFD			

capitalized leases) (from Schedule RC-M).....	3190	160,000	16.
17. Not applicable			
18. Bank's liability on acceptances executed and outstanding.....	2920	0	18.
19. Subordinated notes and debentures(4).....	3200	8,000	19.
20. Other liabilities (from Schedule RC-G).....	2930	2,209,000	20.
21. Total liabilities (sum of items 13 through 20).....	2948	25,325,000	21.
22. Minority interest in consolidated subsidiaries.....	3000	415,000	22.
EQUITY CAPITAL			
23. Perpetual preferred stock and related surplus.....	3838	1,500,000	23.
24. Common stock.....	3230	2,127,000	24.
25. Surplus (exclude all surplus related to preferred stock).....	3839	584,000	25.
26. a. Retained earnings.....	3632	3,342,000	26.a.
b. Accumulated other comprehensive income(5).....	B530	48,000	26.b.
27. Other equity capital components(6).....	A130	0	27.
28. Total equity capital (sum of items 23 through 27).....	3210	7,601,000	28.
29. Total liabilities, minority interest, and equity capital (sum of items 21, 22, and 28).....	3300	33,341,000	29.

</TABLE>

Memorandum

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To be REPORTED WITH THE MARCH REPORT of CONDITION.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 2003.....

RCFD NUMBER
6724 N/A

M.1.

</TABLE>

- 1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank
- 2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)
- 3 = Attestation on bank management's assertion on the effectiveness of the bank's internal control over financial reporting by a certified public accounting firm
- 4 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)
- 5 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)
- 6 = Review of the bank's financial statements by external auditors
- 7 = Compilation of the bank's financial statements by external auditors
- 8 = Other audit procedures (excluding tax preparation work)
- 9= No external audit work

- (1) Includes total demand deposits and noninterest-bearing time and savings deposits.
- (2) Report overnight Federal Home Loan Bank advances in Schedule RC. item 16, "Other borrowed money."
- (3) Includes all securities repurchase agreements in domestic and foreign offices, regardless of maturity.
- (4) Includes limited-life preferred stock and related surplus.
- (5) Includes net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, cumulative foreign currency translation adjustments, and minimum pension liability adjustments.
- (6) Includes treasury stock and unearned Employee Stock Ownership Plan shares.