



**Information Circular 09-028**

**Date:** February 11, 2009

**Re: Citigroup Funding Inc. ELKS**

Pursuant to Rule 14.1(c)(2) of the Rules of BATS Exchange, Inc. (the "Exchange"), this Information Circular is being issued to advise you that the following securities have been approved for trading on the Exchange as UTP Derivative Securities pursuant to Chapter XIV of the Exchange's Rules.

**Security ("ELKS")**

**Symbol**

Citigroup Funding Inc. 10.5% Equity Linked Securities Based on the Common Stock of Intel Corporation

EHP

**Commencement of Trading on the Exchange:** February 12, 2009

**Issuer/Trust:** Citigroup Funding Inc.

**Issuer Website:** <http://www.citi.com>

**Primary Listing Exchange:** NYSE Arca

**Primary Exchange Circular:** RB-08-162 (November 20, 2008)

The purpose of this information circular is to outline various rules and policies that will be applicable to trading in this new product on the Exchange, as well as to provide certain characteristics and features of the ELKS.

**Background Information on the ELKS**

The Issuer has issued 10.5% ELKS based upon the common stock of Intel Corporation ("Intel"). The ELKS were priced at \$10 each and mature on May 7, 2009.

ELKS are equity-linked investments that offer current income as well as limited protection against the decline in the price of Intel common stock and are not principal protected. The ELKS will pay a semi-annual coupon of 10.5% per annum.

At maturity, investors will receive for each ELKS:

(i) 0.44326 shares of Intel common stock, if Intel stock trades at a price equal to or below \$16.92 from the pricing date up to and including the valuation date on May 4, 2009; or

(ii) \$10.00 per ELKS.

Since all payments which may be due to holders of ELKS are the sole responsibility of the Issuer, it is the credit of Citigroup Funding Inc. which stands behind the ELKS.

Investors in ELKS will not be entitled to any rights with respect to Intel until such time as the Issuer shall deliver Intel shares to investors in the ELKS, if applicable.

It is expected that the market value of the ELKS will depend substantially on the value of Intel and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of Intel stock, the time remaining to maturity, the dividend yield of Intel stock, and the credit ratings of the Issuer.

Investors should note that Intel is not involved in the subject offering and has no obligation with respect to these securities whatsoever, including any obligations with respect to the principal amount to be paid at maturity, or to take the needs of the Issuer or holders of ELKS into consideration. Any dividends or distributions to the underlying common stock will not be paid to holders of ELKS.

The Trustee for the securities is The Bank of New York.

### **Exchange Rules Applicable to Trading in the ELKS**

Trading in the ELKS on BATS is subject to BATS equity trading rules.

### **Trading Hours**

The ELKS will trade on BATS between 8:00 a.m. and 4:00 p.m. ET.

Please note that trading in the ELKS during the Exchange's pre-opening session may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the pre-opening session, (2) the indicative value may not be updated during the pre-opening session, (3) lower liquidity in the pre-opening session may impact pricing, (5) higher volatility in the pre-opening session may impact pricing, (6) wider spreads may occur in the pre-opening session, and (7) because the indicative value is not calculated or widely disseminated during the pre-opening session, an investor who is unable to calculate an implied value for the ELKS in that session may be at a disadvantage to market professionals.

### **Suitability**

Trading in the securities on BATS will be subject to the provisions of Exchange Rule 3.7. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer. Members should adopt appropriate procedures for the opening and maintaining of accounts, including the maintaining of records prescribed by any applicable regulatory organization and by the rules and regulations of the Commission.

### **Trading Halts**

BATS will halt trading in the shares of a security in accordance with BATS Rule 14.1(c)(4). The grounds for a halt under BATS Rule 14.1(c)(4) include a halt by the primary market because the intraday indicative value of the security and/or the value of its underlying index are not being disseminated as required, or a halt for other regulatory reasons. In addition, BATS will stop trading the shares of a security if the primary market de-lists the security.

**This Information Circular is not a statutory prospectus. BATS Members should consult the prospectus for a security and the security's website for relevant information.**

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