DEPOSITORY AGREEMENT

We hereby offer to pay interest on the deposits of the City of Chicago and the Chicago Board of Education in Fiscal Year 2022 in accordance with the following schedules:

INTEREST-BEARING DEPOSITS

We hereby offer to pay interest on deposit accounts of the City of Chicago and Chicago Board of Education at the following minimum rate(s):

Type of Account	Rate	Minimum Deposit Requirement (if any)
IBDDA	[redacted]	[redacted]

Please note that the quoted managed rates are subject to change at Citi's discretion based on market conditions

TIME DEPOSITS OR CERTIFICATES OF DEPOSIT

We hereby offer to pay interest on single maturity time deposits or certificates of deposit of $100,000 or more at the then current market rate being paid by our institution on similar principal amounts and for similar maturity terms; or at the following other rates:

(Please describe in detail your proposed rate schedule if your institution is offering to pay other than the current market rate. Attach sheets if necessary.)

The City shall reject the Proposal of any institution that does not offer rates on certificates of deposit or time deposits as prescribed above.

We understand that:

$ Interest on all certificates of deposit shall be computed on a 360-day basis rounded to 3 decimals.

$ Interest shall be paid to the City on the date of maturity.

Furthermore, we understand that any costs incurred in administering the City's account, including any costs incurred in collateralizing and safekeeping the City's investments, will be borne by our institution.

We understand the City's objective to invest its monies with financial institutions that demonstrate a commitment to benefit Chicago's communities and, in accordance with Chapter 2-32-440 of the Municipal Code of Chicago, have provided supplemental information to demonstrate our commitment. It is further understood that all information included in, attached to, or required by this Depository Agreement and related documents responding to the City's Request for Proposal shall become public record upon delivery to the City.

We certify that we have read the terms and conditions of this Request for Proposal and fully understand its intent. We also certify that we have adequate personnel, equipment and facilities to fulfill all requirements and to qualify as a municipal depository. Upon execution by the City below, it is our understanding that the Depository Agreement, along with all the requirements, provisions and stipulations as contained in the Request for Proposal, which is incorporated herein by reference, constitute the agreement between our institution and the City.

Submitted by: [redacted]

Title: State and Local Government Coverage Segment Head

Date: 11/10/2021

Authorized Signature: [redacted]

Name of Institution: Citibank, N.A.

Location of Principal Place of Business: 227 West Monroe Street, Chicago, IL 60606

If known, please indicate which City Ward the Principal Place of Business is located 42

How many facilities are located within the City of Chicago? 23

Is your bank a Regularly Organized State Bank, National Bank, or Federal Bank? (Please indicate State, National or Federal) National Association

Is your bank Federally Insured? YES Type of Insurance? FDIC

Is your bank Minority Owned? (as defined by the Federal Reserve Board) NO

What is the Bank's Aggregate Amount of Capital Stock as of 12/31/2020? 751,000

Surplus as of 12/31/2020? 146,590,000 Total Assets as of 12/31/2020? 1,661,267,000

Name of Person Preparing the Proposal: [redacted]

Work Phone: [redacted] Fax: [redacted] Email: [redacted]

Executed for the City of Chicago:

By: ______________________________

Title: ______________________________

Date: ______________________________

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Citibank, N.A.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [×] the Applicant

OR

2. [ ] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: ______

OR

3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

______

B. Business address of the Disclosing Party: 388 Greenwich Street, New York, NY 10013

C. Telephone: [redacted] Fax: N/A Email: [redacted]

D. Name of contact person: [redacted]

E. Federal Employer Identification No. (if you have one): 13-5266470

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

2022 Municipal Depository RFP

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # ______ and Contract # ______

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
National Association

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity? N/A: Citibank, NA is a federally-chartered and national banking association, and therefore is not required to register as a foreign organization in IL.

[ ] Yes [ ] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title
See Attachment A for a list of Citibank, N.A. officers and directors

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Citicorp LLC	388 Greenwich St. New York, NY 10013	100%

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [ ] Yes [X] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [X] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?
[ ] Yes [X] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment B in support of the above

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

____

____

____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded**, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

____

____

____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?
[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and all applicable Appendices, on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and all applicable Appendices, are true, accurate and complete as of the date furnished to the City.

Citibank, N.A.

(Print or type exact legal name of Disclosing Party)

By: [redacted]
(Sign here)

[redacted]

(Print or type name of person signing)

Vice President

(Print or type title of person signing)

Signed and sworn to before me on (date) 11/10/2021,

at Fairfax County, VA (state).

[redacted]

Notary [redacted]

Commission expires: 7/31/2024

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

____
____
____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [x] No Citi has exited the loan servicing business and all ongoing servicing has been outsourced to a vendor. The vendor is contractually obligated to comply with all federal, state, county and local; regulatory requirements regarding mortgage servicing

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416? Citi has exited the loan servicing business and all ongoing servicing has been outsourced to a vendor. The vendor is contractually obligated to comply with all federal, state, county and local; regulatory requirements regarding mortgage servicing

[ ] Yes [x] No [ ] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

____
____
____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX C

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a "contractor" as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants' wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

[X] Yes

[ ] No

[ ] N/A – I am not an Applicant that is a "contractor" as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked "no" to the above, please explain.

____

____

____

ATTACHMENT A:
DIRECTORS & PRINCIPAL OFFICERS
As of October 25, 2021

<u>CITIBANK, N.A.</u>

<u>DIRECTORS</u>

1. Dailey, Grace
2. Desoer, Barbara, Chair of the Board
3. Fraser, Jane
4. Garg, Sunil
5. Hennes, Duncan
6. Henry, Peter
7. Ireland, S. Leslie
8. Taylor, Diana
9. Turley, James

[redacted]

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP INC.

ATTACHMENT B FURTHER CERTIFICATION

[redacted]

ASSISTANT SECRETARY CERTIFICATE

CITIBANK, N.A.

[redacted]

[redacted]

[redacted]

citibank

CITIBANK, N.A.

[redacted]

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Citicorp LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant

OR

2. [X] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: Citibank, N.A.

OR

3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

____

B. Business address of the Disclosing Party: 388 Greenwich Street, New York, NY 10013

C. Telephone: [redacted] Fax: N/A Email: [redacted]

D. Name of contact person: [redacted]

E. Federal Employer Identification No. (if you have one): 52-2451036

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

2022 Municipal Depository RFP

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # ____________________ and Contract # ____________________

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware
____

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title
Please see Attachment A for a list of Citicorp LLC officers and directors here
____
____
____

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Citigroup Inc.	388 Greenwich St. New York, NY 10013	100%

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [ ] Yes [X] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [X] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

____

____

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?
[ ] Yes [X] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

____

____

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
- the Disclosing Party;
- any “Contractor” (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, “Disclosure of Subcontractors and Other Retained Parties”);
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment B in support of the above

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

____

____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

____

____

____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded**, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

____

____

____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?
[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

____

____

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and all applicable Appendices, on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and all applicable Appendices, are true, accurate and complete as of the date furnished to the City.

Citicorp LLC.

(Print or type exact legal name of Disclosing Party)

[redacted]

(Print or type name of person signing)

Assistant Secretary

(Print or type title of person signing)

Signed and sworn to before me on (date) 15/11/2021,

at [redacted] New York (state).

[redacted]

Notary Public

Commission expires: 09/07/2025

[redacted]

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

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CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Citi has exited the loan servicing business and all ongoing servicing has been outsourced to a vendor. The vendor is contractually obligated to comply with all federal, state, county and local; regulatory requirements regarding mortgage servicing

[ ] Yes [X] No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Citi has exited the loan servicing business and all ongoing servicing has been outsourced to a vendor. The vendor is contractually obligated to comply with all federal, state, county and local; regulatory requirements regarding mortgage servicing

[ ] Yes [X] No [ ] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

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CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX C

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a "contractor" as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants' wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

[x] Yes

[ ] No

[ ] N/A – I am not an Applicant that is a "contractor" as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked "no" to the above, please explain.

____

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ATTACHMENT A:
DIRECTORS & PRINCIPAL OFFICERS
As of October 25, 2021

<u>CITICORP LLC</u>

[redacted]

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP INC.

ATTACHMENT B FURTHER CERTIFICATION

[redacted]

[redacted]

[redacted]

CERTIFICATE OF INCUMBENCY

CITICORP LLC

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]
Assistant Secretary

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Citigroup Inc. ______________________________

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [×] the Applicant

OR

2. [ ] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: ______________________________

OR

3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

____

B. Business address of the Disclosing Party: 388 Greenwich Street, New York, NY 10013

____

C. Telephone: [redacted]____ Fax: N/A ______________ Email: [redacted] ___

D. Name of contact person: [redacted]__________________

E. Federal Employer Identification No. (if you have one): 52-1568099 ______________

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

2022 Municipal Depository RFP ______________________________

G. Which City agency or department is requesting this EDS? Department of Finance ______________

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # ______________________ and Contract # ______________________

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

See Attachment A for a list of Citigroup Inc officers and directors

____

____

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
None		

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? [ ] Yes [X] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? [ ] Yes [X] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

____

____

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?
[ ] Yes [X] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

____

____

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
- the Disclosing Party;
- any “Contractor” (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, “Disclosure of Subcontractors and Other Retained Parties”);
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment B in support of the above

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

____

____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__×__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

____

____

____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded**, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

____

____

____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?
[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question (1) or (2) above, please provide an explanation:

____

____

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and all applicable Appendices, on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and all applicable Appendices, are true, accurate and complete as of the date furnished to the City.

Citigroup Inc.
(Print or type exact legal name of Disclosing Party)

By [redacted]

(Print or type name of person signing)

Assistant Secretary
(Print or type title of person signing)

Signed and sworn to before me on (date) 15/11/2021,

at Kina County, New York (state).

[redacted]

Commission expires: 09/07/2025

[redacted]

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

____
____
____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[ ] Yes [X] No

Citi has exited the loan servicing business and all ongoing servicing has been outsourced to a vendor. The vendor is contractually obligated to comply with all federal, state, county and local; regulatory requirements regarding mortgage servicing

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Citi has exited the loan servicing business and all ongoing servicing has been outsourced to a vendor. The vendor is contractually obligated to comply with all federal, state, county and local; regulatory requirements regarding mortgage servicing

[ ] Yes [X] No [ ] The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

____

____

____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX C

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a "contractor" as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants' wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

[X] Yes

[ ] No

[ ] N/A – I am not an Applicant that is a "contractor" as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked "no" to the above, please explain.

____

____

____

ATTACHMENT A:
DIRECTORS & PRINCIPAL OFFICERS
As of October 25, 2021

CITIGROUP INC.

[redacted]

[redacted]

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP INC.

ATTACHMENT B FURTHER CERTIFICATION

[redacted]

[redacted]

[redacted]

CERTIFICATE OF INCUMBENCY

CITIGROUP INC.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]
Assistant Secretary

CITIGROUP INC.

Beneficial Ownership in excess of 7.5% of Citigroup Inc. Common stock

[redacted]

[redacted]

[redacted]

Anti-Predatory Lending Pledge*
for Municipal Depositories

We pledge that we are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code of Chicago. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code of Chicago. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of our designation as a municipal depository.

Citibank, NA
Name of Financial Institution

[redacted]
Signature of Authorized Officer

Vice President / Managing Director
Title

[redacted]
Name of Authorized Officer (Print or Type)

[redacted]
Business Telephone Number

Subscribed and sworn to before me this
10 day of November, 2021
[redacted]
Notary Public

[redacted]

Date: 11/08/2021

Name of transaction for which this certificate is submitted: 2022 Municipal Depository RFP

Contact Person: [redacted]
Address: [redacted]

Telephone: [redacted]

*The definitions of certain terms set forth in Chapter 2-32 of the Municipal Code of Chicago and used in the Anti-Predatory Lending Pledge are reproduced on the attached pages.

Loan Policy Pledge and Consumer Protection Statement for Municipal Depositories

We pledge not to arbitrarily reject mortgage loans for residential properties within a specific geographic area in Chicago because of the location and/or age of the property, or in the case of proposed borrower to arbitrarily vary the terms of those loans or the application procedures for those loans on the basis of race, color, religion, national origin, age, sex, gender identity, marital status, ancestry, sexual orientation, parental status, source of income, disability or military status. In addition, we pledge to make loans available to low- and moderate-income residential property in the neighborhoods of the City of Chicago within the limits of our legal restriction and prudent financial practices.

We understand that arbitrarily rejecting or varying the terms and/or application procedures of mortgage loans on the basis of the factors listed above may result in the loss of our designation as a municipal depository.

We certify on information and belief that we are in substantial compliance with consumer financial protection laws, subject to any previous disclosures made by us or by regulatory agencies.

Name of Financial Institution Citibank, N.A.

Signature of Authorized Officer [redacted] Vice President / Managing Director
Title

[redacted]
Name of Authorized Officer (Print or Type) 11/08/2021

Subscribed and sworn to before me this 10 day of November, 20 21.

Notary Public [redacted] [redacted] {stamp/SEAL}

Name of transaction for which this certificate is submitted: Designation as a Municipal Depository for 2022.

Rev 10/2021 [2-32-450]

Compliance with Vacant Buildings Code Pledge
For Municipal Depositories

We are in compliance with the reporting requirements in regard to vacant property as defined in Section 13-12-125 of the Municipal Code of Chicago. We further pledge we will maintain vacant properties in compliance with the Chicago Building Code as defined in Section 13-12-135 of the Municipal Code of Chicago. We understand that failing to adhere to these requirements or becoming an affiliate of an offender of these requirements may result in the loss of our designation as a municipal depository.

Citibank, N.A.
Name of Financial Institution

[redacted]
Signature of Authorized Official

Vice President / Managing Director
Title

[redacted]
Name of Authorized Officer
(Print or Type)

[redacted]
Business Telephone Number

Subscribed and sworn to before me this

10 day of November, 20 21

[redacted]
Notary Public

[redacted]

November 10, 2021
Date

Contact Person: [redacted]
Address: [redacted]
[redacted]

Telephone: [redacted]

QUESTIONNAIRE

To facilitate the City's analysis of the data that you have provided on Disclosure Forms A(1) - G, please provide the information requested below:

1. List all credit instruments or types of credit that you have included within or under the following lending categories:

<u>Consumer Lending:</u>

[redacted]

<u>Commercial Lending:</u>

[redacted]

2. List all types of accounts that you have included as:

<u>Savings Accounts:</u>

[redacted]

<u>Checking Accounts:</u>

[redacted]

AFFIDAVIT OF COMMITMENT TO COMMUNITY REINVESTMENT, RESPONSIBILITY AND TRANSPARENCY CITY OF CHICAGO OFFICE OF THE COMPTROLLER

I, [redacted] a duly authorized representative of Citibank, N.A. represent and say as follows:

That for the purpose of becoming an eligible depository for active deposits of the City of Chicago, the undersigned Affiant states that it will use reasonable efforts to provide lending, financing, and banking opportunities as a commitment of community reinvestment to Chicago's low and moderate income (LMI) communities; Affiant states that such reasonable efforts shall include, but are not limited to:

A. Assignment of identifiable personnel to answer and respond to questions, concerns and inquiries by the citizens of Chicago, City Treasurer, City Comptroller, and the City Council regarding financial services, investment and lending products, services and related issues, including the Community Reinvestment Act (CRA) of 1977;

B. Cooperate with and support non-profit neighborhood development/redevelopment organizations in the implementation of "neighborhood economic development" strategies that focus on revitalization of communities that are more locally focused where an institution has a branch or market presence;

C. Commit to affirmatively market and make available banking services throughout Chicago's low and moderate income communities, by not meeting this commitment only through the installation of ATM distribution centers, but also by opening and/or maintaining branch locations within those communities;

D. Prepare an annual report of CRA activities, presented to the Comptroller, the Treasurer, and the City Council, that is made publicly available, demonstrating investment in all Chicago Communities, as well as reinvestment in LMI communities of Chicago, by community area that includes the number of loans and amount of loans in the following (6) categories:

   1. Home Purchase within LMI communities;
   2. Refinancing within LMI communities;
   3. Home Improvement;
   4. Small Business Loans (to companies with revenues under $1 Million);
   5. Community Development Loans including multi-family lending; and
   6. Community Development Investments to eligible Community Development Financial Institutions (CDFI) and other community intermediaries to further the goals of an institution to meet its obligations to the Community Reinvestment Act of 1977 and this Affidavit.

   Such a Municipal Depository annual CRA report will include, by community area, the number of mortgage loans originated and other strategies to minimize the impact of foreclosure and neighborhood instability.

E. An institution acknowledges that failure to comply with this Affidavit may result in discontinued status as a municipal depository.

Signed: [redacted]

Dated: 11/10/2021

Print Name [redacted]

Title: Vice President / Managing Director

DEMOGRAPHICS AFFIDAVIT

Name of Applicant firm: **Citibank, N.A.**

Description of Matter: **Designation as a 2022 Municipal Depository for City of Chicago and Chicago Board of Education Funds**

Role of Applicant: **Municipal Depository**

Fill out below (and attach additional sheets using the same format, if necessary), the following information for each person in the Applicant's firm who will directly provide professional services to the City in connection with the Matter described above: the individual's position in the Applicant's firm and their role in the Matter, gender, and race or ethnicity. Individuals' names need not be disclosed.

Count	Position and Role	Gender	Race/Ethnicity
1	[redacted]	[redacted]	[redacted]
1	[redacted]	[redacted]	[redacted]
1	[redacted]	[redacted]	[redacted]
1	[redacted]	[redacted]	[redacted]
1	[redacted]	[redacted]	[redacted]
1	[redacted]	[redacted]	[redacted]

(If needed, please use additional sheets to identify additional personnel.)

By signing below, I represent under penalty of perjury that: (1) I am authorized to act on behalf of the Applicant; (2) the information in this Affidavit (and associated attachment, if applicable) are true, complete, and correct; and (3) failure to accurately and completely provide the information requested herein may result in a declaration of ineligibility to participate in future Matters for the City of Chicago.

Printed Name: [redacted]

Signature: [redacted]

Title: Managing Director

Date: 11/10/2021

FIRMWIDE

PLEASE POPULATE THE HIGHLIGHTED PORTIONS ONLY

Firm Name:	Citibank, N A.
Primary Representative:	[redacted]
Primary Representative Email and Telephone:	[redacted]
Headquarters Address:	388 Greenwich St, New York, NY 10013
Chicago Public Finance Office Address:	227 West Monroe St, 25th Floor, Chicago, IL 60606
Total Number of Employees:	[redacted]
Number of Employees in Illinois:	
Number of Employees in Chicago:	
Capital Position:	2,260,090,000,000
Minority Designation:	Not Applicable

[redacted] [redacted]

		Male [redacted]						Female [redacted]					
Job Categories	Overall Totals	White (Not Hispanic)	Black (Not Hispanic)	Hispanic	Asian	Native American	Two or More Races	White (Not Hispanic)	Black (Not Hispanic)	Hispanic	Asian	Native American	Two or More Races
Officials and Managers	[redacted]												
Professionals													
Technicians													
Sales Workers													
Office and Clerical													
Craft Workers (Skilled)													
Operatives (Semi-Skilled)													
Laborers													
Service Workers													
Total													

Job Categories	Overall Totals	White (Not Hispanic)	Black (Not Hispanic)	Hispanic	Asian	Native American	Two or More Races
Officials and Managers	[redacted]						
Professionals							
Technicians							
Sales Workers							
Office and Clerical							
Craft Workers (Skilled)							
Operatives (Semi-Skilled)							
Laborers							
Service Workers							
Total							

Male	Female	Total
[redacted]		

Cover Letter

City of Chicago
Department of Finance
121 N. LaSalle Street
Chicago, IL 60602

Re: Request for Proposal (RFP) for Designation as a 2022 Municipal Depository for City of Chicago and Chicago Board of Education Funds

The City of Chicago requires a banking partner who shares your dedication to enabling progress in society, to efficiently servicing large constituent populations, and passion for forward-thinking innovation. Citi's ability to partner with Chicago on these objectives is unmatched with over 75 years in expertise serving Public Sector clients and over 200 years of banking history overall.

We are continuously reinvesting in our business to automate, digitize, simplify and enhance the experience we deliver for our clients and their constituents. For this reason, we have included the latest on our digital banking capabilities under the "Liquidity Management Solutions" and "Custody & Securities Safekeeping" sections for your review. We understand the importance of efficiency and the role of technology to serve the people of the City of Chicago.

Our "Statement of Community Involvement" outlines our support of the local community and constituents of Chicago through financing, investment, and volunteering. We are pleased to share that Citi announced in September of 2021 that we received an "Outstanding" rating on our most recent CRA evaluation.

We are pleased to respond to the City of Chicago's Request-For-Proposal ("RFP"), share updates on our industry leading depository services, and recognize progress we have enabled in the Chicagoland area.

We acknowledge receipt of Addendums numbered 1, 2, and 3.

We welcome the opportunity to discuss any aspect of our response. Please contact me directly if you have any questions or require additional information.

Sincerely,

[redacted]

[redacted]

Assistant Vice President
Relationship Manager
Citi Banking Capital Markets & Advisory
[redacted]

Confidentiality Statement

The information provided by Citi to City of Chicago (the City) in this proposal (and any additional information provided subsequently in connection with this proposal) is confidential to Citi and is intended solely for the use of the City and its employees. This information may not be disclosed outside of the City, other than to professional advisers engaged specifically by the City to evaluate the proposal, and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate this proposal. If the City discloses any information to such professional advisers, it shall ensure that such persons maintain the confidential nature of this proposal.

Interbank Offered Rates

Certain interest or pricing contemplated herein is calculated by reference to a reference or benchmark rate which is an "interbank offered rate" (an "IBOR"), such as LIBOR or EURIBOR. It is uncertain whether IBORs will continue to be produced and published after the end of 2021. While there is not currently an expectation that all IBORs will be discontinued, there is no guarantee that any applicable IBOR will continue to be produced and published for the entire term of this [agreement] [facility] [product or service] or will continue to be produced using the same calculation methodology. If an applicable IBOR is or is likely to be discontinued during the term of this [agreement] [facility] [product or service], we will, in due course, inform you of an alternative rate. There is no way to know at this time whether you would be disadvantaged economically by any such discontinuation or alternative rate. Timing for any discontinuation of an applicable IBOR may vary across currencies and tenors in which that IBOR is currently produced and such timing may differ from the timing for any discontinuation of other IBORs. The discontinuation or reform of any applicable IBOR may result in a difference between current and future rates in this [agreement] [facility] [product or service]. You should consider seeking professional independent advice in respect of the tax, accounting, legal, regulatory, and financial or other implications of executing and then potentially amending the terms of this [agreement] [facility] [product or service].

By entering into and accepting the terms of this [agreement] [facility] [product or service], you confirm that you: a) Understand that the current reference rate may cease to be appropriate during the lifetime of this [agreement] [facility] [product or service]; b) Understand how the provisions of this [agreement] [facility] [product or service] will operate [including our ability to unilaterally amend the rate] , bearing in mind that amendments to this [agreement] [facility] [product or service] may be required; c) Have considered whether you need to obtain professional independent advice (legal, financial, regulatory, tax, accounting or otherwise) prior to entering into this [agreement] [facility] [product or service]; and d) Accept that Citi does not owe you any duties or have any liability to you in respect of IBOR transition.

IRS Circular 230 Disclosure

Citigroup Inc. and its affiliates do not provide tax or legal advice. Any discussion of tax matters in these materials: (i) is not intended or written to be used, and cannot be used or relied upon, by you for the purpose of avoiding any tax penalties and (ii) may have been written in connection with the "promotion or marketing" of any transaction contemplated hereby ("Transaction"). Accordingly, you should seek advice based on your particular circumstances from an independent tax advisor.

This communication is provided for informational purposes only and may not represent the views or opinions of Citigroup Inc. or its affiliates (collectively, "Citi"), employees, or officers. The information contained herein does not constitute and shall not be construed to constitute legal, tax, and/or accounting advice by Citi. Citi makes no representation as to the accuracy, completeness, or timeliness of such information. This communication and any documents provided pursuant hereto should not be used or relied upon by any person/entity: (i) for the purpose of making regulatory decisions or (ii) to provide regulatory advice to another person/entity based on matter(s) discussed herein. Recipients of this communication should obtain guidance and/or advice, based on their own particular circumstances, from their own legal, tax, or accounting advisor.

Any terms set forth herein are intended for discussion purposes only and are subject to the final terms as set forth in separate definitive written agreements. This presentation is not a commitment or firm offer and does not obligate us to enter into such a commitment, nor are we acting as a fiduciary to you. By accepting this proposal, subject to applicable law or regulation, you agree to keep confidential the information contained herein and the existence of and proposed terms for any Transaction.

We are required to obtain, verify, and record certain information that identifies each entity that enters into a formal business relationship with us. We will ask for your complete name, street address, and taxpayer ID number. We may also request corporate formation documents, or other forms of identification, to verify information provided.

Certain services and/or products mentioned in this communication may contain provisions that refer to a reference or benchmark rate which may change, cease to be published or be in customary market usage, become unavailable, have its use restricted and/or be calculated in a different way. As a result, those reference or benchmark rates that are the subject of such changes may cease to be appropriate for the services and/or products mentioned in this communication.

We encourage you to keep up to date with the latest industry developments in relation to benchmark transitioning and to consider its impact on your business. You should consider, and continue to keep under review, the potential impact of benchmark transitioning on any existing services and/or product you have with Citi, or any new services (you avail) and/or product you enter into with Citi. Citi does not provide advice or recommendations on the suitability of your service and/or product choice, including with respect to any benchmark transitioning on any existing service and/or product you have with Citi. You should obtain professional independent advice (tax, accounting, regulatory, legal, financial, or otherwise) in respect of the suitability of your service and/or products in light of benchmark transitioning as you consider necessary.

Citi

For the purposes of this proposal “Citi” means Citigroup Inc. and its immediate and subsequent subsidiaries and affiliates.

Executive Summary

Citi is pleased to respond to the City of Chicago's Request-For-Proposal ("RFP") with our Depository Services.

Citi's vision and strategy is to be the world's leading digital bank, by leveraging new technology to provide fast, transparent, digital services with exceptional customer experience to our clients. In the pages to follow, we have highlighted our industry leading services for deposit and investment, and custodial services.

Citi has a long-standing record of accomplishment providing reliable global and local depository services to our customers. With over 75 years of experience in Public Sector banking, we understand the importance of efficiency and the role of technology to optimize Treasury processes and ultimately best serve the people of the City of Chicago.

Commitment to the Public Sector

Citi's innovative solutions are unrivaled in the industry. Citi continues to be the preferred partner for Public Sector organizations globally, including many state and municipal governments, universities in Illinois and across the U.S. We recognize that our clients are our most important asset and this sentiment is shared across all levels and lines of our business and reflected in every decision we make.

Success in this budgetary climate is driven by strategy and partnership. Cities continue to seek new ways to optimize their operations and we remain committed to developing solutions that help achieve their expense management goals. Throughout the years, Citi has had the opportunity to partner with our Public Sector clients to implement programs that allow them to operate more efficiently and transparently to effectively navigate today's budgetary conditions and lay the foundation for long-term success. Now, more than ever, organizations need the best tools and partners to manage resources judiciously and operate efficiently. That is why the world's leading organizations choose Citi. With over 100 years of experience serving federal, state, and local governments throughout the United States, Citi is uniquely qualified to bring best practices to North America Public Sector organizations.

Citi has a long record of engagement in Chicago:

- 1,400+ employees in Illinois, primarily based in Greater Chicago
- 1.7+ Million client accounts in Illinois

Citi's business and charitable giving in 2020 alone included:

- $200+ Million in Small Business Loans
- $180+ Million in Affordable Housing
- $5+ Million in Charitable Giving

Conclusion

At Citi, we take our responsibility as a trusted banking partner for the City of Chicago seriously. **Trust**, **Execution**, and **Resiliency** are all important and must never fail. The City mandates and expects this high bar of performance from its banking providers and Citi is proud to have served you in this manner.

We are delighted to showcase how we will continue to provide further value as the City of Chicago's strategic partner for depository services. We stand fully committed to providing you with the highest quality service and flawless execution through our best-in-class solutions. We thank you again for this opportunity and look forward to your evaluation of our proposal.

Confidentiality Statement

The information provided by Citi to City of Chicago (the City) in this proposal (and any additional information provided subsequently in connection with this proposal) is confidential to Citi and is intended solely for the use of the City and its employees. This information may not be disclosed outside of the City, other than to professional advisers engaged specifically by the City to evaluate the proposal, and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate this proposal. If the City discloses any information to such professional advisers, it shall ensure that such persons maintain the confidential nature of this proposal.

Interbank Offered Rates

Certain interest or pricing contemplated herein is calculated by reference to a reference or benchmark rate which is an "interbank offered rate" (an "IBOR"), such as LIBOR or EURIBOR. It is uncertain whether IBORs will continue to be produced and published after the end of 2021. While there is not currently an expectation that all IBORs will be discontinued, there is no guarantee that any applicable IBOR will continue to be produced and published for the entire term of this [agreement] [facility] [product or service] or will continue to be produced using the same calculation methodology. If an applicable IBOR is or is likely to be discontinued during the term of this [agreement] [facility] [product or service], we will, in due course, inform you of an alternative rate. There is no way to know at this time whether you would be disadvantaged economically by any such discontinuation or alternative rate. Timing for any discontinuation of an applicable IBOR may vary across currencies and tenors in which that IBOR is currently produced and such timing may differ from the timing for any discontinuation of other IBORs. The discontinuation or reform of any applicable IBOR may result in a difference between current and future rates in this [agreement] [facility] [product or service]. You should consider seeking professional independent advice in respect of the tax, accounting, legal, regulatory, and financial or other implications of executing and then potentially amending the terms of this [agreement] [facility] [product or service].

By entering into and accepting the terms of this [agreement] [facility] [product or service], you confirm that you: a) Understand that the current reference rate may cease to be appropriate during the lifetime of this [agreement] [facility] [product or service]; b) Understand how the provisions of this [agreement] [facility] [product or service] will operate [including our ability to unilaterally amend the rate] , bearing in mind that amendments to this [agreement] [facility] [product or service] may be required; c) Have considered whether you need to obtain professional independent advice (legal, financial, regulatory, tax, accounting or otherwise) prior to entering into this [agreement] [facility] [product or service]; and d) Accept that Citi does not owe you any duties or have any liability to you in respect of IBOR transition.

IRS Circular 230 Disclosure

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This communication is provided for informational purposes only and may not represent the views or opinions of Citigroup Inc. or its affiliates (collectively, "Citi"), employees, or officers. The information contained herein does not constitute and shall not be construed to constitute legal, tax, and/or accounting advice by Citi. Citi makes no representation as to the accuracy, completeness, or timeliness of such information. This communication and any documents provided pursuant hereto should not be used or relied upon by any person/entity: (i) for the purpose of making regulatory decisions or (ii) to provide regulatory advice to another person/entity based on matter(s) discussed herein. Recipients of this communication should obtain guidance and/or advice, based on their own particular circumstances, from their own legal, tax, or accounting advisor.

Any terms set forth herein are intended for discussion purposes only and are subject to the final terms as set forth in separate definitive written agreements. This presentation is not a commitment or firm offer and does not obligate us to enter into such a commitment, nor are we acting as a fiduciary to you. By accepting this proposal, subject to applicable law or regulation, you agree to keep confidential the information contained herein and the existence of and proposed terms for any Transaction.

We are required to obtain, verify, and record certain information that identifies each entity that enters into a formal business relationship with us. We will ask for your complete name, street address, and taxpayer ID number. We may also request corporate formation documents, or other forms of identification, to verify information provided.

Certain services and/or products mentioned in this communication may contain provisions that refer to a reference or benchmark rate which may change, cease to be published or be in customary market usage, become unavailable, have its use restricted and/or be calculated in a different way. As a result, those reference or benchmark rates that are the subject of such changes may cease to be appropriate for the services and/or products mentioned in this communication.

We encourage you to keep up to date with the latest industry developments in relation to benchmark transitioning and to consider its impact on your business. You should consider, and continue to keep under review, the potential impact of benchmark transitioning on any existing services and/or product you have with Citi, or any new services (you avail) and/or product you enter into with Citi. Citi does not provide advice or recommendations on the suitability of your service and/or product choice, including with respect to any benchmark transitioning on any existing service and/or product you have with Citi. You should obtain professional independent advice (tax, accounting, regulatory, legal, financial, or otherwise) in respect of the suitability of your service and/or products in light of benchmark transitioning as you consider necessary.

Citi

For the purposes of this proposal “Citi” means Citigroup Inc. and its immediate and subsequent subsidiaries and affiliates.

RE: Last two sworn statements of resources and liabilities which the proposer is required to furnish the Commissioner of Banks and Trust Companies or to the Comptroller of the Currency (Banks) or to the Commissioner of Savings and Loan Associations or to the Federal Home Loan Bank (Savings and Loans)

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Liquidity Management Solutions

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Custody and Securities Safekeeping

[redacted]

[redacted]

Appendix – Citi's Industry Recognition

Citi's vision and strategy is to be the world's leading digital bank, by leveraging new technology to provide fast, transparent, digital payment services with exceptional customer experience to our clients on a global scale. We are honored to be recognized by *Euromoney*, which awarded Citi its prestigious 2019 "the World's Best Bank for Transaction Services" award, and *International Financing Review's* "Bank of the Year for Governments" (2017).

Recent Awards Highlights

[redacted]

[redacted]

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Interbank Offered Rates

Certain interest or pricing contemplated herein is calculated by reference to a reference or benchmark rate which is an "interbank offered rate" (an "IBOR"), such as LIBOR or EURIBOR. It is uncertain whether IBORs will continue to be produced and published after the end of 2021. While there is not currently an expectation that all IBORs will be discontinued, there is no guarantee that any applicable IBOR will continue to be produced and published for the entire term of this [agreement] [facility] [product or service] or will continue to be produced using the same calculation methodology. If an applicable IBOR is or is likely to be discontinued during the term of this [agreement] [facility] [product or service], we will, in due course, inform you of an alternative rate. There is no way to know at this time whether you would be disadvantaged economically by any such discontinuation or alternative rate. Timing for any discontinuation of an applicable IBOR may vary across currencies and tenors in which that IBOR is currently produced and such timing may differ from the timing for any discontinuation of other IBORs. The discontinuation or reform of any applicable IBOR may result in a difference between current and future rates in this [agreement] [facility] [product or service]. You should consider seeking professional independent advice in respect of the tax, accounting, legal, regulatory, and financial or other implications of executing and then potentially amending the terms of this [agreement] [facility] [product or service].

By entering into and accepting the terms of this [agreement] [facility] [product or service], you confirm that you: a) Understand that the current reference rate may cease to be appropriate during the lifetime of this [agreement] [facility] [product or service]; b) Understand how the provisions of this [agreement] [facility] [product or service] will operate [including our ability to unilaterally amend the rate] , bearing in mind that amendments to this [agreement] [facility] [product or service] may be required; c) Have considered whether you need to obtain professional independent advice (legal, financial, regulatory, tax, accounting or otherwise) prior to entering into this [agreement] [facility] [product or service]; and d) Accept that Citi does not owe you any duties or have any liability to you in respect of IBOR transition.

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We are required to obtain, verify, and record certain information that identifies each entity that enters into a formal business relationship with us. We will ask for your complete name, street address, and taxpayer ID number. We may also request corporate formation documents, or other forms of identification, to verify information provided.

Certain services and/or products mentioned in this communication may contain provisions that refer to a reference or benchmark rate which may change, cease to be published or be in customary market usage, become unavailable, have its use restricted and/or be calculated in a different way. As a result, those reference or benchmark rates that are the subject of such changes may cease to be appropriate for the services and/or products mentioned in this communication.

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Citi

For the purposes of this proposal "Citi" means Citigroup Inc. and its immediate and subsequent subsidiaries and affiliates.

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Community Involvement Statement, Citibank, N.A.

[redacted]

[redacted]

[redacted]

[redacted]

Citi Foundation

[redacted]

[redacted]

Confidentiality Statement

The information provided by Citi to City of Chicago (the City) in this proposal (and any additional information provided subsequently in connection with this proposal) is confidential to Citi and is intended solely for the use of the City and its employees. This information may not be disclosed outside of the City, other than to professional advisers engaged specifically by the City to evaluate the proposal, and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate this proposal. If the City discloses any information to such professional advisers, it shall ensure that such persons maintain the confidential nature of this proposal.

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We are required to obtain, verify, and record certain information that identifies each entity that enters into a formal business relationship with us. We will ask for your complete name, street address, and taxpayer ID number. We may also request corporate formation documents, or other forms of identification, to verify information provided.

Certain services and/or products mentioned in this communication may contain provisions that refer to a reference or benchmark rate which may change, cease to be published or be in customary market usage, become unavailable, have its use restricted and/or be calculated in a different way. As a result, those reference or benchmark rates that are the subject of such changes may cease to be appropriate for the services and/or products mentioned in this communication.

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Safekeeping Agreement Statement:

In accordance with the City of Chicago's policy, we would collateralize any deposits with FHLB Letters of Credit (LOC) or Municipal Securities. Citi would provide confirmation of collateral to the City of Chicago Investment Team upon expiration.

PUBLIC DISCLOSURE

February 8, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Citibank, N.A.
Charter Number: 1461

5800 South Corporate Place
Sioux Falls, SD 57108

Office of the Comptroller of the Currency

Large Bank Supervision
Constitution Center
400 7th Street, S.W.
Washington, DC 20219

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated Outstanding.

The following table indicates the performance level of Citibank, N.A. (Citibank, CBNA, or bank) with respect to the Lending, Investment, and Service Tests:

	Citibank, N.A. Performance Tests		
Performance Levels	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on excellent performance in nearly all rating areas. Geographic and borrower distribution ranged from good to excellent in major rating areas. Community development (CD) lending was significant in all rating areas.

- The Investment Test rating is based on excellent performance in all rating areas. The bank is responsive to the needs of its communities. The bank participates in large, complex investments such as Low-Income Housing Tax Credits (LIHTC), New Market Tax Credits (NMTC), and Historical Tax Credits (HTC), and with various partners in public/private partnerships.

- The Service Test rating is based on good performance in the New York Combined Statistical Area (NY CSA), Illinois, Puerto Rico, and South Dakota and excellent performance in all other rating areas. Service delivery systems ranged from good to excellent in major rating areas. The bank was also a leader in providing CD services in most rating areas.

Lending in Assessment Area

An adequate percentage of the bank's loans are in its assessment areas (AA).

The bank originated and purchased 38.9 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria. It was noted that the bank engages in business credit card lending that is offered nationwide or outside the bank's traditional footprint, which had the effect of lowering the in/out ratio.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans $(000s)				Total $(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		$	%	$	%	
Home Mortgage	135,612	61.6	84,455	38.4	220,067	64,208,241	73.8	22,829,718	26.2	87,037,959
Small Business	599,020	35.9	1,071,789	64.1	1,670,809	4,176,708	39.0	6,533,464	61.0	10,710,172
Small Farm	0	0.0	2	100.0	2	0	0.0	7	100.0	7
Total	734,632	38.9	1,156,246	61.1	1,890,878	68,384,949	70.0	29,363,189	30.0	97,748,138

Description of Institution

Citibank is a full-service interstate bank with its main office in Sioux Falls, South Dakota and headquarters in New York City, New York (NY). Citibank is a subsidiary of Citicorp, LLC, which is a direct subsidiary of Citigroup, Inc. (Citi). Citi is a global financial services company with approximately 200 million customer accounts, that does business in more than 160 countries and jurisdictions and has 200,000 employees worldwide. Citi's total assets of nearly $2 trillion as of December 31, 2019, made it the fourth largest bank holding company in the U.S. and the eighth largest banking organization in the world. Citi provides consumers, corporations, governments, and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management. Citibank operated 694 retail branches and 2,306 ATMs throughout its AAs.

The table below provides basic bank financial information as of the beginning of the first year (except for Net Income) and end of the third year of the evaluation period:

Loan Mix	01/01/2017		12/31/2019		% Growth / (Decline) in Period
	Balance Sheet $ Amount (000)	% of Total Loans	Balance Sheet $ Amount (000)	% of Total Loans	
Real Estate Loans	154,470,000	26.0	159,598,000	23.9	+3.3
Commercial Loans	160,788,000	27.0	178,617,000	26.8	+11.1
Individual Loans	169,077,000	28.4	189,756,000	28.4	+12.2
Agricultural Loans	1,181,000	0.2	771,000	0.1	(34.7)
All Other Loans/Leases	110,228,000	18.4	138,749,000	20.8	+25.9
Total Assets	1,349,581,000		1,453,998,000		+7.7
Total Deposits	945,683,000		1,079,840,000*		+14.2
Net Income	(Year end 2017) 757,000		17,405,000		+2,199.0
Tier 1 Capital	126,465,000		132,918,000		+5.1

Source: FFIEC Call Reports
*Represents international and domestic deposits. For CRA performance and capital allocated to AAs, total deposits were adjusted to $224.1 billion.

At the bank's request, examiners considered loans and investments from two subsidiaries. Refer to appendix A for a complete list. The bank and its subsidiaries were not constrained by any legal or financial impediments that would hinder its ability to meet the credit, investment, and service needs of its communities.

Citibank was rated Satisfactory by the OCC at its prior CRA evaluation dated February 5, 2018.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation assesses the bank's CRA performance under the large retail bank Lending, Investment, and Service Tests. The evaluation period is January 1, 2017, to December 31, 2019.

In evaluating the bank's lending performance, examiners reviewed home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA) and small loans to businesses reported under the CRA. The bank did not originate any farm loans in its AAs. Farm lending is not a primary product of the bank.

With an evaluation period end date of December 31, 2019, qualifying activities performed in response to the significant impact of the coronavirus pandemic across the United States are not addressed in this evaluation. Bank qualifying activities will be considered in the subsequent evaluation.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AAs within that state were selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is a blend of the state ratings, and where applicable, multistate ratings.

The MMSA and state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each State and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Lending Test

For the various loan products considered under the Lending Test, small loans to businesses received greater weight than home mortgage loans in developing conclusions due to a higher volume of small loans to businesses during the evaluation period. In rating areas where there was a significant difference in the weighting, it is noted under the Scope of the Evaluation section.

Throughout all rating areas, as data was available, examiners gave equal emphasis to the geographic and borrower distribution components of the Lending Test.

In analyzing the distribution of home mortgage loans to borrowers of different income levels, examiners considered the impact that poverty levels had on the demand for mortgages from low-income individuals and the affordability or high cost of housing in some markets. The costs associated with financing homeownership have a more significant impact on the opportunity to lend to low-income populations where a larger proportion of the individuals and families fall below the poverty line.

The volume of CD loans and the degree of responsiveness of those loans to the needs in the community were considered in the lending evaluation. CD lending in an AA impacted the Lending Test rating to the extent of opportunities, responsiveness, and performance context. Examiners compared the dollar amount of CD loans to the tier 1 capital allocated to the AAs to gain a common perspective regarding the volume of CD lending activity. Tier 1 capital was allocated to the rating areas and AAs based on the percentage of bank deposits in the AAs. Examiners also considered CD lending by the bank in the broader statewide or regional area (BRSA).

Citibank, through Citibank Community Capital, has the distinction of being the top affordable housing lender in the U.S. in 13 out of the past 14 years according to *Affordable Housing Finance* magazine. In 2019, the bank reported over $6.6 billion in lending and investing to finance affordable housing, mixed use and commercial development, healthcare, and small business projects across 200 U.S. banks.

Investment Test

Examiners considered the volume of qualified investments made during the current evaluation period and qualified investments that were made prior to the current evaluation period and are still outstanding. The amount of consideration given to the current and prior period investments is based on the responsiveness of the investments to the needs in the AAs.

Examiners compared the dollar amount of qualified investments made in the current evaluation period and prior evaluation periods to the tier 1 capital allocated to the AAs to gain a common perspective regarding the volume of investment activity. Tier 1 capital was allocated to the rating areas and AAs based on the percentage of bank deposits in each AA.

Service Test

Primary consideration is given to the bank's performance in delivering retail products and services to geographies and individuals of different income levels through the bank's distribution of branches. Examiners focused on branches in low- to moderate-income (LMI) geographies, but also considered branches in middle- and upper-income (MUI) geographies that are near LMI geographies and evaluated bank prepared reports on the usage of these branches by LMI households. Alternative delivery systems (ADS), including ATMs, mobile, remote, and internet banking, were given positive consideration after examiner evaluation of the bank provided reports on the use of these systems by LMI households.

Where the bank opened or closed branches within an AA, the overall impact of the changes was evaluated. If no branches were opened or closed in an AA, examiners did not include that performance element in the analysis.

Examiners evaluated the range of services and products offered by all the bank's branches. Services and products offered at branches are consistent throughout the branch network. Examiners specifically focused on differences in branch hours and services in LMI geographies compared to those in MUI geographies. Examiners noted Sunday hours at two branches in the NY CSA.

The bank's record of providing CD services was evaluated in AAs that received full-scope reviews. The primary consideration was the responsiveness of CBNA to the needs of the community. The bank uses two criteria to determine its performance; hours provided per employee and the number of LMI beneficiaries of the individual service. Examiners weighted each criterion equally.

Other Information

AAs – Examiners determined that all AAs consisted of whole geographies and met the requirements of the regulation. The areas reasonably reflected the different trade areas that CBNA's branches service and did not arbitrarily exclude any LMI areas.

Flexible and Innovative Lending Products – The bank offered several CRA affordable mortgage products during the evaluation period. The volume of originations is discussed within the rating areas, where applicable. Some of the more significant products include:

- Home Run – Proprietary first mortgage offering LMI borrowers flexible underwriting terms and no requirement for mortgage insurance. Offered through approved nonprofits providing pre- and post-purchase homeownership counseling services.

- Lender Paid Assistance – CBNA funded closing cost assistance up to $5,000 for first-time homebuyers who received counseling from an approved nonprofit organization.

- Deed Restriction – Mortgage program for properties with deed restrictions, including those that survive foreclosure. Deed restricted properties are a key feature to preserve affordability in many communities.

- Federal Housing Administration (FHA) and Veterans Affairs (VA) Programs – FHA and VA insured loans had more flexible lending criteria than conventional mortgage loans. U.S. Department of Housing and Urban Development (HUD) provided mortgage insurance for FHA loans, enabling the bank to offer additional loan options to borrowers that may not have qualified for a conventional mortgage. The U.S. Department of Veterans Affairs guaranteed the VA loans, which provided protection against losses arising from a borrower default.

- For small businesses, the bank offers loans guaranteed by the U.S. Small Business Administration (SBA), including SBA 504, SBA 7a, and SBA Express loans and lines of credit. SBA loans have more flexible terms than conventional loans.

Flexible and Innovative Retail Service Products – The bank offered several retail products and services across its AAs that address the needs of all its customers, including LMI. Some of these include:

- Citibank Basic Savings Account – A bank account with no monthly fee and a low minimum balance requirement available to customers when combined with a financial education program to introduce customers new to banking ways to build savings. These programs, called Financial Empowerment Programs, are offered through Citibank nonprofit partners.

• Citi ATM Community Network – Provides surcharge-free cash withdrawals and account inquiries at Citibank branch ATMs to more than 315,000 customers of 15 participating minority-owned banks and credit unions in Chicago, Los Angeles, Miami, New York, San Francisco, and Washington, D.C.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC found evidence of two violations of the Servicemembers Civil Relief Act (SCRA). In the first violation, the bank completed two foreclosures on active duty customers. Both the bank and the law firm acting for the bank used limited variations of the borrower's name in the Defense Manpower Data Center (DMDC) checks. The bank corrected this violation by rescinding the foreclosure action and the customers retained their homes. A lookback of foreclosures by law firms found no additional name variation issues. Bank procedures now provide for additional name variations in pre-sale DMDC checks.

In the second violation, a law firm acting for the bank filed an inaccurate military affidavit and obtained a default judgement on a borrower whose active duty spouse had dower rights to the mortgaged property. The bank became aware of the inaccurate affidavit through its post-sale review of law firm records. The bank rescinded the foreclosure sale. The law firm conducted additional SCRA training and began requiring attorneys to document their acknowledgment of DMDC search results.

The CRA performance rating was not lowered as a result of these findings. We considered the nature, extent, and strength of the evidence of the practices; the extent to which the institution had policies and procedures in place to prevent the practices; and the extent to which the institution has taken or has committed to take corrective action, including voluntary corrective action resulting from self-assessment; and other relevant information.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Multistate Metropolitan Statistical Area Rating

New York-Newark, NY-NJ-CT-PA CSA (NY CSA)

CRA rating for the NY CSA[1]: Outstanding
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs;
- Excellent geographic distribution of loans;
- Good borrower distribution of loans;
- The bank is a leader in making CD loans;
- Excellent level and responsiveness of CD investments;
- Retail service delivery systems are accessible to all portions and individuals of different income levels in the AA and the bank is a leader in providing CD services.

Description of Institution's Operations in NY CSA

Citibank's AA in the NY CSA is comprised of geographies in New York, New Jersey, and Connecticut. The bank conducts operations within three MDs and one MSA: New York-Jersey City-White Plains, NY-NJ MD consisting of Bergen, Hudson, and Passaic counties in NJ and Bronx, Kings, New York, Queens, Richmond, Rockland, and Westchester counties in NY; Nassau County-Suffolk County, NY MD in its entirety; Newark, NJ MD consisting of Essex County in NJ; Bridgeport-Stamford-Norwalk MSA in Connecticut consisting of Fairfield County. The NY CSA represents the largest retail market for the bank in terms of deposits and branches.

Citibank had $116.5 billion in deposits in the CSA, representing 52 percent of its adjusted deposits. The local banking environment is highly competitive, with 169 FDIC-insured institutions operating 4,211 branches. Citibank ranked fourth in deposit market share with 6.8 percent. The top three banks by deposit market share are JPMorgan Chase (33.2 percent), Bank of America (7.3 percent), and BNY Mellon (7.1 percent). In addition to FDIC-insured institutions, this area is served by several credit unions, mortgage lenders and brokers, and money service businesses. Citibank operated 247 branches and 1,221 ATMs in the CSA, representing 35.6 percent of total branches and 52.9 percent of total ATMs.

The CSA poses challenges to home mortgage lenders in the AA, including Citibank. The CSA is a high-cost housing area, limiting access to affordable homeownership among LMI borrowers. The median housing value in the CSA is $489,218 while the National Association of Realtors (NAR) 4Q2019

[1] This rating reflects performance within the multistate metropolitan statistical area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area.

median sales price of a single-family home is $428,000. One simplistic method used to determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income.

Assuming a 30-year mortgage with a 5 percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $44,686 per year (or less than 50 percent of the FFIEC adjusted median family income in the AA) could afford a $161,198 mortgage with a payment of $865 per month; a moderate-income borrower earning $71,498 per year (or less than 80 percent of the FFIEC adjusted median family income in the AA) could afford a $257,918 mortgage with a payment of $1,385 per month.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial wherewithal to qualify for a home loan than those with income above poverty. In the NY CSA, the overall household poverty level was 15 percent. However, in low-income geographies, the household poverty level increases to 37 percent and in moderate-income geographies it increases to 22 percent. In MUI geographies, the combined poverty level is just 9 percent.

Table A – Demographic Information of the Assessment Area

Assessment Area: New York CSA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	3,928	11.9	22.1	31.4	32.3	2.3
Population by Geography	16,398,846	12.7	23.6	30.3	33.1	0.3
Housing Units by Geography	6,416,363	11.9	22.3	29.6	35.9	0.2
Owner-Occupied Units by Geography	2,750,328	3.0	13.5	35.9	47.5	0.1
Occupied Rental Units by Geography	3,097,225	19.7	30.0	24.4	25.6	0.2
Vacant Units by Geography	568,810	12.3	23.3	27.8	36.2	0.3
Businesses by Geography	1,363,146	7.1	16.8	28.3	46.4	1.3
Farms by Geography	17,449	4.4	15.9	34.3	45.1	0.3
Family Distribution by Income Level	3,811,244	27.3	15.8	16.9	40.1	0.0
Household Distribution by Income Level	5,847,553	28.8	14.5	15.7	41.0	0.0
Median Family Income MSA - 14860 Bridgeport-Stamford-Norwalk, CT MSA		$105,628	Median Housing Value			$489,218
Median Family Income MSA - 35004 Nassau County-Suffolk County, NY		$108,193	Median Gross Rent			$1,344
Median Family Income MSA - 35084 Newark, NJ-PA		$90,570	Families Below Poverty Level			12.5%
Median Family Income MSA - 35614 New York-Jersey City-White Plains, NY-NJ		$67,560				

Source: 2015 ACS and 2019 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

According to the November 2019 Moody's Analytics report, in the New York-Jersey City-White Plains, NY-NJ MD, the housing market remains stagnant with both single-family and condominium prices remaining stable or decreasing and multifamily building well below its mid-decade peak. As the financial capital of the world, the area has a high per capita income and limited exposure to manufacturing. It has strong international immigration. However, high costs, including taxes, housing, office rents and energy, a rapidly aging infrastructure, and an overreliance on wealthy overseas buyers to support the real estate market, are major challenges. Major industries include education and health services, professional and business services, and government. Major employers in the area include Montefiore Health System, Mount Sinai Health System, JPMorgan Chase, Bank of America, N.A., and New York-Presbyterian Healthcare System.

Community Contacts

A review was conducted of multiple community contacts completed during the examination period with organizations located throughout the area. The organizations contacted focus on areas such as affordable housing, small business development, community services, and policy and research. The contacts noted the need for affordable housing programs, both homeownership and rental housing due to the high-cost areas across the AA. Affordable rental housing is particularly necessary in high-cost metropolitan areas such as New York City, where two-thirds of its residents remain renters. Often these renters experience a high rent burden. Multifamily lending is also a need in these areas, many of which have experienced gentrification during the rating period. For homeowners across the AA, affordable mortgages with down payment assistance and home improvement loans are needed for low- and moderate-income families to purchase and repair homes. Support for seniors is necessary as many areas throughout the AA report a growing senior population. Seniors will need access to various community services as well as low-cost loans to maintain homes. Job training is noted as experienced workers age out of the workforce without enough qualified replacements.

There is an increased need for small businesses, especially for small scale businesses that struggle most to access capital. In the high-cost areas across the AA, it is difficult for businesses to survive due to rising commercial real estate leases and large chains entering the local retail markets. Capacity building for community organizations, including providing access to technical training and leadership development, was noted. Other needs identified include:

- Access to affordable banking products and services including low-cost checking and savings products and credit repair products.
- Access to traditional financial services.
- Financial literacy.
- Financial education for start-up businesses.
- Small dollar mortgage and small business loans.
- Affordable small dollar emergency credit.
- Homebuyer education and counseling.
- Support for youth after-school programs.
- Job training and resources.

Scope of Evaluation in NY CSA

The NY CSA received a full-scope review. Bank delineated MDs and the MSA were combined in evaluating performance under each test. The New York CSA represents one of the bank's most significant markets in terms of lending, deposits, and branch distribution. The performance in the New York CSA was weighted more heavily in determining the bank's overall CRA rating.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NY MMSA

LENDING TEST

The bank's performance under the Lending Test in the NY CSA is rated Outstanding.

Based on a full-scope review, the bank's performance in the NY CSA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs considering the number and dollar amount of home mortgage, small business, and CD lending activity relative to the bank's capacity based on deposits, competition, and market presence.

Number of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
NY CSA	45,778	97,316	109	143,203
BRSA-NY, NJ, CT	0	0	48	48
Total	45,778	97,316	157	143,251

Dollar Volume of Loans (000s)				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
NY CSA	21,752,496	896,634	3,203,903	25,853,033
BRSA-NY, NJ, CT	0	0	903,489	903,489
Total	21,752,496	896,634	4,107,392	26,756,522

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only

CBNA ranked fourth in deposits out of 169 insured depository institutions with 6.8 percent market share. In small loans to businesses, CBNA ranked fourth with a market share of 5.5 percent, placing it in the top 1 percent of lenders. This is a very competitive market with 306 small business lenders. The top lenders are nationwide lenders and have significant small business credit card portfolios, and their market shares were American Express (31 percent), JPMorgan Chase (26.7 percent), and Bank of America (6.8 percent). In overall HMDA lending, CBNA ranked fifth with 4.2 percent market share. This placed Citibank in the top 1 percent of lenders. While the HMDA lending market share is slightly lower than the bank's deposit market share, this is a highly competitive market with 807 home mortgage lenders. The top lender in this market was Wells Fargo Bank with 8.9 percent market share.

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA.

Home Mortgage Loans

Refer to Table O in the CSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases. Based on the data in the tables and considering the performance context factors discussed above, the overall geographic distribution of home mortgage loans is excellent.

The proportion of loans in LMI geographies exceeded the proportion of owner-occupied homes in those geographies. The proportion of loans in low-income geographies was near to the aggregate distribution of loans while the proportion of loans in moderate-income geographies exceeded the aggregate distribution of loans. Despite the high cost of housing and economic considerations that affect large portions of the CSA, the bank achieved excellent geographic penetration.

Small Loans to Businesses

Refer to Table Q in the CSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses. Based on the data in the tables and considering the performance context factors discussed above, the overall geographic distribution of small loans to businesses is excellent.

The proportion of loans in LMI geographies exceeded the proportion of businesses located in those geographies and the aggregate distribution of loans. Despite the economic considerations and competition that affect large portions of the CSA, the bank achieved excellent geographic penetration.

Lending Gap Analysis

Examiners reviewed summary reports and maps and analyzed home mortgage and small business lending activity to identify any gaps in the geographic distribution of loans in all full-scope AAs. Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

Refer to Table P in the CSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of home mortgage loans is adequate, given performance context considerations. The proportion of loans to low-income borrowers is significantly weaker than the proportion of low-income families within the CSA but was comparable to the aggregate distribution of loans. The proportion of loans to moderate-income borrowers is weaker than the proportion of moderate-income families and equal to the aggregate distribution of loans. Examiners considered that the high housing cost, limited availability of housing that low-income borrowers can afford to acquire, and poverty levels within the AA constrained lending opportunities to low-income borrowers.

Small Loans to Businesses

Refer to Table R in the CSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses. Based on the data in the tables and considering the performance context factors discussed above, the overall borrower distribution of small loans to businesses is good.

Based on the businesses with known revenues, the bank's percentage of small loans to businesses with revenues of $1 million or less substantially met the percentage of small businesses in the CSA. The bank outperformed and exceeded the aggregate distribution of loans by all lenders by nearly two times.

Community Development Lending

The bank is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans. As noted earlier, CBNA was the leading affordable lender in the U.S. in each year of the evaluation period.

The level of CD lending in the NY CSA is excellent. CD lending had a significantly positive effect on the Lending Test conclusion. The dollar volume equaled 22.3 percent of allocated tier 1 capital.

The following examples demonstrate the bank's use of complex and responsive CD loans:

- $128.7 million construction-loan for a public housing development consisting of 47 buildings and 949 units that is reserved for residents with incomes between 50 and 80 percent of the area median income (AMI). This project is a public-private partnership through the Permanent Affordability Commitment Together (PACT) initiative in collaboration with New York City Housing Authority (NYCHA). PACT is a preservation program to convert public housing units to project-based voucher assisted units with tenants remaining in-place. The development partners conduct the rehab and oversee on-site management for a fee, and NYCHA is relieved of costly operating burdens while maintaining long-term ownership of its public housing assets.

- $27.8 million construction loan and a $26.4 million letter of credit to finance the redevelopment of the historic Bedford Union Armory in Brooklyn, NY. The project will consist of 415-units with 250 units restricted to households with income at or below 60 percent of the AMI. Additionally, 25 units are reserved for formerly homeless households.

- $4.7 million permanent financing for a multi-phase affordable housing project located in Bridgeport, Connecticut. The project consists of 187 units with 157 units restricted to households with income at or below 60 percent of AMI. This project served as relocation housing for existing residents of an obsolete, storm-damaged housing project in the southern point of Bridgeport.

In addition to the CD loans made in the bank's AA, CBNA made 48 CD loans totaling over $900 million in the BRSA that focused primarily on affordable housing. Positive consideration was given to the overall lending test in the rating area.

Product Innovation and Flexibility

The bank makes extensive use of innovative and/or flexible lending practices to serve AA credit needs. CBNA originated 5,387 loans totaling $1.5 billion under its affordable mortgage products programs. In addition to the products offered across all AAs, the bank participated in the Mitchell-Lama Housing Cooperative Program, a program that is designed to meet the needs of LMI homebuyers in New York City. The program offers a fixed-rate mortgage with 95 percent financing and no mortgage insurance on Mitchell-Lama cooperatives. Closing costs associated with the loans are paid by the bank.

INVESTMENT TEST

The bank's performance under the Investment Test in NY CSA is rated Outstanding.

Based on a full-scope review, the bank's performance in the NY CSA is excellent.

The bank has an excellent level of qualified CD investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The bank exhibits excellent responsiveness to credit and community economic development needs. The institution makes extensive use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
NY CSA	174	$1,954,786	415	$1,207,001	589	86.2	$3,161,787	86.3	0	0
BRSA-NY, NJ, CT	44	$205,175	50	$296,211	94	13.8	$501,386	13.7	0	0

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.
** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

In addition to investments made in the AA, the bank also made 44 prior period investments totaling $205.2 million and 50 current period investments totaling $296.2 million in the BRSA. These investments focused primarily on affordable housing. The investment activity in the BRSA further supports the overall performance of the bank.

The combined prior and current period dollar volume represents 22 percent of allocated tier 1 capital. There are numerous investment opportunities in the NY CSA. The bank's investments and grants addressed the creation and preservation of affordable housing, and economic development and small business needs. Investments included LIHTCs, NMTCs, affordable housing bond purchases, grants, and in-kind donations.

Examples of the bank's qualified investments include:

- $36.9 million LIHTC equity investment to finance the development of a 218-unit affordable housing development. All the units are income restricted to households at or below 80 percent of the AMI. Additionally, 42 units are reserved specifically for residents that have been formerly homeless. The property will also be participating in the FRESH program that promotes the establishment and expansion of grocery stores in underserved communities.

- $20.8 million in an area housing finance agency bond to finance the construction of an 89-unit multifamily project located in a low-income geography. All units are income restricted to households at or below 60 percent of the AMI. Additionally, 27 units are designated for public housing eligible residents. The project is the first phase of a mixed-income residential housing development and will consist of a single, four-story apartment building.

- $450,000 donation of a bank owned property located in a low-income geography that will be developed into affordable housing for LMI persons.

SERVICE TEST

The bank's performance under the Service Test in the NY CSA is rated High Satisfactory.

Based on a full-scope review, the institution's performance in the NY CSA is good.

Retail Banking Services

Service delivery systems are accessible to geographies and individuals of different income levels in the bank's AA, after taking into consideration the adjacency of branches located in MUI geographies.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
NY CSA	100	247*	100	8.1	15.0	26.3	49.0	12.7	23.6	30.3	33.1

* Includes four branches in census tracts without an income designation. As a result, the Location of Branches by Income of Geographies will not equal 100 percent.

The proportions of branches in LMI geographies was below the proportions of the LMI populations in those geographies. However, after adjusting for branches in MUI geographies, examiners determined that 10 branches provided additional access to retail banking services in low-income geographies and 36 branches provided additional access to retail banking services in moderate-income geographies. Examiners considered the additional accessibility of these branches in the evaluation, which had a positive effect on the overall service delivery systems conclusion.

The bank had 1,221 bank-owned deposit taking ATMs with 84 (6.9 percent) located in low-income geographies and 203 (16.6 percent) located in moderate-income geographies. In addition to bank-owned ATMs, customers can make cash withdrawals and balance inquiries at more than 2,700 ATMs without fees or surcharges. Digital banking platform usage by LMI households and customers in LMI geographies was comparable to usage by MUI households and customers in MUI geographies. Based on customer usage data for ATMs and other digital banking platforms during the evaluation period, ADS had a positive effect on the overall service delivery systems conclusion.

Distribution of Branch Openings/Closings						
	Branch Openings/Closings					
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
NY CSA	2	12	+1	-3	-4	-4

The bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. Despite the net closures in moderate-income geographies, the remaining branches were accessible to LMI geographies and individuals. Except for one branch, all closed branches were determined to be underperforming based on teller volume, level of deposits, and/or retail products volume. One branch, located in an upper-income geography, was closed as the lease was expiring and the entire building was being vacated.

Services, including where appropriate, business hours, are tailored to the convenience and needs of the various portions of its AA, particularly LMI geographies and/or individuals. Approximately 88 percent of the branches in LMI geographies were opened for Saturday banking compared with 70 percent of the branches in MUI geographies. Two branches in low-income geographies were opened for Sunday banking, representing the only branches available for Sunday banking throughout the bank's entire branch network.

Community Development Services

The bank is a leader in providing community development services in the AA.

During the evaluation period, 938 employees contributed 9,236 hours in providing 120 community development services primarily targeted to low- and moderate-income individuals. These community development services benefitted 14,533 low- and moderate-income individuals and families. In addition, 61 employees served on the boards or committees of 68 unique non-profit organizations in the AA. The board or committee roles were typically for one-year terms; thus, an employee serving multiple years for the same organization was counted as one unique organization. Employees primarily provided financial literacy, mentoring, and technical assistance. Examples include:

- 340 employees contributed 336 hours during 28 sessions to teach 7,469 students from LMI families the importance of saving money through the Teach Children to Save campaign.

- 37 employees prepared taxes for 1,046 low- and moderate-income tax filers at New York City Free Tax Prep locations in high-need neighborhoods.

- 222 employees contributed 6,190 hours to mentor 190 junior and high school students in schools located primarily in the South Bronx, which consists of mostly LMI geographies.

Multistate Metropolitan Statistical Area Rating

Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (DC MMSA)

CRA rating for the DC MMSA[2]: Outstanding
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: Outstanding

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs;
- Excellent geographic distribution of loans;
- Excellent borrower distribution of loans;
- The bank is a leader in making CD loans;
- Excellent level and responsiveness of CD investments;
- Retail service delivery systems are readily accessible to all portions and individuals of different income levels in the AA and the bank provides an adequate level of CD services.

Description of Institution's Operations in DC MMSA

The bank has delineated two AAs within the DC MMSA. The Washington, DC AA contains the District of Columbia (DC); Prince George's county in Maryland (MD); Arlington and Fairfax counties in Virginia (VA); and the independent cities Alexandria City, Fairfax City, and Falls Church City. The Silver Spring AA consists of Montgomery County in MD.

CBNA had $8.8 billion of deposits in the DC MMSA, representing 3.9 percent of adjusted deposits and ranked eighth with 3.8 percent market share. The top three banks within the MMSA were E-Trade Bank (17.7 percent), Bank of America (15 percent), and Capital One (14.9 percent). Both Bank of America and Capital One have substantially larger branch networks. CBNA operated 32 branches and 80 ATMs within the MMSA, representing 4.6 percent of the bank's branches and 3.5 percent of the bank's ATMs.

The MMSA is a high-cost housing area, limiting access to affordable homeownership among LMI borrowers. The median housing value in the MMSA is $443,810 while the NAR 4Q2019 median sales price of a single-family home is $436,200. One simplistic method used to determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income.

[2] This rating reflects performance within the multistate metropolitan statistical area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area.

Assuming a 30-year mortgage with a 5 percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $58,327 per year (or less than 50 percent of the FFIEC adjusted median family income in the AA) could afford a $210,405 mortgage with a payment of $1,130 per month; a moderate-income borrower earning $93,322 per year (or less than 80 percent of the FFIEC adjusted median family income in the AA) could afford a $336,644 mortgage with a payment of $1,807 per month.

Table A – Demographic Information of the Assessment Area

Assessment Area: DC MMSA

Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	975	11.9	20.5	30.9	35.4	1.3
Population by Geography	4,096,851	11.3	19.8	32.5	35.7	0.7
Housing Units by Geography	1,624,226	11.4	19.7	32.3	36.0	0.6
Owner-Occupied Units by Geography	890,622	4.7	15.8	34.7	44.7	0.2
Occupied Rental Units by Geography	624,921	19.9	24.8	29.6	24.7	1.1
Vacant Units by Geography	108,683	17.7	22.3	28.8	30.6	0.6
Businesses by Geography	423,195	5.2	16.9	33.6	43.6	0.7
Farms by Geography	5,035	4.8	16.7	36.0	42.3	0.2
Family Distribution by Income Level	941,445	22.9	16.1	19.2	41.9	0.0
Household Distribution by Income Level	1,515,543	23.9	16.4	18.3	41.4	0.0
Median Family Income MSA - 23224 Frederick-Gaithersburg-Rockville, MD		$112,655	Median Housing Value			$443,810
Median Family Income MSA - 47894 Washington-Arlington-Alexandria, DC-VA-MD-WV		$106,105	Median Gross Rent			$1,567
			Families Below Poverty Level			6.2%

Source: 2015 ACS and 2019 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

According to Moody's Analytics November 2019, the DC area economy is one of the better performing markets in the Mid- Atlantic. The labor market strengthened in mid-2019, propelling the pace of employment growth ahead of the U.S. average. The first employees have started to work at Amazon's second headquarters, and professional/business services job opportunities are increasing. Federal payrolls have stabilized in the year up to November 2019 after two years of declines. Major employers include Naval Support Activity Washington, Joint Base Andrews-Naval Air Facility, MedStar Health, Marriott International, and Inova Health System.

Federal spending for fiscal 2020 and 2021 should benefit DC but appropriations remain uncertain. Federal employment in DC has stopped declining and is expected to rise through 2021. The new budget agreement provides an additional $40 billion in spending over the next two fiscal years, which will support the local economy. However, until Congress appropriates this funding, neither federal agencies nor contractors in the area can act. Congress has only passed stopgap measures to keep the government funded at existing levels. Given the concentration of federal government, the metro division is uniquely sensitive to federal spending. The continued use of stopgap measures will limit job growth for public- and private-sector workers, and indirectly hurt private services and housing.

Lean inventories and improvement in sales will continue to put upward pressure on house prices at the expense of affordability. Fundamentals are mostly supportive for home sales, including past declines in mortgage rates, a strong local labor market, and an influx of tech workers.

Community Contacts

To understand the credit and community development needs in the area, examiners reviewed two recent contacts with community-based organizations focusing on affordable housing and economic development. The organizations noted a need for affordable housing, the ability to refinance commercial loans, and financial literacy.

Scope of Evaluation in DC MMSA

The two AAs within the DC MMSA were combined in evaluating performance under each test.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DC MMSA

LENDING TEST

The bank's performance under the Lending Test in the DC MMSA is rated Outstanding.

Based on a full-scope review, the bank's performance in the DC MMSA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs considering the number and dollar amount of home mortgage, small business, and CD lending activities relative to CBNA's capacity based on deposits, competition, and market presence.

Number of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
DC MMSA	6,378	22,054	36	28,468
BRSA-MD and VA	0	0	20	20

Dollar Volume of Loans ($000s)				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
DC MMSA	3,078,460	174,470	607,198	3,860,128
BRSA-MD and VA	0	0	247,590	247,590

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

CBNA ranked eighth in deposits of 84 institutions with 3.8 percent market share. In small loans to businesses, CBNA ranked fifth with 6.4 percent market share placing it in the top 3 percent of lenders. This is a highly competitive market with 209 lenders. The top lenders in the market were primarily nationwide credit card lenders with significant small business portfolios and include American Express

(25.6 percent), JPMorgan Chase (15.6 percent), Bank of America (12.9 percent), and Capital One Bank (6.7 percent). In overall HMDA lending, CBNA ranked 24th with 1 percent market share. The AA is a highly competitive market with 724 home lenders and 148 depository institutions, placing CBNA in the top 4 percent. The top lenders in this market were Wells Fargo (8 percent), Quicken Loans (4.2 percent), and SunTrust Banks (4 percent).

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA.

Home Mortgage Loans

Refer to Table O in the MMSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans is excellent. The proportion of loans in both LMI geographies exceeded the proportion of owner-occupied housing units in those geographies and the aggregate distribution of loans.

Small Loans to Businesses

Refer to Table Q in the MMSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is excellent. The proportion of loans in both LMI geographies exceeded the proportion of businesses located in those geographies and the aggregate distribution of loans.

Lending Gap Analysis

Examiners reviewed summary reports and maps and analyzed home mortgage and small business lending activity to identify any gaps in the geographic distribution of loans in all full-scope AAs. Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

Refer to Table P in the MMSA section of appendix D for the facts and data used to evaluate the borrower distribution of the institution's home mortgage loan originations and purchases.

The borrower distribution of home mortgage loans is excellent. The proportion of loans to low-income borrowers was weaker than the proportion of low-income families within the MMSA and significantly exceeded the aggregate distribution of loans. The proportion of loans to moderate-income borrowers exceeded the proportion of moderate-income families and the aggregate distribution of loans.

Small Loans to Businesses

Refer to Table R in the MMSA section of appendix D for the facts and data used to evaluate the borrower distribution of the institution's originations and purchases of small loans to businesses.

The borrower distribution of small loans to businesses is excellent. The proportion of loans to small businesses was near to the proportion of small businesses in the MMSA and significantly exceeded the aggregate distribution of loans.

Community Development Lending

The bank is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the bank's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans. The dollar volume equaled 55.9 percent of allocated tier 1 capital.

The bank took a leadership role in originating CD loans that were responsive to the identified needs of the DC MMSA and were also complex and flexible, including many LIHTC projects and HUD contracts. Examples include:

- $25.5 million in permanent financing for a 199-unit multifamily property of affordable housing in Montgomery County, MD that was awarded LIHTCs. All units are income restricted to households with income levels at or below 30 percent and 60 percent of the AMI.

- $12.5 million construction loan for an 80-unit affordable housing development restricted to seniors in Washington, DC that was awarded LIHTCs. All units are income restricted to households with income levels at or below 30 or 60 percent of AMI.

- $11.2 million for the construction of a 71-unit multifamily development of affordable housing in Washington, DC that was awarded LIHTCs and is covered by a Section 8 Housing Assistance Payment (HAP) contract. All units are restricted to households with income levels at or below 60 percent of the AMI. Additionally, 18 units will be reserved for Permanent Supportive Housing to the DC Department of Behavioral Health.

In addition to the CD loans made in the bank's AA, CBNA made 20 CD loans totaling $247.6 million in the BRSA that focused primarily on affordable housing. Positive consideration was given to the overall lending test in the rating area.

Product Innovation and Flexibility

The bank makes use of innovative and/or flexible lending practices to serve AA credit needs. CBNA originated 1,593 loans totaling $467 million under its affordable mortgage products programs. The Lender Paid Assistance and Neighborhood Assistance Corporation of America (NACA) programs accounted for the large majority (76.8 percent) of affordable mortgage products originated in the AA during the evaluation period.

INVESTMENT TEST

The bank's performance under the Investment Test in DC MMSA is rated Outstanding.

Based on a full-scope review, the bank's performance in the DC MMSA is excellent.

The bank has an excellent level of qualified CD investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The bank exhibits excellent responsiveness to credit and community economic development needs. The bank makes extensive use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
DC MMSA	18	$109,308	107	$130,882	125	78.1	$240,190	67.3	0	0
BSRA-MD and VA	11	$31,521	24	$85,265	35	21.9	$116,786	32.7	0	0

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.
** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The combined prior and current period dollar volume represents 22.1 percent of allocated tier 1 capital. The bank's investments and grants were very effective and responsive in meeting community credit needs including the creation and preservation of affordable housing, support for workforce development initiatives, and support for financial capacity building programs. Investment activity includes NMTCs, HTCs, and grants and donations.

In addition to investments made in its AA, the bank also made 11 prior period investments totaling $31.5 million and 24 current period investments totaling $85.3 million in the BRSA consisting of MD and VA.

Examples of the bank's qualified investments include:

- $15.3 million in an affordable housing fund for the acquisition and rehabilitation of a 304-unit multifamily apartment complex located in a moderate-income geography in Prince George's County. Substantially all the units are restricted to households at or below 80 percent of the AMI.

- $18.8 million in a proprietary HTC fund to finance a project located in a moderate-income geography in DC that will provide a broad range of pediatric health care services. The project will retain 30 full-time jobs and create 55 new jobs, 31 of which will be accessible to LMI persons in the surrounding LMI communities.

- $500,000 charitable donation to establish financial empowerment centers and the formation of a regional coalition of Volunteer Income Tax Assistance (VITA) sites in DC, VA, and MD.

SERVICE TEST

The institution's performance under the Service Test in the DC MMSA is rated Outstanding.

Based on a full-scope review, the bank's performance in the DC MMSA is excellent.

Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the bank's AAs.

Distribution of Branch Delivery System											
	Deposits	Branches						Population			
Assessment Area	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
DC MMSA	100	32*	100	9.4	25.0	28.1	34.4	11.3	19.8	32.5	35.7

* Includes one branch in a census tract without an income designation. As a result, the Location of Branches by Income of Geographies will not equal 100 percent.

The overall distribution of branches by income level of the geography is excellent. The distribution of branches is good in low-income geographies and excellent in moderate-income geographies. The proportion of branches in low-income geographies was below the proportion of the population in low-income geographies and the proportion of branches in moderate-income geographies exceeded the proportion of the population in moderate-income geographies. Additionally, examiners considered seven branches in MUI that provided additional access to retail banking services in LMI geographies. Of the seven branches, one branch provided additional access to retail banking services in a low-income geography and the remaining six branches provided additional access to retail banking services in moderate-income geographies, which had a positive effect on the overall service delivery systems conclusion.

The bank had 80 bank-owned deposit taking ATMs with 29 ATMs (36.3 percent) located in LMI geographies. In addition to bank-owned ATMs, customers can make cash withdrawals and balance inquiries at more than 1,300 ATMs without fees or surcharges. Digital banking platform usage by LMI households and customers in LMI geographies were comparable to usage by MUI households and customers in MUI geographies. Based on customer usage data for ATMs and other digital banking platforms during the evaluation period, ADS had a positive effect on the overall service delivery systems conclusion.

Distribution of Branch Openings/Closings						
	Branch Openings/Closings					
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
DC-MD-VA MMSA	0	2	0	0	0	-2

The bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. The two branches closed were financially underperforming based on teller volume, level of branch deposits, and/or retail products volume. Additionally, one of the leases was expiring and the bank chose not to renew.

Services, including where appropriate, business hours, do not vary in a way that inconveniences its AAs, particularly LMI geographies and/or individuals. Branch operating hours were generally consistent throughout the AA. Approximately 36 percent of the branches in LMI geographies were opened for Saturday banking compared with 53 percent of the branches in MUI geographies. Most of the branches in LMI geographies were in the downtown DC area, where several businesses are closed on the weekend.

Community Development Services

The bank provides an adequate level of CD services.

During the evaluation period, 145 employees contributed 175 hours in providing 48 community development services primarily targeted to LMI individuals. These community development services benefitted 2,294 LMI individuals and families. In addition, seven employees served on the boards of 10 non-profit organizations in the AA. Employees primarily provided financial literacy, mentoring, and technical assistance. Examples include:

- 82 employees taught 1,646 elementary school children from LMI families about the importance of saving money through the Teach Children to Save campaign.

- 37 mortgage employees educated 479 LMI first-time homebuyers about the mortgage process, focusing on items that lenders look to be in place before issuing a loan approval, such as credit, income, assets, and collateral.

State Rating

State of California

CRA rating for the State of California: Outstanding
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: Outstanding

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs;
- Excellent geographic distribution of loans;
- Good borrower distribution of loans;
- The bank is a leader in making CD loans;
- Excellent level and responsiveness of CD investments;
- Retail service delivery systems are readily accessible to all portions of the AA and the bank provides an adequate level of CD services.

Description of Institution's Operations in California

CBNA delineated 19 AAs within California and includes the following MDs or MSAs: Anaheim-Santa Ana-Irvine MD; Bakersfield MSA; Fresno MSA; Hanford-Corcoran MSA; Los Angeles-Long Beach-Anaheim MD; Merced MSA; Modesto MSA; Napa MSA; Oakland-Berkeley-Livermore MD; Oxnard-Thousand Oaks-Ventura MSA; Riverside-San Bernardino-Ontario MSA; Sacramento-Roseville-Folsom MSA (excludes El Dorado, Placer, and Yolo Counties); San Diego-Chula Vista-Carlsbad MSA; San Francisco-San Mateo-Redwood City MD; San Jose-Sunnyvale-Santa Clara (excludes San Benito County); San Rafael MD; Santa Cruz-Watsonville MSA; Santa Rosa-Petaluma MSA; and Stockton MSA. For this evaluation, examiners combined the MSAs/MDs comprising the Los Angeles CSA (LA CSA) and San Jose-San Francisco CSA (SF CSA) as applicable, reducing the number of AAs in California to six.

California represents the second largest market by deposits for CBNA. CBNA had $55.7 billion of deposits in California and ranked sixth with 3.8 percent market share. There are $16 million of deposits within the SF CSA that are mortgage escrow accounts of the bank's affiliate, CitiMortgage. These deposits do not represent traditional retail deposits from customers. The deposits within California (excluding the escrow accounts) represent 25.1 percent of the bank's adjusted deposits. The top three banks within California were Bank of America (21.3 percent), Wells Fargo Bank (17.6 percent), and JPMorgan Chase (10.8 percent). Those banks have substantially larger branch networks. CBNA operated 290 branches and 584 ATMs within California, representing 41.8 percent of the bank's branches and 25.3 percent of the bank's ATMs.

Both the LA CSA and SF CSA are very high-cost housing areas, limiting access to affordable homeownership among LMI borrowers. The median housing value of a single-family home in the LA CSA was $449,452 and in the SF CSA was $582,938. The NAR 4Q2019 median sales price is $617,300 for the LA CSA and $990,000 for the SF CSA. One simplistic method used to determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income.

In the LA CSA, assuming a 30-year mortgage with a 5 percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $38,584 per year (or less than 50 percent of the FFIEC adjusted median family income in the MSA) could afford a $139,186 mortgage with a payment of $747 per month; a moderate-income borrower earning $61,726 per year (or less than 80 percent of the FFIEC adjusted median family income in the AA) could afford a $222,696 mortgage with a payment of $1,195 per month.

Using the same assumptions for the SF CSA, a low-income borrower making $56,114 per year (or less than 50 percent of the FFIEC adjusted median family income in the MSA) could afford a $202,422 mortgage with a payment of $1,086 per month; a moderate-income borrower earning $89,790 per year (or less than 80 percent of the FFIEC adjusted median family income in the AA) could afford a $323,903 mortgage with a payment of $1,738 per month.

Demographic data also reflects a low percentage of owner-occupied housing in LMI geographies compared to the population distribution in those areas.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Los Angeles CSA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	3,925	8.1	28.5	28.6	33.2	1.6
Population by Geography	18,388,091	7.6	28.6	29.4	33.8	0.5
Housing Units by Geography	6,346,543	6.7	26.2	29.2	37.5	0.4
Owner-Occupied Units by Geography	3,074,292	2.6	18.6	30.8	47.9	0.1
Occupied Rental Units by Geography	2,780,656	11.3	34.6	27.1	26.4	0.6
Vacant Units by Geography	491,595	6.4	26.1	31.5	35.3	0.7
Businesses by Geography	1,537,819	4.7	19.9	27.2	46.6	1.5
Farms by Geography	19,819	3.7	20.7	31.7	43.3	0.6
Family Distribution by Income Level	4,090,774	23.9	16.5	17.6	42.0	0.0
Household Distribution by Income Level	5,854,948	25.3	15.6	16.5	42.6	0.0
Median Family Income MSA - 11244 Anaheim-Santa Ana-Irvine, CA		$86,003	Median Housing Value			$449,452
Median Family Income MSA - 31084 Los Angeles-Long Beach-Glendale, CA		$62,703	Median Gross Rent			$1,330
Median Family Income MSA - 37100 Oxnard-Thousand Oaks-Ventura, CA MSA		$86,766	Families Below Poverty Level			13.1%
Median Family Income MSA - 40140 Riverside-San Bernardino-Ontario, CA MSA		$61,507				

Source: 2015 ACS and 2019 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

According to Moody's Analytics November 2019, the Los Angeles economy is performing well. Job growth is steady at a slower pace that is on par with the nation but ranks in the bottom quartile among the 25 largest areas in the nation. Healthcare is contributing the most to job growth, followed by construction and business/professional services. The labor market is tight, and at 4.4 percent the jobless rate is at a historic low. Difficulty finding labor is driving up wages and pressuring profits. Labor shortages and higher material costs are limiting new residential construction. Major employers include University of California Los Angeles, Kaiser Permanente, University of Southern California, and Northrop Grumman Corporation.

Trade tensions are starting to ease, but the U.S.-China trade conflict will continue have a potential negative impact on major seaports in the short term. Cargo volumes moving through the Ports of Los Angeles and Long Beach are down from a year ago. The pair are among the nation's largest sea-ports and are the most exposed to the Chinese market. The announcement of a U.S.-China Phase One trade deal, which forestalls the imposition of new tariffs and retaliatory actions, signals a shift in a policy that will ease geopolitical tensions.

The outlook for the entertainment industry is uncertain. According to Film LA, shoot days are down for feature films, television, and commercials. Los Angeles is losing out to North Carolina, Michigan, Georgia, Louisiana, and others who have spent millions to attract film productions. Feature films are also becoming less frequent, and the pay-TV industry is losing customers amid changing viewer preferences and the rise of streaming services.

Table A – Demographic Information of the Assessment Area

Assessment Area: San Jose-San Francisco CSA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,827	9.5	22.5	34.7	32.2	1.1
Population by Geography	8,801,500	8.9	22.5	36.2	32.2	0.3
Housing Units by Geography	3,276,960	8.6	21.3	36.2	33.6	0.3
Owner-Occupied Units by Geography	1,699,058	3.8	16.9	37.4	41.8	0.1
Occupied Rental Units by Geography	1,380,665	14.1	26.6	34.7	24.0	0.6
Vacant Units by Geography	197,237	11.3	22.4	36.1	29.6	0.6
Businesses by Geography	736,424	8.2	18.6	33.0	39.6	0.5
Farms by Geography	16,888	4.1	16.8	40.0	38.9	0.1
Family Distribution by Income Level	2,054,078	23.8	16.2	18.3	41.7	0.0
Household Distribution by Income Level	3,079,723	25.6	15.1	16.7	42.6	0.0
Median Family Income MSA - 32900 Merced, CA MSA		$46,793	Median Housing Value			$582,938
Median Family Income MSA - 33700 Modesto, CA MSA		$55,611	Median Gross Rent			$1,476
Median Family Income MSA - 34900 Napa, CA MSA		$80,921	Families Below Poverty Level			8.8%
Median Family Income MSA - 36084 Oakland-Berkeley-Livermore, CA		$93,822				
Median Family Income MSA - 41884 San Francisco-San Mateo-Redwood City, CA		$103,742				
Median Family Income MSA - 41940 San Jose-Sunnyvale-Santa Clara, CA MSA		$107,126				
Median Family Income MSA - 42034 San Rafael, CA		$121,130				
Median Family Income MSA - 42100 Santa Cruz-Watsonville, CA MSA		$81,912				
Median Family Income MSA - 42220 Santa Rosa-Petaluma, CA MSA		$77,587				
Median Family Income MSA - 44700 Stockton, CA MSA		$59,946				

Source: 2015 ACS and 2019 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

Since the 2007-2009 recession, unemployment rates have fallen both nationally and in the SF CSA, but since 2012, San Francisco's rate of recovery has outpaced the national rate. In October 2010, the San Francisco unemployment rate peaked at 10 percent. It then experienced a positive employment boost due to growing jobs in the professional, business service, and computer systems design service sectors between 2012 and 2016. Consequently, the unemployment rate dropped to 3.8 percent in December 2016 and continued to fall to 2.6 percent in December 2019.

The local economy is driven by the information/technology and financial services sectors. There are eighteen Fortune 500 companies with corporate headquarters in the San Francisco area, including: McKesson, Wells Fargo, Facebook, Oracle, and Alphabet. The AA remains the national leader in venture capital funding, both in terms of deals and dollars.

The SF CSA consistently had a higher median sales price for single-family homes than for both the Western Region and the U.S. throughout the evaluation period. Low unemployment is driving income growth; however, the high cost of living has outpaced the growth in salaries, reducing the standard of living even for high income earners. The economic success in the region and fierce competition for housing close to employment centers results in longer commutes for LMI residents and has pushed homeownership out of reach for many households.

Community Contacts

In the LA CSA, examiners reviewed four recent community contacts to determine community credit needs and opportunities for financial institutions to help address these needs. The contacts included two housing organizations and two economic development organizations. The contacts identified affordable housing and access to capital for business as critical needs. Opportunities for banks to address the needs include:

- More loans and investments as the lending gap is being filled by more expensive nonbank lenders.
- Partnering with Community Development Financial Institutions (CDFIs) to penetrate business lending markets and more small business lending particularly to startup businesses and businesses with less than two years business history.
- More commercial real estate loans and microloans for working capital, tenant improvements, and equipment financing.
- Partnering with and/or provide financial support to community-based organizations involved in new transportation and commercial corridors.
- Leverage investments/debt with Qualified Opportunity Zones funds and promote investment in these funds by wealth clients.
- Affordable mortgages with competitive rates and down payment assistance or low-down payment with no purchased mortgage insurance.
- Affordable credit building products, including second-chance loans and small consumer loans.
- Credit counseling and financial literacy, and affordable streamlined mortgage loans.
- Follow-up/individualized services for attendees of homebuyer workshops and pairing attendee with homebuying opportunities.
- Grants and financial support to CD nonprofits, job skills training, financial literacy, and micro-loans for small businesses.
- No-cost checking and savings products for unbanked/underbanked individuals.
- Support of, and partnership with CD organizations, including those that work to address homelessness and poverty.

In the SF CSA, examiners reviewed three recent community contacts to determine community credit needs and opportunities for financial institutions to help address these needs. In addition, the OCC and the FDIC hosted a listening session with a number of community groups and advocates in 2017 to discuss current economic trends, community development challenges, the needs of their LMI clients, and potential opportunities for banks to engage in CD activities. The contacts identified affordable housing and access to capital for businesses as critical needs. Opportunities for banks to address the needs include:

- Small dollar loans for small businesses ($500 - $50,000) and funding for Micro lending programs.
- Small business loans including term loans and lines of credit for small businesses needing working capital, including "mom and pop" shops and bodegas, as well as for property improvements and expansion.
- Partnering with nonprofits to address capital constraints and provide additional access to capital to vital neighborhood businesses.
- Flexible branch hours and low-cost products tailored to low-income individuals and people that work multiple jobs or veterans.
- Product-oriented educational outreach and banking education to inform the unbanked and underbanked community that banks are safe.
- Formal referral partnerships to refer non-qualifying applicants to nonprofits to help secure funding and help prevent lending from predatory sources.
- Grants and loan capital to nonprofit organizations for operating costs, financing programs, and investment and grants targeted to social service needs and education. Examples include grants for operations, loan loss reserves, small businesses, foreclosure prevention, financial education, and technical assistance.
- Customized financial literacy events for unique community needs, such as for refugees, small businesses, and consumers, by partnering with nonprofit organizations
- Multiple Down Payment Assistance (DPA) programs since most DPA programs, alone, do not provide sufficient down payment funds for a median priced home in the San Francisco Bay Area.

Scope of Evaluation in California

The LA CSA and SF CSA received full-scope reviews. The two areas accounted for the largest portion of lending and deposits among the AAs in California. The MSAs/MDs comprising each of these CSAs were combined for evaluating performance for each test, reducing the effective number of AAs to six. The LA MSA was given more weight based on the volume of loans and deposits in each of the AAs. The remaining four AAs received limited-scope reviews.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CALIFORNIA

LENDING TEST

The bank's performance under the Lending Test in California is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the LA CSA and SF CSA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs considering the number and dollar amount of home mortgage, small business, and CD lending activities relative to CBNA's capacity based on deposits, competition, and market presence.

Number of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State Loans	%State Deposits
LA CSA	32,352	206,264	114	238,730	58.8	47.9
SF CSA	19,905	76,968	89	96,962	23.9	44.7
Bakersfield MSA	551	6,256	2	6,809	1.7	0.4
Fresno CSA	1,031	7,349	5	8,380	2.1	1.6
Sacramento MSA	1,990	14,850	22	16,840	4.1	1.9
San Diego MSA	2,913	35,149	41	38,062	9.4	3.5
BRSA-CA	0	0	30	30	NA	NA
Total	58,742	346,836	303	405,813	100.0	100.0

Dollar Volume of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State* Loans	%State Deposits
LA CSA	15,363,767	1,286,884	1,538,906	18,189,557	46.9	47.9
SF CSA	13,819,106	520,614	2,057,406	16,397,126	42.3	44.7
Bakersfield MSA	79,408	32,253	23,000	134,661	0.3	0.4
Fresno CSA	237,597	51,929	83,033	372,559	1.0	1.6
Sacramento MSA	648,956	82,423	267,105	731,379	1.9	1.9
San Diego MSA	1,756,604	236,930	683,117	2,676,651	6.9	3.5
BRSA-CA	0	0	275,142	275,142	0.7	NA
Total	31,905,438	2,211,033	4,927,709	38,777,075	100.0	100.0

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

LA CSA

CBNA had $26.9 billion in deposits and ranked seventh with 4.1 percent market share. There are 278 small business lenders in the AA. In small loans to businesses, CBNA ranked fourth with 10.3 percent market share placing it in the top 2 percent of lenders. The other top lenders include nationwide lenders with substantial small business credit card portfolios and their market shares were American Express (22.4 percent), JPMorgan Chase (20.9 percent), and Bank of America (13.3 percent). In overall HMDA lending, CBNA ranked 15th with 1.4 percent market share placing it in the top 2 percent of lenders. The CSA is a very competitive market with 991 home mortgage lenders compared to 267 depository institutions. The other top lenders in this market were United Shore Financial Service (8.1 percent), Wells Fargo (6.3 percent), and Quicken Loans (6.1 percent).

SF CSA

CBNA had $25.2 billion in deposits and ranked seventh with 4.3 percent market share. There are 211 small business lenders in the AA. In small loans to businesses, CBNA ranked fifth with market share of 8 percent placing it in the top 3 percent of lenders. The other top lenders include nationwide lenders with substantial small business credit card portfolios and their market shares were JPMorgan Chase (26 percent), American Express (17.7 percent), and Bank of America (12.7 percent). In overall HMDA lending, CBNA ranked eighth with 2.2 percent market share placing it in the top 1 percent of lenders. While the home mortgage lending market share is lower than the bank's deposit market share, this is a highly competitive market with 826 home mortgage lenders. The top three lenders in this market were Wells Fargo (11.3 percent), Bank of America (7.3 percent), and Quicken Loans (6.6 percent).

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AAs.

Home Mortgage Loans

Refer to Table O in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases. Based on the data in the tables and considering the performance context factors discussed above, the overall geographic distribution of home mortgage loans is excellent.

LA CSA and SF CSA

In both the LA CSA and the SF CSA, the proportion of loans in both LMI geographies exceeded the proportion of owner-occupied homes in those geographies and the aggregate distribution of loans. Despite the high cost of housing and economic considerations that affect large portions of the CSAs, the bank achieved excellent geographic penetration.

Small Loans to Businesses

Refer to Table Q in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses. Based on the data in the tables and considering the performance context factors discussed above, the overall geographic distribution of small loans to businesses is excellent.

LA CSA

The proportion of loans in LMI geographies exceeded the proportion of businesses located in those geographies and the aggregate distribution of loans. Despite the economic considerations and competition that affect large portions of the CSA, the bank achieved excellent geographic penetration.

SF CSA

The proportion of loans in low-income geographies was near to the proportion of businesses located in those geographies and the aggregate distribution of loans. The proportion of loans in moderate-income geographies exceeded the proportion of businesses located in those geographies and the aggregate distribution of loans. Despite the economic considerations and competition that affect large portions of the CSA, the bank achieved good geographic penetration.

Lending Gap Analysis

Examiners reviewed summary reports and maps and analyzed home mortgage and small business lending activity to identify any gaps in the geographic distribution of loans in all full-scope AAs. Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

Refer to Table P in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of home mortgage loans was good, given performance context consideration. Examiners considered the very high housing cost, the limited availability of housing that low-income borrowers can afford to acquire, and poverty levels within the AA that constrained the lending opportunities to LMI borrowers

Due to these factors in the LA CSA, the proportion of loans was significantly weaker than the proportion of low-income families. However, the bank exceeded the aggregate distribution of loans by nearly two times. The proportion of loans to moderate-income borrowers was weaker than the proportion of moderate-income families but significantly exceeded the aggregate distribution of loans.

In the SF CSA, the proportion of loans to low-income borrowers was significantly weaker than the proportion of low-income families within the AA. The proportion of loans to moderate-income borrowers was weaker than the proportion of moderate-income families within the AA. However, the proportion of loans to LMI borrowers exceeded the aggregate distribution of loans.

Small Loans to Businesses

Refer to Table R in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was good.

In both the LA CSA and the SF CSA, the proportion of loans to small businesses was near to the percentage of small businesses in the AA. However, the bank outperformed and significantly exceeded the aggregate distribution of loans by all lenders.

Community Development Lending

The bank is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the bank's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans. The dollar volume equaled 46.4 percent of allocated tier 1 capital in the LA CSA and 66.4 percent in the SF CSA.

CD lending had a significantly positive impact on the overall Lending Test of the rating area

LA CSA

The bank took a leadership role in originating CD loans that were responsive to the identified needs of the LA CSA including affordable housing and were also complex and flexible in using LIHTCs and HUD rental contracts. Examples include:

- $24.9 million to finance the acquisition and renovation of 90 units of affordable housing located in Riverside County, CA that was awarded LIHTCs and is covered by a Section 8 HAP contract. All units are restricted to households with income levels at or below 50 or 60 percent of the AMI.

- $17.5 million construction loan and $1.7 million in permanent financing for 74 units of affordable multifamily rentals reserved for homeless seniors 62 years old and up in Los Angeles County, CA. The project was awarded LIHTCs and is covered by a Section 8 HAP contract. All units are restricted to households with income levels at or below 30 or 50 percent of the AMI.

- $15.3 million construction loan for 33 units of affordable housing in Los Angeles County, CA that was awarded LIHTCs and is covered by a Section 8 HAP contract. All units are restricted to households with income levels at or below 30, 50, or 60 percent of the AMI. Additionally, 16 of the units are set aside for homeless veterans with special needs.

SF CSA

- $28.8 million to finance the acquisition and renovation of a 92-unit affordable housing complex in San Francisco County, CA that was awarded LIHTCs and is covered by a Section 8 HAP contract. All units are restricted to households with income levels at or below 50 or 60 percent of the AMI.

- $21 million construction loan and a $2.5 million permanent loan for the development of a 60-unit affordable housing complex in Sonoma County, CA that was awarded LIHTCs and is covered by a Section 8 HAP contract. All units are restricted to households with income levels at or below 30, 50, or 60 percent of the AMI.

In addition to the CD loans made in the AAs, the bank originated 30 CD loans totaling $275.1 million in the BRSA all addressing affordable housing. These loans had a positive impact on the overall lending test conclusions in the rating area.

Product Innovation and Flexibility

The bank makes extensive use of innovative and/or flexible lending practices to serve AA credit needs. In the LA and SF CSA, CBNA originated 6,652 loans totaling $2.1 billion under its affordable mortgage products programs. The Lender Paid Assistance program accounted for the large majority (88.6 percent) of affordable mortgage products originated in the CSAs during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Lending Test in the Bakersfield, Fresno, Sacramento, and San Diego AAs is consistent with the bank’s overall performance under the Lending Test in the full-scope areas.

Refer to Tables O through R in the state of California section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

The bank's performance under the Investment Test in California is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the LA CSA and SF CSA is excellent.

The bank has an excellent level of qualified CD investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The bank exhibits excellent responsiveness to credit and community economic development needs. The bank makes extensive use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
Full Review:										
LA CSA	94	$760,688	189	$303,463	283	45.0	$1,064,151	41.1	0	0
SF CSA	72	$721,416	124	$251,299	196	31.2	$972,715	37.5	0	0
Limited Review:										
Bakersfield MSA	4	$9,008	3	$11,801	7	1.1	$20,809	0.8	0	0
Fresno CSA	9	$41,193	13	$8,307	22	3.5	$49,500	1.9	0	0
Sacramento MSA	12	$76,365	28	$49,883	40	6.3	$126,248	4.9	0	0
San Diego MSA	29	$183,292	23	$66,922	52	8.3	$250,214	9.7	0	0
BSRA California	15	$31,033	14	$75,938	29	4.6	$106,971	4.1	0	0

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.
** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

In addition to investments made in its AAs, the bank also made 15 prior period investments totaling $31 million and 14 current period investments totaling $75.9 million in the BRSA consisting of the state of California. The investments addressed the need of affordable housing. The investment activity in the BRSA further supports the overall performance of the bank.

<u>LA CSA</u>

The combined prior and current period dollar volume represents 32.1 percent of allocated tier1 capital allocated to the AA. The bank's investments and grants were very effective and responsive in meeting community credit needs, including the creation of affordable housing, providing increased access to healthcare services, and supporting workforce development and financial capability programs. Investment activity included NMTCs, LIHTCs, and numerous grants and donations.

Examples of the bank's qualified investments include:

- $53.3 million investment in a proprietary multi-family tax credit fund to finance a senior housing development in Orange County. The project consists of 394 units with 391 units restricted to households with an income level at or below 60 percent of the AMI.

- $6.6 million NMTC investment to finance the construction of a new 52,000 square feet, two-story medical office and wellness center that will expand medial services with independent specialists in Los Angeles County. In addition to the expanded medical services, the project will create 250 permanent full-time jobs, of which 125 are anticipated to be filled by LMI persons. This medical and wellness center is in a community that has historically lacked adequate health and medical infrastructure.

- $250,000 donation to an area CDFI to support a program focused on improving the financial well-being of LMI households through financial capacity and asset building workshops, financial coaching, and referrals to housing resources, as well as achieving long-term economic self-sufficiency.

<u>SF CSA</u>

The combined prior and current period dollar volume represents 31.4 percent of allocated tier 1 capital. There are numerous investment opportunities in the SF CSA. The bank's investments and grants were very effective and responsive in meeting community credit needs, including the creation and preservation of affordable housing, small business support, support for financial capability, and workforce development. Investment activity consists primarily of LIHTCs, HTCs, bonds, and grants and donations.

Examples of the bank's qualified investments include:

- $80.5 million LIHTC investment to finance a 700-unit multi-building residential complex in Santa Clara County. Nearly all the units are restricted to households with income at or below 60 percent of the AMI.

- $2.7 million investment in a proprietary fund for the purpose of financing, an 80-unit affordable housing project in Merced County that was awarded LIHTC. The units are restricted to households with income levels at or below 50 percent of the AMI.

- $100,000 donation to support an Earned Income Tax Credit program for farm workers in Napa County.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Bakersfield, Fresno, Sacramento, and San Diego AAs is consistent with the bank's overall performance under the Investment Test in the full-scope areas.

SERVICE TEST

The bank's performance under the Service Test in California is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the LA CSA and SF CSA is excellent.

Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the bank's AAs after taking into consideration the adjacency of branches located in MUI geographies.

Distribution of Branch Delivery System											
	Deposits	Branches						Population			
Assessment Area	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
LA CSA	47.9	152*	52.4	5.9	28.9	21.7	42.1	7.6	28.6	29.4	33.8
SF CSA	44.7	100*	34.5	12.0	18.0	28.0	41.0	8.9	22.5	36.2	32.2
Bakersfield MSA	0.4	2	0.7	0.0	0.0	0.0	100.0	9.7	23.3	31.8	33.0
Fresno CSA	1.6	9	3.1	22.2	33.3	11.1	33.3	7.8	32.6	23.6	33.9
Sacramento MSA	1.9	9	3.1	0.0	55.6	33.3	11.1	9.8	24.8	32.9	32.4
San Diego MSA	3.5	18	6.2	5.6	16.7	38.9	38.9	8.9	23.6	32.5	34.7

Distribution of Branch Openings/Closings						
	Branch Openings/Closings					
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
LA CSA	0	12	0	-2	-1	-9
SF CSA	0	8	0	-2	-3	-3
Bakersfield MSA	0	0	0	0	0	0
Fresno CSA	0	2	0	-1	0	-1
Sacramento MSA	0	1	0	0	-1	0
San Diego MSA	0	0	0	0	0	0

<u>LA CSA</u>

The overall distribution of branches is excellent. The distribution is good in low-income geographies and excellent in moderate-income geographies. The proportion of branches in low-income geographies was near to the proportion of the population in low-income geographies and the proportion of branches in moderate-income geographies exceeded the proportion of the population in moderate-income geographies. Additionally, examiners determined that 37 branches in MUI geographies provided additional access to retail banking services in LMI geographies. Of the 37 branches, four branches provided additional access to retail banking services in low-income geographies and the remaining 33 branches provided additional access to retail banking services in moderate-income geographies. Examiners considered the additional accessibility of these branches in the evaluation, which had a positive effect on the overall service delivery systems conclusion.

The bank had 308 bank-owned deposit taking ATMs with 27 (8.9 percent) located in low-income geographies and 91 (29.5 percent) located in moderate-income geographies. In addition to bank-owned ATMs, customers can make cash withdrawals and balance inquiries at more than 3,100 ATMs without fees or surcharges. Digital banking platform usage by LMI households and customers in LMI geographies were comparable to usage by MUI households and customers in MUI geographies. Based on customer usage data for ATMs and other digital banking platforms during the evaluation period, ADS had a positive effect on the overall service delivery systems conclusion.

The bank’s opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. Despite the net closures in moderate-income geographies, the remaining branches were readily accessible to LMI income geographies and individuals. Most of the branches closed were determined to be underperforming based on teller volume, level of branch deposits, and/or retail products volume. Other branches were overlapping nearby branches and offered the bank the opportunity to consolidate those branches.

Services, including where appropriate, business hours, do not vary in a way that inconveniences its assessment areas, particularly low- and moderate-income geographies and/or individuals. Branch operating hours were consistent throughout the AA. Approximately 70 percent of the branches in LMI geographies were opened for Saturday banking compared with 66 percent of the branches in MUI geographies.

<u>SF CSA</u>

The overall distribution of branches is excellent. The distribution is excellent in low-income geographies and good in moderate-income geographies. The proportion of branches in low-income geographies exceeded the proportion of the population in low-income geographies and the proportion of branches in moderate-income geographies was near to the proportion of the population in moderate-income geographies. Additionally, examiners determined that 35 branches in MUI geographies provided additional access to retail banking services in LMI geographies. Examiners considered the additional accessibility of these branches, which had a positive effect on the overall service delivery systems conclusion.

The bank had 205 bank-owned deposit taking ATMs with 29 (14.1 percent) located in low-income geographies and 38 (18.5 percent) located in moderate-income geographies. In addition to bank-owned ATMs, customers can make cash withdrawals and balance inquiries at nearly 1,500 ATMs without fees or surcharges. Digital banking platform usage by LMI households and customers in LMI geographies were comparable to usage by MUI households and customers in MUI geographies. Based on customer usage data for ATMs and other digital banking platforms during the evaluation period, ADS had a positive effect on the overall service delivery systems conclusion.

The bank’s opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. Despite the net closures in moderate-income geographies, the remaining branches were readily accessible to LMI geographies and individuals. Most of the branches closed were determined to be underperforming based on teller volume, level of branch deposits, and/or retail products volume.

Services, including where appropriate, business hours, do not vary in a way that inconveniences its assessment areas, particularly LMI geographies and/or individuals. Branch operating hours were consistent throughout the AA. Approximately 68 percent of the branches in LMI geographies were opened for Saturday banking compared with 62 percent of the branches in MUI geographies.

Community Development Services

The bank provides an adequate level of CD services.

<u>LA CSA</u>

During the evaluation period, 285 employees contributed 596 hours in providing 64 community development services primarily targeted to LMI individuals. These community development services benefitted 5,816 LMI individuals and families. In addition, 16 employees served on the boards or committees of 20 non-profit organizations in the AA. Employees primarily provided financial literacy, mentoring, and technical assistance. Examples include:

- 157 employees taught 2,155 elementary school children from LMI families about the importance of saving money through the Teach Children to Save campaign.

- 58 employees contributed 168 hours to provide 39 homebuyer education workshops or seminars that benefitted 1,541 LMI individuals.

<u>SF CSA</u>

During the evaluation period, 282 employees contributed 518 hours in providing 63 community development services primarily targeted to LMI individuals. These community development services benefitted 4,215 LMI individuals and families. In addition, seven employees served on the boards or committees of nine non-profit organizations in the AA. Employees primarily provided financial literacy, mentoring, and technical assistance. Examples include:

- 111 employees taught 1,989 elementary school children from LMI families about the importance of saving money through the Teach Children to Save campaign.

- 12 employees provided 13 homebuyer education workshops that benefitted 958 LMI individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Service Test in the Fresno CSA is consistent with the bank’s overall excellent performance under the Service Test in the full-scope areas. The bank’s performance under the Service Test in the Bakersfield, Sacramento, and San Diego MSAs is weaker than the bank’s performance under the Service Test in the full-scope areas. Performance is weaker due to a weaker distribution of branches in LMI geographies. The weaker performance did not adversely affect the Service Test rating for the state of California.

State Rating

State of Florida

CRA rating for the State of Florida: Outstanding
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: Outstanding

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- Excellent geographic distribution of loans.
- Good borrower distribution of loans.
- The bank is a leader in making CD loans.
- Excellent level of CD investments.
- Retail delivery systems are readily accessible to all portions and individuals of different income levels in the AA and the bank provides an adequate level of community development services.

Description of Institution's Operations in Florida

CBNA has delineated four AAs in the state of Florida. These include the three MDs that make up the Miami-Fort Lauderdale-Pompano Beach MSA. The bank has also delineated Duval County (Jacksonville AA) within the Jacksonville MSA.

The bank had $18 billion of deposits in the state and ranked eighth with 3 percent market share. The deposits represent 8 percent of the bank's adjusted deposits. The top three banks were Bank of America (19.2 percent), Wells Fargo (13.1 percent), and SunTrust Bank (8 percent), each with substantially larger branch networks. CBNA operated 53 branches and 142 ATMs within Florida, representing 7.6 percent of the bank's branches and 6.2 percent of the bank's ATMs.

The Miami AA is a high cost housing area, limiting access to affordable homeownership among LMI borrowers. The median housing value is $227,861 while the NAR 4Q2019 median sales price of a single-family home is $368,500. One simplistic method used to determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income.

Assuming a 30-year mortgage with a 5 percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making $32,327 per year (or less than 50 percent of the FFIEC adjusted median family income in the AA) could afford a $116,614 mortgage with a payment of $626 per month; a moderate-income borrower earning $51,722 per year (or less than 80 percent of the FFIEC adjusted median family income in the AA) could afford a $186,579 mortgage with a payment of $1,002 per month.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial wherewithal to qualify for a home loan than those with income above poverty. In the Miami MSA, the overall household poverty level was 16 percent. However, in low-income geographies, the household poverty level increases to 40 percent and in moderate-income geographies it increases to 24 percent. In MUI geographies, the combined poverty level is just 11 percent.

Table A – Demographic Information of the Assessment Area

Assessment Area: Miami MSA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,219	6.2	28.2	29.5	33.6	2.5
Population by Geography	5,861,000	5.8	28.9	31.5	33.4	0.4
Housing Units by Geography	2,484,604	5.5	27.9	30.9	35.3	0.3
Owner-Occupied Units by Geography	1,248,038	2.6	23.2	32.9	41.2	0.2
Occupied Rental Units by Geography	799,004	10.1	36.4	30.1	22.9	0.5
Vacant Units by Geography	437,562	5.6	25.9	26.7	41.2	0.6
Businesses by Geography	962,932	4.2	21.9	28.3	44.4	1.2
Farms by Geography	14,056	4.6	24.1	29.7	41.2	0.4
Family Distribution by Income Level	1,330,793	23.1	17.0	17.7	42.2	0.0
Household Distribution by Income Level	2,047,042	25.1	15.7	16.6	42.6	0.0
Median Family Income MSA - 22744 Fort Lauderdale-Pompano Beach-Sunrise, FL		$61,809	Median Housing Value			$227,861
Median Family Income MSA - 33124 Miami-Miami Beach-Kendall, FL		$49,264	Median Gross Rent			$1,194
Median Family Income MSA - 48424 West Palm Beach-Boca Raton-Boynton Beach, FL		$65,914	Families Below Poverty Level			13.5%

Source: 2015 ACS and 2019 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

According to Moody's Analytics November 2019, the Great Recession had a lasting impact on Miami's economy. At the height of the previous expansion 12 years ago, average hourly wages in the Miami MSA were $1.70 above the U.S. average. Wages fell below the national average during the recession, and the gap between the local and national average has widened ever since. Today, the average hourly wage is $4.30 less than the national level among major metro areas with more than one million residents. Construction jobs are set to grow twice as fast as the national average, and some of this new employment can be traced to activity at Port Miami, the world's busiest harbor for passenger ships. Over the next three years, cruise lines will build four separate terminals and two corporate offices at the port at a total cost of more than $1.5 billion.

Major employers in the AA include University of Miami, Jackson Health System, Publix Super Markets, Baptist Health Systems of Southern Florida, and American Airlines.

The Miami MSA is transitioning into a sanctuary for affluent retirees and wealthy expatriates. Miami has the second-highest level of income inequality among major metro areas, behind New York City. Since the wealthy in Miami sustain their lifestyle with nonwage income, the area's gross domestic product has increased even as wage growth has stalled. But a looming domestic downturn and global slowdown will reduce corporate profits and stock market returns over the next couple of years. This shock will be hardest felt in the wealthy enclaves flanking the central business district and in Miami Beach, but it will impact the entire metro division.

Community Contacts

To understand the credit and community development needs in the area, examiners reviewed two recent contacts with community-based organizations; one is a CDFI targeting affordable housing/homeownership and one targets economic development. The organizations noted a need for affordable housing, home purchase financing and refinancing, startup entrepreneurial financing, and financial literacy.

Scope of Evaluation in Florida

The Miami MSA received a full-scope review. This area accounted for nearly all the deposits, branches, and lending activity in the state. The three MDs making up the MSA were combined for evaluating performance for each test, reducing the effective number of AAs to two. The Jacksonville AA received a limited-scope review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FLORIDA

LENDING TEST

The bank's performance under the Lending Test in Florida is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Miami MSA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs considering the number and dollar amount of home mortgage, small business, and CD lending activities relative to CBNA's capacity based on deposits, competition, and market presence.

Number of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State Loans	%State Deposits
Miami MSA	7,595	59,351	62	67,008	91.9	99.9
Jacksonville AA	545	5,328	4	5,877	8.1	0.1
BRSA-State of Florida	0	0	20	20	0.0	NA
Total	8,140	64,679	86	72,905	100.0	100.0

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Dollar Volume of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State* Loans	%State Deposits
Miami MSA	2,633,961	373,261	591,241	3,598,463	92.3	99.9
Jacksonville AA	88,669	28,437	22,701	139,807	3.6	0.1
BRSA-State of Florida	0	0	158,683	158,683	4.1	NA
Total	2,722,630	401,698	772,625	3,896,953	100.0	100.0

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

The bank ranked fourth in deposits with a 7.5 percent market share. In small loans to businesses, the bank also ranked fourth with 7.1 percent market share placing it in the top 2 percent of all lenders. This is a very competitive market with 226 small business lenders compared to 116 depository institutions. The top three lenders (and their market share) were nationwide lenders with substantial small business credit card portfolios and include American Express (27.8 percent), JPMorgan Chase (15.6 percent), and Bank of America (15.4 percent). In overall HMDA lending, the bank ranked 25th with 0.86 percent market share placing it in the top 3 percent of all lenders. In the AA, there is strong competition for home mortgage lending with 1,025 home mortgage lenders in the market. The top lenders were Wells Fargo (6.6 percent), United Shore Financial Services (6.1 percent), and Quicken Loans (5.2 percent).

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA, relative to area demographics and aggregate lending data.

Home Mortgage Loans

Refer to Table O in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The proportion of loans in both LMI geographies exceeded the proportion of owner-occupied homes in those geographies and the aggregate distribution of loans. Despite the high cost of housing and economic considerations, the bank achieved excellent geographic penetration.

Small Loans to Businesses

Refer to Table Q in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of the bank's small loans to businesses was excellent. The proportion of loans in low-income geographies was near to the percentage of businesses located in those geographies and the aggregate distribution of loans. The proportion of loans in moderate-income geographies exceeded the proportion of businesses located in those geographies and the aggregate distribution of loans.

Lending Gap Analysis

Examiners reviewed summary reports and maps and analyzed home mortgage and small business lending activity to identify any gaps in the geographic distribution of loans in all full-scope AAs. Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

Refer to Table P in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of home mortgage loans is good, given performance context consideration. Examiners considered that the high housing cost, limited availability of housing that low-income borrowers can afford to acquire, and poverty levels within the AA constrained lending opportunities to low-income borrowers.

The proportion of loans to low-income borrowers was significantly weaker than the proportion of low-income families within the AA. However, the bank exceeded the aggregate distribution of loans. The proportion of loans to moderate-income borrowers was weaker than the proportion of moderate-income families and exceeded the aggregate distribution of loans.

Small Loans to Businesses

Refer to Table R in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses is good. The proportion of loans to small businesses is near to the percentage of small businesses in the AA and significantly exceeded the aggregate distribution of loans.

Community Development Lending

The bank is a leader in making CD loans.

The Lending Activity Table, shown above, set forth the information and data used to evaluate the bank's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans. The dollar volume in the Miami MSA equaled 26.7 percent of allocated tier 1 capital.

CD lending had a significantly positive impact on the Lending Test of the rating area.

The bank took a leadership role in originating CD loans that were responsive to the identified needs of the Miami MSA and were also complex. Examples include:

- $50 million acquisition and renovation of a 196-unit multifamily project in Miami-Dade County. The project was done in partnership with the Housing Finance Authority of Miami-Dade. The project, located in a low-income geography, received extensive damage from Hurricane Irma in 2017. The units are restricted to households with income levels at or below 60 percent of AMI.

- $29 million to finance the renovation of a 252 unit two-property project located in Miami-Dade County that was awarded LIHTCs and is covered by a Section 8 HAP contract. All units are restricted to households with income levels at or below 60 percent of the AMI.

- $16.5 million to finance the acquisition and recapitalization of a 176-unit complex located in Miami-Dade County and was awarded LIHTCs. This was a partnership with the Housing Finance Authority of Miami-Dade County and all the units are restricted to households with income levels at or below 60 percent of the AMI.

In addition to the CD loans made in the bank's AAs, CBNA originated 20 loans totaling $158.7 million in the BRSA. These loans primarily addressed affordable housing and economic development within the state of Florida and were given positive consideration to the overall lending test conclusions in the rating area.

Product Innovation and Flexibility

The bank makes extensive use of innovative and/or flexible lending practices to serve AA credit needs. CBNA originated 1,422 loans totaling $249 million under its affordable mortgage products programs. The Lender Paid Assistance and NACA programs accounted for the large majority (78.8 percent) of affordable mortgage products originated in the AA during the evaluation period.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Lending Test in the Jacksonville AA is consistent with the bank's overall performance under the Lending Test in the full-scope area.

Refer to Tables O through R in the state of Florida section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

The bank's performance under the Investment Test in Florida is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Miami MSA is excellent.

The bank has an excellent level of qualified CD investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The bank exhibits excellent responsiveness to credit and community economic development needs. The bank makes extensive use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
Full Review:										
Miami MSA	27	$268,954	82	$208,716	109	71.2	$477,670	72.5	0	0
Limited Review:										
Jacksonville MSA	1	$1,048	20	$17,289	21	13.7	$18,337	2.9	0	0
BSRA FL	11	$126,257	12	$36,834	23	15.1	$163,091	24.6	0	0

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.
** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The combined prior and current period dollar volume represents 21.5 percent of tier 1 capital allocated to the AA. There are numerous investment opportunities in the Miami MSA. The bank's investments and grants were very effective and responsive in meeting community credit needs, including affordable housing and small business development. Investment activity includes LIHTCs and various grants and donations.

Examples of the bank's qualified investments include:

- $24 million LIHTC investment to support the development of a 120-unit, senior living facility in Broward County. The project was 20 years in the making as part of the redevelopment of the South Dixie Highway corridor. All units are restricted to households with income levels at or below 60 percent of the AMI. Additionally, six of the units are reserved for persons with special needs.

- $12.9 million investment in a proprietary fund to facilitate the development of a 125-unit property in Palm Beach County. The project was awarded LIHTCs and is covered by a Section 8 HAP contract. All units are restricted to households with income levels at or below 80 percent of the AMI.

- $600,000 donation to a non-profit kitchen incubator and accelerator to scale up food businesses owned by LMI and minority entrepreneurs. The program fills a long-standing gap in South Florida's economic development landscape by leveraging existing commercial kitchen space and providing entrepreneurs with technical assistance and access to markets. The bank's donation provided seed funding.

In addition to investments made in its AAs, the bank also made 11 prior period investments totaling $126.3 million and 12 current period investments totaling $36.8 million in the BSRA consisting of the state of Florida. The current period investment activity primarily addressed affordable housing and economic development and further supports the overall Investment Test conclusion for the rating area.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review the bank's performance under the Investment Test in the Jacksonville AA is consistent with the bank's overall performance under the Investment Test in the full-scope area.

SERVICE TEST

The bank's performance under the Service Test in Florida is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Miami MSA is excellent.

Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the bank's AA after taking into consideration the adjacency of branches located in MUI geographies.

Distribution of Branch Delivery System											
	Deposits	Branches						Population			
Assessment Area	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Miami MSA	99.9	52*	98.1	3.8	25.0	13.5	55.8	5.8	28.9	31.5	33.4
Jacksonville AA	0.1	1	1.9	0.0	0.0	0.0	100.0	8.1	28.1	39.4	24.4

*One branch is in a geography without an income designation.

The overall distribution of branches by income level of the geography is excellent when considering the accessibility of branches located in MUI that are near to LMI geographies. The distribution is adequate in low-income geographies and good in moderate-income geographies. The proportion of branches in low-income geographies was below the proportion of the population in low-income geographies. The proportion of branches in moderate-income geographies was near to the proportion of the population in moderate-income geographies. Within the AA, examiners determined that 19 branches in MUI geographies provided additional access to retail banking services in LMI geographies. Of the 19 branches, three branches provided additional access to retail banking services in low-income geographies and the remaining 16 branches provided additional access to retail banking services in moderate-income geographies. Examiners considered the additional accessibility of these adjacent branches, which had a positive effect on the overall service delivery systems conclusion.

Examiners also considered the bank's ADS, including ATMs and digital banking platforms in evaluating accessibility to the bank's products and services. The bank had 142 bank-owned deposit taking ATMs with five (3.5 percent) located in low-income geographies and 38 ATMs (26.8 percent) located in moderate-income geographies. In addition to bank-owned ATMs, customers can make cash withdrawals and balance inquiries at 890 ATMs without fees or surcharges. Digital banking platform usage by LMI households and customers in LMI geographies were comparable to usage by MUI households and customers in MUI geographies. Based on customer usage data for ATMs and other digital banking platforms during the evaluation period, ADS had a positive effect on the overall service delivery systems conclusion.

Distribution of Branch Openings/Closings						
	Branch Openings/Closings					
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Moderate	Middle	Upper
Miami MSA	2*	2	0	+1	0	-2

*Includes one branch opened in a geography without an income designation.

The bank's opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals.

Services, including where appropriate, business hours, do not vary in a way that inconveniences its assessment areas, particularly LMI geographies and/or individuals. Branch operating hours were consistent throughout the AA. Approximately 53 percent of the branches in LMI geographies were opened for Saturday banking compared with 51 percent of the branches in MUI geographies.

Community Development Services

Citibank provides an adequate level of community development services in the Miami MSA.

During the evaluation period, 202 employees contributed 171 hours in providing 37 community development services primarily targeted to LMI individuals. These community development services benefitted 3,181 LMI individuals and families. In addition, seven employees served on the boards or committees of nine non-profit organizations in the AA. Employees primarily provided financial literacy, mentoring, and technical assistance. Examples include:

- 133 Citibank employees taught 1,741 elementary school children from LMI families about the importance of saving money through the Teach Children to Save campaign.

- In collaboration with local and national community development organizations, 30 employees provided homebuyer education to 833 LMI individuals through 23 workshops and seminars.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Service Test in the Jacksonville AA is weaker than the bank's overall performance under the Service Test in the full-scope area. Weaker performance is based on the geographic distribution of the bank's one branch in proportion to the population. The weaker performance did not adversely impact the Service Test rating in the state.

State Rating

State of Illinois

CRA rating for the State of Illinois: Outstanding
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- Excellent geographic distribution of loans.
- Excellent borrower distribution of loans.
- The bank is a leader in making CD loans.
- Excellent level of CD investments.
- Retail delivery systems are accessible to all portions of the AA and the bank provides a relatively high level of CD services.

Description of Institution's Operations in Illinois

CBNA delineated three AAs to include Cook, DuPage, Kendall, McHenry, and Will counties within the Chicago-Naperville-Arlington Heights MD; Kane County within the Elgin MD; and Lake County within the Lake County-Kenosha County MD. All counties of the AA are within the state of Illinois and are part of the larger multistate Chicago-Naperville-Elgin IL-IN-WI MSA. For the evaluation, all counties were combined into one AA.

CBNA held $14.2 billion in deposits in Illinois, ranked ninth with 2.8 percent market share, and represented 6 percent of the bank's adjusted deposits. The top three banks within the state were JPMorgan Chase (17.5 percent), BMO Harris Bank (12.6 percent), and Bank of America (7.2 percent). All three banks have substantially larger branch networks. CBNA operated 61 branches and 255 ATMs representing 8.8 percent of total branches and 11.1 percent of ATMs.

Table A – Demographic Information of the Assessment Area

Assessment Area: Chicago CSA

Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	1,975	14.1	24.0	28.3	32.8	0.9
Population by Geography	8,385,941	10.1	24.0	30.8	34.9	0.2
Housing Units by Geography	3,334,182	10.4	22.8	30.8	35.7	0.3
Owner-Occupied Units by Geography	1,933,214	4.5	18.0	34.4	43.0	0.1
Occupied Rental Units by Geography	1,095,864	17.5	29.8	26.1	25.9	0.7
Vacant Units by Geography	305,104	22.4	28.0	24.7	24.5	0.5
Businesses by Geography	580,582	4.9	15.4	29.0	50.2	0.5
Farms by Geography	9,005	3.4	15.2	37.8	43.5	0.1
Family Distribution by Income Level	1,985,710	23.5	16.3	18.5	41.7	0.0
Household Distribution by Income Level	3,029,078	25.4	15.2	17.0	42.4	0.0
Median Family Income MSA - 16984 Chicago-Naperville-Evanston, IL		$75,024	Median Housing Value			$248,020
Median Family Income MSA - 20994 Elgin, IL		$80,899	Median Gross Rent			$1,055
Median Family Income MSA - 29404 Lake County-Kenosha County, IL-WI		$87,137	Families Below Poverty Level			10.5%

Source: 2015 ACS and 2019 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

Chicago is an important financial center in the U.S. and in the world; a large transportation, logistics, and warehousing center; a major tourist destination; and has a growing high-tech sector. Chicago also is an important center of higher education, with many leading universities. Information from Moody's Analytics indicated the Chicago MSA had a well-diversified economy. Key sectors of the economy based on percentage of total employment included Professional and Business Services, Education and Health Services, Government, and Leisure and Hospitality Services. Major employers in the AA included Advocate Health Care System, the University of Chicago, Abbott Laboratories, JPMorgan Chase, and Northwestern Memorial Healthcare.

According to the Bureau of Labor Statistics, the annual average unemployment rate in the Chicago MSA AA was 4.8 percent in 2017, 4.0 percent in 2018, and 3.8 percent in 2019. This was consistent with the overall Illinois state unemployment rates of 4.9 percent, 4.3 percent, and 4.0 percent, respectively.

Job-rich areas are found in the north and west suburbs, which are included in the Chicago AA. Fewer jobs are found in LMI communities, particularly in areas of the City of Chicago south and west of downtown, and in some southern suburbs. Several initiatives in the region, to which banks have provided loans, investments, and services, address this disparate concentration of employment by increasing the number of businesses and jobs in LMI communities, improving the skills of LMI residents, encouraging investments in affordable housing near public transportation facilities, and providing affordable and employer-assisted housing proximate to job centers.

The region continued to be impacted by state and local budgetary pressures, along with above average crime rates, which had an impact on population growth. The area experienced a worse than expected outflow of population over the evaluation period, which negatively impacted job growth. Illinois continues to experience a high level of foreclosures, with the third highest level among the 50 states. Two of the top five counties for foreclosures in Illinois were in the Chicago MSA. In addition, although home values had rebounded in recent years overall, many areas continued to see home values struggling to bounce back, specifically homes located in low- and moderate-income geographies. A study by a local university showed the home values in geographic areas south of downtown Chicago, which had a higher percentage of properties in LMI geographies, were struggling the most. As a result, refinance and home equity loan opportunities were still limited for these areas where property values are still "underwater."

Community Contacts

To understand the credit and community development needs in the area examiners reviewed two community contacts made during the evaluation period. The organizations included a community loan fund and the public housing authority. The organizations noted a need for affordable housing throughout the AA and commercial retail property in LMI neighborhoods.

Scope of Evaluation in Illinois

The Chicago CSA received a full-scope review. The three AAs were combined in evaluating performance with each test.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ILLINOIS

LENDING TEST

The bank's performance under the Lending Test in Illinois is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Chicago MSA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs considering the number and dollar amount of home mortgage, small business, and CD lending activities relative to CBNA's capacity based on deposits, competition, and market presence.

Number of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Chicago MSA	14,280	54,558	58	68,896
BRSA-Illinois	0	0	14	14
Total	14,280	54,558	72	68,910

Dollar Volume of Loans (000s)				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Chicago MSA	4,123,757	416,117	859,020	5,398,894
BRSA-Illinois	0	0	123,870	123,870
Total	4,123,757	416,117	982,890	5,522,764

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

CBNA ranked seventh in deposits within the AA with 3.6 percent market share. In small loans to businesses, CBNA ranked third with a 7.7 percent market share placing it in the top 1 percent of lenders. This is a highly competitive market with 246 small business lenders. The other top lenders were American Express (30.5 percent) and Bank of America (16.9 percent). In overall HMDA lending, CBNA ranked 23rd with 1.1 percent market share. This is a very competitive market with 868 home mortgage lenders and 270 depository institutions. The top HMDA lenders were JPMorgan Chase (9.5 percent), Wells Fargo (7.7 percent), and Guaranteed Rate Inc. (6.5 percent). JPMorgan Chase has a substantially larger branch presence in the AA.

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA.

Home Mortgage Loans

Refer to Table O in the state of Illinois section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans is excellent. The proportion of loans in LMI geographies exceeded the proportion of owner-occupied homes in those geographies and the aggregate distribution of loans. The low-level of owner-occupied housing and high percentage of vacant units in low-income geographies were considered in our conclusion.

Small Loans to Businesses

Refer to Table Q in the state of Illinois section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is excellent. The proportion of loans in low-income geographies equaled the proportion of businesses located in those geographies and exceeded the aggregate distribution of loans. The proportion of loans in moderate-income geographies exceeded the proportion of businesses located in those geographies and the aggregate distribution of loans.

Lending Gap Analysis

Examiners reviewed summary reports and maps and analyzed home mortgage and small business lending activity to identify any gaps in the geographic distribution of loans in all full-scope AAs. Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

Refer to Table P in the state of Illinois section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of home mortgage loans is excellent. Examiners considered housing costs in relation to the median family incomes in the AA, which limited the affordability for low-income families. The proportion of loans to low-income borrowers is weaker than the proportion of low-income families within the AA and exceeded the aggregate distribution of loans. The proportion of loans to moderate-income borrowers exceeded both the proportion of moderate-income families and the aggregate distribution of loans.

Small Loans to Businesses

Refer to Table R in the state of Illinois section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was excellent. The proportion of loans is near to the proportion of small businesses and significantly exceeded aggregate distribution of loans.

Community Development Lending

The bank is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the bank's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans. The dollar volume equaled 49.2 percent of allocated tier 1 capital.

CD lending had a significantly positive impact on the overall Lending Test of the rating area.

The bank took a leadership role in originating CD loans that were responsive to the identified needs of the Chicago MSA and were also complex and flexible. Most of the loans addressed affordable housing. Examples include:

- $12.5 million construction loan to build 88 units of affordable housing in Chicago that was awarded LIHTCs utilizing the HUD Rental Assistance Demonstration program with the Chicago Housing Authority. The apartments are covered by a Section 8 HAP. All units are restricted to households with income levels at or below 60 percent of the AMI.

- $9.1 million permanent financing for the acquisition and renovation of a 100-unit, eight-property portfolio in Chicago that was awarded LIHTCs. All units are restricted to households with income levels at or below 60 percent of the AMI.

Product Innovation and Flexibility

The bank uses innovative and/or flexible lending practices to serve AA credit needs. CBNA originated 2,180 loans totaling $394 million under its affordable mortgage products programs. The Lender Paid Assistance program accounted for the majority (66 percent) of affordable mortgage products originated in the AA during the evaluation period.

INVESTMENT TEST

The bank's performance under the Investment Test in Illinois is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Chicago MSA is excellent.

The bank has an excellent level of qualified CD investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The bank exhibits excellent responsiveness to credit and community economic development needs. The bank makes extensive use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
Chicago MSA	34	$165,401	122	$153,201	156	95.7	$318,602	94.1	0	0
BSRA-State of Illinois	2	$10,199	5	$9,821	7	4.3	$20,020	5.9	0	0

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.
** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

In addition to investments made in its assessment area, the bank also made two prior period investments totaling $10.2 million and five current period investments totaling $9.8 million in the BSRA consisting of the state of Illinois. Four of the five current period investments addressed affordable housing.

The combined prior and current period dollar volume represents 18.2 percent of tier 1 capital allocated to the AA. There are numerous investment opportunities in the Chicago MSA. The bank's investments and grants were very effective and responsive in meeting community credit needs, including affordable housing, access to healthcare, neighborhood revitalization, and access to community services. Investment activity includes NMTCs, HTCs and grants and donations.

Examples of the bank's qualified investments include:

- $4.1 million investment in a NMTC fund to finance the construction of a community center located in an economically distressed and underserved moderate-income area of Chicago. The community center will serve 1,000 individuals through academic programs, tutoring, financial literacy classes, and entrepreneurship training programs.

- $1.8 million investment in a proprietary HTC fund to provide the equity needed to finance the rehabilitation of an arts center located in a low-income geography in Aurora. When completed, the center will provide a performing arts school, a restaurant, and 42 apartments. Almost all the apartments will be restricted to households at 60 percent of AMI. The center will also provide 89 permanent full-time employment jobs with most to LMI individuals.

- $1.7 million NMTC investment to assist in bringing a much-needed medical care facility to Chicago's South Side, which is home to some of the city's most impoverished neighborhoods. The area has not had an adult trauma care facility since a nearby hospital closed in 1991. The project will create 126 permanent positions, 82 of which are expected to be held by LMI individuals.

- $100,000 donation to support the development of a land trust that will acquire, rehabilitate, and place foreclosed and/or blighted homes back on the market at affordable prices. The land trust will hold a 99-year lease on the land and codify restrictions on the sale of the homes to ensure the homes will remain affordable in perpetuity.

SERVICE TEST

The bank's performance under the Service Test in Illinois is rated High Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Chicago MSA is good.

Retail Banking Services

Service delivery systems are accessible to geographies and individuals of different income levels in the bank's AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Chicago MSA	100.0	61	100.0	4.9	14.8	23.0	57.4	10.1	24.0	30.8	34.9

The overall distribution of branches is good after considering branches in MUI geographies that are near to LMI geographies. The distribution is poor in low-income geographies and adequate in moderate-income geographies. The proportion of branches in low-income geographies was well below the proportion of the population in low-income geographies. The proportion of branches in moderate-income geographies was below the proportion of the population in moderate-income geographies. Examiners determined that 13 branches in MUI geographies provided additional access to retail banking services in LMI geographies. Of the 13 branches, two branches provided additional access to retail banking services in low-income geographies and the remaining 11 branches provided additional access to retail banking services in moderate-income geographies. Examiners considered the additional accessibility of these branches which had a positive effect on the overall service delivery systems conclusion.

The bank had 255 bank-owned deposit taking ATMs with 11 (4.3 percent) located in low-income geographies and 35 (13.7 percent) located in moderate-income geographies. In addition to bank-owned ATMs, customers can make cash withdrawals and balance inquiries at more than 1,700 ATMs without fees or surcharges. Digital banking platform usage by LMI households and customers in LMI geographies was comparable to usage by MUI households and customers in MUI geographies. Based on customer usage data for ATMs and other digital banking platforms, ADS had a positive effect on the overall service delivery systems conclusion.

Distribution of Branch Openings/Closings						
	Branch Openings/Closings					
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Chicago MSA	0	1	0	0	-1	0

To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. The bank determined the branch was financially underperforming in deposits and teller volume.

Services, including where appropriate, business hours, are tailored to the convenience and needs of its assessment areas, particularly LMI geographies and/or individuals. Approximately 92 percent of the branches in LMI geographies were opened for Saturday banking compared with 63 percent of the branches in MUI geographies.

Community Development Services

The bank provided a relatively high level of CD services.

During the evaluation period, 239 employees contributed 732 hours in providing 39 community development services primarily targeted to LMI individuals. These community development services benefitted 5,968 LMI individuals and families. In addition, 15 employees served on the boards or committees of 18 non-profit organizations in the AA. Employees primarily provided financial literacy, mentoring, and technical assistance. Examples include:

- 94 employees contributed 173 hours during 11 sessions to teach 1,838 elementary school children from LMI families about the importance of saving money through the Teach Children to Save campaign.

- 25 employees contributed 95 hours toward providing 16 homebuyer education workshops or seminars that benefitted 486 LMI individuals.

- Eight employees contributed 264 hours to mentor eight junior and high school LMI students in schools located in the AA.

State Rating

State of Nevada

CRA rating for the State of Nevada: Outstanding
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: Outstanding

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- Excellent geographic distribution of loans.
- Excellent borrower distribution of loans.
- The bank is a leader in making CD loans.
- Excellent level of CD investments.
- Retail delivery systems are readily accessible to all portions of the AA and the bank provides an adequate level of CD services.

Description of Institution's Operations in Nevada

CBNA has delineated one AA within the state of Nevada consisting of the Las Vegas-Henderson-Paradise MSA in its entirety (Las Vegas MSA). CBNA had $1.3 billion in deposits and ranked 12th with 0.5 percent market share. The deposits represent 0.6 percent of the bank's adjusted deposits. The top three banks were Charles Schwab Bank (70 percent), Wells Fargo Bank (6.7 percent), and Bank of America (5.7 percent). Both Bank of America and Wells Fargo have substantially larger branch networks. CBNA operated nine branches and 24 ATMs within the AA representing 1.3 percent of total branches and 1 percent of the bank's ATMs.

Table A – Demographic Information of the Assessment Area Assessment Area: Las Vegas MSA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	487	5.7	26.3	37.2	30.6	0.2
Population by Geography	2,035,572	5.0	25.3	39.2	30.3	0.2
Housing Units by Geography	857,131	5.6	24.9	38.7	30.6	0.2
Owner-Occupied Units by Geography	380,425	1.9	16.9	41.7	39.5	0.0
Occupied Rental Units by Geography	344,021	8.7	33.0	36.9	21.1	0.2
Vacant Units by Geography	132,685	8.1	27.0	34.8	29.5	0.6
Businesses by Geography	129,471	3.6	21.3	38.2	36.2	0.6
Farms by Geography	1,830	2.3	19.9	41.3	36.4	0.1
Family Distribution by Income Level	465,442	20.7	18.4	20.5	40.5	0.0
Household Distribution by Income Level	724,446	22.6	17.0	18.8	41.6	0.0
Median Family Income MSA - 29820 Las Vegas-Henderson-Paradise, NV MSA		$59,993	Median Housing Value			$169,213
			Families Below Poverty Level			11.9%
			Median Gross Rent			$1,032

Source: 2015 ACS and 2019 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

According to Moody's Analytics November 2019, the Las Vegas MSA was maintaining its job growth level over the U.S. average, but job growth has dipped below the West Region's (West) average. However, unlike many metro areas in the West, a near-comprehensive count of payrolls suggests that the Las Vegas MSA has fared better in 2019 than sample data indicates. The leisure/hospitality industry added positions at a solid pace, while other private services lagged. Job growth in professional/business services cooled after a strong run in 2018, while healthcare hiring was at its slowest rate in a decade. Construction continued to outperform. The jobless rate has held steady at 4.3 percent even as the labor force climbs. A tighter labor market pushed up average hourly earnings, but home prices barely moved. A rebound in residential building helped to mitigate supply constraints and tempered price pressures.

Tourism is a key driver of the local economy, but slower growth in national consumer spending next year will cause net hiring in leisure/hospitality to decelerate. Still, healthy tourism indicators coupled with new projects on the Las Vegas Strip will send job growth above the U.S. and West averages by mid-2020.

Healthcare's southern Nevada footprint will expand even as job growth returns to a more sustainable pace. New hospital expansions are being considered to meet growing demand as more baby boomers reach retirement age. Robust population growth, especially among those age 65 and older, will preserve above-average job gains.

After rising at one of the fastest paces among metro areas last year, home price appreciation recently dipped below the U.S. average. Inventory has improved, but a four-month supply of homes for sale is still well below the six-month supply in a balanced market. Many potential homebuyers were priced out of the market last year as house prices rose twice as fast as incomes. An increase in construction of more affordable homes and multifamily units will support home sales over the near term. As housing starts trend higher, house price appreciation will continue to decelerate through 2022.

Community Contacts

To understand the credit and community development needs in the area, two community based organizations including a social services agency and a non-profit housing counselor/affordable housing developer were contacted by another bank regulatory agency. CD needs identified within the AA include affordable housing, loan programs with closing costs assistance, and primary and behavioral health care in underserved communities.

Scope of Evaluation in Nevada

The Las Vegas AA received a full-scope review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEVADA

LENDING TEST

The bank's performance under the Lending Test in Nevada is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Las Vegas AA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs considering the number and dollar amount of home mortgage, small business, and CD lending activities relative to the bank's capacity based on deposits, competition, and market presence.

Number of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Las Vegas MSA	14,280	9,624	25	23,929
BRSA-Nevada	0	0	17	17
Total	14,280	9,624	42	23,946

Dollar Volume of Loans (000s)				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Las Vegas MSA	4,123,757	57,852	250,270	4,431,879
BRSA-Nevada	0	0	291,501	291,501
Total	4,123,757	57,852	541,771	4,723,380

CBNA ranked 12th in deposits within the AA with 0.5 percent market share. In small loans to businesses, CBNA ranked sixth with a 5.7 percent market share placing it in the top 4 percent of lenders. This is a very competitive market with 161 small business lenders. The other top lenders were American Express

(23.4 percent), JPMorgan Chase (18.4 percent), and Bank of America (13.7 percent). In overall HMDA lending, CBNA ranked 76th with 0.3 percent market share. This is a very competitive market with 560 home mortgage lenders compared to 46 depository institutions. The top HMDA lenders were Wells Fargo (6.9 percent), Quicken Loans (6.1 percent), and US Bank (4.5 percent)

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA.

Home Mortgage Loans

Refer to Table O in the state of Nevada section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgages was excellent. The proportion of loans in LMI geographies exceeded the proportion of owner-occupied housing in those geographies and the aggregate distribution of loans. The low percentage of owner-occupied housing in low-income geographies and competition among lenders was considered in the evaluation.

Small Loans to Businesses

Refer to Table Q in the state of Nevada section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses was excellent. The proportion of loans in LMI geographies was near to the proportion of businesses in those geographies and exceeded the aggregate distribution of loans.

Lending Gap Analysis

Examiners reviewed summary reports and maps and analyzed home mortgage and small business lending activity to identify any gaps in the geographic distribution of loans in all full-scope AAs. Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

Refer to Table P in the state of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of home mortgage loans is excellent. The proportion of loans to low-income borrowers was weaker than the proportion of low-income families and significantly exceeded the aggregate distribution of loans. The proportion of loans to moderate-income borrowers exceeded the proportion of moderate-income families and the aggregate distribution of loans.

Small Loans to Businesses

Refer to Table R in the state of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was excellent. The proportion of loans to small businesses was near to the proportion of small businesses and significantly exceeded the aggregate distribution of loans.

Community Development Lending

The bank is a leader in making CD loans.

CD lending had a significant impact on the overall Lending Test conclusion for the rating area.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the bank's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans. The dollar volume equaled 159.1 percent of allocated tier 1 capital.

The bank took a leadership role in originating CD loans that were responsive to the identified needs of the Las Vegas MSA and were also complex and/or flexible. Examples include:

- $26 million construction loan and a $3.5 million catalyst loan for 176 units of affordable housing in Clark County, NV that was awarded LIHTCs. Of the 176 units, 152 units are restricted to households with income levels at or below 60 percent of the AMI.

- $13 million construction loan for 120 units of affordable housing in Clark County, NV that was awarded LIHTCs and is covered by a Section 8 HAP contract. All units are restricted to persons aged 55 or older with income levels at or below 60 percent of the AMI.

Product Innovation and Flexibility

The bank uses innovative and/or flexible lending practices to serve AA credit needs. CBNA originated 372 loans totaling $73 million under its affordable mortgage products. The Lender Paid Assistance and NACA programs accounted for the large majority (82.3 percent) of the affordable mortgage products originated in the AA during the evaluation period.

INVESTMENT TEST

The bank's performance under the Investment Test in Nevada is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Las Vegas MSA is excellent.

The bank has an excellent level of qualified CD investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The bank exhibits excellent responsiveness to credit and community economic development needs. The bank makes extensive use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
Las Vegas AA	6	$27,336	7	$10,423	13	92.9	$37,759	78.3	0	0
BSRA Nevada	0	$0	1	$10,454	1	7.1	$10,454	21.7	0	0

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.
** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The combined prior and current period dollar volume represents 24 percent of allocated tier 1 capital. There are numerous investment opportunities in the Las Vegas MSA. The bank's investments and grants were very effective and responsive in meeting community credit needs, including access to community services. Investment activity included NMTCs, bonds, and grants and donations. In addition to investments made in its AA, the bank also made one current period investment totaling $10.5 million in the BSRA consisting of the state of Nevada. This investment addressed the need of affordable housing.

Examples of the bank's qualified investments include:

- $5 million investment in a NMTC fund to finance the construction of a newly established college preparatory institution to educate underserved at-risk youth in Clark County. The institution will serve over 400 high school students.

- $5 million general obligation building bond for Clark County. The proceeds will be used to finance the acquisition, construction, improvement, and equipment of school facilities. Sixty four percent of students in the school district qualify for free or reduced lunch under the National School Lunch Program.

- $150,000 donation to help establish a financial wellness center. The center serves vulnerable families with one or more risk factors including housing instability, underemployment or unemployment, and issues negatively impacting work performance. Counselors at the center work with participants to identify barriers to financial stability, develop action plans for increased financial health, and connect with community resources to achieve financial goals.

- $50,000 donation to a local non-profit organization to help launch a pilot program to assist low-income residents at risk of eviction. Under the program, the residents receive personal financial assessments and one-on-one financial coaching and counseling to build financial stability and self-sufficiency.

SERVICE TEST

The bank's performance under the Service Test in Nevada is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Las Vegas MSA is excellent.

Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Las Vegas MSA	100.0	9	100.0	11.1	22.2	44.4	22.2	5.0	25.3	39.2	30.3

The overall distribution of branches is excellent. The distribution is excellent in low-income geographies and good in moderate-income geographies. The proportion of branches in low-income geographies exceeded the proportion of the population in low-income geographies. The proportion of branches in moderate-income geographies was near to the proportion of the population in moderate-income geographies. Examiners determined that two branches in MUI geographies provided additional access to retail banking services in moderate-income geographies, which had a positive effect on the overall service delivery systems conclusion.

The bank had 24 ATMs with two (8.3 percent) located in low-income geographies and four (16.7 percent) located in moderate-income geographies. In addition to bank-owned ATMs, customers can make cash withdrawals and balance inquiries at more than 450 ATMs without fees or surcharges. Digital banking platform usage by LMI households and customers in LMI geographies were comparable to usage by MUI households and customers in MUI geographies. Based on customer usage data for ATMs and other digital banking platforms during the evaluation period, ADS had a positive effect on the overall service delivery systems conclusion.

The bank did not open or close branches in the AA during the evaluation period.

Services, including where appropriate, business hours, do not vary in a way that inconveniences its assessment areas, particularly LMI geographies and/or individuals. Branch operating hours were consistent throughout the AA. In LMI geographies, all branches were opened on Saturdays while all except one branch in MUI geographies were opened on Saturday.

Community Development Services

The bank provides an adequate level of CD services.

- Twenty seven CBNA employees contributed 21 hours in providing three financial education sessions primarily targeted to LMI individuals. These community development services benefitted 359 LMI individuals.

State Rating

Commonwealth of Puerto Rico Rating

CRA rating for the Commonwealth of Puerto Rico: Satisfactory
The Lending Test is rated: High Satisfactory
The Investment Test is rated: Outstanding
The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- Adequate geographic distribution of loans.
- Excellent borrower distribution of loans.
- The bank is a leader in making CD loans.
- Excellent level of CD investments.
- The bank provided a relatively high level of CD services.

Description of Institution's Operations in Puerto Rico

CBNA has delineated one AA within Puerto Rico consisting of the San Juan-Bayamon-Caguas MSA (San Juan MSA) in its entirety. The bank operated one branch in the MSA. CBNA had $21.3 billion of deposits in Puerto Rico with $17.6 billion of these deposits being International Banking Entity (IBE) deposits. IBE deposits can only come from nonresidents of Puerto Rico and whose primary location is located outside of the commonwealth. Adjusting deposits for IBE results in AA deposits of $3.7 billion representing 1.7 percent of adjusted deposits. CBNA ranked second in market share for deposits at 28.6 percent, when including IBE deposits. Primary competitors are Banco Popular de Puerto Rico (45.5 percent) and FirstBank (8.6 percent).

Table A – Demographic Information of the Assessment Area Assessment Area: San Juan MSA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	598	5.0	26.8	36.0	25.8	6.5
Population by Geography	2,263,582	3.8	26.5	40.4	29.0	0.2
Housing Units by Geography	983,154	3.9	26.3	39.3	30.0	0.4
Owner-Occupied Units by Geography	548,972	1.8	24.4	41.2	32.6	0.1
Occupied Rental Units by Geography	245,270	8.8	28.6	37.2	24.8	0.6
Vacant Units by Geography	188,912	3.9	28.8	36.9	29.5	1.0
Businesses by Geography	14,937	5.5	22.8	24.9	44.3	2.5
Farms by Geography	179	5.0	32.4	34.1	28.5	0.0
Family Distribution by Income Level	558,600	26.5	15.0	15.7	42.8	0.0
Household Distribution by Income Level	794,242	28.0	13.9	14.6	43.5	0.0
Median Family Income MSA - 41980 San Juan-Bayamon-Caguas, PR MSA		$25,617	Median Housing Value			$140,983
			Median Gross Rent			$499
			Families Below Poverty Level			37.8%

Source: 2015 ACS and 2019 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

According to Moody’s Analytics September 2019, job growth in Puerto Rico has slowed to very low levels. Goods producers and professional services, which led the recovery from Hurricane Maria early on, have not added to payrolls. Retail is declining, but a second wind in healthcare and leisure/hospitality has compensated for retail’s weakness. Average hourly earnings are rising faster than on the rest of the island.

Stimulus from disaster relief will cool this year but will pick up thereafter. Until now, disaster relief has largely taken the form of debris removal, private insurance payments, and Federal Emergency Management Agency (FEMA) Individual Assistance to those with uncovered losses. Nearly 70 percent of federal funds obligated to the MSA for debris removal has been disbursed. This has been good or logistics, which seems to be one of the few industries still benefiting from disaster relief this year.

Funding for debris removal will wind down, as will private insurance payouts and FEMA Individual Assistance. The Individual Assistance program has approved $420 per capita in the MSA, the highest among Puerto Rico’s three largest metro areas. Waning stimulus from private insurers and Individual Assistance has likely contributed to the cooldown in construction and private services hiring. Fortunately, this will be temporary. About $1.5 billion in Community Development Block Grants will land in Puerto Rico, which will lead to a flurry of housing repairs and homebuilding. Further, only a quarter of FEMA Public Assistance funds, obligated to San Juan for the reconstruction of roads and bridges, as well as buildings and equipment, has been disbursed; the rest will come on-line over the medium term. The combination of these block grants and FEMA Public Assistance program outlays will ramp up into 2023 and is expected to deliver another boost to construction and certain private services.

Uncertainty over the creditability of the Act 154 foreign corporation excise tax will negatively impact the area the most. The metro area has the island's largest concentration of life sciences corporations, many of which have been claiming tax credits against Act 154 since 2011. An exodus of U.S.-based corporations is unlikely since they have incurred sunk costs in the MSA. However, it caps the upside potential to future big-ticket corporate investments in the area.

Community Contacts

OCC and NY Federal Reserve Bank representatives met with several community organizations during the evaluation period. Following Hurricanes Maria and Irma in 2017, the island was severely impacted. Many residents were displaced, and services disrupted. There is a severe shortage of affordable housing, a need for disaster relief, and a need for job creation and economic revitalization.

Scope of Evaluation in Puerto Rico

The San Juan AA received a full-scope review. CBNA does not offer retail services within Puerto Rico. The branch operated like a wholesale bank and management focused its efforts on CD lending, investments, and services. The volume of home mortgages was all buybacks/repurchases from government sponsored mortgage enterprises (GSE). These are HMDA reportable and were not considered in our evaluation of the Lending Test. Lending performance included small loans to businesses and CD lending.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PUERTO RICO

LENDING TEST

The bank's performance under the Lending Test in Puerto Rico is rated High Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the San Juan AA is good.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

Number of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
San Juan MSA	85	3,275	5	3,365

Dollar Volume of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
San Juan MSA	8,179	14,704	63,026	85,909

The FDIC deposit market share of 28.6 percent in the San Juan MSA is inflated for CBNA due to the IBE deposits housed in Puerto Rico. CBNA ranked third among 38 small business lenders with 11.2 percent market share. Banco Popular led the market with 46.8 percent followed by American Express with 20.5 percent. For CBNA, the average loan size was $4,000 compared to $83,000 for Banco Popular and $14,000 for American Express.

Distribution of Loans by Income Level of the Geography

The bank exhibits an adequate geographic distribution of loans in its AA.

Home Mortgage Loans

The home mortgage loans reported during the evaluation period consisted entirely of buybacks/ repurchases from GSEs, are reportable under HMDA, and were not evaluated under the Lending Test. Table O presented in Appendix D is for informational purposes only.

Small Loans to Businesses

Refer to Table Q in the commonwealth of Puerto Rico section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is adequate. The proportion of loans in low-income geographies was significantly weaker than the proportion of businesses located in those geographies and below the aggregate distribution of loans. The portion of loans in moderate-income geographies was near to the percentage of businesses located in those geographies and exceeded the aggregate distribution of loans. Economic conditions resulting from the impact of two natural disasters (hurricanes) were considered in the evaluation.

Lending Gap Analysis

Examiners reviewed summary reports and maps and analyzed home mortgage and small business lending activity to identify any gaps in the geographic distribution of loans in all full-scope AAs. Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans among businesses of different sizes.

Home Mortgage Loans

As noted earlier, the home mortgage loans reported during the evaluation period consisted entirely of buybacks/repurchases from GSEs, are reportable under HMDA, and were not evaluated under the Lending Test. The tables presented in appendix D are for informational purpose.

Small Loans to Businesses

Refer to Table R in the commonwealth of Puerto Rico section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was excellent. The proportion of loans to small businesses exceeded the percentage of small businesses and the aggregate distribution of loans.

Community Development Lending

The bank is a leader in making CD loans.

CD lending had a significantly positive impact on the overall Lending Test in Puerto Rico

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the bank's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans. The dollar volume equaled 14 percent of allocated tier 1 capital.

The bank took a leadership role in originating CD loans that were responsive to the identified needs of the San Juan MSA and were also complex and/or flexible. One example includes:

- $45.9 million construction loan for the development of 200 units of affordable housing in Caguas Municipio, PR that was awarded LIHTCs and is covered by a Section 8 HAP contract. All units are restricted to seniors with income levels at or below 60 percent of the AMI.

INVESTMENT TEST

The bank's performance under the Investment Test in Puerto Rico is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the San Juan AA is excellent.

The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The bank exhibits excellent responsiveness to credit and community economic development needs. The bank makes extensive use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
San Juan AA	6	$65,690	6	$653	12	85.7	$66,343	99.5	0	0
BSRA- Puerto Rico	0	$0	2	$300	2	14.3	$300	0.5	0	0

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.
** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The combined prior and current period dollar volume represents 14.7 percent of allocated tier 1 capital. The bank's investments and grants were effective and responsive in meeting community credit needs, including affordable housing and community revitalization and stabilization. While current period investment activity consists of donations, it is noted that the substantial majority of the bank's prior period investment activity occurred in late 2016 and consisted of complex investments that still have a very significant impact in the AA. In addition to investments made in the AA, the bank made two current period investments totaling $300,000 in the BSRA consisting of the commonwealth of Puerto Rico which addressed hurricane disaster relief.

Examples of the institution's qualified investments include:

- $150,000 donation to an area foundation to assist three HUD-approved housing counseling organizations serving LMI residents of Puerto Rico. The organizations provided homeownership, rental, and financial capability counseling along with foreclosure prevention classes.

- $252,500 donation to a community land trust. The land trust provides for permanent and secure housing for LMI residents living in informal settlements in San Juan, secures land tenure for eligible LMI families, and supported the establishment of a strategy to effectively manage these properties.

SERVICE TEST

The bank's performance under the Service Test in Puerto Rico is rated High Satisfactory

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the San Juan MSA is good.

Retail Banking Services

The branch does not provide retail banking services and operates more like a wholesale banking office. Examiners gave primary consideration to the bank's CD services because the bank's business model is consistent with the provision of CD services.

Community Development Services

The bank provided a relatively high level of CD services, given performance context consideration.

During the evaluation period, 15 employees contributed 22 hours in providing three community development services primarily targeted to LMI individuals. These community development services benefitted 213 LMI individuals. The employees taught the children about the importance of saving money through the Teach Children to Save campaign. Additionally, one employee served on the board of a non-profit organization that provides community services within a public housing project in the AA.

State Rating

State of South Dakota

CRA rating for the State of South Dakota: Outstanding

The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- Excellent geographic distribution of loans.
- Good borrower distribution of loans.
- The bank is a leader in making CD loans.
- Excellent level of CD investments.
- Retail delivery systems are reasonably accessible to all portions of the AA and the bank is a leader in providing CD services.

Description of Institution's Operations in South Dakota

CBNA has delineated one AA within the state of South Dakota consisting of the Sioux Falls MSA in its entirety. Sioux Falls is also the location of the bank's main office. Nearly all the deposits are non-branch/"main office" deposits. Main office deposits do not reflect traditional retail customer relationships, rather they are wholesale funds. The main office deposits do not reflect where any of CBNA's customers are located, where they work, or where they conduct business. The adjusted deposits of the Sioux Falls AA are $18 million. Wells Fargo, whose main office is also located in Sioux Falls, had a market share of 53 percent, and operated 13 branches. Other banks within the state were MetaBank and First Premier. CBNA operates one branch within the AA.

Table A – Demographic Information of the Assessment Area Assessment Area: Sioux Falls MSA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	57	0.0	29.8	49.1	21.1	0.0
Population by Geography	242,731	0.0	27.8	50.7	21.5	0.0
Housing Units by Geography	100,015	0.0	30.6	48.9	20.5	0.0
Owner-Occupied Units by Geography	63,268	0.0	20.0	55.3	24.8	0.0
Occupied Rental Units by Geography	30,682	0.0	51.0	36.5	12.5	0.0
Vacant Units by Geography	6,065	0.0	38.6	45.7	15.7	0.0
Businesses by Geography	23,421	0.0	35.0	39.8	25.2	0.0
Farms by Geography	1,405	0.0	7.1	72.1	20.8	0.0
Family Distribution by Income Level	61,621	19.0	18.1	24.4	38.5	0.0
Household Distribution by Income Level	93,950	22.0	18.1	18.9	41.0	0.0
Median Family Income MSA - 43620 Sioux Falls, SD MSA		$72,948	Median Housing Value			$157,049
			Families Below Poverty Level			7.1%
			Median Gross Rent			$720

Source: 2015 ACS and 2019 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

According to Moody's Analytics October 2019, Sioux Falls job growth is outpacing that of both the state and the nation, driven by rapid hiring in healthcare. Gains are broad-based, with most industries adding to headcounts. The impressive pace of hiring has allowed the labor market to absorb numerous new entrants, keeping the unemployment rate low at 2.6 percent. Low unemployment is in turn spurring above-average wage growth. Major employers in the area include Sanford Health, Avera Health, Smithfield Foods (formerly John Morrell & Co.), Hy-Vee Inc., and Wells Fargo. Population additions and a healthy labor market have pushed up housing demand, and prices are rising faster than they are nationally.

Healthy demographics will be the key factor extending the MSA's expansion. Population growth in 2018 ranked in the top 30 of metro areas nationally, and labor force gains over the last year up to October 2019 have been faster than in all but six metro areas. Rapid population growth will also provide a strong source of healthcare demand. Healthcare is closely linked to population. The proportion of residents age 65 and older, the largest users of healthcare, is lower than it is nationally but is growing more quickly. Due to a low state and local tax burden, seniors can stretch their fixed incomes further, providing an incentive to relocate to the Sioux Falls MSA. This will allow rapid gains in the 65-plus cohort to continue. Healthcare is already the top-performing industry in the MSA, with net hiring over the last year faster than in any other Midwest metro area.

Contractors will benefit from both the growing population and the expansion in healthcare. Hospitals will provide a significant source of demand for construction companies into next year. On the residential side, population growth will continue to push up housing demand. As of October 2019, housing permit issuance has been subdued. However, the residential vacancy rate remains about 2 percentage points lower than the national average. New-home construction will have to pick up to keep the housing market adequately supplied. Home price appreciation is rapid, which will encourage builders to enter the market. Growing demand combined with the currently constrained supply will allow homebuilders to keep pace with nonresidential construction.

Community Contacts

To understand the credit and community development needs in the area, two community-based organization were contacted by another bank regulatory agency. The organizations included a local economic development agency and the local farm service agency. The representatives stated the need for affordable housing, credit and resources for small businesses, financial education, and job creation for LMI individuals.

Scope of Evaluation in South Dakota

The Sioux Falls MSA received a full-scope review. There are no low-income geographies in the AA. Conclusions for the geographic distribution of loans was based on performance in the moderate-income geographies.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SOUTH DAKOTA

LENDING TEST

The bank's performance under the Lending Test in South Dakota is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Sioux Falls MSA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

Number of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Sioux Falls	140	678	2	820
BRSA-State of South Dakota	0	0	1	1

Dollar Volume of Loans (000s)				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Sioux Falls	28,050	4,200	11,529	43,779
BRSA-South Dakota	0	0	1,035	1,035

The FDIC deposit market share in the Sioux Falls MSA is inflated for CBNA due to the "main office" deposits housed in the one branch. In small loans to businesses, CBNA ranked tenth with 3.4 percent market share. There is strong competition in the area with 73 lenders compared to 41 depository institutions. The top lenders in the market were The First National Bank in Sioux Falls (13.1 percent), JPMorgan Chase (11.9 percent), and American Express (9 percent). In overall HMDA lending, CBNA ranked 53rd with 0.17 percent market share. The AA is a highly competitive market with 212 home lenders. The top lenders in the market were Plains Commerce Bank (12.3 percent), Wells Fargo Bank (8 percent), and Citizens Bank (7 percent).

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA.

Home Mortgage Loans

Refer to Table O in the state of South Dakota section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans was excellent. The proportion of loans in moderate-income geographies significantly exceeded the proportion of owner-occupied housing in the AA and the aggregate distribution of loans.

Small Loans to Businesses

Refer to Table Q in the state of South Dakota section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses was excellent. The proportion of small loans to businesses in moderate-income geographies was comparable to the percentage of businesses located in those geographies and the aggregate distribution of loans.

Lending Gap Analysis

Examiners reviewed summary reports and maps and analyzed home mortgage and small business lending activity to identify any gaps in the geographic distribution of loans in all full-scope AAs. Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

Refer to Table P in the state of South Dakota section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of home mortgage loans was excellent. The proportion of loans to LMI borrowers exceeded the proportion of LMI families within the AA and significantly exceeded the aggregate distribution of loans.

Small Loans to Businesses

Refer to Table R in the state of South Dakota section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was good. The proportion of loans to small businesses was near to the percentage of small businesses and significantly exceeded the aggregate distribution of loans.

Community Development Lending

The bank is a leader in making CD loans.

CD lending had a significantly positive impact on the overall Lending Test rating in South Dakota.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the bank's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

The bank took a leadership role in originating CD loans that were responsive to the identified needs of the Sioux Falls MSA and were also complex and flexible. One example includes:

- $9.7 million to finance the renovation of 144-units of multifamily affordable housing consisting of two apartment complexes Minnehaha County, SD that was awarded LIHTC and is covered by a Section 8 HAP contract. All units are restricted to households with income levels at or below 60 percent of the AMI.

Product Innovation and Flexibility

The bank makes extensive use of innovative and/or flexible lending practices to serve AA credit needs. CBNA originated 11 loans totaling $1.5 million under its affordable mortgage products programs. The large majority (81.8 percent) were through the Lender Paid Assistance program.

INVESTMENT TEST

The bank's performance under the Investment Test in South Dakota is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Sioux Falls AA is excellent.

The bank has an excellent level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.

The bank exhibits excellent responsiveness to credit and community economic development needs. The bank occasionally uses innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
Full Review:										
Sioux Falls AA	2	$7,428	11	$1,157	13	72.2	$8,585	97.0	0	0
BSRA South Dakota	0	$0	5	$265	5	27.8	$265	3.00	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.
** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

In addition to investments made in its assessment areas, the bank also made five donations totaling $265,000 in the broader statewide and regional area consisting of the state of South Dakota.

The combined prior and current period dollar volume represents more than four times the allocated tier 1 capital. The bank's investments targeted affordable housing and community services. Investment activity consists of an affordable housing bond and grants and donations.

In addition to the investments made in the bank's AA, five additional donations were made in the BSRA in the state of South Dakota that targeted community services among tribal communities.

Examples of the bank's qualified investments include:

- $450,000 donation to support a workforce development and education program that connected over 250 unskilled and unemployed youth in the Sioux Falls MSA.

- $65,000 donation to a non-profit affordable housing organization to help them diversify program offerings to serve more LMI families. The organization provides financial education and helps individuals and families prepare for homeownership.

SERVICE TEST

The bank's performance under the Service Test in South Dakota is rated High Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Sioux Falls MSA is good.

Retail Banking Services

Service delivery systems are accessible to geographies and individuals of different income levels in the bank's AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Sioux Falls MSA	100.0	1	100.0	0.0	0.0	0.0	100.0	0.0	27.8	50.7	21.5

The overall distribution of branches is good, considering performance context. Citibank has only one branch in the AA. In September 2019 (last three months of the evaluation period), the bank relocated its corporate office, which included the branch, from a moderate-income geography to a new corporate office campus located in an upper-income geography. There was no option for the branch to remain in its former location. For most of the evaluation period, this branch was accessible to individuals and businesses throughout the AA. After the relocation, the branch was not adjacent to or within walking distance of any moderate-income geographies.

The bank did not open or close any branches in the AA during the evaluation period.

Services, including where appropriate, business hours, do not vary in a way that inconveniences the various portions of its AA, particularly LMI geographies and/or individuals. The branch is only open for weekday banking.

Community Development Services

The bank is a leader in providing CD services.

During the evaluation period, 120 employees contributed 422 hours in providing 20 community development services primarily targeted to LMI individuals. These community development services benefitted 1,393 LMI individuals and families. In addition, seven employees served on the boards or committees of four non-profit organizations in the AA. Employees primarily provided financial literacy, mentoring, and technical assistance. Examples include:

- 90 employees contributed 75 hours to teach 809 elementary school children from LMI families about the importance of saving money through the Teach Children to Save campaign.

- 25 employees contributed 130 hours to provide financial education to 432 students from LMI families. Training was held through 16 sessions at Junior Achievement.

Appendix A: Scope of Examination

The following table identifies the time-period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	01/01/2017 to 12/31/2019	
Bank Products Reviewed:	Home mortgage, small business, community development loans, qualified investments, community development services	
Affiliate(s)	**Affiliate Relationship**	**Products Reviewed**
Citi Mortgage, Inc. Citicorp USA, Inc. (CUSA)	Subsidiary Subsidiary	Home Mortgage Loans CD Loans and Investments
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	**Type of Exam**	**Other Information**
MMSAs		
NY CSA	Full-scope	NJ: Bergen, Hudson, Passaic Counties NY: Bronx, Kings, Nassau, New York, Queens, Richmond, Rockland, Suffolk, and Westchester Counties CT: Fairfield County
DC-MD-VA MMSA	Full-scope	DC: DC in its entirety MD: Montgomery and Prince George’s Counties VA: Arlington and Fairfax Counties, Alexandria City, Fairfax City, and Falls Church City
States		
California		
Los Angeles CSA	Full-scope	Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties
San Jose-San Francisco CSA	Full-scope	San Francisco, San Mateo, Alameda, Contra Costa, Marin, Santa Clara, Merced, Stanislaus, Napa, Santa Cruz, Sonoma, and San Joaquin Counties.
Bakersfield MSA	Limited-scope	Kern County
Fresno CSA	Limited-scope	Fresno County
Sacramento MSA	Limited-scope	Sacramento County
San Diego MSA	Limited-scope	San Diego County
Florida		
Miami MSA	Full-Scope	Miami-Dade, Broward, and Palm Beach Counties
Jacksonville AA	Limited-scope	Duvall County only
Illinois		
Chicago MSA	Full-scope	Cook, DuPage, McHenry, Will, Lake, and Kane Counties
Nevada		
Las Vegas MSA	Full-scope	Clark County
Puerto Rico		
San Juan	Full-scope	Aguas Buenas Municipio, Aibonito Municipio, Barceloneta Municipio, Barranquitas Municipio, Bayamón Municipio, Caguas Municipio, Canóvanas Municipio, Carolina Municipio, Cataño Municipio, Cayey Municipio, Ceiba Municipio, Ciales Municipio, Cidra Municipio, Comerío

		Municipio, Corozal Municipio, Dorado Municipio, Fajardo Municipio, Florida Municipio, Guaynabo Municipio, Gurabo Municipio, Humacao Municipio, Juncos Municipio, Las Piedras Municipio, Loíza Municipio, Luquillo Municipio, Manatí Municipio, Maunabo Municipio, Morovis Municipio, Naguabo Municipio, Naranjito Municipio, Orocovis Municipio, Río Grande Municipio, San Juan Municipio, San Lorenzo Municipio, Toa Alta Municipio, Toa Baja Municipio, Trujillo Alto Municipio, Vega Alta Municipio, Vega Baja Municipio, Yabucoa Municipio
South Dakota		
Sioux Falls MSA	Full-scope	Lincoln, McCook, Minnehaha, and Turner Counties

Appendix B: Summary of MMSA and State Ratings

RATINGS CITIBANK, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/ Multistate Rating
Citibank, N.A.	Outstanding	Outstanding	High Satisfactory	Outstanding
MMSA or State:				
NY MMSA	Outstanding	Outstanding	High Satisfactory	Outstanding
DC-MD-VA MSSA	Outstanding	Outstanding	Outstanding	Outstanding
California	Outstanding	Outstanding	Outstanding	Outstanding
Florida	Outstanding	Outstanding	Outstanding	Outstanding
Illinois	Outstanding	Outstanding	High Satisfactory	Outstanding
Nevada	Outstanding	Outstanding	Outstanding	Outstanding
Puerto Rico	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
South Dakota	Outstanding	Outstanding	High Satisfactory	Outstanding

* The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of $1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder’ and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units**.**

MMSA (state): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rating Area: A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the "bank" include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated the same as originations; and (2) "aggregate" is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

Table O. **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table P. **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.

Table Q. **Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to $1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank's assessment area.

Table R. **Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to $1 million) originated and purchased by the bank to businesses with revenues of $1 million or less to: 1) the percentage distribution of businesses with revenues of greater than $1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2017-19**

	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	**#**	**$**	**% of Total**	**Overall Market**	**% of Owner-Occupied Housing Units**	**% Bank Loans**	**Aggregate**	**% of Owner-Occupied Housing Units**	**% Bank Loans**	**Aggregate**	**% of Owner-Occupied Housing Units**	**% Bank Loans**	**Aggregate**	**% of Owner-Occupied Housing Units**	**% Bank Loans**	**Aggregate**	**% of Owner-Occupied Housing Units**	**% Bank Loans**	**Aggregate**
New York CSA	45,778	21,752,496	100.0	293,576	3.0	4.0	4.2	13.5	17.0	14.0	35.9	29.8	34.2	47.5	49.2	47.5	0.1	0.1	0.1
Total	**45,778**	**21,752,496**	**100.0**	**293,576**	**3.0**	**4.0**	**4.2**	**13.5**	**17.0**	**14.0**	**35.9**	**29.8**	**34.2**	**47.5**	**49.2**	**47.5**	**0.1**	**0.1**	**0.1**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2017-19**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	**#**	**$**	**% of Total**	**Overall Market**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**
New York CSA	45,778	21,752,496	100.0	293,576	27.3	3.3	3.4	15.8	11.4	11.4	16.9	15.3	18.9	40.1	51.5	50.7	0.0	18.5	15.6
Total	**45,778**	**21,752,496**	**100.0**	**293,576**	**27.3**	**3.3**	**3.4**	**15.8**	**11.4**	**11.4**	**16.9**	**15.3**	**18.9**	**40.1**	**51.5**	**50.7**	**0.0**	**18.5**	**15.6**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017-19**

	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
New York CSA	97,316	896,634	100.0	576,810	7.1	8.4	7.2	16.8	20.5	16.6	28.3	31.2	28.0	46.4	39.3	46.9	1.3	0.6	1.3
Total	**97,316**	**896,634**	**100.0**	**576,810**	**7.1**	**8.4**	**7.2**	**16.8**	**20.5**	**16.6**	**28.3**	**31.2**	**28.0**	**46.4**	**39.3**	**46.9**	**1.3**	**0.6**	**1.3**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2017-19**

	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area:	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
New York CSA	97,316	896,634	100.0	576,810	88.0	82.2	44.4	5.7	11.8	6.3	6.0
Total	**97,316**	**896,634**	**100.0**	**576,810**	**88.0**	**82.2**	**44.4**	**5.7**	**11.8**	**6.3**	**6.0**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2017-19**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
DC MSA	6,378	3,078,460	100.0	161,865	4.7	7.3	5.7	15.8	18.6	15.4	34.7	28.7	35.0	44.7	44.8	43.6	0.2	0.6	0.3
Total	**6,378**	**3,078,460**	**100.0**	**161,865**	**4.7**	**7.3**	**5.7**	**15.8**	**18.6**	**15.4**	**34.7**	**28.7**	**35.0**	**44.7**	**44.8**	**43.6**	**0.2**	**0.6**	**0.3**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2017-19**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
DC MSA	6,378	3,078,460	100.0	161,865	22.9	9.9	6.3	16.1	19.2	16.8	19.2	13.4	21.2	41.9	41.4	38.4	0.0	16.1	17.3
Total	**6,378**	**3,078,460**	**100.0**	**161,865**	**22.9**	**9.9**	**6.3**	**16.1**	**19.2**	**16.8**	**19.2**	**13.4**	**21.2**	**41.9**	**41.4**	**38.4**	**0.0**	**16.1**	**17.3**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography — 2017-19

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
DC MSA	22,054	174,470	100.0	111,484	5.2	5.5	4.7	16.9	19.1	16.8	33.6	33.6	33.3	43.6	41.3	44.7	0.7	0.4	0.5
Total	**22,054**	**174,470**	**100.0**	**111,484**	**5.2**	**5.5**	**4.7**	**16.9**	**19.1**	**16.8**	**33.6**	**33.6**	**33.3**	**43.6**	**41.3**	**44.7**	**0.7**	**0.4**	**0.5**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues — 2017-19

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
DC MSA	22,054	174,470	100.0	111,484	86.7	82.2	49.7	5.2	11.4	8.1	6.4
Total	**22,054**	**174,470**	**100.0**	**111,484**	**86.7**	**82.2**	**49.7**	**5.2**	**11.4**	**8.1**	**6.4**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2017-19**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Bakersfield MSA	551	79,408	0.9	27,175	5.6	4.7	3.7	15.8	22.7	11.0	32.3	27.9	29.3	46.2	44.5	55.4	0.1	0.2	0.5
Fresno-Hanford CSA	1,031	237,597	1.8	32,204	3.0	3.0	2.2	23.2	29.2	17.6	22.8	21.0	21.1	51.0	46.8	59.1	0.0	0.0	0.0
Los Angeles CSA	32,352	15,363,767	55.1	616,841	2.6	3.9	2.4	18.6	26.4	17.4	30.8	24.9	31.0	47.9	44.7	48.9	0.1	0.2	0.3
Sacramento MSA	1,990	648,956	3.4	96,423	5.2	8.0	6.2	19.9	31.5	18.4	35.4	30.7	33.5	39.4	29.8	41.8	0.0	0.0	0.1
San Diego MSA	2,913	1,756,604	5.0	132,961	2.8	4.7	2.9	15.1	20.3	14.9	35.5	26.9	34.8	46.6	48.2	47.5	0.0	0.0	0.0
San Jose-San Francisco CSA	19,905	13,819,106	33.9	332,153	3.8	5.6	4.1	16.9	19.9	17.1	37.4	32.0	37.3	41.8	42.3	41.4	0.1	0.2	0.1
Total	**58,742**	**31,905,437**	**100.0**	**1,237,757**	**3.2**	**4.6**	**3.2**	**17.9**	**24.1**	**17.0**	**33.2**	**27.5**	**33.0**	**45.6**	**43.6**	**46.6**	**0.1**	**0.2**	**0.2**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2017-19**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	**#**	**$**	**% of Total**	**Overall Market**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**
Bakersfield MSA	551	79,408	1.3	27,175	24.8	6.2	2.4	16.4	19.2	9.8	16.1	15.8	18.9	42.7	33.4	44.6	0.0	25.4	24.3
Fresno-Hanford CSA	1,031	237,597	1.8	32,204	25.0	4.7	2.5	16.1	11.9	7.9	16.5	13.8	18.2	42.5	42.1	49.5	0.0	27.5	21.9
Los Angeles CSA	32,352	15,363,767	55.1	616,841	23.9	4.1	2.3	16.5	13.8	7.1	17.6	14.0	16.7	42.0	50.0	55.0	0.0	18.0	19.0
Sacramento MSA	1,990	648,956	3.4	96,423	24.4	8.9	3.5	16.4	22.0	13.7	18.5	15.7	22.2	40.6	28.4	43.4	0.0	24.9	17.2
San Diego MSA	2,913	1,756,604	5.0	132,961	23.6	4.6	2.2	16.9	14.1	7.2	17.8	11.8	17.7	41.7	48.6	53.3	0.0	20.8	19.6
San Jose-San Francisco CSA	19,905	13,819,106	33.9	332,153	23.8	4.9	3.3	16.2	13.1	9.8	18.3	14.3	19.0	41.7	55.9	55.3	0.0	11.8	12.6
Total	**58,742**	**31,905,437**	**100.0**	**1,237,757**	**24.0**	**4.6**	**2.7**	**16.4**	**13.9**	**8.4**	**17.8**	**14.1**	**17.9**	**41.8**	**50.9**	**53.6**	**0.0**	**16.5**	**17.4**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017-19**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Bakersfield MSA	6,256	32,253	1.8	15,184	5.7	5.2	4.5	19.9	20.1	17.5	27.5	29.4	24.6	46.1	44.8	52.7	0.7	0.5	0.7
Fresno-Hanford CSA	7,349	51,929	2.1	19,951	6.1	5.2	4.5	27.8	25.1	23.7	21.2	24.5	22.8	43.7	44.9	48.1	1.2	0.3	0.9
Los Angeles CSA	206,264	1,286,884	59.5	634,259	4.7	4.8	4.7	19.9	23.8	20.1	27.2	29.7	27.4	46.6	41.2	46.5	1.5	0.5	1.3
Sacramento MSA	14,850	82,423	4.3	47,780	9.5	7.0	8.1	21.9	21.8	21.3	31.3	31.9	29.9	35.1	38.9	39.4	2.2	0.4	1.2
San Diego MSA	35,149	236,930	10.1	105,095	5.5	5.5	4.9	14.9	17.3	14.1	34.9	34.7	34.5	44.5	42.5	46.4	0.2	0.1	0.1
San Jose-San Francisco CSA	76,968	520,614	22.2	279,057	8.2	7.3	7.7	18.6	20.0	18.8	33.0	36.1	34.2	39.6	36.4	38.9	0.5	0.2	0.4
Total	**346,836**	**2,211,033**	**100.0**	**1,101,326**	**6.0**	**5.6**	**5.6**	**19.3**	**22.2**	**19.3**	**29.6**	**31.6**	**29.8**	**43.9**	**40.3**	**44.3**	**1.1**	**0.4**	**0.9**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2017-19**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Bakersfield MSA	6,256	32,253	1.8	15,184	85.7	83.0	42.7	4.4	7.0	9.9	9.9
Fresno-Hanford CSA	7,349	51,929	2.1	19,951	85.0	82.2	42.1	4.9	9.4	10.0	8.4
Los Angeles CSA	206,264	1,286,884	59.5	634,259	88.6	83.5	50.4	4.8	8.5	6.6	8.0
Sacramento MSA	14,850	82,423	4.3	47,780	87.2	83.0	50.2	4.1	7.5	8.7	9.5
San Diego MSA	35,149	236,930	10.1	105,095	88.8	83.4	49.2	4.5	8.4	6.7	8.2
San Jose-San Francisco CSA	76,968	520,614	22.2	279,057	87.2	80.1	51.3	5.2	8.6	7.6	11.3
Total	**346,836**	**2,211,033**	**100.0**	**1,101,326**	**88.1**	**82.7**	**50.2**	**4.8**	**8.5**	**7.1**	**8.8**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2017-19**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Jacksonville AA	545	88,669	6.7	34,755	5.8	2.9	2.7	23.6	30.3	20.6	39.8	36.3	41.2	30.8	30.5	35.5	0.0	0.0	0.0
Miami MSA	7,595	2,633,961	93.3	168,916	2.6	3.1	2.2	23.2	27.8	20.7	32.9	25.5	33.5	41.2	43.2	43.3	0.2	0.4	0.3
Total	**8,140**	**2,722,630**	**100.0**	**203,671**	**3.0**	**3.1**	**2.3**	**23.2**	**28.0**	**20.7**	**33.8**	**26.2**	**34.8**	**39.8**	**42.3**	**42.0**	**0.1**	**0.4**	**0.3**

Source: 2015 ACS Census; 01/01/2017 — 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "—" data not available.
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2017-19**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Jacksonville AA	545	88,669	6.7	34,755	25.1	9.5	7.1	18.1	14.1	19.8	19.7	15.0	21.5	37.2	23.9	30.6	0.0	37.4	21.0
Miami MSA	7,595	2,633,961	93.3	168,916	23.1	4.2	3.0	17.0	13.2	10.3	17.7	13.1	18.8	42.2	45.3	50.7	0.0	24.1	17.1
Total	**8,140**	**2,722,630**	**100.0**	**203,671**	**23.4**	**4.6**	**3.7**	**17.1**	**13.3**	**12.0**	**18.0**	**13.3**	**19.2**	**41.5**	**43.9**	**47.3**	**0.0**	**25.0**	**17.8**

Source: 2015 ACS Census; 01/01/2017 — 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "—" data not available.
Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017-19**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Jacksonville AA	5,328	28,437	8.2	22,545	6.3	5.6	6.6	25.2	28.6	24.2	33.5	35.0	32.7	35.1	30.9	36.5	0.0	0.0	0.0
Miami MSA	59,351	373,261	91.8	281,179	4.2	3.7	4.5	21.9	23.2	22.2	28.3	28.5	27.2	44.4	43.8	44.9	1.2	0.8	1.2
Total	**64,679**	**401,698**	**100.0**	**303,724**	**4.4**	**3.9**	**4.6**	**22.3**	**23.6**	**22.4**	**28.8**	**29.0**	**27.6**	**43.5**	**42.7**	**44.3**	**1.1**	**0.7**	**1.1**

Source: 2019 D&B Data; 01/01/2017 — 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "—" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2017-19**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Jacksonville AA	5,328	28,437	8.2	22,545	88.2	85.4	44.4	4.0	11.1	7.8	3.6
Miami MSA	59,351	373,261	91.8	281,179	92.0	83.3	48.2	3.3	11.2	4.7	5.5
Total	**64,679**	**401,698**	**100.0**	**303,724**	**91.6**	**83.5**	**48.0**	**3.4**	**11.2**	**5.0**	**5.4**

Source: 2019 D&B Data; 01/01/2017 — 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "—" data not available. Due to rounding, totals may not equal 100.0%

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2017-19**

	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Chicago MSA	14,280	4,123,757	100.0	283,639	4.5	5.9	3.4	18.0	21.6	14.3	34.4	29.0	32.7	43.0	43.2	49.5	0.1	0.3	0.1
Total	**14,280**	**4,123,757**	**100.0**	**283,639**	**4.5**	**5.9**	**3.4**	**18.0**	**21.6**	**14.3**	**34.4**	**29.0**	**32.7**	**43.0**	**43.2**	**49.5**	**0.1**	**0.3**	**0.1**

Source: 2015 ACS Census; 01/01/2017 — 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "—" data not available.
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2017-19**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Chicago MSA	14,280	4,123,757	100.0	283,639	23.5	8.7	5.5	16.3	17.8	16.3	18.5	15.4	20.8	41.7	36.5	42.1	0.0	21.7	15.3
Total	**14,280**	**4,123,757**	**100.0**	**283,639**	**23.5**	**8.7**	**5.5**	**16.3**	**17.8**	**16.3**	**18.5**	**15.4**	**20.8**	**41.7**	**36.5**	**42.1**	**0.0**	**21.7**	**15.3**

Source: 2015 ACS Census; 01/01/2017 — 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "—" data not available to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017-19**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Chicago MSA	54,558	416,117	100.0	232,089	4.9	4.9	4.0	15.4	17.9	16.0	29.0	32.3	31.1	50.2	44.7	48.7	0.5	0.2	0.2
Total	**54,558**	**416,117**	**100.0**	**232,089**	**4.9**	**4.9**	**4.0**	**15.4**	**17.9**	**16.0**	**29.0**	**32.3**	**31.1**	**50.2**	**44.7**	**48.7**	**0.5**	**0.2**	**0.2**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2017-19**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Chicago MSA	54,558	416,117	100.0	232,089	83.8	82.5	48.3	6.7	11.0	9.5	6.6
Total	**54,558**	**416,117**	**100.0**	**232,089**	**83.8**	**82.5**	**48.3**	**6.7**	**11.0**	**9.5**	**6.6**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography — **2017-19**

	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Las Vegas MSA	2,069	589,231	100.0	110,807	1.9	2.3	1.4	16.9	21.2	12.7	41.7	40.8	42.0	39.5	35.7	43.9	0.0	0.0	0.0
Total	**2,069**	**589,231**	**100.0**	**110,807**	**1.9**	**2.3**	**1.4**	**16.9**	**21.2**	**12.7**	**41.7**	**40.8**	**42.0**	**39.5**	**35.7**	**43.9**	**0.0**	**0.0**	**0.0**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower — **2017-19**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Las Vegas MSA	2,069	589,231	100.0	110,807	20.7	7.6	4.1	18.4	20.8	14.8	20.5	16.7	21.1	40.5	29.6	37.7	0.0	25.3	22.4
Total	**2,069**	**589,231**	**100.0**	**110,807**	**20.7**	**7.6**	**4.1**	**18.4**	**20.8**	**14.8**	**20.5**	**16.7**	**21.1**	**40.5**	**29.6**	**37.7**	**0.0**	**25.3**	**22.4**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017-19**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Las Vegas MSA	9,624	57,852	100.0	51,646	3.6	3.4	3.1	21.3	20.9	18.3	38.2	37.6	37.6	36.2	37.8	40.8	0.6	0.2	0.3
Total	**9,624**	**57,852**	**100.0**	**51,646**	**3.6**	**3.4**	**3.1**	**21.3**	**20.9**	**18.3**	**38.2**	**37.6**	**37.6**	**36.2**	**37.8**	**40.8**	**0.6**	**0.2**	**0.3**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2017-19**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Las Vegas MSA	9,624	57,852	100.0	51,646	86.6	78.3	47.1	4.6	12.5	8.8	9.2
Total	**9,624**	**57,852**	**100.0**	**51,646**	**86.6**	**78.3**	**47.1**	**4.6**	**12.5**	**8.8**	**9.2**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2017-19

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
San Juan MSA	85	8,179	100.0	14,609	1.8	4.7	1.5	24.4	17.6	15.3	41.2	29.4	36.6	32.6	45.9	46.0	0.1	2.4	0.4
Total	**85**	**8,179**	**100.0**	**14,609**	**1.8**	**4.7**	**1.5**	**24.4**	**17.6**	**15.3**	**41.2**	**29.4**	**36.6**	**32.6**	**45.9**	**46.0**	**0.1**	**2.4**	**0.4**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2017-19

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
San Juan MSA	85	8,179	100.0	14,609	26.5	--	1.0	15.0	1.9	6.7	15.7	1.9	13.1	42.8	28.8	49.0	0.0	80.0	30.3
Total	**85**	**8,179**	**100.0**	**14,609**	**26.5**	**--**	**1.0**	**15.0**	**1.9**	**6.7**	**15.7**	**1.9**	**13.1**	**42.8**	**28.8**	**49.0**	**0.0**	**80.0**	**30.3**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017-19**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
San Juan MSA	3,275	14,704	100.0	12,793	5.5	2.6	3.7	22.8	20.0	18.0	24.9	33.3	26.3	44.3	43.4	51.2	2.5	0.6	0.9
Total	**3,275**	**14,704**	**100.0**	**12,793**	**5.5**	**2.6**	**3.7**	**22.8**	**20.0**	**18.0**	**24.9**	**33.3**	**26.3**	**44.3**	**43.4**	**51.2**	**2.5**	**0.6**	**0.9**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2017-19**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
San Juan MSA	3,275	14,704	100.0	12,793	67.2	82.7	57.1	18.0	9.4	14.8	7.8
Total	**3,275**	**14,704**	**100.0**	**12,793**	**67.2**	**82.7**	**57.1**	**18.0**	**9.4**	**14.8**	**7.8**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography — **2017-19**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Sioux Falls MSA	140	28,050	100.0	13,196	0.0	0.0	0.0	20.0	27.1	14.7	55.3	57.9	52.2	24.8	15.0	33.1	0.0	0.0	0.0
Total	**140**	**28,050**	**100.0**	**13,196**	**0.0**	**0.0**	**0.0**	**20.0**	**27.1**	**14.7**	**55.3**	**57.9**	**52.2**	**24.8**	**15.0**	**33.1**	**0.0**	**0.0**	**0.0**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower — **2017-19**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Sioux Falls MSA	140	28,050	100.0	13,196	19.0	21.4	10.3	18.1	25.0	22.5	24.4	7.9	23.2	38.5	11.4	31.2	0.0	34.3	12.8
Total	**140**	**28,050**	**100.0**	**13,196**	**19.0**	**21.4**	**10.3**	**18.1**	**25.0**	**22.5**	**24.4**	**7.9**	**23.2**	**38.5**	**11.4**	**31.2**	**0.0**	**34.3**	**12.8**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017-19**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Sioux Falls MSA	678	4,200	100.0	5,903	0.0	0.0	0.0	35.0	34.1	35.4	39.8	34.1	37.4	25.2	31.9	27.2	0.0	0.0	0.0
Total	**678**	**4,200**	**100.0**	**5,903**	**0.0**	**0.0**	**0.0**	**35.0**	**34.1**	**35.4**	**39.8**	**34.1**	**37.4**	**25.2**	**31.9**	**27.2**	**0.0**	**0.0**	**0.0**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2017-19**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Sioux Falls MSA	678	4,200	100.0	5,903	84.6	77.1	50.2	5.3	9.3	10.1	13.6
Total	**678**	**4,200**	**100.0**	**5,903**	**84.6**	**77.1**	**50.2**	**5.3**	**9.3**	**10.1**	**13.6**

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission file number 1-9924

Citigroup Inc.

(Exact name of registrant as specified in its charter)

Delaware	**52-1568099**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
388 Greenwich Street, New York NY	**10013**
(Address of principal executive offices)	(Zip code)

(212) 559-1000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 formatted in Inline XBRL: See Exhibit 99.01

Securities registered pursuant to Section 12(g) of the Act: none

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	**Accelerated filer**	☐	**Non-accelerated filer**	☐	**Smaller reporting company**	☐
						Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. Yes ☐

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of Citigroup Inc. common stock held by non-affiliates of Citigroup Inc. on June 30, 2020 was approximately $106.2 billion.

Number of shares of Citigroup Inc. common stock outstanding on January 31, 2021: 2,087,317,952

Documents Incorporated by Reference: Portions of the registrant's proxy statement for the annual meeting of stockholders scheduled to be held on April 27, 2021 are incorporated by reference in this Form 10-K in response to Items 10, 11, 12, 13 and 14 of Part III.
Available on the web at www.citigroup.com

FORM 10-K CROSS-REFERENCE INDEX

* For additional information regarding Citigroup's Directors, see "Corporate Governance" and "Proposal 1: Election of Directors" in the definitive Proxy Statement for Citigroup's Annual Meeting of Stockholders scheduled to be held on April 27, 2021, to be filed with the SEC (the Proxy Statement), incorporated herein by reference.

** See "Compensation Discussion and Analysis," "The Personnel and Compensation Committee Report," and "2020 Summary Compensation Table and Compensation Information" and "CEO Pay Ratio" in the Proxy Statement, incorporated herein by reference.

*** See "About the Annual Meeting," "Stock Ownership," "Equity Compensation Plan Information," and Delinquent Section 16(a) Reports in the Proxy Statement, incorporated herein by reference.

**** See "Corporate Governance—Director Independence," "—Certain Transactions and Relationships, Compensation Committee Interlocks and Insider Participation" and "—Indebtedness" in the Proxy Statement, incorporated herein by reference.

***** See "Proposal 2: Ratification of Selection of Independent Registered Public Accounting Firm" in the Proxy Statement, incorporated herein by reference.

CITIGROUP'S 2020 ANNUAL REPORT ON FORM 10-K

OVERVIEW

Citigroup's history dates back to the founding of the City Bank of New York in 1812.

Citigroup is a global diversified financial services holding company whose businesses provide consumers, corporations, governments and institutions with a broad, yet focused, range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, trade and securities services and wealth management. Citi has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions.

At December 31, 2020, Citi had approximately 210,000 full-time employees, compared to approximately 200,000 full-time employees at December 31, 2019. For additional information, see "Human Capital Resources and Management" below.

Citigroup currently operates, for management reporting purposes, via two primary business segments: *Global Consumer Banking (GCB)* and *Institutional Clients Group (ICG)*, with the remaining operations in *Corporate/Other*. For a further description of the business segments and the products and services they provide, see "Citigroup Segments" below, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 3 to the Consolidated Financial Statements.

Throughout this report, "Citigroup," "Citi" and "the Company" refer to Citigroup Inc. and its consolidated subsidiaries.

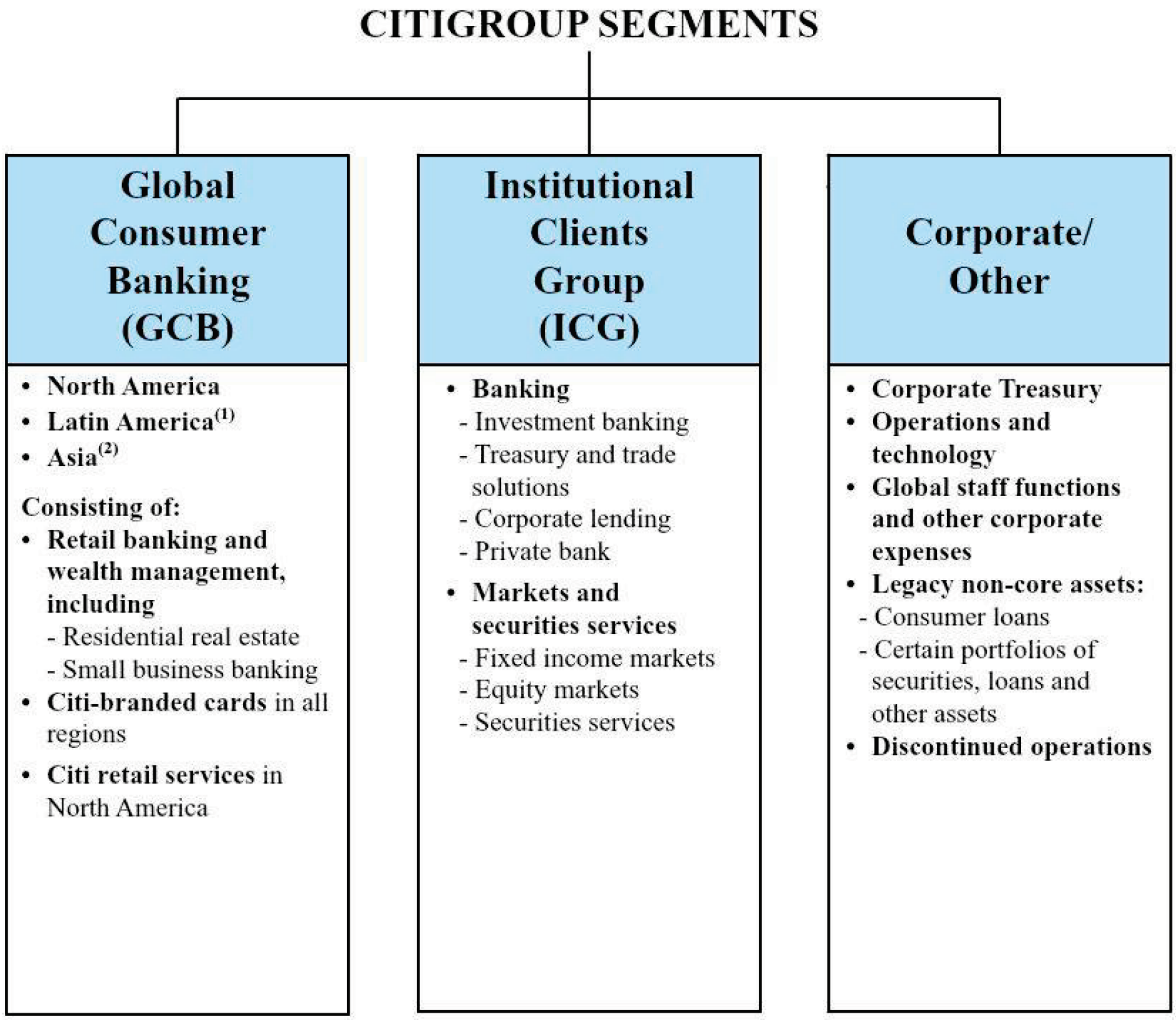
Additional information about Citigroup is available on Citi's website at www.citigroup.com. Citigroup's recent annual reports on Form 10-K, quarterly reports on Form 10-Q and proxy statements, as well as other filings with the U.S. Securities and Exchange Commission (SEC), are available free of charge through Citi's website by clicking on the "Investors" tab and selecting "SEC Filings," then "Citigroup Inc." The SEC's website also contains current reports on Form 8-K and other information regarding Citi at www.sec.gov.

For a discussion of 2019 versus 2018 results of operations of *GCB* in *North America*, *Latin America* and *Asia*, *ICG* and *Corporate/Other*, see each respective business's results of operations in Citi's 2019 Annual Report on Form 10-K.

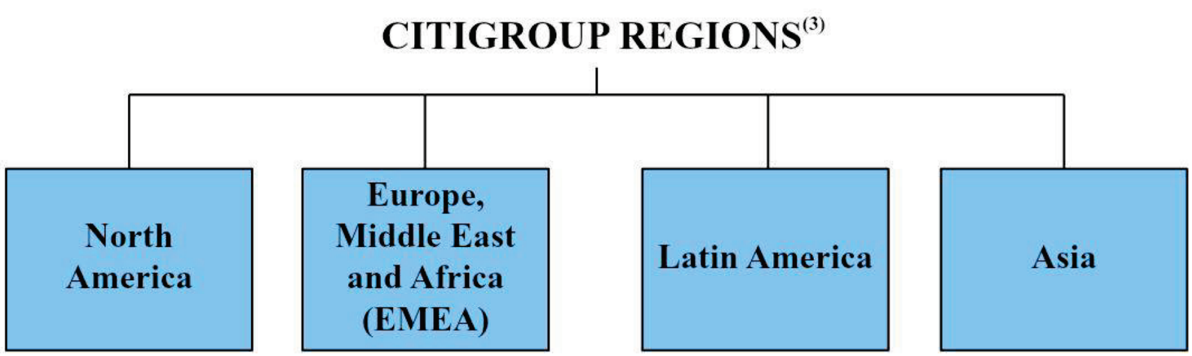
Certain reclassifications have been made to the prior periods' financial statements and disclosures to conform to the current period's presentation.

Please see "COVID-19 Pandemic Overview" and "Risk Factors" below for a discussion of the trends, uncertainties and material risks that could impact Citigroup's businesses, financial condition and results of operations.

As described above, Citigroup is managed pursuant to two business segments: *Global Consumer Banking* and *Institutional Clients Group*, with the remaining operations in *Corporate/Other*.



The following are the four regions in which Citigroup operates. The regional results are fully reflected in the segment results above.



(1) *Latin America GCB* consists of Citi's consumer banking business in Mexico.
(2) *Asia GCB* includes the results of operations of *GCB* activities in certain *EMEA* countries for all periods presented.
(3) *North America* includes the U.S., Canada and Puerto Rico; *Latin America* includes Mexico and *Asia* includes Japan.

EXECUTIVE SUMMARY

As described further throughout this Executive Summary, during 2020, Citi demonstrated solid performance as well as financial strength and operational resilience, despite a significant deterioration in public health and economic conditions during the year due to the COVID-19 pandemic:

- Citi's earnings were substantially reduced by a higher allowance for credit loss (ACL) build (approximately $9.8 billion) during the year under the CECL standard (see "Cost of Credit" below).
- Despite the challenging environment, Citi's revenues were largely unchanged from the prior year, as strong performance in fixed income markets, equity markets, investment banking and the private bank in *Institutional Clients Group (ICG)* offset the impact of lower interest rates across the Company, as well as the impact of lower customer activity in *Global Consumer Banking (GCB)*, reflecting declines across all regions, and lower revenues in *Corporate/Other*.
- Citi's expenses reflected continued investments in its transformation, including infrastructure supporting its risk and control environment, as well as a $400 million civil money penalty in the third quarter of 2020 in connection with a consent order Citibank entered into with the Office of the Comptroller of the Currency (OCC) (for additional information on this consent order and the Citigroup consent order with the Federal Reserve Board, see "Citi's Consent Order Compliance" below).
- Citi had broad-based deposit growth across *ICG* and *GCB*, reflecting strong client engagement, as well as an elevated level of liquidity in the financial system, while loans declined reflecting lower levels of consumer and corporate activity.
- Citi returned $7.2 billion of capital to its common shareholders in the form of dividends and common share repurchases.
- The Federal Reserve Board authorized Citi to take certain capital actions during the first quarter of 2021, which allows Citi to return capital to common shareholders of up to $2.8 billion, including the previously announced common dividends of $0.51 per share in the quarter. Citi commenced share repurchases in February 2021.
- Citi continued to support its colleagues, customers, clients and communities as well as the broader economy during this challenging time (see "COVID-19 Pandemic Overview" below), while maintaining a strong balance sheet.

The economic outlook for 2021 reflects continued challenges and uncertainties related to the pandemic, including, among others, the duration and severity of the public health crisis and associated economic impacts, which have created a more volatile operating environment that will continue to negatively impact Citi's businesses and results.

As a result of new information Citi received subsequent to December 31, 2020, Citi adjusted downward its fourth quarter of 2020 financial results from those previously reported on January 15, 2021 (and filed on a Form 8-K with the SEC on such date), due to a $390 million increase in operating expenses ($323 million after-tax) recorded within *ICG*, resulting from operational losses related to certain legal matters. For additional information on the impact to fourth quarter of 2020 financial results, see Note 30 to the Consolidated Financial Statements. Citi's results of operations and financial condition for the full year 2020, as reported in this Annual Report on Form 10-K for the year ended December 31, 2020, reflect the impact of this adjustment.

For a discussion of risks and uncertainties that will or could impact Citi's businesses, results of operations and financial condition during 2021, see "COVID-19 Pandemic Overview," "Risk Factors," each respective business's results of operations and "Managing Global Risk" below.

2020 Results Summary

Citigroup

Citigroup reported net income of $11.0 billion, or $4.72 per share, compared to net income of $19.4 billion, or $8.04 per share, in the prior year. Net income declined 43%, driven by significantly higher credit costs and higher expenses, while revenues remained largely unchanged. Earnings per share decreased 41%, primarily driven by the decline in net income.

Citigroup revenues of $74.3 billion were largely unchanged from the prior year, as higher revenues in *ICG* offset lower revenues in *GCB* and *Corporate/Other*.

Citigroup's end-of-period loans decreased 3% from the prior year to $676 billion. Excluding the impact of foreign currency translation into U.S. dollars for reporting purposes (FX translation), Citigroup's end-of-period loans declined 4%, driven by a 4% aggregate decline in *GCB* and *ICG*, reflecting lower spend activity in *GCB* as well as a higher level of repayments in both *GCB* and *ICG*. Citigroup's end-of-period deposits increased 20% to $1.3 trillion. Excluding the impact of FX translation, Citigroup's end-of-period deposits increased 19%, primarily driven by 18% growth in *GCB* and 19% growth in *ICG*. (Citi's results of operations excluding the impact of FX translation are non-GAAP financial measures. Citi believes the presentation of its results of operations and financial condition excluding the impact of FX translation provides a meaningful depiction of the underlying fundamentals of its businesses for investors, industry analysts and others.)

Expenses

Citigroup operating expenses of $43.2 billion increased 3% versus the prior year, primarily driven by investments in Citi's transformation, including infrastructure supporting its risk and control environment, higher compensation, the civil money penalty, operational losses related to certain legal matters and pandemic-related expenses, partially offset by efficiency savings and reductions in marketing and other discretionary spending. Operating expenses in *GCB* declined 2%, while *ICG* expenses increased 6% and *Corporate/Other* expenses increased 16%.

Cost of Credit

Citi's total provisions for credit losses and for benefits and claims of $17.5 billion increased significantly from $8.4 billion in the prior year, reflecting ACL reserve increases across *GCB*, *ICG* and *Corporate/Other*. Citi's ACL build of $9.8 billion was largely driven by builds during the first half of 2020. The reserve build in 2020 primarily reflected the impact of a deterioration in Citi's macroeconomic outlook under the CECL standard and downgrades in the corporate loan portfolio, partially offset by lower loan volumes in *GCB*, all driven by the pandemic. The reserve build included an additional qualitative management adjustment to reflect the potential for a higher level of stress and a slower economic recovery. For further information on the drivers of Citi's ACL build, see "Significant Accounting Policies and Significant Estimates—Allowance for Credit Losses" below. For information on the transition impact of the adoption of the CECL standard, see "COVID-19 Pandemic Overview" below.

Net credit losses of $7.6 billion declined 2% from the prior year. Consumer net credit losses of $6.6 billion decreased 10%, primarily reflecting lower loan volumes given lower spending activity and higher payment rates, as well as the benefits of consumer relief programs (see "COVID-19 Pandemic Overview" below). Corporate net credit losses increased from $392 million to $1.0 billion, primarily driven by write-offs across various sectors, which were partially offset by the release of previously established ACL reserves.

For additional information on Citi's consumer and corporate credit costs and ACL, see each respective business's results of operations and "Credit Risk" below.

Capital

Citigroup's Common Equity Tier 1 Capital ratio was 11.7% as of December 31, 2020, based on the Basel III Advanced Approaches framework for determining risk-weighted assets, compared to 11.8% as of December 31, 2019, based on the Basel III Standardized Approach for determining risk-weighted assets. The decline in the ratio primarily reflected an increase in risk-weighted assets and the return of capital to common shareholders, partially offset by net income and beneficial net movements in *Accumulated other comprehensive income (AOCI)*.

Citigroup's Supplementary Leverage ratio was 7.0% as of December 31, 2020, compared to 6.2% as of December 31, 2019. The increase was primarily driven by a decrease in Total Leverage Exposure, reflecting the benefit of temporary relief granted by the Federal Reserve Board. For additional information on Citi's capital ratios and related components, see "Capital Resources" below.

Global Consumer Banking

GCB net income of $878 million declined 85% from the prior year. Excluding the impact of FX translation, net income declined 84%, reflecting lower revenues and higher cost of credit, partially offset by lower expenses. *GCB* operating expenses of $17.2 billion decreased 2%. Excluding the impact of FX translation, expenses decreased 1%, as lower volume-related expenses, reductions in marketing and other discretionary spending and efficiency savings were partially offset by increases in pandemic-related expenses and higher repositioning costs.

GCB revenues of $30.0 billion decreased 9%. Excluding the impact of FX translation, revenues decreased 8%, as strong deposit growth and momentum in wealth management were more than offset by lower card volumes and lower interest rates across all regions, reflecting the impact of the pandemic.

North America GCB revenues of $19.1 billion decreased 6%, with lower revenues across Citi-branded cards, Citi retail services and retail banking. Citi-branded cards revenues of $8.8 billion decreased 4%, reflecting lower purchase sales and higher payment rates driving lower average loans. Citi retail services revenues of $5.9 billion decreased 12%, reflecting lower average loans as well as higher partner payments. Retail banking revenues of $4.5 billion decreased 2%, as the benefit of stronger deposit volumes and an improvement in mortgage revenues were more than offset by lower deposit spreads.

North America GCB average deposits of $176 billion increased 15% year-over-year, average retail banking loans of $52 billion increased 8% year-over-year and assets under management of $80 billion increased 11%. Average Citi-branded cards loans of $85 billion decreased 6% and Citi-branded cards purchase sales of $338 billion decreased 8%, while average Citi retail services loans of $47 billion decreased 7% and Citi retail services purchase sales of $78 billion decreased 11%. The decline in Citi-branded cards and retail services loans and purchase sales were all driven by reduced customer activity related to the pandemic. For additional information on the results of operations of *North America GCB* in 2020, see "*Global Consumer Banking—North America GCB*" below.

International *GCB* revenues (consisting of *Latin America GCB* and *Asia GCB* (which includes the results of operations in certain *EMEA* countries)) of $10.8 billion declined 14% versus the prior year. Excluding the impact of FX translation, international *GCB* revenues declined 10%, largely reflecting the impact of the pandemic. On this basis, *Latin America GCB* revenues decreased 8%, driven by lower average loans and lower interest rates, partially offset by strong deposit growth. *Asia GCB* revenues decreased 11%, as lower card revenues and the impact of lower interest rates were partially offset by strong investment revenues and strong deposit growth. For additional information on the results of operations of *Latin America GCB* and *Asia GCB* in 2020, including the impact of FX translation, see "*Global Consumer Banking—Latin America GCB*" and "*Global Consumer Banking—Asia GCB*" below.

Year-over-year, excluding the impact of FX translation, international *GCB* average deposits of $135 billion increased 11%, average retail banking loans of $72 billion increased 3% and assets under management of $141 billion increased 8%. On this basis, international *GCB* average card loans of $22 billion decreased 8% and card purchase sales of $88 billion decreased 16%, both driven by reduced customer activity related to the pandemic.

Institutional Clients Group

ICG net income of $11.7 billion decreased 9%, as revenue growth was more than offset by higher cost of credit and higher expenses. *ICG* operating expenses increased 6% to $23.5 billion, largely driven by investments in infrastructure and risk management and controls, higher compensation costs, operational losses related to certain legal matters and volume-driven growth, partially offset by efficiency savings.

ICG revenues of $44.3 billion increased 13%, reflecting a 29% increase in *Markets and securities services* revenues, partially offset by a 1% decline in *Banking* revenues. The decrease in *Banking* revenues included the impact of $51 million of losses on loan hedges related to corporate lending and the private bank, compared to losses of $432 million related to corporate lending in the prior year.

Banking revenues of $21.2 billion (excluding the impact of losses on loan hedges) decreased 3%, as increases in investment banking and the private bank were more than offset by declines in treasury and trade solutions and corporate lending. Investment banking revenues of $5.8 billion increased 11%, reflecting solid growth in capital markets, particularly in equity underwriting. Advisory revenues decreased 20% to $1.0 billion, while equity underwriting revenues increased 64% to $1.6 billion and debt underwriting revenues increased 7% to $3.2 billion.

Treasury and trade solutions revenues of $9.5 billion declined 7%, and 5% excluding the impact of FX translation, as strong client engagement and growth in deposits were more than offset by lower interest rates and reduced commercial card spend largely driven by the pandemic. Private bank revenues of $3.8 billion increased 9%. Excluding the impact of gains on loan hedges, private bank revenues of $3.7 billion, increased 8%, driven by increased capital markets activity and improved managed investments revenues, as well as higher lending and deposit volumes, partially offset by lower deposit spreads. Corporate lending revenues of $2.1 billion declined 15%. Excluding the impact of losses on loan hedges, corporate lending revenues of $2.2 billion declined 25%, as higher average loan volumes were more than offset by lower spreads, higher hedging costs and an adjustment to the residual value of a lease financing asset.

Markets and securities services revenues of $23.1 billion increased 29%. Fixed income markets revenues of $17.3 billion increased 34%, reflecting strength in rates and currencies, spread products and commodities. Equity markets revenues of $3.6 billion increased 25%, as solid performance in cash equities and derivatives was partially offset by lower revenues in prime finance. Securities services revenues of $2.5 billion decreased 3%, and 1% excluding the impact of FX translation, as higher deposit volumes were more than offset by lower spreads. For additional information on the results of operations of *ICG* in 2020, see “*Institutional Clients Group*” below.

Corporate/Other

Corporate/Other net loss was $1.6 billion, compared to net income of $801 million in the prior year, reflecting lower revenues, increased expenses, higher cost of credit, driven by an ACL build on Citi’s residual legacy portfolio under the CECL standard, and lower tax benefits. Operating expenses of $2.5 billion increased significantly, as the wind-down of legacy assets was more than offset by investments in infrastructure, risk management and controls, the civil money penalty and incremental costs associated with the pandemic.

Corporate/Other revenues of $54 million compared to $2.0 billion in the prior year, reflecting the impact of lower interest rates, episodic gains in the prior year, the wind-down of legacy assets and marks on securities. For additional information on the results of operations of *Corporate/Other* in 2020, see “*Corporate/Other*” below.

CITI’S CONSENT ORDER COMPLIANCE

As previously disclosed, Citi is embarking on a multiyear transformation, with the target outcome to change Citi’s business and operating models such that they simultaneously strengthen risk and controls and improve Citi’s value to customers, clients and shareholders.

One part of the broader transformation effort involves Citi’s compliance with the Federal Reserve Board and OCC consent orders issued with Citigroup and Citibank, respectively, in October 2020. The consent orders require that Citigroup and Citibank submit acceptable plans to the Federal Reserve Board and the OCC, on various timelines, relating principally to various aspects of risk management, compliance, data quality management and governance, and internal controls. The consent order with the OCC also required Citibank to pay a $400 million civil money penalty. As a part of its compliance actions, Citi has centralized its program management under the leadership of a Chief Administrative Officer organization and is making the strengthening of its risk and control environment a further strategic priority for the Company. The Citigroup and Citibank Boards of Directors each formed a Transformation Oversight Committee, an ad hoc committee of each Board, to provide oversight of management’s remediation efforts under the consent orders.

For additional information about the consent orders, see “Risk Factors—Compliance Risks” below and Citi’s Current Report on Form 8-K filed with the SEC on October 7, 2020.

COVID-19 PANDEMIC OVERVIEW

In addition to the widespread public health implications, the COVID-19 pandemic has had an extraordinary impact on macroeconomic conditions in the U.S. and around the world. As discussed below and elsewhere throughout this Form 10-K, Citi's businesses, results of operations and financial condition have been impacted by economic dislocations and trends caused by the pandemic. Citi had builds to its allowance for credit losses (ACL) of approximately $9.8 billion during 2020, bringing its total ACL to approximately $27.8 billion at December 31, 2020, with an allowance for credit losses on loans (ACLL) reserve ratio of 3.73% on funded loans. For additional information, see "Impact of CECL on Citi's Allowance for Credit Losses" below.

Despite these impacts, Citi has maintained strong capital and liquidity positions with consistently strong business operations. At December 31, 2020, Citi had a Common Equity Tier 1 Capital ratio of 11.7%, a Supplementary Leverage ratio of 7.0% and a Liquidity Coverage ratio of 118%, each well above regulatory minimums, with approximately $972 billion of available liquidity resources (see "Capital Resources" and "Managing Global Risk—Liquidity Risk" below).

Governments and central banks globally have taken a series of aggressive actions to support their economies and mitigate the systemic impacts of the pandemic, and Citi continues to proactively assess and utilize these measures where appropriate.

Citi's COVID-19 Pandemic Response—Supporting Colleagues, Customers and Communities

The health and safety of Citi's employees and their families, as well as Citi's customers, clients and the communities it serves, are of the utmost importance. As the public health crisis has unfolded, Citi has continued to take proactive measures to support colleagues' well-being while maintaining its ability to serve customers and clients.

Citi Colleagues

- The majority of Citi colleagues—roughly 80%—around the world are working remotely, however this varies by country.
- Citi is pursuing a slow and measured return in locations where local guidelines permit, beginning with only a small number of colleagues.
- Citi's response teams continue to consult with health experts and follow local government guidelines in determining the safest return to office for each location.
- Citi has reconfigured its sites and implemented new protocols to make work environments as safe as possible in offices, branches and ATMs.
- Citi continues to provide additional health and well-being resources for colleagues, plus enhanced flexibility and paid time off for those impacted by COVID-19.
- The company continues to monitor the situation as it evolves and will review and update operations as needed.

Citi Communities

In addition to its business activities, including the consumer relief programs discussed below, Citi is supporting those immediately impacted by the pandemic through philanthropic efforts around the world. Citi and the Citi Foundation have committed more than $100 million to date in support of COVID-19-related community relief and economic recovery efforts globally. These contributions include over $4 million raised through an employee donation matching program to further global relief efforts. Additionally, Citi has donated $50 million in proceeds from its participation in the U.S. Small Business Administration's Paycheck Protection Program (PPP) to the Citi Foundation, which deployed those proceeds to support Community Development Financial Institutions (CDFIs) across the U.S.

Citi Consumer Loan Relief Programs

As previously disclosed, Citi was one of the first banks in the U.S. to announce temporary assistance measures for pandemic-impacted consumer customers. In addition, Citi has offered a wide array of short- and medium-term relief programs to customers across regions and products as a result of the pandemic. The relief has primarily been in the form of payment deferrals and fee waivers. These consumer relief programs have mainly been provided to *GCB* customers, with a small portion reported within *Corporate/Other*. To date, Citi has provided assistance to approximately three million U.S. consumers and small businesses impacted by the pandemic.

In the fourth quarter of 2020, Citi experienced a decline in enrollment of approximately 21% quarter-over-quarter in its formal COVID-19 assistance programs. As a result of the significant and steady decline in enrollment, Citi ended the programs as of December 31, 2020 for the majority of countries and products. Continued COVID-19 assistance programs through Citi's subservicer include extended mortgage payment deferrals through 2021 and suspended foreclosures into the first quarter of 2021 for U.S. mortgages. Citi remains committed to discussing assistance options with customers that continue to experience financial hardship on a case-by-case basis.

The table below provides information on the number of loan modifications, the associated enrollment and outstanding balances as of December 31, 2020, for Citi's pandemic-related relief programs, excluding troubled debt restructurings (for additional information, see "Troubled Debt Restructuring (TDR) Relief" below).

In millions of dollars, except number of loans modified	For the Three Months Ended December 31, 2020		For the Twelve Months Ended December 31, 2020		As of December 31, 2020		
	Number of loans modified	Enrollment balance[1]	Number of loans modified	Enrollment balance[2]	EOP balance[3]	% of total loan portfolio[4]	Program details
North America							
Credit cards	270,655	$ 843	2,626,225	$ 9,165	$ 708	1 %	Waivers on late fees and deferral of minimum payments for two to four payment cycles
Residential first mortgages	1,022	197	9,279	3,573	1,256	3	Extending existing payment deferral options through 2021 and suspending foreclosures into the first quarter of 2021
Home equity loans	264	18	5,230	614	254	4	Extending existing payment deferral options
Personal, small business and other	1,178	11	22,247	315	7	—	Waivers on fees including non-Citi ATM fees and monthly service fees as well as minimum payment deferrals for up to six months
Total *North America*	**273,119**	**$ 1,069**	**2,662,981**	**$ 13,667**	**$ 2,225**	**1 %**	
International							
Asia							
Credit cards	153,684	$ 366	1,306,090	$ 2,520	$ 189	1 %	Payment deferrals for one to six months, interest and fee waivers, and reductions in minimum due payments; balance conversion programs
Residential first mortgages	1,537	119	46,275	3,812	583	2	Payment deferrals for up to 12 months, interest and fee waivers, and reductions in minimum due payments
Personal, small business and other	14,977	85	219,071	1,740	49	—	Payment deferrals for up to three months for revolving products and overdrafts or up to 12 months for installment loans, interest and fee waivers, and reductions in minimum due payments
Latin America							
Credit cards	—	—	641,038	1,263	—	—	Minimum payment deferrals for up to six months
Residential first mortgages	—	—	26,251	950	—	—	Installment payment deferral for up to six months to be recovered as a balloon payment at the end of the loan
Personal, small business and other	—	—	184,966	1,711	—	—	Installment payment deferral for up to six months, temporary interest rate reductions
Total international	**170,198**	**$ 570**	**2,423,691**	**$ 11,996**	**$ 821**	**1 %**	
Total consumer	**443,317**	**$ 1,639**	**5,086,672**	**$ 25,663**	**$ 3,046**	**1 %**	

(1) Enrollment balances represent the aggregate amounts enrolled during the fourth quarter of 2020.
(2) Enrollment balances represent the aggregate amounts enrolled during the 12 months ended December 31, 2020.
(3) Total outstanding balance on loans enrolled in consumer relief programs as of December 31, 2020. Reserves for these loans are calculated in accordance with the CECL standard.
(4) The percentage denominator is the total end-of-period loans balance for the respective product and region as of December 31, 2020.

As set forth in the table above, during the fourth quarter of 2020, Citi modified approximately 0.4 million consumer loans, excluding TDRs, with associated enrollment balances of approximately $1.6 billion. For the year ended December 31, 2020, Citi modified 5.1 million consumer loans, excluding TDRs, with associated enrollment balances of approximately $25.7 billion. As of December 31, 2020, Citi had approximately $3.0 billion of loan balances outstanding under the consumer loan relief programs, representing approximately 1% of Citi's total consumer loan balance.

As of December 31, 2020, Citi had approximately $2.2 billion of loan balances outstanding under the consumer relief programs in *North America*.

Citi's *North America* credit card programs had the largest number of loan modifications in 2020. As these credit card relief programs were introduced during the first half of 2020 and offered a deferral of minimum payments for two to four payment cycles, nearly all of the customers had rolled off the programs by year-end, of whom approximately 86% have continued to make payments.

For customers enrolled in mortgage forbearance programs in *North America*, Citi's subservicer offered payment deferrals and suspended foreclosures, and by the end of 2020, approximately 63% of mortgage customers had rolled off the program, of whom approximately 72% have continued to make payments. As of December 31, 2020, Citi had approximately $1.3 billion of mortgage loan balances outstanding under the programs.

As of December 31, 2020, Citi had approximately $0.8 billion of loan balances outstanding under *Asia* consumer relief programs. In *Asia*, approximately 96% of customers had rolled off the consumer relief programs as of December 31, 2020, of whom approximately 83% have continued to make payments.

As of December 31, 2020, Citi had no loan balances outstanding under the *Latin America* consumer relief programs, as all the customers had rolled off the programs, of whom approximately 78% have continued to make payments.

Citi Corporate Loan Relief Programs

Citi has modified the contractual terms of corporate loans to certain borrowers impacted by the pandemic, primarily commercial banking (small business) and private bank customers. These modifications consist primarily of deferrals in the payment of principal and/or interest that Citi has provided during 2020 in response to borrower requests, as well as those provided pursuant to government-mandated relief programs.

The table below summarizes Citi's outstanding active loan modifications, excluding TDRs as of December 31, 2020.

	December 31, 2020		
In millions of dollars	**Total credit exposure**	**Funded**	**Unfunded**
Corporate loans	**$ 1,132**	**$ 1,074**	**$ 58**
Private bank loans	**773**	**762**	**11**
Total corporate	**$ 1,905**	**$ 1,836**	**$ 69**

Citi's Management of COVID-19 Pandemic Risks

Citi has responded on multiple fronts to the challenges of the pandemic to support the ongoing needs of its customers and clients, while concurrently maintaining safety and soundness standards.

Citi's dedicated continuity of business and crisis management groups are managing Citi's protocols in response to the pandemic. These protocols provide for the safety and well-being of Citi's staff, while continuing to maintain high levels of client servicing across all of the markets in which Citi operates. These protocols address the prioritization of critical processing; ability of staff and third parties to support these processes from remote work locations; deployment of new hardware to support technology needs; and ongoing monitoring to assess controls and service levels. Planning for Citi's return-to-office strategy is ongoing.

Citi's organizational response to the pandemic has been governed by Citi's Executive Management Team, consisting of the Citigroup CEO and certain direct reports of the CEO, and driven through regional task forces that were deployed in *Asia, EMEA*, *North America* and *Latin America*. Led by regional CEOs and their management teams, these groups focused on, and continue to manage, the pandemic responses, implementation of continuity of business plans, locational and staffing strategies and responses to customer and client needs.

Throughout the crisis, Citi has also worked closely with U.S. authorities and host governments on implementing immediate policy responses and financial assistance structures to mitigate the systemic impacts of the pandemic. Citi also continues to engage closely with customers and clients, regulators and other relevant stakeholders to assure alignment on all pandemic-related matters.

Citi's Allowance for Credit Losses (ACL)

The table below shows the impact of Citi's adoption of the current expected credit loss (CECL) standard as of January 1, 2020 and the ACL builds (releases) during 2020. For information on the drivers of Citi's ACL release in the fourth quarter, see "Significant Accounting Policies and Significant Estimates—Allowance for Credit Losses" below. For additional information on Citi's accounting policy on accounting for credit losses under CECL, see Note 1 to the Consolidated Financial Statements.

	Allowance for credit losses (ACL)											
In millions of dollars	Balance Dec. 31, 2019	CECL transition impact	Collection costs change[1]	Balance Jan. 1, 2020	Build (release) 1Q20	2Q20	3Q20	4Q20	2020	2020 FX/ Other	Balance Dec. 31, 2020	ACLL/EOP loans Dec. 31, 2020[2]
Cards[1]	$ 8,419	$ 4,456	$ (407)	$ 12,468	$ 2,412	$ 1,911	$ 55	$ (79)	**$ 4,299**	**$ 38**	**$ 16,805**	**10.98 %**
All other *GCB*	1,200	566	(36)	1,730	399	388	(21)	(114)	**652**	**37**	**2,419**	
Global Consumer Banking	$ 9,619	$ 5,022	$ (443)	$ 14,198	$ 2,811	$ 2,299	$ 34	$ (193)	**$ 4,951**	**$ 75**	**$ 19,224**	**6.81 %**
Institutional Clients Group	2,886	(721)	—	2,165	1,316	3,370	106	(1,620)	**3,172**	**65**	**5,402**	**1.42**
Corporate/ Other	278	(100)	—	178	191	160	(128)	(35)	**188**	**(36)**	**330**	
Allowance for credit losses on loans (ACLL)	**$ 12,783**	**$ 4,201**	**$ (443)**	**$ 16,541**	**$ 4,318**	**$ 5,829**	**$ 12**	**$(1,848)**	**$ 8,311**	**$ 104**	**$ 24,956**	**3.73 %**
Allowance for credit losses on unfunded lending commitments	1,456	(194)	—	1,262	557	113	424	352	**1,446**	**(53)**	**2,655**	
Other	—	96	—	96	2	79	(32)	(38)	**11**	**39**	**146**	
Total allowance for credit losses (ACL)	**$ 14,239**	**$ 4,103**	**$ (443)**	**$ 17,899**	**$ 4,877**	**$ 6,021**	**$ 404**	**$(1,534)**	**$ 9,768**	**$ 90**	**$ 27,757**	

(1) See Note 1 to the Consolidated Financial Statements.
(2) As of December 31, 2020, in *North America GCB*, Citi-branded cards ACLL/EOP loans was 10.0% and Citi retail services ACLL/EOP loans was 13.6%.

Certain Key Government Actions in Support of the Economy

U.S. Government-Sponsored Liquidity Programs

During the first quarter of 2020, the Federal Reserve Board (FRB) introduced several liquidity facilities in response to the funding market volatility caused by the pandemic. Citi has participated in several of the U.S. government-sponsored liquidity programs, including the Money Market Mutual Fund Liquidity Facility (MMLF), the Primary Dealer Credit Facility (PDCF) and Discount Window (DW) in order to facilitate client activity and support the FRB actions to provide additional liquidity into the market. Citi has also participated in the Paycheck Protection Program Lending Facility (PPPLF), which was established to facilitate lending under the Small Business Administration's (SBA's) Paycheck Protection Program (see "Small Business Administration's Paycheck Protection Program" below). The amounts Citi sourced from these facilities were not significant to Citi's overall liquidity profile during 2020, which remains strong and highly liquid.

For additional information about Citi's liquidity resources, see "Managing Global Risk—Liquidity Risk" below.

U.S. Banking Agencies Regulatory Capital Relief

In response to the pandemic, throughout 2020, the U.S. banking agencies issued several final rules and interim final rules revising the current regulatory capital standards, to provide banking organizations with additional flexibility to support consumers and businesses. Those rules applicable to Citi include:

- Easing of capital distribution limits in the event of regulatory capital buffer breaches, which provides some flexibility to continue distributing capital under certain circumstances.
- Modification of the CECL transition provision to defer the January 1, 2020 capital impact to January 1, 2022 and to provide additional capital relief for ongoing increases in credit reserves. Citi's reported Common Equity Tier 1 Capital ratio at December 31, 2020, reflecting the modified CECL transition provision, was 39 basis points

higher than Citi's Common Equity Tier 1 Capital ratio, reflecting the full impact of CECL on regulatory capital. Excluding the modified CECL transition provision, Citigroup's Common Equity Tier 1 Capital ratio would have been 11.34%, compared with a 10.0% effective minimum requirement.

- Temporary Supplementary Leverage ratio (SLR) relief for bank holding companies, commencing in the second quarter of 2020, allowing Citigroup to temporarily expand its balance sheet by excluding U.S. Treasury securities and deposits with the FRB from the SLR denominator. Citigroup's reported Supplementary Leverage ratio of 7.00% benefited by 109 basis points during the fourth quarter of 2020 as a result of the temporary relief. Excluding the temporary relief, Citigroup's Supplementary Leverage ratio would have been 5.91%, compared with a 5.0% effective minimum requirement.
- Assigning a 0% risk weight to loans originated under the Paycheck Protection Program.

For additional information about regulatory capital relief provided by the U.S. banking agencies, see "Capital Resources" below.

Troubled Debt Restructuring (TDR) Relief

Under U.S. GAAP, banks are required to assess modifications to a loan's terms for potential classification as a TDR. A loan to a borrower experiencing financial difficulty is classified as a TDR when a lender grants a concession that it would otherwise not consider, such as a payment deferral or interest concession.

In order to encourage banks to work with impacted borrowers, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and U.S. banking agencies have provided relief from TDR accounting. The main benefits of TDR relief include a capital benefit in the form of reduced risk-weighted assets, as TDRs are more heavily risk-weighted for capital purposes; aging of the loans is frozen, i.e., they will continue to be reported in the same delinquency bucket they were in at the time of modification; and the loans are generally not reported as non-accrual during the modification period. The loans included in Citi's pandemic-related consumer relief programs are included in Citi's reserving process under the CECL standard.

Small Business Administration's Paycheck Protection Program

The Paycheck Protection Program (PPP) authorizes the origination of forgivable loans for small businesses to pay their employees during the pandemic. Loan terms are the same for all businesses. During the first round of PPP, which was launched in April 2020, Citi funded over 30,000 loans totaling $3.8 billion as of December 31, 2020, with approximately $3.4 billion outstanding at December 31, 2020. The processing of loan forgiveness requests under PPP began during the third quarter of 2020 and Citi received approximately $314 million of funds from the SBA relating to forgiveness in the fourth quarter of 2020. Citi is currently participating in the relaunch of PPP and remains committed to supporting small businesses.

Pandemic and Other Impacts

In 2021, Citi expects overall revenues to decline from 2020, largely driven by normalization in the *ICG markets* businesses. In addition, *GCB*, *ICG* and *Corporate/Other* revenues will likely continue to be adversely impacted by the lower global interest rate environment, and *GCB* and *ICG* revenues will be affected by the challenges and uncertainties in the macroeconomic and market environment, including as a result of the continued severity and duration of the pandemic. Each *GCB* region is also expected to continue to experience the adverse impacts the pandemic has had on customer activity, while *Latin America GCB* is also likely to continue to experience an impact from macroeconomic weakness in Mexico.

Citi also expects to incur higher expenses, as it continues to accelerate the transformation of its infrastructure, risk management and controls, including its efforts to improve the risk and control environment, as well as to comply with the consent orders (see "Citi's Consent Order Compliance" above).

Moreover, based on its existing portfolios as of December 31, 2020, Citi expects to experience higher net credit losses, which will vary by business and region and be dependent on future macroeconomic conditions. Citi believes that these losses are adequately reserved for under the CECL standard at December 31, 2020. Citi expects international consumer losses to peak during the first half of 2021, while in the U.S., losses could begin to rise in 2021 but peak afterward. If Citi's fourth quarter of 2020 macroeconomic forecast assumptions are realized, Citi would not expect additional reserve builds on its existing portfolios (for additional information, see "Significant Accounting Policies and Significant Estimates" below); however, the overall level of reserves remains dependent on the evolving economic and public health environments relative to this forecast, as well as new lending volumes.

For additional information about material risks to Citi from the pandemic and other macroeconomic challenges and uncertainties, see "Risk Factors" below.

RESULTS OF OPERATIONS

SUMMARY OF SELECTED FINANCIAL DATA

Citigroup Inc. and Consolidated Subsidiaries

In millions of dollars, except per share amounts	**2020**	2019	2018	2017	2016
Net interest revenue	**$ 43,548**	$ 47,347	$ 46,562	$ 45,061	$ 45,476
Non-interest revenue	**30,750**	26,939	26,292	27,383	25,321
Revenues, net of interest expense	**$ 74,298**	$ 74,286	$ 72,854	$ 72,444	$ 70,797
Operating expenses	**43,171**	42,002	41,841	42,232	42,338
Provisions for credit losses and for benefits and claims	**17,495**	8,383	7,568	7,451	6,982
Income from continuing operations before income taxes	**$ 13,632**	$ 23,901	$ 23,445	$ 22,761	$ 21,477
Income taxes[1]	**2,525**	4,430	5,357	29,388	6,444
Income (loss) from continuing operations	**$ 11,107**	$ 19,471	$ 18,088	$ (6,627)	$ 15,033
Income (loss) from discontinued operations, net of taxes	**(20)**	(4)	(8)	(111)	(58)
Net income (loss) before attribution of noncontrolling interests	**$ 11,087**	$ 19,467	$ 18,080	$ (6,738)	$ 14,975
Net income attributable to noncontrolling interests	**40**	66	35	60	63
Citigroup's net income (loss)[1]	**$ 11,047**	$ 19,401	$ 18,045	$ (6,798)	$ 14,912
Earnings per share					
Basic					
Income (loss) from continuing operations	**$ 4.75**	$ 8.08	$ 6.69	$ (2.94)	$ 4.74
Net income (loss)	**4.74**	8.08	6.69	(2.98)	4.72
Diluted					
Income (loss) from continuing operations	**$ 4.73**	$ 8.04	$ 6.69	$ (2.94)	$ 4.74
Net income (loss)	**4.72**	8.04	6.68	(2.98)	4.72
Dividends declared per common share	**2.04**	1.92	1.54	0.96	0.42
Common dividends	**$ 4,299**	$ 4,403	$ 3,865	$ 2,595	$ 1,214
Preferred dividends	**1,095**	1,109	1,174	1,213	1,077
Common share repurchases	**2,925**	17,875	14,545	14,538	9,451

Table continues on the next page, including footnotes.

SUMMARY OF SELECTED FINANCIAL DATA
(Continued)

Citigroup Inc. and Consolidated Subsidiaries

In millions of dollars, except per share amounts, ratios and direct staff	**2020**	2019	2018	2017	2016
At December 31:					
Total assets	**$ 2,260,090**	$ 1,951,158	$ 1,917,383	$ 1,842,465	$ 1,792,077
Total deposits	**1,280,671**	1,070,590	1,013,170	959,822	929,406
Long-term debt	**271,686**	248,760	231,999	236,709	206,178
Citigroup common stockholders' equity[(1)]	**179,962**	175,262	177,760	181,487	205,867
Total Citigroup stockholders' equity[(1)]	**199,442**	193,242	196,220	200,740	225,120
Average assets	**2,226,256**	1,978,805	1,920,242	1,875,438	1,808,728
Direct staff *(in thousands)*	**210**	200	204	209	219
Performance metrics					
Return on average assets	**0.50 %**	0.98 %	0.94 %	(0.36)%	0.82 %
Return on average common stockholders' equity[(1)(2)]	**5.7**	10.3	9.4	(3.9)	6.6
Return on average total stockholders' equity[(1)(2)]	**5.7**	9.9	9.1	(3.0)	6.5
Return on tangible common equity (RoTCE)[(1)(3)]	**6.6**	12.1	11.0	8.1	7.6
Efficiency ratio (total operating expenses/total revenues, net)	**58.1**	56.5	57.4	58.3	59.8
Basel III ratios[(1)(4)]					
Common Equity Tier 1 Capital[(5)]	**11.73 %**	11.79 %	11.86 %	12.36 %	12.57 %
Tier 1 Capital[(5)]	**13.31**	13.33	13.43	14.06	14.24
Total Capital[(5)]	**15.61**	15.87	16.14	16.30	16.24
Supplementary Leverage ratio	**7.00**	6.20	6.40	6.68	7.22
Citigroup common stockholders' equity to assets[(1)]	**7.96 %**	8.98 %	9.27 %	9.85 %	11.49 %
Total Citigroup stockholders' equity to assets[(1)]	**8.82**	9.90	10.23	10.90	12.56
Dividend payout ratio[(6)]	**43**	24	23	NM	9
Total payout ratio[(7)]	**73**	122	109	NM	77
Book value per common share[(1)]	**$ 86.43**	$ 82.90	$ 75.05	$ 70.62	$ 74.26
Tangible book value (TBV) per share[(1)(3)]	**73.67**	70.39	63.79	60.16	64.57

(1) 2017 includes the one-time impact related to enactment of the Tax Cuts and Jobs Act (Tax Reform). 2020, 2019 and 2018 reflect the tax rate structure post Tax Reform. RoTCE for 2017 excludes the one-time impact from Tax Reform and is a non-GAAP financial measure. For additional information, see "Significant Accounting Policies and Significant Estimates—Income Taxes" below.

(2) The return on average common stockholders' equity is calculated using net income less preferred stock dividends divided by average common stockholders' equity. The return on average total Citigroup stockholders' equity is calculated using net income divided by average Citigroup stockholders' equity.

(3) RoTCE and TBV are non-GAAP financial measures. For information on RoTCE and TBV, see "Capital Resources—Tangible Common Equity, Book Value Per Share, Tangible Book Value Per Share and Returns on Equity" below.

(4) Citi's risk-based capital and leverage ratios for 2017 and 2016 are non-GAAP financial measures, which reflect full implementation of regulatory capital adjustments and deductions prior to the effective date of January 1, 2018.

(5) Citi's reportable Common Equity Tier 1 Capital, Tier 1 Capital and Total Capital as of December 31, 2020 were derived under the Basel III Advanced Approaches frameworks, whereas Citi's reportable Common Equity Tier 1 Capital and Tier 1 Capital ratios were the lower derived under the Basel III Standardized Approach and the reportable Total Capital ratio was the lower derived under the Basel III Advanced Approaches framework as of December 31, 2019 and 2018.

(6) Dividends declared per common share as a percentage of net income per diluted share.

(7) Total common dividends declared plus common share repurchases as a percentage of net income available to common shareholders (*Net income*, less preferred dividends). See "Consolidated Statement of Changes in Stockholders' Equity," Note 10 to the Consolidated Financial Statements and "Equity Security Repurchases" below for the component details.

NM Not meaningful

SEGMENT AND BUSINESS—INCOME (LOSS) AND REVENUES

CITIGROUP INCOME

In millions of dollars	**2020**	2019	2018	**% Change 2020 vs. 2019**	% Change 2019 vs. 2018
Income (loss) from continuing operations					
Global Consumer Banking					
North America	**$ 59**	$ 3,224	$ 3,087	**(98)%**	4 %
Latin America	**277**	901	802	**(69)**	12
Asia[(1)]	**538**	1,577	1,420	**(66)**	11
Total	**$ 874**	$ 5,702	$ 5,309	**(85)%**	7 %
Institutional Clients Group					
North America	**$ 3,461**	$ 3,511	$ 3,675	**(1)%**	(4)%
EMEA	**3,327**	3,867	3,889	**(14)**	(1)
Latin America	**1,406**	2,111	2,013	**(33)**	5
Asia	**3,604**	3,455	2,997	**4**	15
Total	**$ 11,798**	$ 12,944	$ 12,574	**(9)%**	3 %
Corporate/Other	**(1,565)**	825	205	**NM**	NM
Income from continuing operations	**$ 11,107**	$ 19,471	$ 18,088	**(43)%**	8 %
Discontinued operations	**$ (20)**	$ (4)	$ (8)	**NM**	50 %
Less: Net income attributable to noncontrolling interests	**40**	66	35	**(39)%**	89
Citigroup's net income	**$ 11,047**	$ 19,401	$ 18,045	**(43)%**	8 %

(1) *Asia GCB* includes the results of operations of *GCB* activities in certain *EMEA* countries.
NM Not meaningful

CITIGROUP REVENUES

In millions of dollars	**2020**	2019	2018	**% Change 2020 vs. 2019**	% Change 2019 vs. 2018
Global Consumer Banking					
North America	**$ 19,148**	$ 20,398	$ 19,829	**(6)%**	3 %
Latin America	**4,372**	5,238	5,309	**(17)**	(1)
Asia[(1)]	**6,471**	7,335	7,201	**(12)**	2
Total	**$ 29,991**	$ 32,971	$ 32,339	**(9)%**	2 %
Institutional Clients Group					
North America	**$ 17,185**	$ 13,459	$ 13,522	**28 %**	— %
EMEA	**12,814**	12,006	11,770	**7**	2
Latin America	**4,838**	5,166	4,954	**(6)**	4
Asia	**9,416**	8,670	8,079	**9**	7
Total	**$ 44,253**	$ 39,301	$ 38,325	**13 %**	3 %
Corporate/Other	**54**	2,014	2,190	**(97)**	(8)
Total Citigroup net revenues	**$ 74,298**	$ 74,286	$ 72,854	**— %**	2 %

(1) *Asia GCB* includes the results of operations of *GCB* activities in certain *EMEA* countries.

SEGMENT BALANCE SHEET[1]—DECEMBER 31, 2020

In millions of dollars	Global Consumer Banking	Institutional Clients Group	Corporate/ Other and consolidating eliminations[2]	Citigroup parent company-issued long-term debt and stockholders' equity[3]	Total Citigroup consolidated
Assets					
Cash and deposits with banks, net of allowance	$ 7,445	$ 89,503	$ 212,667	$ —	$ 309,615
Securities borrowed and purchased under agreements to resell, net of allowance	201	294,258	253	—	294,712
Trading account assets	1,948	360,131	13,000	—	375,079
Investments, net of allowance	1,310	136,105	309,944	—	447,359
Loans, net of unearned income and allowance for credit losses on loans	262,876	381,598	6,453	—	650,927
Other assets, net of allowance	39,716	99,348	43,334	—	182,398
Net inter-segment liquid assets[4]	120,077	368,902	(488,979)	—	—
Total assets	$ 433,573	$ 1,729,845	$ 96,672	$ —	$ 2,260,090
Liabilities and equity					
Total deposits	$ 344,500	$ 924,300	$ 11,871	$ —	$ 1,280,671
Securities loaned and sold under agreements to repurchase	685	198,828	12	—	199,525
Trading account liabilities	1,322	165,500	1,205	—	168,027
Short-term borrowings	—	25,507	4,007	—	29,514
Long-term debt[3]	1,268	74,799	25,056	170,563	271,686
Other liabilities, net of allowance	21,422	74,573	14,472	—	110,467
Net inter-segment funding (lending)[3]	64,376	266,338	39,291	(370,005)	—
Total liabilities	$ 433,573	$ 1,729,845	$ 95,914	$ (199,442)	$ 2,059,890
Total stockholders' equity[5]	—	—	758	199,442	200,200
Total liabilities and equity	$ 433,573	$ 1,729,845	$ 96,672	$ —	$ 2,260,090

(1) The supplemental information presented in the table above reflects Citigroup's consolidated GAAP balance sheet by reporting segment. The respective segment information depicts the assets and liabilities managed by each segment.
(2) Consolidating eliminations for total Citigroup and Citigroup parent company assets and liabilities are recorded within *Corporate/Other*.
(3) Total stockholders' equity and the majority of long-term debt of Citigroup are reflected on the Citigroup parent company balance sheet. Citigroup allocates stockholders' equity and long-term debt to its businesses through inter-segment allocations as shown above.
(4) Represents the attribution of Citigroup's liquid assets (primarily consisting of cash, marketable equity securities and available-for-sale debt securities) to the various businesses based on Liquidity Coverage Ratio (LCR) assumptions.
(5) *Corporate/Other* equity represents noncontrolling interests.

GLOBAL CONSUMER BANKING

Global Consumer Banking (GCB) consists of consumer banking businesses in *North America*, *Latin America* (consisting of Citi's consumer banking business in Mexico) and *Asia*. *GCB* provides traditional banking services to retail customers through retail banking, Citi-branded cards and, in the U.S., Citi retail services (for additional information on these businesses, see "Citigroup Segments" above). *GCB* is focused on its priority markets in the U.S., Mexico and *Asia*, with 2,303 branches in 19 countries and jurisdictions as of December 31, 2020. At December 31, 2020, *GCB* had $434 billion in assets and $344.5 billion in retail banking deposits.

GCB's strategy is to leverage its global footprint and digital capabilities to develop multi-product relationships with customers—both in and out of Citi's branch footprint. To achieve this, *GCB* strives to optimize its clients' experiences across lending, payments and wealth management through continued digitization, new partnerships and innovation.

In millions of dollars, except as otherwise noted	**2020**	2019	2018	**% Change 2020 vs. 2019**	% Change 2019 vs. 2018
Net interest revenue	**$ 26,200**	$ 28,205	$ 27,374	**(7)%**	3 %
Non-interest revenue	**3,791**	4,766	4,965	**(20)**	(4)
Total revenues, net of interest expense	**$ 29,991**	$ 32,971	$ 32,339	**(9)%**	2 %
Total operating expenses	**$ 17,203**	$ 17,628	$ 17,786	**(2)%**	(1)%
Net credit losses on loans	**$ 6,646**	$ 7,382	$ 6,884	**(10)%**	7 %
Credit reserve build for loans	**4,951**	439	568	**NM**	(23)
Provision for credit losses on unfunded lending commitments	**—**	1	—	**(100)**	100
Provisions for benefits and claims, HTM debt securities and other assets	**105**	73	103	**44**	(29)
Provisions for credit losses and for benefits and claims (PBC)	**$ 11,702**	$ 7,895	$ 7,555	**48 %**	5 %
Income from continuing operations before taxes	**$ 1,086**	$ 7,448	$ 6,998	**(85)%**	6 %
Income taxes	**212**	1,746	1,689	**(88)**	3
Income from continuing operations	**$ 874**	$ 5,702	$ 5,309	**(85)%**	7 %
Noncontrolling interests	**(4)**	6	7	**NM**	(14)
Net income	**$ 878**	$ 5,696	$ 5,302	**(85)%**	7 %
Balance Sheet data and ratios					
EOP assets *(in billions of dollars)*	**$ 434**	$ 407	$ 388	**7 %**	5 %
Average assets *(in billions of dollars)*	**426**	389	378	**10**	3
Return on average assets	**0.21 %**	1.46 %	1.40 %		
Efficiency ratio	**57**	53	55		
Average retail banking deposits *(in billions of dollars)*	**$ 311**	$ 277	$ 269	**12**	3
Net credit losses as a percentage of average loans	**2.39 %**	2.60 %	2.48 %		
Revenue by business					
Retail banking	**$ 11,734**	$ 12,549	$ 12,627	**(6)%**	(1)%
Cards[(1)]	**18,257**	20,422	19,712	**(11)**	4
Total	**$ 29,991**	$ 32,971	$ 32,339	**(9)%**	2 %
Income from continuing operations by business					
Retail banking	**$ 744**	$ 1,842	$ 1,851	**(60)%**	— %
Cards[(1)]	**130**	3,860	3,458	**(97)**	12
Total	**$ 874**	$ 5,702	$ 5,309	**(85)%**	7 %

Table continues on the next page, including footnotes.

Foreign currency (FX) translation impact					
Total revenue—as reported	**$ 29,991**	$ 32,971	$ 32,339	**(9)%**	2 %
Impact of FX translation[2]	**—**	(509)	(664)		
Total revenues—ex-FX[3]	**$ 29,991**	$ 32,462	$ 31,675	**(8)%**	2 %
Total operating expenses—as reported	**$ 17,203**	$ 17,628	$ 17,786	**(2)%**	(1)%
Impact of FX translation[2]	**—**	(276)	(371)		
Total operating expenses—ex-FX[3]	**$ 17,203**	$ 17,352	$ 17,415	**(1)%**	— %
Total provisions for credit losses and PBC—as reported	**$ 11,702**	$ 7,895	$ 7,555	**48 %**	5 %
Impact of FX translation[2]	**—**	(124)	(161)		
Total provisions for credit losses and PBC—ex-FX[3]	**$ 11,702**	$ 7,771	$ 7,394	**51 %**	5 %
Net income—as reported	**$ 878**	$ 5,696	$ 5,302	**(85)%**	7 %
Impact of FX translation[2]	**—**	(74)	(90)		
Net income—ex-FX[3]	**$ 878**	$ 5,622	$ 5,212	**(84)%**	8 %

(1) Includes both Citi-branded cards and Citi retail services.
(2) Reflects the impact of FX translation into U.S. dollars at the 2020 average exchange rates for all periods presented.
(3) Presentation of this metric excluding FX translation is a non-GAAP financial measure.
NM Not meaningful

NORTH AMERICA GCB

North America GCB provides traditional retail banking and Citi-branded and Citi retail services card products to retail and small business customers in the U.S. *North America GCB*'s U.S. cards product portfolio includes its proprietary portfolio (including the Citi Double Cash, Thank You and Value cards) and co-branded cards (including, among others, American Airlines and Costco) within Citi-branded cards, as well as its co-brand and private label relationships (including, among others, Sears, The Home Depot, Best Buy and Macy's) within Citi retail services.

At December 31, 2020, *North America GCB* had 687 retail bank branches concentrated in the six key metropolitan areas of New York, Chicago, Miami, Washington, D.C., Los Angeles and San Francisco. Also as of December 31, 2020, *North America GCB* had $52.7 billion in retail banking loans and $194.8 billion in retail banking deposits. In addition, *North America GCB* had $130.4 billion in outstanding card loan balances.

In millions of dollars, except as otherwise noted	**2020**	2019	2018	**% Change 2020 vs. 2019**	% Change 2019 vs. 2018
Net interest revenue	**$ 18,802**	$ 19,869	$ 19,006	**(5)%**	5 %
Non-interest revenue[(1)]	**346**	529	823	**(35)**	(36)
Total revenues, net of interest expense	**$ 19,148**	$ 20,398	$ 19,829	**(6)%**	3 %
Total operating expenses	**$ 9,942**	$ 10,154	$ 10,230	**(2)%**	(1)%
Net credit losses on loans	**$ 4,990**	$ 5,583	$ 5,085	**(11)%**	10 %
Credit reserve build for loans	**4,115**	469	460	**NM**	2
Provision for credit losses on unfunded lending commitments	**—**	1	—	**(100)**	100
Provisions for benefits and claims, HTM debt securities and other assets	**17**	19	22	**(11)**	(14)
Provisions for credit losses and for benefits and claims	**$ 9,122**	$ 6,072	$ 5,567	**50 %**	9 %
Income from continuing operations before taxes	**$ 84**	$ 4,172	$ 4,032	**(98)%**	3 %
Income taxes	**25**	948	945	**(97)**	—
Income from continuing operations	**$ 59**	$ 3,224	$ 3,087	**(98)%**	4 %
Noncontrolling interests	**—**	—	—	**—**	—
Net income	**$ 59**	$ 3,224	$ 3,087	**(98)%**	4 %
Balance Sheet data and ratios					
Average assets *(in billions of dollars)*	**$ 266**	$ 232	$ 227	**15 %**	2 %
Return on average assets	**0.02 %**	1.39 %	1.36 %		
Efficiency ratio	**52**	50	52		
Average retail banking deposits *(in billions of dollars)*	**$ 176**	$ 153	$ 148	**15**	3
Net credit losses as a percentage of average loans	**2.72 %**	2.97 %	2.78 %		
Revenue by business					
Retail banking	**$ 4,457**	$ 4,529	$ 4,600	**(2)%**	(2)%
Citi-branded cards	**8,758**	9,165	8,628	**(4)**	6
Citi retail services	**5,933**	6,704	6,601	**(12)**	2
Total	**$ 19,148**	$ 20,398	$ 19,829	**(6)%**	3 %
Income (loss) from continuing operations by business					
Retail banking	**$ (144)**	$ 196	$ 312	**NM**	(37)%
Citi-branded cards	**21**	1,742	1,581	**(99)%**	10
Citi retail services	**182**	1,286	1,194	**(86)**	8
Total	**$ 59**	$ 3,224	$ 3,087	**(98)%**	4 %

(1) 2018 includes an approximate $150 million gain on the Hilton portfolio sale.
NM Not meaningful

2020 vs. 2019

Net income decreased 98%, as significantly higher cost of credit and lower revenues were partially offset by lower expenses.

Revenues decreased 6%, reflecting lower revenues in Citi retail services, Citi-branded cards and retail banking, primarily due to the pandemic, including lower interest rates.

Retail banking revenues decreased 2%, as the benefit of stronger deposit volumes and an improvement in mortgage revenues were more than offset by lower deposit spreads, reflecting lower interest rates.

Average deposits increased 15%, driven by a combination of factors, including government stimulus payments, a reduction in overall consumer spending related to the pandemic and strategic efforts to drive organic growth, including digital deposits which drove more than one-third of the year-over-year growth.

Cards revenues decreased 7%. Citi-branded cards revenues decreased 4%, reflecting lower purchase sales and higher payment rates driving lower average loans. Average loans decreased 6% and purchase sales decreased 8%, both reflecting the impact of the pandemic on customer activity.

Citi retail services revenues decreased 12%, primarily reflecting lower average loans and higher contractual partner payments. (For additional information on partner payments, see Note 5 to the Consolidated Financial Statements.) Average loans were down 7% and purchase sales declined 11%, both reflecting the impact of the pandemic on customer activity.

Expenses decreased 2%, as lower volume-related expenses, reductions in marketing and other discretionary expenses, as well as efficiency savings, more than offset higher pandemic-related expenses.

Provisions of $9.1 billion increased 50% from the prior year, driven by a higher allowance for credit losses (ACL) build, partially offset by lower net credit losses. Net credit losses decreased 11%, primarily driven by lower net credit losses in Citi retail services (down 16% to $2.2 billion) and Citi-branded cards (down 5% to $2.7 billion), primarily reflecting lower loan volumes as well as higher payment rates given high levels of liquidity, lower spending and the benefits of relief programs.

The ACL build of $4.1 billion (compared to a build of $470 million in the prior year under prior accounting standards) was driven by builds during the first half of 2020. The builds reflected the impact of a deterioration in Citi's macroeconomic outlook under the CECL standard, including an increase in the qualitative management adjustment to reflect the potential for a higher level of stress and a slower economic recovery, partially offset by lower loan volumes, both primarily driven by the pandemic. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below and Notes 1 and 15 to the Consolidated Financial Statements.

For additional information on *North America GCB*'s retail banking, and its Citi-branded cards and Citi retail services portfolios, see "Credit Risk—Consumer Credit" below.

For additional information about trends, uncertainties and risks related to *North America GCB*'s future results, see "COVID-19 Pandemic Overview" above and "Risk Factors" below.

LATIN AMERICA GCB

Latin America GCB provides traditional retail banking and Citi-branded card products to retail and small business customers in Mexico through Citibanamex, one of Mexico's largest banks.

At December 31, 2020, *Latin America GCB* had 1,392 retail branches in Mexico, with $9.8 billion in retail banking loans and $25.8 billion in deposits. In addition, the business had $4.8 billion in outstanding card loan balances.

In millions of dollars, except as otherwise noted		**2020**		2019		2018	**% Change 2020 vs. 2019**	% Change 2019 vs. 2018
Net interest revenue	**$**	**3,078**	$	3,639	$	3,681	**(15)%**	(1)%
Non-interest revenue[1]		**1,294**		1,599		1,628	**(19)**	(2)
Total revenues, net of interest expense	**$**	**4,372**	$	5,238	$	5,309	**(17)%**	(1)%
Total operating expenses	**$**	**2,730**	$	2,883	$	2,900	**(5)%**	(1)%
Net credit losses on loans	**$**	**866**	$	1,109	$	1,131	**(22)%**	(2)%
Credit reserve build (release) for loans		**316**		(38)		84	**NM**	NM
Provision for credit losses on unfunded lending commitments		**—**		—		—	**—**	—
Provisions for benefits and claims, HTM debt securities and other assets		**87**		54		81	**61**	(33)
Provisions for credit losses and for benefits and claims (PBC)	**$**	**1,269**	$	1,125	$	1,296	**13 %**	(13)%
Income from continuing operations before taxes	**$**	**373**	$	1,230	$	1,113	**(70)%**	11 %
Income taxes		**96**		329		311	**(71)**	6
Income from continuing operations	**$**	**277**	$	901	$	802	**(69)%**	12 %
Noncontrolling interests		**—**		—		—	**—**	—
Net income	**$**	**277**	$	901	$	802	**(69)%**	12 %
Balance Sheet data and ratios								
Average assets *(in billions of dollars)*	**$**	**32**	$	35	$	33	**(9)%**	6 %
Return on average assets		**0.87 %**		2.57 %		2.43 %		
Efficiency ratio		**62**		55		55		
Average deposits *(in billions of dollars)*	**$**	**23**	$	23	$	23	**—**	—
Net credit losses as a percentage of average loans		**5.97 %**		6.45 %		6.50 %		
Revenue by business								
Retail banking	**$**	**3,009**	$	3,585	$	3,744	**(16)%**	(4)%
Citi-branded cards		**1,363**		1,653		1,565	**(18)**	6
Total	**$**	**4,372**	$	5,238	$	5,309	**(17)%**	(1)%
Income from continuing operations by business								
Retail banking	**$**	**153**	$	600	$	596	**(75)%**	1 %
Citi-branded cards		**124**		301		206	**(59)**	46
Total	**$**	**277**	$	901	$	802	**(69)%**	12 %
FX translation impact								
Total revenues—as reported[1]	**$**	**4,372**	$	5,238	$	5,309	**(17)%**	(1)%
Impact of FX translation[2]		**—**		(473)		(511)		
Total revenues—ex-FX[3]	**$**	**4,372**	$	4,765	$	4,798	**(8)%**	(1)%
Total operating expenses—as reported	**$**	**2,730**	$	2,883	$	2,900	**(5)%**	(1)%
Impact of FX translation[2]		**—**		(246)		(253)		
Total operating expenses—ex-FX[3]	**$**	**2,730**	$	2,637	$	2,647	**4 %**	— %
Provisions for credit losses and PBC—as reported	**$**	**1,269**	$	1,125	$	1,296	**13 %**	(13)%
Impact of FX translation[2]		**—**		(115)		(136)		
Provisions for credit losses and PBC—ex-FX[3]	**$**	**1,269**	$	1,010	$	1,160	**26 %**	(13)%
Net income—as reported	**$**	**277**	$	901	$	802	**(69)%**	12 %
Impact of FX translation[2]		**—**		(78)		(87)		
Net income—ex-FX[3]	**$**	**277**	$	823	$	715	**(66)%**	15 %

(1) 2018 includes an approximate $250 million gain on the sale of an asset management business. See Note 2 to the Consolidated Financial Statements.
(2) Reflects the impact of FX translation into U.S. dollars at the 2020 average exchange rates for all periods presented.
(3) Presentation of this metric excluding FX translation is a non-GAAP financial measure.
NM Not meaningful

The discussion of the results of operations for Latin America GCB below excludes the impact of FX translation for all periods presented. Presentations of the results of operations, excluding the impact of FX translation, are non-GAAP financial measures. For a reconciliation of certain of these metrics to the reported results, see the table above.

2020 vs. 2019

Net income decreased 66%, reflecting lower revenues, higher cost of credit and higher expenses.

Revenues decreased 8%, reflecting lower retail banking and cards revenues, largely due to the pandemic, including lower interest rates. Revenues also decreased due to the ongoing slowdown in overall economic growth and industry volumes in Mexico.

Retail banking revenues decreased 8%, driven by a decline in loan volumes and lower deposit spreads, partially offset by deposit growth and an increase in assets under management. Average deposits were up 10%, while average loans decreased 5%, reflecting the impact of the pandemic on customer activity, as well as the ongoing economic slowdown. Assets under management increased 12%, including the benefit of market movements.

Cards revenues decreased 10%, primarily driven by lower purchase sales (down 17%) and lower average loans (down 8%), reflecting the impact of the pandemic on customer activity and the ongoing economic slowdown.

Expenses increased 4%, as efficiency savings were more than offset by repositioning costs, pandemic-related expenses, and ongoing investment spending.

Provisions of $1.3 billion increased 26% from the prior year, driven by a higher allowance for credit losses (ACL) build, partially offset by lower net credit losses. Net credit losses decreased 14%, primarily driven by lower average loans and the impact of consumer relief programs.

The ACL build of $316 million (compared to a net reserve release of $35 million in the prior year under prior accounting standards) was driven by builds during the first half of 2020. The builds reflected the impact of a deterioration in Citi's macroeconomic outlook under the CECL standard, including an increase in the qualitative management adjustment to reflect the potential for a higher level of stress and a slower economic recovery, partially offset by lower loan volumes, both primarily driven by the pandemic. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below and Notes 1 and 15 to the Consolidated Financial Statements.

For additional information on *Latin America GCB*'s retail banking and its Citi-branded cards portfolios, see "Credit Risk—Consumer Credit" below.

For additional information about trends, uncertainties and risks related to *Latin America GCB*'s future results, see "COVID-19 Pandemic Overview" above and "Risk Factors" below.

ASIA GCB

Asia GCB provides traditional retail banking and Citi-branded card products to retail and small business customers. During 2020, *Asia GCB*'s most significant revenues in *Asia* were from Hong Kong, Singapore, South Korea, Taiwan, India, Australia, Thailand, the Philippines, China and Indonesia. Included within *Asia GCB*, traditional retail banking and Citi-branded card products are also provided to retail customers in certain *EMEA* countries, primarily the United Arab Emirates, Poland and Russia.

At December 31, 2020, on a combined basis, the businesses had 224 retail branches, $66.5 billion in retail banking loans and $123.9 billion in deposits. In addition, the businesses had $17.9 billion in outstanding card loan balances.

In millions of dollars, except as otherwise noted[1]	**2020**	2019	2018	**% Change 2020 vs. 2019**	% Change 2019 vs. 2018
Net interest revenue	**$ 4,320**	$ 4,697	$ 4,687	**(8)%**	— %
Non-interest revenue	**2,151**	2,638	2,514	**(18)**	5
Total revenues, net of interest expense	**$ 6,471**	$ 7,335	$ 7,201	**(12)%**	2 %
Total operating expenses	**$ 4,531**	$ 4,591	$ 4,656	**(1)%**	(1)%
Net credit losses on loans	**$ 790**	$ 690	$ 668	**14 %**	3 %
Credit reserve build for loans	**520**	8	24	**NM**	(67)
Provision for HTM debt securities and other assets	**1**	—	—	**100**	—
Provisions for credit losses	**$ 1,311**	$ 698	$ 692	**88 %**	1 %
Income from continuing operations before taxes	**$ 629**	$ 2,046	$ 1,853	**(69)%**	10 %
Income taxes	**91**	469	433	**(81)**	8
Income from continuing operations	**$ 538**	$ 1,577	$ 1,420	**(66)%**	11 %
Noncontrolling interests	**(4)**	6	7	**NM**	(14)
Net income	**$ 542**	$ 1,571	$ 1,413	**(65)%**	11 %
Balance Sheet data and ratios					
Average assets *(in billions of dollars)*	**$ 129**	$ 122	$ 119	**6 %**	3 %
Return on average assets	**0.42 %**	1.29 %	1.19 %		
Efficiency ratio	**70**	63	65		
Average deposits *(in billions of dollars)*	**$ 113**	$ 101	$ 98	**12**	3
Net credit losses as a percentage of average loans	**0.99 %**	0.88 %	0.86 %		
Revenue by business					
Retail banking	**$ 4,268**	$ 4,435	$ 4,283	**(4)%**	4 %
Citi-branded cards	**2,203**	2,900	2,918	**(24)**	(1)
Total	**$ 6,471**	$ 7,335	$ 7,201	**(12)%**	2 %
Income (loss) from continuing operations by business					
Retail banking	**$ 735**	$ 1,046	$ 943	**(30)%**	11 %
Citi-branded cards	**(197)**	531	477	**NM**	11
Total	**$ 538**	$ 1,577	$ 1,420	**(66)%**	11 %
FX translation impact					
Total revenues—as reported	**$ 6,471**	$ 7,335	$ 7,201	**(12)%**	2 %
Impact of FX translation[2]	**—**	(36)	(153)		
Total revenues—ex-FX[3]	**$ 6,471**	$ 7,299	$ 7,048	**(11)%**	4 %
Total operating expenses—as reported	**$ 4,531**	$ 4,591	$ 4,656	**(1)%**	(1)%
Impact of FX translation[2]	**—**	(30)	(118)		
Total operating expenses—ex-FX[3]	**$ 4,531**	$ 4,561	$ 4,538	**(1)%**	1 %
Provisions for credit losses—as reported	**$ 1,311**	$ 698	$ 692	**88 %**	1 %
Impact of FX translation[2]	**—**	(9)	(25)		
Provisions for credit losses—ex-FX[3]	**$ 1,311**	$ 689	$ 667	**90 %**	3 %
Net income—as reported	**$ 542**	$ 1,571	$ 1,413	**(65)%**	11 %
Impact of FX translation[2]	**—**	4	(3)		
Net income—ex-FX[3]	**$ 542**	$ 1,575	$ 1,410	**(66)%**	12 %

(1) *Asia GCB* includes the results of operations of *GCB* activities in certain *EMEA* countries for all periods presented.

(2) Reflects the impact of FX translation into U.S. dollars at the 2020 average exchange rates for all periods presented.
(3) Presentation of this metric excluding FX translation is a non-GAAP financial measure.
NM Not meaningful

The discussion of the results of operations for Asia GCB below excludes the impact of FX translation for all periods presented. Presentations of the results of operations, excluding the impact of FX translation, are non-GAAP financial measures. For a reconciliation of certain of these metrics to the reported results, see the table above.

2020 vs. 2019

Net income decreased 66%, as lower revenues and significantly higher cost of credit were partially offset by lower expenses.

Revenues decreased 11%, reflecting lower cards and retail banking revenues, largely due to the pandemic, including lower interest rates.

Retail banking revenues decreased 3%, as growth in deposits and higher fees on investments and foreign currency transactions due to higher volumes and volatility were more than offset by lower deposit spreads and lower insurance revenues. Average deposits increased 11% and average loans increased 5%. Assets under management increased 5% and investment sales increased 43%. Retail lending revenues increased 4%, largely reflecting growth in mortgages and personal loans, partially offset by spread compression in personal loans.

Cards revenues decreased 24%, primarily driven by lower purchase sales (down 16%) and lower average loans (down 8%), reflecting the impact of the pandemic on customer activity, including from lower travel spend in the region given Citi's skew to an affluent client base and a greater proportion of fee revenues coming from travel-related interchange and foreign transaction fees.

Expenses decreased 1%, as lower discretionary expenses and volume-related costs, as well as efficiency savings, were partially offset by ongoing investment spending.

Provisions of $1.3 billion increased 90%, driven by a higher allowance for credit losses (ACL) build as well as higher net credit losses. Net credit losses increased 16%, as pandemic lockdowns and the deterioration in the macro-environment impacted credit performance.

The ACL build of $520 million (compared to a build of $7 million in the prior year under prior accounting standards) was driven by builds during the first three quarters of 2020. The builds reflected the impact of a deterioration in Citi's macroeconomic outlook under the CECL standard, including an increase in the qualitative management adjustment to reflect the potential for a higher level of stress and a slower economic recovery, partially offset by lower loan volumes, both primarily driven by the pandemic. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below and Notes 1 and 15 to the Consolidated Financial Statements.

For additional information on *Asia GCB*'s retail banking portfolios and its Citi-branded cards portfolios, see "Credit Risk—Consumer Credit" below.

For additional information about trends, uncertainties and risks related to *Asia GCB*'s future results, see "COVID-19 Pandemic Overview" above and "Risk Factors" below.

INSTITUTIONAL CLIENTS GROUP

Institutional Clients Group (ICG) includes *Banking* and *Markets and securities services* (for additional information on these businesses, see “Citigroup Segments” above). *ICG* provides corporate, institutional, public sector and high-net-worth clients around the world with a full range of wholesale banking products and services, including fixed income and equity sales and trading, foreign exchange, prime brokerage, derivative services, equity and fixed income research, corporate lending, investment banking and advisory services, private banking, cash management, trade finance and securities services. *ICG* transacts with clients in both cash instruments and derivatives, including fixed income, foreign currency, equity and commodity products.

ICG revenue is generated primarily from fees and spreads associated with these activities. *ICG* earns fee income for assisting clients with transactional services and clearing and providing brokerage and investment banking services and other such activities. Such fees are recognized at the point in time when Citigroup’s performance under the terms of a contractual arrangement is completed, which is typically at the trade/execution date or closing of a transaction. Revenue generated from these activities is recorded in *Commissions and fees* and *Investment banking*. Revenue is also generated from assets under custody and administration, which is recognized as/when the associated promised service is satisfied, which normally occurs at the point in time the service is requested by the customer and provided by Citi. Revenue generated from these activities is primarily recorded in *Administration and other fiduciary fees*. For additional information on these various types of revenues, see Note 5 to the Consolidated Financial Statements.

In addition, as a market maker, *ICG* facilitates transactions, including holding product inventory to meet client demand, and earns the differential between the price at which it buys and sells the products. These price differentials and the unrealized gains and losses on the inventory are recorded in *Principal transactions*. Mark-to-market gains and losses on certain credit derivatives (used to hedge the corporate loan portfolio) are also recorded in *Principal transactions*, (for additional information on *Principal transactions* revenue, see Note 6 to the Consolidated Financial Statements). *Other* primarily includes realized gains and losses on available-for-sale (AFS) debt securities, gains and losses on equity securities not held in trading accounts and other non-recurring gains and losses. Interest income earned on assets held, less interest paid on long- and short-term debt and to customers on deposits, is recorded as *Net interest revenue*.

The amount and types of *Markets* revenues are impacted by a variety of interrelated factors, including market liquidity; changes in market variables such as interest rates, foreign exchange rates, equity prices, commodity prices and credit spreads, as well as their implied volatilities; investor confidence and other macroeconomic conditions. Assuming all other market conditions do not change, increases in client activity levels or bid/offer spreads generally result in increases in revenues. However, changes in market conditions can significantly impact client activity levels, bid/offer spreads and the fair value of product inventory. For example, a decrease in market liquidity may increase bid/offer spreads, decrease client activity levels and widen credit spreads on product inventory positions.

ICG’s management of the *Markets* businesses involves daily monitoring and evaluation of the above factors at the trading desk as well as the country level. *ICG* does not separately track the impact on total *Markets* revenues of the volume of transactions, bid/offer spreads, fair value changes of product inventory positions and economic hedges because, as noted above, these components are interrelated and are not deemed useful or necessary to manage the *Markets* businesses at an aggregate level.

In the *Markets* businesses, client revenues are those revenues directly attributable to client transactions at the time of inception, including commissions, interest or fees earned. Client revenues do not include the results of client facilitation activities (e.g., holding product inventory in anticipation of client demand) or the results of certain economic hedging activities.

ICG’s international presence is supported by trading floors in approximately 80 countries and a proprietary network in 96 countries and jurisdictions. At December 31, 2020, *ICG* had $1.7 trillion in assets and $924 billion in deposits, while two of its businesses—securities services and issuer services—managed $24.0 trillion and $20.3 trillion in assets under custody as of December 31, 2020 and 2019, respectively. For additional information on these operations, see “Administration and Other Fiduciary Fees” in Note 5 to the Consolidated Financial Statements.

In millions of dollars, except as otherwise noted	**2020**	2019	2018	**% Change 2020 vs. 2019**	% Change 2019 vs. 2018
Commissions and fees	**$ 4,412**	$ 4,462	$ 4,651	**(1)%**	(4)%
Administration and other fiduciary fees	**2,877**	2,756	2,806	**4**	(2)
Investment banking	**5,009**	4,440	4,358	**13**	2
Principal transactions	**13,308**	8,562	8,742	**55**	(2)
Other[1]	**1,149**	1,829	941	**(37)**	94
Total non-interest revenue	**$ 26,755**	$ 22,049	$ 21,498	**21 %**	3 %
Net interest revenue (including dividends)	**17,498**	17,252	16,827	**1**	3
Total revenues, net of interest expense	**$ 44,253**	$ 39,301	$ 38,325	**13 %**	3 %
Total operating expenses	**$ 23,467**	$ 22,224	$ 21,780	**6 %**	2 %
Net credit losses on loans	**$ 987**	$ 394	$ 208	**NM**	89 %
Credit reserve build (release) for loans	**3,172**	71	(109)	**NM**	NM
Provision for credit losses on unfunded lending commitments	**1,435**	98	116	**NM**	(16)
Provisions for credit losses on HTM debt securities and other assets	**21**	—	—	**100 %**	—
Provisions for credit losses	**$ 5,615**	$ 563	$ 215	**NM**	NM
Income from continuing operations before taxes	**$ 15,171**	$ 16,514	$ 16,330	**(8)%**	1 %
Income taxes	**3,373**	3,570	3,756	**(6)**	(5)
Income from continuing operations	**$ 11,798**	$ 12,944	$ 12,574	**(9)%**	3 %
Noncontrolling interests	**50**	40	17	**25**	NM
Net income	**$ 11,748**	$ 12,904	$ 12,557	**(9)%**	3 %
Balance Sheet data and ratios					
EOP assets *(in billions of dollars)*	**$ 1,730**	$ 1,447	$ 1,438	**20 %**	1 %
Average assets *(in billions of dollars)*	**1,706**	1,493	1,449	**14**	3
Return on average assets	**0.69 %**	0.86 %	0.87 %		
Efficiency ratio	**53**	57	57		
Revenues by region					
North America	**$ 17,185**	$ 13,459	$ 13,522	**28 %**	— %
EMEA	**12,814**	12,006	11,770	**7**	2
Latin America	**4,838**	5,166	4,954	**(6)**	4
Asia	**9,416**	8,670	8,079	**9**	7
Total	**$ 44,253**	$ 39,301	$ 38,325	**13 %**	3 %
Income from continuing operations by region					
North America	**$ 3,461**	$ 3,511	$ 3,675	**(1)%**	(4)%
EMEA	**3,327**	3,867	3,889	**(14)**	(1)
Latin America	**1,406**	2,111	2,013	**(33)**	5
Asia	**3,604**	3,455	2,997	**4**	15
Total	**$ 11,798**	$ 12,944	$ 12,574	**(9)%**	3 %
Average loans by region *(in billions of dollars)*					
North America	**$ 201**	$ 188	$ 174	**7 %**	8 %
EMEA	**88**	87	81	**1**	7
Latin America	**39**	40	42	**(3)**	(5)
Asia	**71**	73	77	**(3)**	(5)
Total	**$ 399**	$ 388	$ 374	**3 %**	4 %
EOP deposits by business *(in billions of dollars)*					
Treasury and trade solutions	**$ 651**	$ 536	$ 509	**21 %**	5 %
All other *ICG* businesses	**273**	232	218	**18**	6
Total	**$ 924**	$ 768	$ 727	**20 %**	6 %

(1) 2019 includes an approximate $350 million gain on Citi's investment in Tradeweb.
NM Not meaningful

ICG Revenue Details

In millions of dollars	**2020**	2019	2018	**% Change 2020 vs. 2019**	% Change 2019 vs. 2018
Investment banking revenue details					
Advisory	**$ 1,010**	$ 1,259	$ 1,301	**(20)%**	(3)%
Equity underwriting	**1,593**	973	991	**64**	(2)
Debt underwriting	**3,184**	2,984	2,719	**7**	10
Total investment banking	**$ 5,787**	$ 5,216	$ 5,011	**11 %**	4 %
Treasury and trade solutions	**9,524**	10,293	9,914	**(7)**	4
Corporate lending—excluding gains (losses) on loan hedges(1)	**2,184**	2,921	2,913	**(25)**	—
Private bank—excluding gains (losses) on loan hedges(1)	**3,737**	3,460	3,398	**8**	2
Total *Banking* revenues (ex-gains (losses) on loan hedges)(1)	**$ 21,232**	$ 21,890	$ 21,236	**(3)%**	3 %
Gains (losses) on loan hedges(1)	**$ (51)**	$ (432)	$ 45	**88 %**	NM
Total *Banking* revenues (including gains (losses) on loan hedges), net of interest expense	**$ 21,181**	$ 21,458	$ 21,281	**(1)%**	1 %
Fixed income markets(2)	**$ 17,256**	$ 12,884	$ 11,661	**34 %**	10 %
Equity markets	**3,624**	2,908	3,427	**25**	(15)
Securities services	**2,545**	2,631	2,631	**(3)**	—
Other	**(353)**	(580)	(675)	**39**	14
Total *Markets and securities services* revenues, net of interest expense	**$ 23,072**	$ 17,843	$ 17,044	**29 %**	5 %
Total revenues, net of interest expense	**$ 44,253**	$ 39,301	$ 38,325	**13 %**	3 %
Commissions and fees	**$ 677**	$ 782	$ 705	**(13)%**	11 %
Principal transactions(3)	**11,518**	7,661	7,134	**50**	7
Other(2)	**579**	1,117	380	**(48)**	NM
Total non-interest revenue	**$ 12,774**	$ 9,560	$ 8,219	**34 %**	16 %
Net interest revenue	**4,482**	3,324	3,442	**35**	(3)
Total fixed income markets(4)	**$ 17,256**	$ 12,884	$ 11,661	**34 %**	10 %
Rates and currencies	**$ 12,145**	$ 9,225	$ 8,486	**32 %**	9 %
Spread products/other fixed income	**5,111**	3,659	3,175	**40**	15
Total fixed income markets	**$ 17,256**	$ 12,884	$ 11,661	**34 %**	10 %
Commissions and fees	**$ 1,245**	$ 1,121	$ 1,267	**11 %**	(12)%
Principal transactions(3)	**1,281**	775	1,240	**65**	(38)
Other	**322**	172	110	**87**	56
Total non-interest revenue	**$ 2,848**	$ 2,068	$ 2,617	**38 %**	(21)%
Net interest revenue	**776**	840	810	**(8)**	4
Total equity markets(4)	**$ 3,624**	$ 2,908	$ 3,427	**25 %**	(15)%

(1) Credit derivatives are used to economically hedge a portion of the private bank and corporate loan portfolio that includes both accrual loans and loans at fair value. Gains (losses) on loan hedges include the mark-to-market on the credit derivatives and the mark-to-market on the loans in the portfolio that are at fair value. The fixed premium costs of these hedges are netted against the private bank and corporate lending revenues to reflect the cost of credit protection. Gains (losses) on loan hedges include $(74) million related to the corporate loan portfolio and $23 million related to the private bank for the year ended December 31, 2020. All of gains (losses) on loan hedges are related to the corporate loan portfolio for the years ended December 31, 2019 and 2018. Citigroup's results of operations excluding the impact of gains (losses) on loan hedges are non-GAAP financial measures.

(2) 2019 includes an approximate $350 million gain on Citi's investment in Tradeweb.

(3) Excludes principal transactions revenues of *ICG* businesses other than *Markets*, primarily treasury and trade solutions and the private bank.

(4) Citi assesses its *Markets* business performance on a total revenue basis, as offsets may occur across revenue line items. For example, securities that generate *Net interest revenue* may be risk managed by derivatives that are recorded in *Principal transactions* revenue. For a description of the composition of these revenue line items, see Notes 4, 5 and 6 to the Consolidated Financial Statements.

NM Not meaningful

The discussion of the results of operations for ICG below excludes (where noted) the impact of gains (losses) on hedges of accrual loans, which are non-GAAP financial measures. For a reconciliation of these metrics to the reported results, see the table above.

2020 vs. 2019

Net income decreased 9%, as higher revenues were more than offset by significantly higher credit costs and higher expenses.

Revenues increased 13%, driven by a 29% increase in *Markets and securities services* revenues, partially offset by a 1% decrease in *Banking* revenues (including the impact of gains (losses) on loan hedges). Excluding the impact of gains (losses) on loan hedges, *Banking* revenues declined 3%, as growth in investment banking and the private bank was more than offset by a decrease in treasury and trade solutions and corporate lending. Excluding the pretax gain of approximately $350 million on Citi's investment in Tradeweb in the prior year, *Markets and securities services* revenues increased 32%, primarily driven by growth in both fixed income markets and equity markets, partially offset by a decline in securities services.

Within *Banking*:

- *Investment banking* revenues were up 11%, reflecting growth in overall market wallet as well as gains in wallet share. Advisory revenues decreased 20%, primarily reflecting a decline in the market wallet largely due to the pandemic and a decline in wallet share. Equity underwriting revenues increased 64%, reflecting growth in *North America*, *EMEA* and *Asia*, driven by continued strength in the market wallet, reflecting improved market liquidity and investor sentiment as well as wallet share gains. Debt underwriting revenues increased 7%, reflecting particular strength in *North America*, partially offset by *Latin America*, primarily driven by an increase in the second quarter of 2020, as the business assisted clients with sourcing liquidity. The increase in revenues was largely driven by a higher market wallet in investment grade debt underwriting, as well as an increase in overall wallet share.
- *Treasury and trade solutions* revenues decreased 7%. Excluding the impact of FX translation, revenues decreased 5%, primarily driven by declines in *EMEA* and *Asia*. The decline in revenues was driven by both the cash and trade businesses. In the cash business, the decline in revenues reflected lower interest rates and a slowdown in commercial cards spend driven by the pandemic, partially offset by strong deposit volumes. Average deposit balances increased 23% (22% excluding the impact of FX translation), reflecting strong client engagement and solid growth across all regions. In trade, revenues were impacted by a decline in trade fees and trade loans, reflecting a slowdown in underlying trade flows related to the pandemic, partially offset by improved trade spreads.
- *Corporate lending* revenues decreased 15%, including lower losses on loan hedges. Excluding the impact of losses on loan hedges, revenues decreased 25%, driven by lower loan spreads, an adjustment to the residual value of a lease financing asset and higher hedging costs, partially offset by higher average loan volumes. Average loans were up 4%, reflecting higher volumes as the business assisted clients with sourcing liquidity in the evolving environment, primarily in the first half of 2020. End-of-period loans declined 9% in the current year, primarily reflecting repayments, as Citi's clients accessed the capital markets, as well as lower loan demand in the second half of 2020, given more muted economic activity.
- *Private bank* revenues increased 9%. Excluding the impact of gains on loan hedges, revenues increased 8%, reflecting strength across all regions, driven by continued solid client engagement, in particular in capital markets, higher managed investments revenues and higher loan and deposit volumes, partially offset by lower deposit spreads due to the low interest rate environment.

Within *Markets and securities services*:

- *Fixed income markets* revenues increased 34%. Excluding the Tradeweb gain in the prior year, revenues increased 38%, reflecting strength across all regions, driven by strong client activity in rates and currencies, spread products and commodities, due to the impact of market conditions, including elevated volatility related to the pandemic primarily in the first half of the year, and developments related to vaccines and the U.S. elections in the second half of the year. Non-interest revenues increased, reflecting higher corporate and investor activity, given elevated volumes, spreads and volatility, primarily in the first half the year. Net interest revenues also increased, largely reflecting a change in the mix of trading positions in support of client activity, as well as lower funding costs.

  Rates and currencies revenues increased 32%, primarily driven by higher G10 rates and currencies revenues in *North America* and *EMEA*, as Citi helped corporate and investor clients reposition their portfolios in a volatile market environment driven by the pandemic largely in the first half of 2020. Spread products and other fixed income revenues increased 40%, reflecting strong client activity following robust primary issuance, particularly in flow trading, as well as a more favorable market making environment, as evidenced by spread tightening. Commodities revenues increased, reflecting a more favorable market making environment, as volatility remained elevated, particularly in gold and oil.
- *Equity markets* revenues increased 25%, driven by higher revenues in cash equities and derivatives, partially offset by a modest decline in prime finance revenues. Cash equities revenues increased driven by elevated levels of client activity. Equity derivatives revenues increased, reflecting strong client activity and continued market volatility, particularly in *North America*. The decline in prime finance revenues was largely due to lower financing spreads. Non-interest revenues increased, primarily driven by higher principal transactions and commissions and fee revenues, due to higher client activity and a more favorable trading environment due to volatility related to the pandemic and developments

related to vaccines and U.S. elections, as well as a change in the mix of trading positions in support of client activity.

- *Securities services* revenues decreased 3%. Excluding the impact of FX translation, revenues decreased 1%, as higher deposit volumes were more than offset by lower deposit spreads due to the low interest rate environment.

For additional information on trends in *ICG*'s deposits and trade loans, see "Managing Global Risk—Liquidity Risk—Loans" and "—Deposits" below.

Expenses increased 6%, reflecting investments in infrastructure, risk management and controls, higher compensation costs, operational losses related to certain legal matters and volume-driven growth, partially offset by efficiency savings.

Provisions increased to $5.6 billion, driven by net credit losses of $987 million (compared to $394 million in the prior year), and an ACL build of $4.6 billion (compared to a modest build in the prior year under prior accounting standards). The increase in net credit losses was largely driven by write-offs across various sectors in both *North America* and *EMEA*, primarily reflecting energy and energy-related exposures. The net credit losses were partially offset by the release of previously established ACL reserves.

The increase in the ACL build was driven by builds during the first half of 2020. The builds reflected the impact of a deterioration in Citi's macroeconomic outlook under the CECL standard, driven by the impact of the pandemic across multiple sectors, as well as downgrades in the corporate portfolios. Sectors significantly impacted by the pandemic (including transportation; commercial real estate; energy and energy-related; and consumer retail) drove approximately half of the ACL reserve build during 2020. The reserve build also included an increase in the qualitative management adjustment to reflect the potential for a higher level of stress and a slower economic recovery. For additional information on Citi's ACL accounting, see "Significant Accounting Policies and Significant Estimates" below and Notes 1 and 15 to the Consolidated Financial Statements.

As of December 31, 2020, reserves held on Citi's balance sheet represented 1.4% of funded loans, compared to 0.7% as of December 31, 2019, including 4.4% of reserves held against the non-investment grade portion.

For additional information on *ICG*'s corporate credit portfolio, see "Managing Global Risk—Credit Risk—Corporate Credit" below.

For additional information about trends, uncertainties and risks related to *ICG*'s future results, see "COVID-19 Pandemic Overview" and "Risk Factors" above.

CORPORATE/OTHER

Corporate/Other includes certain unallocated costs of global staff functions (including finance, risk, human resources, legal and compliance), other corporate expenses and unallocated global operations and technology expenses and income taxes, as well as Corporate Treasury, certain *North America* legacy consumer loan portfolios, other legacy assets and discontinued operations (for additional information on *Corporate/Other*, see "Citigroup Segments" above). At December 31, 2020, *Corporate/Other* had $96 billion in assets.

In millions of dollars		**2020**		2019		2018	**% Change 2020 vs. 2019**	% Change 2019 vs. 2018
Net interest revenue	$	**(150)**	$	1,890	$	2,361	**NM**	(20)%
Non-interest revenue		**204**		124		(171)	**65 %**	NM
Total revenues, net of interest expense	$	**54**	$	2,014	$	2,190	**(97)%**	(8)%
Total operating expenses	$	**2,501**	$	2,150	$	2,275	**16 %**	(5)%
Net credit losses (recoveries) on loans	$	**(22)**	$	(8)	$	21	**NM**	NM
Credit reserve build (release) for loans		**188**		(60)		(218)	**NM**	72 %
Provision (release) for credit losses on unfunded lending commitments		**11**		(7)		(3)	**NM**	NM
Provisions (releases) for benefits and claims, HTM debt securities and other assets		**1**		—		(2)	**100 %**	100
Provisions (releases) for credit losses and for benefits and claims	$	**178**	$	(75)	$	(202)	**NM**	63 %
Income (loss) from continuing operations before taxes	$	**(2,625)**	$	(61)	$	117	**NM**	NM
Income taxes (benefits)		**(1,060)**		(886)		(88)	**(20)%**	NM
Income (loss) from continuing operations	$	**(1,565)**	$	825	$	205	**NM**	NM
(Loss) from discontinued operations, net of taxes		**(20)**		(4)		(8)	**NM**	50 %
Net income (loss) before attribution of noncontrolling interests	$	**(1,585)**	$	821	$	197	**NM**	NM
Noncontrolling interests		**(6)**		20		11	**NM**	82 %
Net income (loss)	$	**(1,579)**	$	801	$	186	**NM**	NM

NM Not meaningful

2020 vs. 2019

Net loss was $1.6 billion, compared to net income of $801 million in the prior year, largely driven by lower revenues, higher expenses, higher cost of credit and higher tax benefits in the prior year. The higher tax benefits in the prior year were primarily due to higher valuation allowance adjustments on Citi's deferred tax assets.

Revenues of $54 million decreased $2.0 billion, reflecting the impact of lower interest rates, episodic gains in the prior year, the wind-down of legacy assets and marks on securities.

Expenses increased 16%, as the wind-down of legacy assets was more than offset by investments in infrastructure, risk management and controls, the $400 million civil money penalty (for additional information, see "Executive Summary" and "Citi's Consent Order Compliance" above) and incremental costs associated with the pandemic.

Provisions increased $253 million to $178 million, primarily driven by ACL builds of $199 million on legacy assets (versus a $67 million release in the prior year under prior accounting standards).

The ACL build was driven by builds during the first half of 2020 and primarily reflected the impact of a deterioration in Citi's macroeconomic outlook under the CECL standard, primarily due to the pandemic. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below and Notes 1 and 15 to the Consolidated Financial Statements.

For additional information about trends, uncertainties and risks related to *Corporate/Other*'s future results, see "COVID-19 Pandemic Overview" above and "Risk Factors" below.

CAPITAL RESOURCES

Overview

Capital is used principally to support assets in Citi's businesses and to absorb credit, market and operational losses. Citi primarily generates capital through earnings from its operating businesses. Citi may augment its capital through issuances of common stock and noncumulative perpetual preferred stock, among other issuances. Further, Citi's capital levels may also be affected by changes in accounting and regulatory standards, as well as U.S. corporate tax laws and the impact of future events on Citi's business results, such as changes in interest and foreign exchange rates, as well as business and asset dispositions.

During 2020, Citi returned a total of $7.2 billion of capital to common shareholders in the form of share repurchases (approximately 41 million common shares) and dividends. On March 15, 2020, Citi announced it had joined other major U.S. banks in suspending share repurchases to support clients in light of the pandemic. Citi commenced share repurchases in February 2021. For additional information, see "Unregistered Sales of Equity Securities, Repurchases of Equity Securities and Dividends—Equity Security Repurchases" below.

Capital Management

Citi's capital management framework is designed to ensure that Citigroup and its principal subsidiaries maintain sufficient capital consistent with each entity's respective risk profile, management targets and all applicable regulatory standards and guidelines. Citi assesses its capital adequacy against a series of internal quantitative capital goals, designed to evaluate its capital levels in expected and stressed economic environments. Underlying these internal quantitative capital goals are strategic capital considerations, centered on preserving and building financial strength.

The Citigroup Capital Committee, with oversight from the Risk Management Committee of Citigroup's Board of Directors, has responsibility for Citi's aggregate capital structure, including the capital assessment and planning process, which is integrated into Citi's capital plan. Balance sheet management, including oversight of capital adequacy, for Citigroup's subsidiaries is governed by each entity's Asset and Liability Committee, where applicable.

For additional information regarding Citi's capital planning and stress testing exercises, see "Stress Testing Component of Capital Planning" below.

Current Regulatory Capital Standards

Citi is subject to regulatory capital standards issued by the Federal Reserve Board, which constitute the U.S. Basel III rules. These rules establish an integrated capital adequacy framework, encompassing both risk-based capital ratios and leverage ratios.

Risk-Based Capital Ratios

The U.S. Basel III rules set forth the composition of regulatory capital (including the application of regulatory capital adjustments and deductions), as well as two comprehensive methodologies (a Standardized Approach and Advanced Approaches) for measuring total risk-weighted assets. Total risk-weighted assets under the Advanced Approaches, which are primarily models based, include credit, market and operational risk-weighted assets. The Standardized Approach generally applies prescribed supervisory risk weights to broad categories of credit risk exposures. As a result, credit risk-weighted assets calculated under the Advanced Approaches are more risk sensitive than those calculated under the Standardized Approach. Market risk-weighted assets are currently calculated on a generally consistent basis under both approaches. The Standardized Approach excludes operational risk-weighted assets.

Under the U.S. Basel III rules, both Citi and Citibank, N.A. (Citibank) are required to maintain stated minimum Common Equity Tier 1 Capital, Tier 1 Capital and Total Capital ratios of 4.5%, 6.0% and 8.0%, respectively. Further, the U.S. Basel III rules implement the "capital floor provision" of the so-called "Collins Amendment" of the Dodd-Frank Act, which requires Advanced Approaches banking organizations to calculate each of the three risk-based capital ratios (Common Equity Tier 1 Capital, Tier 1 Capital and Total Capital) under both the U.S. Basel III Standardized Approach and the Advanced Approaches and comply with the lower of each of the resulting risk-based capital ratios.

Tier 1 Leverage Ratio

Under the U.S. Basel III rules, Citi is also required to maintain a minimum Tier 1 Leverage ratio of 4.0%. The Tier 1 Leverage ratio, a non-risk-based measure of capital adequacy, is defined as Tier 1 Capital as a percentage of quarterly adjusted average total assets less amounts deducted from Tier 1 Capital.

Supplementary Leverage Ratio
Citi is also required to calculate a Supplementary Leverage ratio, which differs from the Tier 1 Leverage ratio by also including certain off-balance sheet exposures within the denominator of the ratio (Total Leverage Exposure). The Supplementary Leverage ratio represents end of period Tier 1 Capital to Total Leverage Exposure, with the latter defined as the sum of the daily average of on-balance sheet assets for the quarter and the average of certain off-balance sheet exposures calculated as of the last day of each month in the quarter, less applicable Tier 1 Capital deductions. Advanced Approaches banking organizations are required to maintain a stated minimum Supplementary Leverage ratio of 3.0%.

Further, U.S. GSIBs, including Citi, are subject to enhanced Supplementary Leverage ratio standards. The enhanced Supplementary Leverage ratio standards establish a 2.0% leverage buffer in addition to the stated 3.0% minimum Supplementary Leverage ratio requirement, for a total effective minimum Supplementary Leverage ratio requirement of 5.0%. If a U.S. GSIB fails to exceed the 5.0% effective minimum Supplementary Leverage ratio requirement, it will be subject to increasingly onerous restrictions (depending upon the extent of the shortfall) regarding capital distributions and discretionary executive bonus payments.

Temporary Supplementary Leverage Ratio Relief
In April 2020, the Federal Reserve Board issued an interim final rule that temporarily changes the calculation of the Supplementary Leverage ratio for bank holding companies, including Citigroup, by excluding U.S. Treasuries and deposits at Federal Reserve Banks from Total Leverage Exposure. Repo-style transactions on U.S. Treasuries are not in scope for this relief. The Supplementary Leverage ratio is a non-risk-sensitive measure, and the temporary exclusion allows banking organizations to expand their balance sheet, as appropriate, to continue to serve as financial intermediaries and to provide credit to households and businesses during the pandemic.

The interim final rule became effective for Citigroup's Supplementary Leverage ratio, as well as for Citigroup's leverage-based Total Loss Absorbing Capacity (TLAC) and Long-Term Debt (LTD) requirements, beginning with the quarter ended June 30, 2020, and will continue through March 31, 2021. Citigroup's reported Supplementary Leverage ratio of 7.0% benefited 109 basis points during the fourth quarter of 2020 as a result of the temporary relief. Excluding the temporary relief, Citigroup's Supplementary Leverage ratio would have been 5.9%, compared with a 5.0% effective minimum requirement.

In June 2020, the U.S. banking agencies issued an interim final rule permitting depository institutions, including Citibank, to elect to temporarily exclude U.S. Treasuries and deposits at Federal Reserve Banks from Total Leverage Exposure, subject to the condition that the depository institution receive approval from its primary federal banking regulator prior to paying dividends or making certain other capital distributions while the exclusion is in effect. Citibank did not elect to temporarily exclude U.S. Treasuries and deposits at Federal Reserve Banks from Total Leverage Exposure. Accordingly, the calculation methodology of Citibank's Supplementary Leverage ratio was unchanged.

Regulatory Capital Treatment—Modified Transition of the Current Expected Credit Losses Methodology
In September 2020, the U.S. banking agencies issued a final rule (substantially unchanged from a March 2020 interim final rule) that modifies the regulatory capital transition provision related to the current expected credit losses (CECL) methodology.

The final rule permits banks to delay for two years the "Day One" adverse regulatory capital effects resulting from adoption of the CECL methodology on January 1, 2020 until January 1, 2022, followed by a three-year transition to phase out the regulatory capital benefit provided by the delay.

In addition, for the ongoing impact of CECL, the agencies utilize a 25% scaling factor as an approximation of the increased reserve build under CECL compared to the previous incurred loss model and, therefore, allows banks to add back to Common Equity Tier 1 Capital an amount equal to 25% of the change in CECL-based allowances recognized through earnings in each quarter between January 1, 2020 and December 31, 2021. Beginning January 1, 2022, the cumulative 25% change in CECL-based allowances recognized through earnings between January 1, 2020 and December 31, 2021 will be phased in to regulatory capital at 25% per year on January 1 of each year over the three-year transition period, along with the delayed "Day One" impact.

Citigroup and Citibank have elected the modified CECL transition provision provided by the rule beginning with the quarter ended March 31, 2020. Accordingly, the Day One regulatory capital effects resulting from adoption of the CECL methodology, as well as the ongoing adjustments for 25% of the change in CECL-based allowances recognized through earnings in each quarter between January 1, 2020 and December 31, 2021, will now commence phase-in on January 1, 2022 and will be fully reflected in Citi's regulatory capital as of January 1, 2025.

For additional information on the U.S. banking agencies' original regulatory capital transition provision related to the "Day One" adverse regulatory capital effects resulting from adoption of the CECL methodology, see "Capital Resources—Regulatory Capital Treatment—Implementation and Transition of the Current Expected Credit Losses (CECL) Methodology" in Citi's 2019 Annual Report on Form 10-K. Neither the September 2020 final rule nor the agencies' prior guidance has any impact on U.S. GAAP accounting.

Regulatory Capital Buffers

Citi and Citibank are required to maintain several regulatory capital buffers above stated minimum capital requirements. These capital buffers would be available to absorb losses in advance of any potential impairment of regulatory capital below the stated minimum risk-based capital ratio requirements. Any breach of the buffers to absorb losses during periods of financial or economic stress would result in restrictions on earnings distributions (e.g., dividends, share repurchases and discretionary executive bonuses), with the degree of such restrictions based upon the extent to which the buffers are breached. For additional information regarding limitations on capital distributions, see "Use of Regulatory Capital Buffers" below.

Stress Capital Buffer

In March 2020, the Federal Reserve Board issued the final Stress Capital Buffer (SCB) rule, integrating the annual stress testing requirements with ongoing regulatory capital requirements.

For Citigroup only, the SCB replaces the fixed 2.5% Capital Conservation Buffer under the Standardized Approach, and equals the peak-to-trough Common Equity Tier 1 Capital ratio decline under the Supervisory Severely Adverse scenario used in the Comprehensive Capital Analysis and Review (CCAR) and Dodd-Frank Act Stress Testing (DFAST), plus four quarters of planned common stock dividends, subject to a floor of 2.5%. The fixed 2.5% Capital Conservation Buffer will continue to apply under the Advanced Approaches. SCB-based minimum capital requirements will generally be updated once per year as part of the CCAR process. For additional information regarding CCAR and DFAST, see "Stress Testing Component of Capital Planning" below.

In August 2020, the Federal Reserve Board finalized and announced Citi's SCB requirement of 2.5%. Accordingly, effective October 1, 2020, Citigroup is required to maintain a 10.0% effective minimum Common Equity Tier 1 Capital ratio under the Standardized Approach, which is unchanged from Citi's previous effective minimum requirement Common Equity Tier 1 Capital ratio under the Standardized Approach inclusive of the 2.5% Capital Conservation Buffer.

The Federal Reserve Board may, but is not required to, recalculate Citi's SCB as a result of the capital plan resubmission, and has deferred such a decision through March 31, 2021. For additional information on the capital plan resubmission, which the Federal Reserve Board required for each firm subject to its capital plan rule, see "Capital Plan Resubmission and Related Limitations on Capital Distributions" below.

The SCB applies to Citigroup only. The regulatory capital framework applicable to Citibank, including the Capital Conservation Buffer, is unchanged by the SCB final rule.

Capital Conservation Buffer and Countercyclical Capital Buffer

Citigroup is subject to a fixed 2.5% Capital Conservation Buffer under the Advanced Approaches and, prior to the October 1, 2020 effective date of the SCB, under the Standardized Approach as well. Citibank is subject to the fixed 2.5% Capital Conservation Buffer under both the Advanced Approaches and the Standardized Approach.

Additionally, Advanced Approaches banking organizations, such as Citi and Citibank, are subject to a discretionary Countercyclical Capital Buffer. The Federal Reserve Board last voted to affirm the Countercyclical Capital Buffer amount at the current level of 0% in December 2020.

GSIB Surcharge

The Federal Reserve Board imposes a risk-based capital surcharge upon U.S. bank holding companies that are identified as global systemically important bank holding companies (GSIBs), including Citi. The GSIB surcharge augments the SCB, Capital Conservation Buffer and, if invoked, any Countercyclical Capital Buffer.

A U.S. bank holding company that is designated a GSIB is required, on an annual basis, to calculate a surcharge using two methods and is subject to the higher of the resulting two surcharges. The first method ("method 1") is based on the Basel Committee's GSIB methodology. Under the second method ("method 2"), the substitutability category under the Basel Committee's GSIB methodology is replaced with a quantitative measure intended to assess a GSIB's reliance on short-term wholesale funding. In addition, method 1 incorporates relative measures of systemic importance across certain global banking organizations and a year-end spot foreign exchange rate, whereas method 2 uses fixed measures of systemic importance and application of an average foreign exchange rate over a three-year period. The GSIB surcharges calculated under both method 1 and method 2 are based on measures of systemic importance from the year immediately preceding that in which the GSIB surcharge calculations are being performed (e.g., the method 1 and method 2 GSIB surcharges to be calculated by December 31, 2021 will be based on 2020 systemic indicator data). Generally, Citi's surcharge determined under method 2 will result in a higher surcharge than its surcharge determined under method 1.

Should a GSIB's systemic importance change year-over-year such that it becomes subject to a higher surcharge, the higher surcharge would not become effective for a full year (e.g., a higher surcharge calculated by December 31, 2021 would not become effective until January 1, 2023). However, if a GSIB's systemic importance changes such that the GSIB would be subject to a lower surcharge, the GSIB would be subject to the lower surcharge beginning with the next calendar year (e.g., a lower surcharge calculated by December 31, 2021 would become effective January 1, 2022).

The following table sets forth Citi's effective GSIB surcharge as determined under method 1 and method 2 for 2020 and 2019:

	2020	2019
Method 1	**2.0 %**	2.0 %
Method 2	**3.0**	3.0

Citi's GSIB surcharge effective for both 2020 and 2019 was 3.0%, as derived under the higher method 2 result. Citi's GSIB surcharge effective for 2021 will remain unchanged at 3.0%, as derived under the higher method 2 result. Citi expects that its method 2 GSIB surcharge will continue to remain higher than its method 1 GSIB surcharge. Accordingly, Citi's GSIB surcharge effective for 2022 will not exceed 3.0%. Citi's GSIB surcharge effective for 2023 will likely be based on the lower of its method 2 scores for year-end 2020 and 2021, and could increase to 3.5%.

Use of Regulatory Capital Buffers

In March 2020, the U.S. banking agencies issued a statement encouraging banking organizations to use their regulatory capital buffers as they respond to the challenges presented by the effects of the COVID-19 pandemic.

Consistent with the statement, in October 2020, the U.S. banking agencies issued a final rule (substantially unchanged from two previous interim final rules in March 2020) that eases capital distribution limitations in the original U.S. Basel III rules, in an effort to reduce the impact of using regulatory capital buffers. The changes in the rule have the potential to prevent a complete and sudden cessation of capital distributions due to a breach of regulatory capital buffers, which include the SCB, Capital Conservation Buffer, GSIB surcharge, and any Countercyclical Capital Buffer (currently 0%).

The rule became effective in March 2020, and applies to risk-based capital ratios, the Supplementary Leverage ratio, and RWA-based or leverage-based external TLAC buffers. External Long-Term Debt requirements do not include any buffers and are, therefore, unaffected by the final rule. For additional information on Citi's TLAC-related requirements, see "Total Loss-Absorbing Capacity (TLAC)" and "Risk Factors—Compliance, Conduct and Legal Risks" below.

More specifically, under the U.S. Basel III rules, banking organizations that fall below their regulatory capital buffers are subject to limitations on capital distributions and discretionary bonus payments to executive officers based on a percentage of "Eligible Retained Income" (ERI), with increasing restrictions based upon the severity of the breach. The original definition of ERI in the U.S. Basel III rules was equal to the bank's net income for the four calendar quarters preceding the current calendar quarter, net of any distributions and tax effects not already reflected in net income. The final rule revises the definition of ERI to equal the greater of: (i) the bank's net income for the four calendar quarters preceding the current calendar quarter, net of any distributions and tax effects not already reflected in net income, and (ii) the average of the bank's net income for the four calendar quarters preceding the current calendar quarter.

As of December 31, 2020, Citi's regulatory capital ratios exceeded effective regulatory minimum requirements. Citi is not subject to payout limitations as a result of Basel III requirements. For information related to capital distribution limitations that are currently in effect for large banks, see "Capital Plan Resubmission and Related Limitations on Capital Distributions" below.

The impact of the final rule on Citibank is limited, because the minimum requirements to be considered "well-capitalized" under the Prompt Corrective Action (PCA) framework are unchanged.

Prompt Corrective Action Framework

In general, the Prompt Corrective Action (PCA) regulations direct the U.S. banking agencies to enforce increasingly strict limitations on the activities of insured depository institutions that fail to meet certain regulatory capital thresholds. The PCA framework contains five categories of capital adequacy as measured by risk-based capital and leverage ratios: (i) "well capitalized," (ii) "adequately capitalized," (iii) "undercapitalized," (iv) "significantly undercapitalized" and (v) "critically undercapitalized."

Accordingly, an insured depository institution, such as Citibank, must maintain minimum Common Equity Tier 1 Capital, Tier 1 Capital, Total Capital and Tier 1 Leverage ratios of 6.5%, 8.0%, 10.0% and 5.0%, respectively, to be considered "well capitalized." In addition, insured depository institution subsidiaries of U.S. GSIBs, including Citibank, must maintain a minimum Supplementary Leverage ratio of 6.0% to be considered "well capitalized." Citibank was "well capitalized" as of December 31, 2020.

Stress Testing Component of Capital Planning

Citi is subject to an annual assessment by the Federal Reserve Board as to whether Citigroup has effective capital planning processes as well as sufficient regulatory capital to absorb losses during stressful economic and financial conditions, while also meeting obligations to creditors and counterparties and continuing to serve as a credit intermediary. This annual assessment includes two related programs: the Comprehensive Capital Analysis and Review (CCAR) and Dodd-Frank Act Stress Testing (DFAST).

For the largest and most complex firms, such as Citi, CCAR includes a qualitative evaluation of a firm's abilities to determine its capital needs on a forward-looking basis. In conducting the qualitative assessment, the Federal Reserve Board evaluates firms' capital planning practices, focusing on six areas of capital planning—namely, governance, risk management, internal controls, capital policies, incorporating stressful conditions and events, and estimating impact on capital positions. As part of the CCAR process, the Federal Reserve Board evaluates Citi's capital adequacy, capital adequacy process and its planned capital distributions, such as dividend payments and common share repurchases. The Federal Reserve Board assesses whether Citi has sufficient capital to continue operations throughout times of economic and financial market stress and whether Citi has robust, forward-looking capital planning processes that account for its unique risks.

Since firms are now required to maintain risk-based capital ratio minimum requirements that integrate stress test results, the Federal Reserve Board's SCB final rule eliminated a number of previous CCAR requirements, including the once-a-year quantitative objection, the pre-approval requirement from the Federal Reserve Board for making distributions in excess of planned capital actions, and the 30% dividend payout ratio as a criterion for heightened supervisory scrutiny.

All CCAR firms, including Citi, are subject to a rigorous evaluation of their capital planning process. Firms with weak practices may be subject to a deficient supervisory rating, and potentially an enforcement action, for failing to meet supervisory expectations. For additional information regarding CCAR, see "Risk Factors—Strategic Risks" below.

DFAST is a forward-looking quantitative evaluation of the impact of stressful economic and financial market conditions on Citi's regulatory capital. This program serves to inform the Federal Reserve Board and the general public as to how Citi's regulatory capital ratios might change using a hypothetical set of adverse economic conditions as designed by the Federal Reserve Board. In addition to the annual supervisory stress test conducted by the Federal Reserve Board, Citi is required to conduct annual company-run stress tests under the same adverse economic conditions designed by the Federal Reserve Board.

Both CCAR and DFAST include an estimate of projected revenues, losses, reserves, pro forma regulatory capital ratios, and any other additional capital measures deemed relevant by Citi. Projections are required over a nine-quarter planning horizon under two supervisory scenarios (baseline and severely adverse conditions). All risk-based capital ratios reflect application of the Standardized Approach framework under the U.S. Basel III rules. Moreover, the Federal Reserve Board has deferred the use of the Advanced Approaches framework indefinitely.

In addition, Citibank is required to conduct the annual Dodd-Frank Act Stress Test. The annual stress test consists of a forward-looking quantitative evaluation of the impact of stressful economic and financial market conditions under several scenarios on Citibank's regulatory capital. This program serves to inform the Office of the Comptroller of the Currency as to how Citibank's regulatory capital ratios might change during a hypothetical set of adverse economic conditions and to ultimately evaluate the reliability of Citibank's capital planning process.

Capital Plan Resubmission and Related Limitations on Capital Distributions

In June 2020, the Federal Reserve Board determined that changes in financial markets and macroeconomic outlooks related to the COVID-19 pandemic could have a material effect on the risk profile and financial condition of each firm subject to its capital plan rule and, therefore, required updated capital plans. Citigroup resubmitted its capital plan in November 2020.

In December 2020, the Federal Reserve Board announced that it was modifying and extending for an additional quarter several measures that were previously announced for the third and fourth quarters of 2020 to ensure that large banks maintain a high level of capital resilience. Through the end of the first quarter of 2021, the Federal Reserve Board has authorized firms, including Citi, to pay common stock dividends and make share repurchases that, in the aggregate, do not exceed an amount equal to the average of the firm's net income for the four preceding calendar quarters, unless otherwise specified by the Federal Reserve Board, provided that the firm does not exceed the amount of common stock dividends paid in the second quarter of 2020. Additionally, through the end of the first quarter of 2021, the Federal Reserve Board has authorized firms to make share repurchases relating to issuances of common stock related to employee stock ownership plans, and to redeem and make scheduled payments on Additional Tier 1 Capital and Tier 2 Capital instruments. These limitations on capital distributions may be extended or modified by the Federal Reserve Board.

On June 29, 2020, Citi announced its planned capital actions including common dividends. Citi is permitted to return capital to common shareholders of up $2.8 billion during the first quarter of 2021, including the previously announced common dividends of $0.51 per share in the quarter, consistent with the Federal Reserve Board's income-based formula for temporary limitations on common dividends and common share repurchases announced in December 2020. Citi commenced share repurchases in February 2021.

The Federal Reserve Board may, but is not required to, recalculate Citi's SCB as a result of the capital plan resubmission, and has deferred such a decision up to March 31, 2021.

Citigroup's Capital Resources

Citi is required to maintain stated minimum Common Equity Tier 1 Capital, Tier 1 Capital and Total Capital ratios of 4.5%, 6.0% and 8.0%, respectively. Citi's effective minimum capital requirements are presented in the table below.

Furthermore, to be "well capitalized" under current federal bank regulatory agency definitions, a bank holding company must have a Tier 1 Capital ratio of at least 6.0%, a Total Capital ratio of at least 10.0% and not be subject to a Federal Reserve Board directive to maintain higher capital levels.

The following tables set forth Citi's capital components and ratios as of December 31, 2020, September 30, 2020 and December 31, 2019:

		Advanced Approaches			Standardized Approach		
In millions of dollars, except ratios	**Effective Minimum Requirement**[(1)]	**Dec. 31, 2020**	Sep. 30, 2020	Dec. 31, 2019	**Dec. 31, 2020**	Sep. 30, 2020	Dec. 31, 2019
Common Equity Tier 1 Capital[(2)]		**$ 147,274**	$ 142,158	$ 137,798	**$ 147,274**	$ 142,158	$ 137,798
Tier 1 Capital		**167,053**	160,311	155,805	**167,053**	160,311	155,805
Total Capital (Tier 1 Capital + Tier 2 Capital)[(2)]		**195,959**	189,477	181,337	**204,849**	198,120	193,711
Total Risk-Weighted Assets		**1,255,284**	1,218,977	1,142,804	**1,221,576**	1,178,219	1,168,848
Credit Risk[(2)]		**$ 844,374**	$ 821,024	$ 778,759	**$1,109,435**	$ 1,077,719	$ 1,110,100
Market Risk		**107,812**	96,873	57,317	**112,141**	100,500	58,748
Operational Risk		**303,098**	301,080	306,728	**—**	—	—
Common Equity Tier 1 Capital ratio[(3)]	**10.0 %**	**11.73 %**	11.66 %	12.06 %	**12.06 %**	12.07 %	11.79 %
Tier 1 Capital ratio[(3)]	**11.5**	**13.31**	13.15	13.63	**13.68**	13.61	13.33
Total Capital ratio[(3)]	**13.5**	**15.61**	15.54	15.87	**16.77**	16.82	16.57

In millions of dollars, except ratios	**Effective Minimum Requirement**	**Dec. 31, 2020**	Sept. 30, 2020	Dec. 31, 2019
Quarterly Adjusted Average Total Assets[(2)(4)]		**$ 2,265,615**	$ 2,224,446	$ 1,957,039
Total Leverage Exposure[(2)(5)]		**2,386,881**	2,349,620	2,513,702
Tier 1 Leverage ratio	**4.0%**	**7.37 %**	7.21 %	7.96 %
Supplementary Leverage ratio	**5.0**	**7.00**	6.82	6.20

(1) Beginning October 1, 2020, Citi's effective minimum risk-based capital requirements include the 2.5% SCB and 3.0% GSIB surcharge under the Standardized Approach, and the 2.5% Capital Conservation Buffer and 3.0% GSIB surcharge under the Advanced Approaches (all of which must be composed of Common Equity Tier 1 Capital). For prior periods presented, Citi's effective minimum risk-based capital requirements include the 2.5% Capital Conservation Buffer and the 3.0% GSIB surcharge under both Approaches.

(2) Citi has elected to apply the modified transition provision related to the impact of the CECL accounting standard on regulatory capital, as provided by the U.S. banking agencies' September 2020 final rule. Under the modified CECL transition provision, the changes in retained earnings (after-tax), deferred tax assets (DTAs) arising from temporary differences, and the ACL upon the January 1, 2020 CECL adoption date have been deferred and will phase in to regulatory capital at 25% per year commencing January 1, 2022. For the ongoing impact of CECL, Citigroup is allowed to adjust retained earnings and the ACL in an amount equal to 25% of the change in the ACL recognized through earnings (pretax) for each period between January 1, 2020 and December 31, 2021. The cumulative adjustments to retained earnings and the ACL between January 1, 2020 and December 31, 2021 will also phase in to regulatory capital at 25% per year commencing January 1, 2022, along with the deferred impacts related to the January 1, 2020 CECL adoption date. Corresponding adjustments to average on-balance sheet assets are reflected in quarterly adjusted average total assets and Total Leverage Exposure. Additionally, the increase in DTAs arising from temporary differences upon the January 1, 2020 adoption date has been deducted from risk-weighted assets (RWA) and will phase in to RWA at 25% per year commencing January 1, 2022.

(3) Citi's reportable Common Equity Tier 1 Capital and Tier 1 Capital ratios were derived under the Basel III Advanced Approaches framework as of December 31, 2020 and September 30, 2020, and the Basel III Standardized Approach as of December 31, 2019, whereas Citi's reportable Total Capital ratio was the lower derived under the Basel III Advanced Approaches framework for all periods presented.

(4) Tier 1 Leverage ratio denominator. Represents quarterly average total assets less amounts deducted from Tier 1 Capital.

(5) Supplementary Leverage ratio denominator. Commencing with the second quarter of 2020, Citigroup's Total Leverage Exposure temporarily excludes U.S. Treasuries and deposits at Federal Reserve Banks. For additional information, see "Temporary Supplementary Leverage Ratio Relief" above.

Common Equity Tier 1 Capital Ratio

Citi's Common Equity Tier 1 Capital ratio was 11.7% at December 31, 2020 and September 30, 2020, both under the Basel III Advanced Approaches framework. Citi's reportable Common Equity Tier 1 Capital ratio was 11.8% at December 31, 2019 under the Basel III Standardized Approach. Citi's Common Equity Tier 1 Capital ratio remained unchanged from September 30, 2020, as a net increase in risk-weighted assets and the return of $1.1 billion capital to common shareholders in the form of dividends were offset by quarter-to-date net income of $4.3 billion. Citi's Common Equity Tier 1 Capital ratio decreased from year-end 2019, largely driven by a net increase in risk-weighted assets and the return of $7.2 billion of capital to common shareholders in the form of share repurchases and dividends, partially offset by year-to-date net income of $11.0 billion, beneficial net movements in *AOCI*, and the relief of the modified CECL transition provision.

Components of Citigroup Capital

In millions of dollars		**December 31, 2020**		December 31, 2019
Common Equity Tier 1 Capital				
Citigroup common stockholders' equity[(1)]	**$**	**180,118**	$	175,414
Add: Qualifying noncontrolling interests		**141**		154
Regulatory capital adjustments and deductions:				
Add: CECL transition and 25% provision deferral[(2)]		**5,348**		—
Less: Accumulated net unrealized gains (losses) on cash flow hedges, net of tax		**1,593**		123
Less: Cumulative unrealized net gain (loss) related to changes in fair value of financial liabilities attributable to own creditworthiness, net of tax		**(1,109)**		(679)
Less: Intangible assets:				
Goodwill, net of related DTLs[(3)]		**21,124**		21,066
Identifiable intangible assets other than MSRs, net of related DTLs		**4,166**		4,087
Less: Defined benefit pension plan net assets		**921**		803
Less: DTAs arising from net operating loss, foreign tax credit and general business credit carry-forwards[(4)]		**11,638**		12,370
Total Common Equity Tier 1 Capital (Advanced Approaches and Standardized Approach)	**$**	**147,274**	$	137,798
Additional Tier 1 Capital				
Qualifying noncumulative perpetual preferred stock[(1)]	**$**	**19,324**	$	17,828
Qualifying trust preferred securities[(5)]		**1,393**		1,389
Qualifying noncontrolling interests		**35**		42
Regulatory capital deductions:				
Less: Permitted ownership interests in covered funds[(6)]		**917**		1,216
Less: Other		**56**		36
Total Additional Tier 1 Capital (Advanced Approaches and Standardized Approach)	**$**	**19,779**	$	18,007
Total Tier 1 Capital (Common Equity Tier 1 Capital + Additional Tier 1 Capital) (Advanced Approaches and Standardized Approach)	**$**	**167,053**	$	155,805
Tier 2 Capital				
Qualifying subordinated debt	**$**	**23,481**	$	23,673
Qualifying trust preferred securities[(7)]		**331**		326
Qualifying noncontrolling interests		**41**		46
Excess of eligible credit reserves over expected credit losses[(2)(8)]		**5,084**		1,523
Regulatory capital deduction:				
Less: Other		**31**		36
Total Tier 2 Capital (Advanced Approaches)	**$**	**28,906**	$	25,532
Total Capital (Tier 1 Capital + Tier 2 Capital) (Advanced Approaches)	**$**	**195,959**	$	181,337
Adjustment for eligible allowance for credit losses[(2)(8)]	**$**	**8,890**	$	12,374
Total Tier 2 Capital (Standardized Approach)	**$**	**37,796**	$	37,906
Total Capital (Tier 1 Capital + Tier 2 Capital) (Standardized Approach)	**$**	**204,849**	$	193,711

Footnotes continue on the following page.

(1) Issuance costs of $156 million and $152 million related to noncumulative perpetual preferred stock outstanding at December 31, 2020 and 2019, respectively, are excluded from common stockholders' equity and netted against such preferred stock in accordance with Federal Reserve Board regulatory reporting requirements, which differ from those under U.S. GAAP.

(2) Citi has elected to apply the modified transition provision related to the impact of the CECL accounting standard on regulatory capital, as provided by the U.S. banking agencies' September 2020 final rule. Under the modified CECL transition provision, the changes in retained earnings (after-tax) and the ACL upon the January 1, 2020 CECL adoption date have been deferred and will phase in to regulatory capital at 25% per year commencing January 1, 2022. For the ongoing impact of CECL, Citigroup is allowed to adjust retained earnings and the ACL in an amount equal to 25% of the change in the ACL recognized through earnings (pretax) for each period between January 1, 2020 and December 31, 2021. The cumulative adjustments to retained earnings and the ACL between January 1, 2020 and December 31, 2021 will also phase in to regulatory capital at 25% per year commencing January 1, 2022, along with the deferred impacts related to the January 1, 2020 CECL adoption date.

(3) Includes goodwill "embedded" in the valuation of significant common stock investments in unconsolidated financial institutions.

(4) Of Citi's $24.8 billion of net DTAs at December 31, 2020, $15.3 billion was includable in Common Equity Tier 1 Capital pursuant to the U.S. Basel III rules, while $9.5 billion was excluded. Excluded from Citi's Common Equity Tier 1 Capital as of December 31, 2020 was $11.6 billion of net DTAs arising from net operating loss, foreign tax credit and general business credit tax carry-forwards. The amount excluded was reduced by $2.1 billion of net DTLs primarily associated with goodwill and certain other intangible assets that are separately deducted from capital. DTAs arising from tax carry-forwards are required to be entirely deducted from Common Equity Tier 1 Capital under the U.S. Basel III rules. DTAs arising from temporary differences are required to be deducted from capital only if these DTAs exceed a 10% limitation under the U.S. Basel III rules. Citi's DTAs do not currently exceed this limitation and, therefore, are not subject to deduction from Common Equity Tier 1 Capital, but are subject to risk weighting at 250%.

(5) Represents Citigroup Capital XIII trust preferred securities, which are permanently grandfathered as Tier 1 Capital under the U.S. Basel III rules.

(6) Banking entities are required to be in compliance with the Volcker Rule of the Dodd-Frank Act, which prohibits conducting certain proprietary investment activities and limits their ownership of, and relationships with, covered funds. The U.S. agencies issued a revised Volcker Rule 2.0 in November 2019 that removes permitted investments in third-party covered funds from capital deduction requirements, among other changes. Upon the removal of the capital deduction, permitted investments in third-party covered funds will be included in risk-weighted assets. Mandatory compliance with the revised Volcker Rule 2.0 is required by January 1, 2021, with early adoption permitted, in whole or in part, beginning January 1, 2020. Additionally, the U.S. agencies issued a revised Volcker Rule 2.1 in July 2020 that improves and streamlines several "covered funds" requirements, with an effective date of October 1, 2020. Citi continues to deduct from Tier 1 Capital all permitted ownership interests in covered funds for all periods presented.

(7) Represents the amount of non-grandfathered trust preferred securities eligible for inclusion in Tier 2 Capital under the U.S. Basel III rules, which will be fully phased out of Tier 2 Capital by January 1, 2022.

(8) Under the Advanced Approaches framework, eligible credit reserves that exceed expected credit losses are eligible for inclusion in Tier 2 Capital to the extent that the excess reserves do not exceed 0.6% of credit risk-weighted assets, which differs from the Standardized Approach, in which the ACL is eligible for inclusion in Tier 2 Capital up to 1.25% of credit risk-weighted assets, with any excess ACL being deducted in arriving at credit risk-weighted assets. The total amount of ACL that was eligible for inclusion in Tier 2 Capital, subject to limitation, under the Standardized Approach framework was $14.0 billion and $13.9 billion at December 31, 2020 and December 31, 2019 respectively.

Citigroup Capital Rollforward

In millions of dollars	Three months ended December 31, 2020	Twelve months ended December 31, 2020
Common Equity Tier 1 Capital, beginning of period	**$ 142,158**	**$ 137,798**
Net income	**4,309**	**11,047**
Common and preferred dividends declared	**(1,340)**	**(5,394)**
Net change in treasury stock	**8**	**(2,469)**
Net increase in common stock and additional paid-in capital	**87**	**10**
Net change in foreign currency translation adjustment net of hedges, net of tax	**2,401**	**(250)**
Net change in unrealized gains (losses) on debt securities AFS, net of tax	**(98)**	**3,585**
Net change in defined benefit plans liability adjustment, net of tax	**62**	**(55)**
Net change in adjustment related to change in fair value of financial liabilities attributable to own creditworthiness, net of tax	**62**	**(45)**
Net increase in excluded component of fair value hedges	**(16)**	**(15)**
Net increase in goodwill, net of related DTLs	**(602)**	**(58)**
Net change in identifiable intangible assets other than MSRs, net of related DTLs	**82**	**(79)**
Net change in defined benefit pension plan net assets	**28**	**(118)**
Net decrease in DTAs arising from net operating loss, foreign tax credit and general business credit carry-forwards	**423**	**732**
Net change in CECL 25% provision deferral	**(290)**	**2,463**
Other	**—**	**122**
Net increase in Common Equity Tier 1 Capital	**$ 5,116**	**$ 9,476**
Common Equity Tier 1 Capital, end of period (Advanced Approaches and Standardized Approach)	**$ 147,274**	**$ 147,274**
Additional Tier 1 Capital, beginning of period	**$ 18,153**	**$ 18,007**
Net increase in qualifying perpetual preferred stock	**1,495**	**1,496**
Net change in qualifying trust preferred securities	**—**	**4**
Net decrease in permitted ownership interests in covered funds	**158**	**299**
Other	**(27)**	**(27)**
Net increase in Additional Tier 1 Capital	**$ 1,626**	**$ 1,772**
Tier 1 Capital, end of period (Advanced Approaches and Standardized Approach)	**$ 167,053**	**$ 167,053**
Tier 2 Capital, beginning of period (Advanced Approaches)	**$ 29,113**	**$ 25,532**
Net decrease in qualifying subordinated debt	**(397)**	**(192)**
Net increase in excess of eligible credit reserves over expected credit losses	**185**	**3,561**
Other	**5**	**5**
Net change in Tier 2 Capital (Advanced Approaches)	**$ (207)**	**$ 3,374**
Tier 2 Capital, end of period (Advanced Approaches)	**$ 28,906**	**$ 28,906**
Total Capital, end of period (Advanced Approaches)	**$ 195,959**	**$ 195,959**
Tier 2 Capital, beginning of period (Standardized Approach)	**$ 37,768**	**$ 37,877**
Net decrease in qualifying subordinated debt	**(397)**	**(192)**
Net increase in eligible allowance for credit losses	**420**	**106**
Other	**5**	**5**
Net change in Tier 2 Capital (Standardized Approach)	**$ 28**	**$ (81)**
Tier 2 Capital, end of period (Standardized Approach)	**$ 37,796**	**$ 37,796**
Total Capital, end of period (Standardized Approach)	**$ 204,849**	**$ 204,849**

Citigroup Risk-Weighted Assets Rollforward (Basel III Advanced Approaches)

In millions of dollars		Three months ended December 31, 2020		Twelve months ended December 31, 2020
Total Risk-Weighted Assets, beginning of period	**$**	**1,218,977**	**$**	**1,142,804**
Changes in Credit Risk-Weighted Assets				
Retail exposures(1)		**(299)**		**(23,709)**
Wholesale exposures(2)		**(1,690)**		**24,631**
Repo-style transactions(3)		**1,277**		**15,618**
Securitization exposures		**1,122**		**(1,089)**
Equity exposures		**874**		**924**
Over-the-counter (OTC) derivatives(4)		**5,199**		**21,837**
Derivatives CVA(5)		**7,138**		**17,713**
Other exposures(6)		**8,884**		**6,810**
Supervisory 6% multiplier		**845**		**2,880**
Net increase in Credit Risk-Weighted Assets	**$**	**23,350**	**$**	**65,615**
Changes in Market Risk-Weighted Assets				
Risk levels(7)	**$**	**6,726**	**$**	**31,744**
Model and methodology updates(7)		**4,213**		**18,751**
Net increase in Market Risk-Weighted Assets	**$**	**10,939**	**$**	**50,495**
Net change in Operational Risk-Weighted Assets(8)	**$**	**2,018**	**$**	**(3,630)**
Total Risk-Weighted Assets, end of period	**$**	**1,255,284**	**$**	**1,255,284**

(1) Retail exposures decreased during the 12 months ended December 31, 2020, primarily driven by lower consumer activity in 2020 due to the pandemic.

(2) Wholesale exposures decreased during the three months ended December 31, 2020, primarily due to reductions in commercial loans partially offset by an increase in investment securities. Wholesale exposures increased during the 12 months ended December 31, 2020, primarily due to increases in investment securities and rating downgrades partially offset by annual model parameter updates reflecting Citi's loss experiences.

(3) Repo-style transactions include repurchase and reverse repurchase transactions as well as securities borrowing and securities lending transactions. Repo-style transactions increased during the 12 months ended December 31, 2020, mainly driven by market volatility and volume increases.

(4) OTC derivatives increased during the three months ended December 31, 2020, primarily due to an increase in mark-to-market gains for bilateral derivatives. OTC derivatives increased during the 12 months ended December 31, 2020, primarily due to increases in mark-to-market gains and notional for bilateral derivatives.

(5) Derivatives CVA increased during the three months ended December 31, 2020, primarily due to new trades with higher credit spreads and sensitivity. Derivatives CVA increased during the 12 months ended December 31, 2020, primarily due to widening credit spreads and market volatility.

(6) Other exposures include cleared transactions, unsettled transactions, assets other than those reportable in specific exposure categories and non-material portfolios. Other exposures increased during the three months and 12 months ended December 31, 2020, primarily due to increases in centrally cleared transactions and various other assets.

(7) Market risk-weighted assets increased during the three months ended December 31, 2020 primarily due to changes in exposures impacting Stressed Value at Risk and Securitization charges. Market risk-weighted assets increased during the 12 months ended December 31, 2020 primarily driven by increases in market volatility due to the pandemic.

(8) Operational risk-weighted assets increased during the three months December 31, 2020, primarily due to changes in operational loss frequency. Operational risk-weighted assets decreased during the 12 months ended December 31, 2020, primarily due to changes in operational loss severity and frequency.

Citigroup Risk-Weighted Assets Rollforward (Basel III Standardized Approach)

In millions of dollars	Three months ended December 31, 2020	Twelve months ended December 31, 2020
Total Risk-Weighted Assets, beginning of period	**$ 1,178,219**	**$ 1,168,848**
Changes in Credit Risk-Weighted Assets		
General credit risk exposures[1]	**11,075**	**(26,602)**
Repo-style transactions[2]	**6,274**	**13,440**
Securitization exposures	**1,184**	**1,119**
Equity exposures	**1,387**	**1,269**
Over-the-counter (OTC) derivatives[3]	**4,518**	**16,331**
Other exposures[4]	**5,275**	**(1,582)**
Off-balance sheet exposures[5]	**2,003**	**(4,640)**
Net change in Credit Risk-Weighted Assets	**$ 31,716**	**$ (665)**
Changes in Market Risk-Weighted Assets		
Risk levels[6]	**$ 7,428**	**$ 34,642**
Model and methodology updates[6]	**4,213**	**18,751**
Net increase in Market Risk-Weighted Assets	**$ 11,641**	**$ 53,393**
Total Risk-Weighted Assets, end of period	**$ 1,221,576**	**$ 1,221,576**

(1) General credit risk exposures include cash and balances due from depository institutions, securities, and loans and leases. General credit risk exposures increased during the three months ended December 31, 2020 primarily due to new accounts and holiday spending for qualifying revolving exposures (cards) partially offset by reductions in commercial loans. General credit risk exposures decreased during the 12 months ended December 31, 2020 primarily due to lesser spending for qualifying revolving (cards) exposures due to the pandemic.

(2) Repo-style transactions include repurchase and reverse repurchase transactions as well as securities borrowing and securities lending transactions. Repo-style transactions increased during the three months and 12 months ended December 31, 2020, primarily due to increases in exposure and volume.

(3) OTC derivatives increased during the three months ended December 31, 2020 primarily due to an increases in mark-to-market gains for bilateral derivatives. OTC derivatives increased during the 12 months ended December 31, 2020 primarily due to increases in mark-to-market gains and notional for bilateral derivatives.

(4) Other exposures include cleared transactions, unsettled transactions, and other assets. Other exposures increased during three months ended December 31, 2020 primarily due to increases in other assets and centrally cleared transactions. Other exposures decreased during the 12 months ended December 31, 2020 primarily due to decreases in notional for centrally cleared derivatives and excess of credit reserves not included in Tier 2 capital eligible for RWA reduction.

(5) Off-balance sheet exposures increased during the three months ended December 31, 2020 primarily due to an increase in loan commitments. Off-balance sheet exposures decreased during the 12 months ended December 31, 2020 primarily due to a decrease in loan commitments.

(6) Market risk-weighted assets increased during the three months ended December 31, 2020 primarily due to changes in exposures impacting Stressed Value at Risk and Securitization charges. Market risk-weighted assets increased during the 12 months ended December 31, 2020 primarily driven by increases in market volatility due to the pandemic.

Supplementary Leverage Ratio

The following table sets forth Citi's Supplementary Leverage ratio and related components as of December 31, 2020, September 30, 2020 and December 31, 2019:

In millions of dollars, except ratios	**December 31, 2020**	September 30, 2020	December 31, 2019
Tier 1 Capital	**$ 167,053**	$ 160,311	$ 155,805
Total Leverage Exposure			
On-balance sheet assets(1)(2)(3)	**$ 1,864,374**	$ 1,844,609	$ 1,996,617
Certain off-balance sheet exposures:(4)			
Potential future exposure on derivative contracts	**183,604**	176,424	175,289
Effective notional of sold credit derivatives, net(5)	**32,640**	33,103	38,481
Counterparty credit risk for repo-style transactions(6)	**20,168**	18,095	23,715
Unconditionally cancelable commitments	**71,163**	71,338	70,870
Other off-balance sheet exposures	**253,754**	244,934	248,308
Total of certain off-balance sheet exposures	**$ 561,329**	$ 543,894	$ 556,663
Less: Tier 1 Capital deductions	**38,822**	38,883	39,578
Total Leverage Exposure(3)	**$ 2,386,881**	$ 2,349,620	$ 2,513,702
Supplementary Leverage ratio	**7.00 %**	6.82 %	6.20 %

(1) Represents the daily average of on-balance sheet assets for the quarter.
(2) Citi has elected to apply the modified transition provision related to the impact of the CECL accounting standard on regulatory capital, as provided by the U.S. banking agencies' September 2020 final rule. Under the modified CECL transition provision, the changes in DTAs arising from temporary differences and the ACL upon the January 1, 2020 CECL adoption date have been deferred and will phase in to regulatory capital at 25% per year commencing January 1, 2022. For the ongoing impact of CECL, Citigroup is allowed to adjust the ACL in an amount equal to 25% of the change in the ACL recognized through earnings (pretax) for each period between January 1, 2020 and December 31, 2021. The cumulative adjustments to the ACL between January 1, 2020 and December 31, 2021 will also phase in to regulatory capital at 25% per year commencing January 1, 2022, along with the deferred impacts related to the January 1, 2020 CECL adoption date. Corresponding adjustments to average on-balance sheet assets are reflected in Total Leverage Exposure.
(3) Commencing with the second quarter of 2020, Citigroup's Total Leverage Exposure temporarily excludes U.S. Treasuries and deposits at Federal Reserve Banks. For additional information, see "Temporary Supplementary Leverage Ratio Relief" above.
(4) Represents the average of certain off-balance sheet exposures calculated as of the last day of each month in the quarter.
(5) Under the U.S. Basel III rules, banking organizations are required to include in Total Leverage Exposure the effective notional amount of sold credit derivatives, with netting of exposures permitted if certain conditions are met.
(6) Repo-style transactions include repurchase or reverse repurchase transactions as well as securities borrowing or securities lending transactions.

As set forth in the table above, Citigroup's Supplementary Leverage ratio was 7.0% at December 31, 2020, compared to 6.8% at September 30, 2020 and 6.2% at December 31, 2019. The quarter-over-quarter increase was primarily driven by an increase in Tier 1 Capital resulting from net income and beneficial net movements in *AOCI*, partially offset by an increase in both average on-balance sheet assets and average off-balance sheet exposures. The year-over-year increase was primarily driven by a decrease in Total Leverage Exposure mainly attributable to the 109 basis point benefit resulting from the Federal Reserve Board's temporary Supplementary Leverage ratio relief.

Capital Resources of Citigroup's Subsidiary U.S. Depository Institutions

Citigroup's subsidiary U.S. depository institutions are also subject to regulatory capital standards issued by their respective primary bank regulatory agencies, which are similar to the standards of the Federal Reserve Board.

The following tables set forth the capital components and ratios for Citibank, Citi's primary subsidiary U.S. depository institution, as of December 31, 2020, September 30, 2020 and December 31, 2019:

		Advanced Approaches			**Standardized Approach**		
In millions of dollars, except ratios	**Effective Minimum Requirement[1]**	**Dec. 31, 2020**	Sept. 30, 2020	Dec. 31, 2019	**Dec. 31, 2020**	Sept. 30, 2020	Dec. 31, 2019
Common Equity Tier 1 Capital[2]		**$ 142,884**	$ 138,310	$ 130,720	**$ 142,884**	$ 138,310	$ 130,720
Tier 1 Capital		**144,992**	140,397	132,847	**144,992**	140,397	132,847
Total Capital (Tier 1 Capital + Tier 2 Capital)[2][3]		**161,294**	156,697	145,918	**169,235**	164,459	157,253
Total Risk-Weighted Assets		**1,012,129**	1,003,634	938,735	**1,030,081**	1,010,583	1,022,607
Credit Risk[2]		**$ 707,163**	$ 706,187	$ 671,131	**$ 969,416**	$ 954,127	$ 993,010
Market Risk		**59,815**	55,853	29,167	**60,665**	56,456	29,597
Operational Risk		**245,151**	241,594	238,437	**—**	—	—
Common Equity Tier 1 Capital ratio[4][5]	**7.00 %**	**14.12 %**	13.78 %	13.93 %	**13.87 %**	13.69 %	12.78 %
Tier 1 Capital ratio[4][5]	**8.50**	**14.33**	13.99	14.15	**14.08**	13.89	12.99
Total Capital ratio[4][5]	**10.50**	**15.94**	15.61	15.54	**16.43**	16.27	15.38

In millions of dollars, except ratios	**Effective Minimum Requirement**	**Dec. 31, 2020**	Sept. 30, 2020	Dec. 31, 2019
Quarterly Adjusted Average Total Assets[2][6]		**$ 1,680,056**	$ 1,646,280	$ 1,459,780
Total Leverage Exposure[2][7]		**2,167,969**	2,128,033	1,958,173
Tier 1 Leverage ratio[5]	**5.0%**	**8.63 %**	8.53 %	9.10 %
Supplementary Leverage ratio[5]	**6.0**	**6.69**	6.60	6.78

(1) Citibank's effective minimum risk-based capital requirements are inclusive of the 2.5% Capital Conservation Buffer (all of which must be composed of Common Equity Tier 1 Capital).

(2) Citibank has elected to apply the modified transition provision related to the impact of the CECL accounting standard on regulatory capital, as provided by the U.S. banking agencies' September 2020 final rule. Under the modified CECL transition provision, the changes in retained earnings (after-tax), deferred tax assets (DTAs) arising from temporary differences, and the ACL upon the January 1, 2020 CECL adoption date have been deferred and will phase in to regulatory capital at 25% per year commencing January 1, 2022. For the ongoing impact of CECL, Citibank is allowed to adjust retained earnings and the ACL in an amount equal to 25% of the change in the ACL recognized through earnings (pretax) for each period between January 1, 2020 and December 31, 2021. The cumulative adjustments to retained earnings and the ACL between January 1, 2020 and December 31, 2021 will also phase in to regulatory capital at 25% per year commencing January 1, 2022, along with the deferred impacts related to the January 1, 2020 CECL adoption date. Corresponding adjustments to average on-balance sheet assets are reflected in quarterly adjusted average total assets and Total Leverage Exposure. Additionally, the increase in DTAs arising from temporary differences upon the January 1, 2020 adoption date has been deducted from risk-weighted assets (RWA) and will phase in to RWA at 25% per year commencing January 1, 2022.

(3) Under the Advanced Approaches framework, eligible credit reserves that exceed expected credit losses are eligible for inclusion in Tier 2 Capital to the extent that the excess reserves do not exceed 0.6% of credit risk-weighted assets, which differs from the Standardized Approach in which the ACL is eligible for inclusion in Tier 2 Capital up to 1.25% of credit risk-weighted assets, with any excess ACL being deducted in arriving at credit risk-weighted assets.

(4) Citibank's reportable Total Capital ratio was derived under the Basel III Advanced Approaches framework as of December 31, 2020 and September 30, 2020, and the Basel III Standardized Approach as of December 31, 2019, whereas Citibank's reportable Common Equity Tier 1 Capital and Tier 1 Capital ratios were the lower derived under the Basel III Standardized Approach framework for all periods presented.

(5) Citibank must maintain minimum Common Equity Tier 1 Capital, Tier 1 Capital, Total Capital and Tier 1 Leverage ratios of 6.5%, 8.0%, 10.0% and 5.0%, respectively, to be considered "well capitalized" under the revised Prompt Corrective Action (PCA) regulations applicable to insured depository institutions as established by the U.S. Basel III rules. Citibank must also maintain a minimum Supplementary Leverage ratio of 6.0% to be considered "well capitalized."

(6) Tier 1 Leverage ratio denominator. Represents quarterly average total assets less amounts deducted from Tier 1 Capital.

(7) Supplementary Leverage ratio denominator. Citibank did not elect to temporarily exclude U.S. Treasuries and deposits at Federal Reserve Banks from Total Leverage Exposure. For additional information, see "Temporary Supplementary Leverage Ratio Relief" above.

As indicated in the table above, Citibank's capital ratios at December 31, 2020 were in excess of the stated and effective minimum requirements under the U.S. Basel III rules. In addition, Citibank was also "well capitalized" as of December 31, 2020.

Impact of Changes on Citigroup and Citibank Capital Ratios
The following tables present the estimated sensitivity of Citigroup's and Citibank's capital ratios to changes of $100 million in Common Equity Tier 1 Capital, Tier 1 Capital and Total Capital (numerator), and changes of $1 billion in Advanced Approaches and Standardized Approach risk-weighted assets and quarterly adjusted average total assets, as well as Total Leverage Exposure (denominator), as of December 31, 2020. This information is provided for the purpose of analyzing the impact that a change in Citigroup's or Citibank's financial position or results of operations could have on these ratios. These sensitivities only consider a single change to either a component of capital, risk-weighted assets, quarterly adjusted average total assets or Total Leverage Exposure. Accordingly, an event that affects more than one factor may have a larger basis point impact than is reflected in these tables.

	Common Equity Tier 1 Capital ratio		Tier 1 Capital ratio		Total Capital ratio	
In basis points	**Impact of $100 million change in Common Equity Tier 1 Capital**	**Impact of $1 billion change in risk-weighted assets**	**Impact of $100 million change in Tier 1 Capital**	**Impact of $1 billion change in risk-weighted assets**	**Impact of $100 million change in Total Capital**	**Impact of $1 billion change in risk-weighted assets**
Citigroup						
Advanced Approaches	**0.8**	**0.9**	**0.8**	**1.1**	**0.8**	**1.2**
Standardized Approach	**0.8**	**1.0**	**0.8**	**1.1**	**0.8**	**1.4**
Citibank						
Advanced Approaches	**1.0**	**1.4**	**1.0**	**1.4**	**1.0**	**1.6**
Standardized Approach	**1.0**	**1.3**	**1.0**	**1.4**	**1.0**	**1.6**

	Tier 1 Leverage ratio		Supplementary Leverage ratio	
In basis points	**Impact of $100 million change in Tier 1 Capital**	**Impact of $1 billion change in quarterly adjusted average total assets**	**Impact of $100 million change in Tier 1 Capital**	**Impact of $1 billion change in Total Leverage Exposure**
Citigroup	**0.4**	**0.3**	**0.4**	**0.3**
Citibank	**0.6**	**0.5**	**0.5**	**0.3**

Citigroup Broker-Dealer Subsidiaries
At December 31, 2020, Citigroup Global Markets Inc., a U.S. broker-dealer registered with the SEC that is an indirect wholly owned subsidiary of Citigroup, had net capital, computed in accordance with the SEC's net capital rule, of $12.7 billion, which exceeded the minimum requirement by $9.2 billion.

Moreover, Citigroup Global Markets Limited, a broker-dealer registered with the United Kingdom's Prudential Regulation Authority (PRA) that is also an indirect wholly owned subsidiary of Citigroup, had total capital of $23.5 billion at December 31, 2020, which exceeded the PRA's minimum regulatory capital requirements.

In addition, certain of Citi's other broker-dealer subsidiaries are subject to regulation in the countries in which they do business, including requirements to maintain specified levels of net capital or its equivalent. Citigroup's other principal broker-dealer subsidiaries were in compliance with their regulatory capital requirements at December 31, 2020.

Total Loss-Absorbing Capacity (TLAC)
U.S. GSIBs, including Citi, are required to maintain minimum levels of TLAC and eligible long-term debt (LTD), each set by reference to the GSIB's consolidated risk-weighted assets (RWA) and total leverage exposure.

Minimum External TLAC Requirement
The minimum external TLAC requirement is the greater of (i) 18% of the GSIB's RWA plus the then-applicable RWA-based TLAC buffer (see below) and (ii) 7.5% of the GSIB's total leverage exposure plus a leverage-based TLAC buffer of 2% (i.e., 9.5%).

The RWA-based TLAC buffer equals the 2.5% capital conservation buffer, plus any applicable countercyclical capital buffer (currently 0%), plus the GSIB's capital surcharge as determined under method 1 of the GSIB surcharge rule (2.0% for Citi for 2020). Accordingly, Citi's total current minimum TLAC requirement was 22.5% of RWA for 2020.

Minimum LTD Requirement
The minimum LTD requirement is the greater of (i) 6% of the GSIB's RWA plus its capital surcharge as determined under method 2 of the GSIB surcharge rule (3.0% for Citi for 2020), for a total current requirement of 9% of RWA for Citi, and (ii) 4.5% of the GSIB's total leverage exposure.

The table below details Citi's eligible external TLAC and LTD amounts and ratios, and each effective minimum TLAC and LTD ratio requirement, as well as the surplus amount in dollars in excess of each requirement.

	December 31, 2020	
In billions of dollars, except ratios	**External TLAC**	**LTD**
Total eligible amount	**$ 311**	**$ 140**
% of Advanced Approaches risk-weighted assets	**24.8 %**	**11.1 %**
Effective minimum requirement(1)(2)	**22.5**	**9.0**
Surplus amount	**$ 29**	**$ 27**
% of Total Leverage Exposure(3)	**13.0 %**	**5.8 %**
Effective minimum requirement	**9.5**	**4.5**
Surplus amount	**$ 85**	**$ 32**

(1) External TLAC includes Method 1 GSIB surcharge of 2.0%.
(2) LTD includes Method 2 GSIB surcharge of 3.0%.
(3) Commencing with the second quarter of 2020, Citigroup's Total Leverage Exposure temporarily excludes U.S. Treasuries and deposits at Federal Reserve Banks.

As of December 31, 2020, Citi exceeded each of the minimum TLAC and LTD requirements, resulting in a $27 billion surplus above its binding TLAC requirement of LTD as a percentage of Advanced Approaches risk-weighted assets. For additional discussion of the method 1 and method 2 GSIB capital surcharge methodologies, see "Regulatory Capital Buffers—GSIB Surcharge" above.

For additional information on Citi's TLAC-related requirements, see "Risk Factors—Compliance Risks" and "Liquidity Risk—Total Loss-Absorbing Capacity (TLAC)" below.

Capital Resources (Full Adoption of CECL, and Excluding Temporary Supplementary Leverage Ratio Relief for Citigroup)
The following tables set forth Citigroup's and Citibank's capital components and ratios reflecting the full impact of CECL, and excluding temporary Supplementary Leverage ratio relief for Citigroup, as of December 31, 2020:

	Citigroup			Citibank		
	Effective Minimum Requirement	**Advanced Approaches**	**Standardized Approach**	**Effective Minimum Requirement**	**Advanced Approaches**	**Standardized Approach**
Common Equity Tier 1 Capital ratio	**10.0 %**	**11.34 %**	**11.65 %**	**7.0 %**	**13.67 %**	**13.43 %**
Tier 1 Capital ratio	**11.5**	**12.92**	**13.28**	**8.5**	**13.88**	**13.64**
Total Capital ratio	**13.5**	**15.23**	**16.38**	**10.5**	**15.50**	**16.00**

	Effective Minimum Requirement	Citigroup	Effective Minimum Requirement	Citibank
Tier 1 Leverage ratio	**4.0 %**	**7.15 %**	**5.0 %**	**8.36 %**
Supplementary Leverage ratio(1)	**5.0**	**5.73**	**6.0**	**6.47**

(1) Citigroup's Supplementary Leverage ratio, as presented in the table above, reflects the full impact of CECL as well as the inclusion of U.S. Treasuries and deposits at Federal Reserve Banks in Total Leverage Exposure.

Regulatory Capital Standards Developments

U.S. Banking Agencies

TLAC Holdings

In January 2021, the U.S. banking agencies issued a final rule that creates a new regulatory capital deduction applicable to Advanced Approaches banking organizations for certain investments in covered debt instruments issued by GSIBs. The final rule is substantially consistent with an April 2019 proposal, and is intended to reduce interconnectedness and systemic risk by creating an incentive for Advanced Approaches banking organizations to limit their exposure to GSIBs.

Under the U.S. Basel III rules, non-significant investments in the capital of unconsolidated financial institutions are subject to deduction from regulatory capital using the corresponding deduction approach if, in the aggregate, they exceed 10% of the banking organization's Common Equity Tier 1 Capital. Non-significant investments in the capital of unconsolidated financial institutions that are not deducted from regulatory capital are risk weighted in the usual manner.

Under the final rule, an investment in a "covered debt instrument" will be treated as an investment in a Tier 2 Capital instrument and, therefore, will be subject to deduction from the Advanced Approaches banking organization's own Tier 2 Capital in accordance with the existing rules for non-significant investments in unconsolidated financial institutions. Covered debt instruments include unsecured debt instruments that are "eligible debt securities" for purposes of the TLAC rule, or that are pari passu or subordinated to such securities, in addition to certain unsecured debt instruments issued by foreign GSIBs.

To support a deep and liquid market for covered debt instruments, the rule provides an exception from the approach described above for covered debt instruments held for market-making activities for 30 days or less (or longer, for synthetic exposures only), if the aggregate amount of such debt instruments does not exceed 5% of the banking organization's Common Equity Tier 1 Capital.

Additionally, the final rule requires banking organizations to deduct from Tier 2 Capital investments in their own covered debt instruments.

The final rule will become effective for Citigroup and Citibank on April 1, 2021. Citi estimates that the final rule will not significantly impact Citigroup or Citibank's regulatory capital upon adoption.

Standardized Approach for Counterparty Credit Risk

In January 2020, the U.S. banking agencies issued a final rule to introduce the Standardized Approach for Counterparty Credit Risk (SA-CCR) in the U.S. The mandatory compliance date of the SA-CCR final rule is January 1, 2022, and early adoption was originally permitted beginning April 1, 2020. For additional information on the SA-CCR final rule, see "Capital Resources—Regulatory Capital Standards Developments" in Citi's 2019 Annual Report on Form 10-K.

In March 2020, the U.S. banking agencies issued an interim final rule permitting banks to early adopt the SA-CCR final rule beginning with the quarter ended March 31, 2020.

Citi has not early adopted the SA-CCR final rule. Citi intends to implement SA-CCR upon the mandatory compliance date of January 1, 2022.

Basel Committee

Deferral of Basel III Revisions

In April 2020, in light of the COVID-19 pandemic, the Basel Committee on Banking Supervision (Basel Committee) announced that the implementation date of the Basel III post-crisis regulatory reforms finalized in December 2017 has been deferred by one year to January 1, 2023. The reforms relate to the methodologies in deriving credit and operational risk-weighted assets, the imposition of a new aggregate output floor for risk-weighted assets, and revisions to the leverage ratio framework. The Basel Committee also announced that the implementation date of the revised market risk framework finalized in January 2019 has been deferred by one year to January 1, 2023.

The U.S. banking agencies may revise the U.S. Basel III rules in the future, in response to the Basel Committee's Basel III post-crisis regulatory reforms and revised market risk framework.

Targeted Revisions to the Credit Valuation Adjustment Framework

In July 2020, the Basel Committee issued a standard with targeted revisions to the credit valuation adjustment (CVA) risk framework, which was previously finalized in December 2017 and will become effective on January 1, 2023. The revisions align the revised CVA risk framework, in part, with the revised market risk capital framework that was finalized in January 2019. The Basel Committee also adjusted the overall calibration of capital requirements calculated under their CVA risk framework.

The U.S. agencies may consider revisions to the CVA risk framework under the U.S. Basel III rules in the future, based upon the revisions adopted by the Basel Committee.

Tangible Common Equity, Book Value Per Share, Tangible Book Value Per Share and Returns on Equity

Tangible common equity (TCE), as defined by Citi, represents common stockholders' equity less goodwill and identifiable intangible assets (other than MSRs). Other companies may calculate TCE in a different manner. TCE, tangible book value (TBV) per share and returns on average TCE are non-GAAP financial measures. Citi believes the presentation of TCE, TBV per share and returns on average TCE provides alternate measures of capital strength and performance for investors, industry analysts and others.

	At December 31,				
In millions of dollars or shares, except per share amounts	**2020**	2019	2018	2017	2016
Total Citigroup stockholders' equity	**$ 199,442**	$ 193,242	$ 196,220	$ 200,740	$ 225,120
Less: Preferred stock	**19,480**	17,980	18,460	19,253	19,253
Common stockholders' equity	**$ 179,962**	$ 175,262	$ 177,760	$ 181,487	$ 205,867
Less:					
Goodwill	**22,162**	22,126	22,046	22,256	21,659
Identifiable intangible assets (other than MSRs)	**4,411**	4,327	4,636	4,588	5,114
Goodwill and identifiable intangible assets (other than MSRs) related to assets held-for-sale (HFS)	**—**	—	—	32	72
Tangible common equity (TCE)	**$ 153,389**	$ 148,809	$ 151,078	$ 154,611	$ 179,022
Common shares outstanding (CSO)	**2,082.1**	2,114.1	2,368.5	2,569.9	2,772.4
Book value per share (common equity/CSO)	**$ 86.43**	$ 82.90	$ 75.05	$ 70.62	$ 74.26
Tangible book value per share (TCE/CSO)	**73.67**	70.39	63.79	60.16	64.57

	For the year ended December 31,				
In millions of dollars	**2020**	2019	2018	2017(1)	2016
Net income available to common shareholders	**$ 9,952**	$ 18,292	$ 16,871	$ 14,583	$ 13,835
Average common stockholders' equity	**175,508**	177,363	179,497	207,747	209,629
Average TCE	**149,892**	150,994	153,343	180,458	182,135
Return on average common stockholders' equity	**5.7 %**	10.3 %	9.4 %	7.0 %	6.6 %
Return on average TCE (RoTCE)(2)	**6.6**	12.1	11.0	8.1	7.6

(1) Year ended December 31, 2017 excludes the one-time impact of Tax Reform. Citi believes the presentation of its 2017 RoTCE excluding the impact of Tax Reform provides a meaningful depiction of the underlying performance of its business for investors, industry analysts and others. For a reconciliation of these measures, see "Significant Accounting Policies and Significant Estimates—Income Taxes" below.

(2) RoTCE represents net income available to common shareholders as a percentage of average TCE.

RISK FACTORS

The following discussion sets forth what management currently believes could be the material risks and uncertainties that could impact Citi's businesses, results of operations and financial condition. Other risks and uncertainties, including those not currently known to Citi or its management, could also negatively impact Citi's businesses, results of operations and financial condition. Thus, the following should not be considered a complete discussion of all of the risks and uncertainties Citi may face.

STRATEGIC RISKS

Rapidly Evolving Challenges and Uncertainties Related to the COVID-19 Pandemic Will Likely Continue to Have Negative Impacts on Citi's Businesses and Results of Operations and Financial Condition.

The COVID-19 pandemic has become global, affecting all of the countries and jurisdictions where Citi operates. The pandemic and responses to it have had, and will likely continue to have, severe impacts on global health and economic conditions. These impacts will continue to evolve by region, country or state, largely depending on the duration and severity of the public health consequences, including the duration and further spread of the coronavirus; the potential for new variants of the virus; timely development, production and distribution of effective vaccines; availability of therapeutics; public response; and government actions. The impacts to global economic conditions include, among others:

- the institution of social distancing and restrictions on businesses and the movement of the public in and among the U.S. and other countries;
- closures, reduced activity and failures of many businesses, leading to loss of revenues and net losses;
- sharply reduced U.S. and global economic output, resulting in significant losses of employment and lower consumer spending, cards purchase sales and loan volumes;
- lower interest rates;
- disruption of global supply chains; and
- significant disruption and volatility in financial markets.

The pandemic has had, and will likely continue to have, negative impacts on Citi's businesses and overall results of operations and financial condition, which could be material. The extent of the impact on Citi's operations and financial performance, including its ability to execute its business strategies and initiatives, will continue to depend significantly on future developments in the U.S. and globally, which are uncertain and cannot be predicted, including the course of the virus, as well as any delay or weakness in the economic recovery or further economic downturn.

Ongoing legislative and regulatory changes in the U.S. and globally to address the economic impact from the pandemic, such as consumer and corporate relief measures and continued lower interest rates, could further affect Citi's businesses, operations and financial performance. Citi could also face challenges, including legal and reputational, and scrutiny in its implementation of and ongoing efforts to provide these relief measures. Such implementations and efforts have resulted in, and may continue to result in, litigation, including class actions, and regulatory and government actions and proceedings. Such actions may result in judgments, settlements, penalties and fines adverse to Citi. In addition, the different types of government actions could vary in scale and duration across jurisdictions and regions with varying degrees of effectiveness.

The impact of the pandemic on Citi's consumer and corporate borrowers will also vary by sector or industry, with some borrowers experiencing greater stress levels, which could lead to increased pressure on their results of operations and financial condition, increased borrowings or credit ratings downgrades, thus likely leading to higher credit costs for Citi. In addition, stress levels ultimately experienced by Citi's borrowers may be different from and more intense than assumptions made in earlier estimates or models used by Citi, resulting in a further increase in Citi's ACL or net credit losses, particularly as consumer and small business relief programs expire and the benefits of fiscal stimulus start to diminish.

The pandemic may not be contained for an extended period of time. A prolonged health crisis could further reduce economic activity in the U.S. and other countries, resulting in additional declines in employment and business and consumer confidence. These factors could further negatively impact global economic activity and markets; cause a continued decline in the demand for Citi's products and services and in its revenues; further increase Citi's credit and other costs; and may result in impairment of long-lived assets or goodwill. These factors could also cause a continued increase in Citi's balance sheet, risk-weighted assets and ACL, resulting in a decline in regulatory capital ratios or liquidity measures, as well as regulatory demands for higher capital levels and/or limitations or reductions in capital distributions (such as common share repurchases and dividends). Moreover, any disruption or failure of Citi's performance of, or its ability to perform, key business functions, as a result of the continued spread of COVID-19 or otherwise, could adversely affect Citi's operations.

Any disruption to, breaches of or attacks on Citi's information technology systems, including from cyber incidents, could have adverse effects on Citi's businesses (see the operational processes and systems and cybersecurity risk factors below). These systems are supporting a substantial portion of Citi's colleagues who have been affected by local pandemic restrictions and have been forced to work remotely. In addition, these systems interface with and depend on third-party systems, and Citi could experience service denials or disruptions if demand for such systems were to exceed capacity or if a third-party system fails or experiences any interruptions. Citi has also taken measures to maintain the health and safety of its colleagues; however, these measures could result in increased expenses, and widespread illness could negatively affect staffing within certain functions, businesses or geographies. In addition, Citi's ability to recruit, hire and onboard colleagues in key areas could be negatively impacted by global pandemic restrictions (see the qualified colleagues risk factor below).

Further, it is unclear how the macroeconomic business environment or societal norms may be impacted after the pandemic. The post-pandemic environment may undergo unexpected developments or changes in financial markets, the fiscal, monetary, tax and regulatory environments and consumer customer and corporate client behavior. These developments and changes could have an adverse impact on Citi's results of operations and financial condition. Ongoing business and regulatory uncertainties and changes may make Citi's longer-term business, balance sheet and strategic and budget planning more difficult or costly. Citi and its management and businesses may also experience increased or different competitive and other challenges in this environment. To the extent that it is not able to adapt or compete effectively, Citi could experience loss of business and its results of operations and financial condition could suffer (see the competitive challenges risk factor below).

For additional information about trends, uncertainties and risks related to the pandemic, as well as Citi's management of pandemic-related risks, see "COVID-19 Pandemic Overview" above.

Citi's Ability to Return Capital to Common Shareholders Consistent with Its Capital Planning Efforts and Targets Substantially Depends on Regulatory Capital Requirements, Including the Results of the CCAR Process and Regulatory Stress Tests.

Citi's ability to return capital to its common shareholders consistent with its capital planning efforts and targets, whether through its common stock dividend or through a share repurchase program, substantially depends, among other things, on regulatory capital requirements, including the Stress Capital Buffer (SCB), which is based upon the results of the CCAR process required by the Federal Reserve Board (FRB) as well as the supervisory stress tests required under the Dodd-Frank Act (as described in more detail below). Citi's ability to return capital also depends on its results of operations and financial condition, forecasts of macroeconomic conditions and effectiveness in managing its level of risk-weighted assets under both the Advanced Approaches and the Standardized Approach, Supplementary Leverage Ratio (SLR) and global systemically important bank holding company (GSIB) surcharge, which has been made more challenging due to the pandemic-related elevated levels of liquidity in the financial system (see macroeconomic challenges and uncertainties risk factor below).

Citi's ability to accurately predict, interpret or explain to stakeholders the results of the CCAR process, and thus to address any market or investor perceptions, may be limited as the FRB's assessment of Citi's capital adequacy is conducted using the FRB's proprietary stress test models. In addition, all CCAR firms, including Citi, will continue to be subject to a rigorous evaluation of their capital planning practices, including, but not limited to, governance, risk management and internal controls. For additional information on limitations on Citi's ability to return capital to common shareholders, as well as the CCAR process, supervisory stress test requirements and GSIB surcharge, see "Capital Resources—Overview" and "Capital Resources—Stress Testing Component of Capital Planning" above and the risk management risk factor below.

The FRB has stated that it expects leading capital adequacy practices to continue to evolve and to likely be determined by the FRB each year as a result of its cross-firm review of capital plan submissions. Similarly, the FRB has indicated that, as part of its stated goal to continually evolve its annual stress testing requirements, several parameters of the annual stress testing process may continue to be altered, including the severity of the stress test scenario, the FRB modeling of Citi's balance sheet pre-provision net revenue (PPNR) and stress losses, and the addition of components deemed important by the FRB.

Beginning January 1, 2022, Citi will be required to phase into regulatory capital at 25% per year the changes in retained earnings, deferred tax assets and ACL determined upon the January 1, 2020 CECL adoption date as well as subsequent changes in the ACL between January 1, 2020 and December 31, 2021. The FRB has stated that it plans to maintain its current framework for calculating allowances on loans in the supervisory stress test for the 2021 supervisory stress test cycle, and to evaluate appropriate future enhancements to this framework as best practices for implementing the current expected credit losses (CECL) methodology are developed. The impacts on Citi's capital adequacy of the FRB's incorporation of CECL in its supervisory stress tests on an ongoing basis, and of other potential regulatory changes in the FRB's stress testing methodologies, remain unclear. For additional information regarding the CECL methodology, including the transition provisions related to the adverse regulatory capital effects resulting from adoption of the CECL methodology, see "Capital Resources—Current Regulatory Capital Standards—Regulatory Capital Treatment—Modified Transition of the Current Expected Credit Losses (CECL) Methodology" above and Note 1 to the Consolidated Financial Statements.

In addition, the FRB has integrated the annual stress testing requirements with ongoing regulatory capital requirements. For Citigroup, the SCB rule replaced the fixed 2.5% Capital Conservation Buffer in Citi's ongoing regulatory capital requirements for the Standardized Approach capital ratios. The SCB equals the maximum decline in Citi's Common Equity Tier 1 Capital ratio under a severely adverse scenario over a nine-quarter CCAR measurement period, plus four quarters of planned common stock dividends, subject to a minimum requirement of 2.5%. Effective October 1, 2020, Citi's SCB was 2.5%. The SCB is calculated by the FRB using its proprietary data and modeling of each firm's results. Accordingly, Citi's SCB may change annually, or possibly more frequently, based on the supervisory stress test results, thus potentially resulting in volatility in the calculation of the SCB. Similar to the Capital Conservation Buffer, a breach of the SCB would result in graduated limitations on capital distributions. For additional information on the SCB, including its calculation, see "Capital Resources—Regulatory Capital Buffers" above.

Although various uncertainties exist regarding the extent of, and the ultimate impact to Citi from, these changes to the FRB's stress testing and CCAR regimes, these changes could increase the level of capital Citi is required or elects to hold, including as part of Citi's management buffer, thus potentially impacting the extent to which Citi is able to return capital to shareholders.

Citi, Its Management and Its Businesses Must Continually Review, Analyze and Successfully Adapt to Ongoing Regulatory and Legislative Uncertainties and Changes in the U.S. and Globally.

Despite the adoption of final regulations and laws in numerous areas impacting Citi and its businesses over the past several years, Citi, its management and its businesses continually face ongoing regulatory and legislative uncertainties and changes, both in the U.S. and globally. While the areas of ongoing regulatory and legislative uncertainties and changes facing Citi are too numerous to list completely, various examples include, but are not limited to (i) potential fiscal, monetary, regulatory, tax and other changes arising from the U.S. federal government and other governments, including as a result of the new U.S. presidential administration, regulatory leadership and Congress or in response to the pandemic; (ii) potential changes to various aspects of the regulatory capital framework and requirements applicable to Citi (see the capital return risk factor and "Capital Resources—Regulatory Capital Standards Developments" above); and (iii) the future legislative and regulatory framework resulting from the U.K.'s exit from the European Union (EU), including, among others, with respect to financial services (see "Managing Global Risk—Strategic Risk—U.K.'s Future Relationship with the EU" below). When referring to "regulatory," Citi is including both formal regulation and the views and expectations of its regulators in their supervisory roles.

Ongoing regulatory and legislative uncertainties and changes make Citi's and its management's long-term business, balance sheet and strategic budget planning difficult, subject to change and potentially more costly. U.S. and other regulators globally have implemented and continue to discuss various changes to certain regulatory requirements, which would require ongoing assessment by management as to the impact to Citi, its businesses and business planning. For example, while the Basel III post-crisis regulatory reforms and revised market risk framework have been finalized at the international level, there remain significant uncertainties with respect to the integration of these revisions into the U.S. regulatory capital framework. Business planning is required to be based on possible or proposed rules or outcomes, which can change dramatically upon finalization, or upon implementation or interpretive guidance from numerous regulatory bodies worldwide, and such guidance can change.

Moreover, U.S. and international regulatory and legislative initiatives have not always been undertaken or implemented on a coordinated basis, and areas of divergence have developed and continue to develop with respect to the scope, interpretation, timing, structure or approach, leading to inconsistent or even conflicting requirements, including within a single jurisdiction. For example, in May 2019, the European Commission adopted, as part of Capital Requirements Directive V (CRD V), a new requirement for major banking groups headquartered outside the EU (which would include Citi) to establish an intermediate EU holding company where the foreign bank has two or more institutions (broadly meaning banks, broker-dealers and similar financial firms) established in the EU. While in some respects the requirement mirrors an existing U.S. requirement for non-U.S. banking organizations to form U.S. intermediate holding companies, the implementation of the EU holding company requirement could lead to additional complexity with respect to Citi's resolution planning, capital and liquidity allocation and efficiency in various jurisdictions.

Regulatory and legislative changes have also significantly increased Citi's compliance risks and costs (see the implementation and interpretation of regulatory changes risk factor below).

Citi's Continued Investments and Efficiency Initiatives May Not Be as Successful as It Projects or Expects.

Citi continues to leverage its scale and make incremental investments to deepen client relationships, increase revenues and lower expenses, as well as significant investments to transform its infrastructure, risk management and controls and further enhance safety and soundness (for additional information, see the legal and regulatory proceedings risk factor below). For example, Citi continues to make investments to enhance its digital capabilities across the franchise, including digital platforms and mobile and cloud-based solutions. Citi also has been making investments across the firm, such as in the U.S. consumer franchise, Citi's wealth management businesses and treasury and trade solutions, securities services and other businesses in *ICG*, including implementing new capabilities and partnerships. Further, Citi has been pursuing efficiency improvements through various technology and digital initiatives, organizational simplification and location strategies.

Citi's investments and efficiency initiatives are being undertaken as part of its overall strategy to meet operational and financial objectives, including, among others, those relating to shareholder returns. Additionally, in connection with Citi's CEO transition, Citi is undergoing an evaluation of its strategy, which may result in, among other things, additional investments as well as changes in or exits of businesses. There is no guarantee that these or other initiatives Citi may pursue will be as productive or effective as Citi expects, or at all. Additionally, such initiatives could result in losses, charges or other negative financial impacts. Citi's investment and efficiency initiatives may continue to evolve as its business strategies, the market environment and regulatory expectations change, which could make the initiatives more costly and more challenging to implement, and limit their effectiveness. Moreover, Citi's ability to achieve expected returns on its investments and costs savings depends, in part, on factors that it cannot control, such as macroeconomic conditions, including the negative impacts related to the pandemic, customer, client and competitor actions and ongoing regulatory changes, among others.

Uncertainties Regarding the Transition Away from or Discontinuance of the London Inter-Bank Offered Rate (LIBOR) or Any Other Interest Rate Benchmark Could Have Adverse Consequences for Market Participants, Including Citi.

LIBOR continues to be widely used as a "benchmark" or "reference rate" across financial products and markets globally. Based on statements from U.S. and U.K. authorities, it is expected, however, that all non-U.S. dollar LIBOR tenors and some USD LIBOR tenors will cease after December 31, 2021, while most U.S. dollar LIBOR tenors will continue to be quoted through June 2023. As a result of LIBOR's wide use, there can be no assurance that market participants, including Citi, will be able to successfully modify all outstanding LIBOR-based securities or products or be sufficiently prepared for all of the uncertainties resulting from LIBOR's discontinuance. In addition, following guidance provided by the Financial Stability Board, regulators have suggested reforming or replacing other benchmark rates with alternative reference rates. The transition away from and discontinuance of LIBOR or any other benchmark rate presents various uncertainties, risks and challenges to holders of LIBOR-based securities and products as well as financial markets and institutions, including Citi. These include, among others, the pricing, liquidity, value of, return on and market for financial instruments and contracts that reference LIBOR or any other benchmark rate, including any alternative benchmark rate.

Despite ongoing actions by Citi to prepare for the transition away from LIBOR (see "Managing Global Risk—Strategic Risk—LIBOR Transition Risk" below), Citi has continued to meet market demand by trading, holding or otherwise using a substantial amount of securities or products that reference LIBOR, including, among others, derivatives, corporate loans, commercial and residential mortgages, credit cards, securitized products and other structured securities. The transition away from and discontinuation of LIBOR for these securities and products presents significant operational, legal, reputational or compliance, financial and other risks to Citi.

For example, the LIBOR transition presents various challenges related to contractual mechanics of existing floating rate financial instruments and contracts that reference LIBOR and mature after discontinuance of the relevant LIBOR. Certain of these legacy instruments and contracts do not provide for alternative benchmark rates, which makes it unclear what the future benchmark rates would be after LIBOR's cessation. Further, Citi may not be able to amend certain instruments and contracts due to an inability to obtain sufficient required consent from counterparties or security holders. Even if the instruments and contracts provide for a transition to alternative benchmark rates, the new benchmark rates may, particularly in times of financial stress, significantly differ from the prior rates. As a result, Citi may need to proactively address any contractual uncertainties or rate differences in such instruments and contracts, which would likely be both time consuming and costly, and may not ultimately be successful.

In addition, the transition away from and discontinuance of LIBOR could result in disputes, including litigation, involving holders of outstanding instruments and contracts that reference LIBOR, whether or not the underlying documentation provides for alternative benchmark rates. Citi will also need to further invest in and develop significant internal systems and infrastructure to transition to alternative benchmark rates to manage its businesses and support its clients.

Citi's Ability to Utilize Its DTAs, and Thus Reduce the Negative Impact of the DTAs on Citi's Regulatory Capital, Will Be Driven by Its Ability to Generate U.S. Taxable Income.

At December 31, 2020, Citi's net DTAs were $24.8 billion, net of a valuation allowance of $5.2 billion, of which $9.5 billion was excluded from Citi's Common Equity Tier 1 Capital under the U.S. Basel III rules, primarily relating to net operating losses, foreign tax credit and general business credit carry-forwards (for additional information, see "Capital Resources—Components of Citigroup Capital" above). Of the net DTAs at December 31, 2020, $4.4 billion related to foreign tax credit carry-forwards (FTCs), net of a valuation allowance. The carry-forward utilization period for FTCs is ten years and represents the most time-sensitive component of Citi's DTAs. The FTC carry-forwards at December 31, 2020 expire over the period of 2021–2029. Citi must utilize any FTCs generated in the then-current-year tax return prior to utilizing any carry-forward FTCs.

The accounting treatment for realization of DTAs, including FTCs, is complex and requires significant judgment and estimates regarding future taxable earnings in the jurisdictions in which the DTAs arise and available tax planning strategies. Forecasts of future taxable earnings will depend upon various factors, including, among others, the continued impact of the pandemic and other macroeconomic conditions. In addition, any future increase in U.S. corporate tax rates could result in an increase in Citi's DTA, which may subject more of Citi's existing DTA to exclusion from regulatory capital while improving Citi's ability to utilize its FTC carry-forwards. Citi's overall ability to realize its DTAs will primarily be dependent upon its ability to generate U.S. taxable income in the relevant tax carry-forward periods. Although utilization of FTCs in any year is generally limited to 21% of foreign source taxable income in that year, overall domestic losses (ODL) that Citi has incurred in the past allow it to reclassify domestic source income as foreign source. Failure to realize any portion of the net DTAs would have a corresponding negative impact on Citi's net income and financial returns.

Citi does not expect to be subject to the Base Erosion Anti-Abuse Tax (BEAT), which, if applicable to Citi in any given year, would have a significantly adverse effect on both Citi's net income and regulatory capital.

For additional information on Citi's DTAs, including FTCs, see "Significant Accounting Policies and Significant Estimates—Income Taxes" below and Notes 1 and 9 to the Consolidated Financial Statements.

Citi's Interpretation or Application of the Complex Tax Laws to Which It Is Subject Could Differ from Those of the Relevant Governmental Authorities, Which Could Result in the Payment of Additional Taxes, Penalties or Interest.

Citi is subject to various income-based tax laws of the U.S. and its states and municipalities, as well as the numerous non-U.S. jurisdictions in which it operates. These tax laws are inherently complex and Citi must make judgments and interpretations about the application of these laws, including the Tax Cuts and Jobs Act (Tax Reform), to its entities, operations and businesses. In addition, Citi is subject to litigation or examinations with U.S. and non-U.S. tax authorities regarding non-income-based tax matters. Citi's interpretations or application of the tax laws, including with respect to Tax Reform, withholding, stamp, service and other non-income taxes, could differ from that of the relevant governmental taxing authority, which could result in the requirement to pay additional taxes, penalties or interest, which could be material. For additional information on the litigation and examinations involving non-U.S. tax authorities, see Note 27 to the Consolidated Financial Statements.

Citi's Presence in the Emerging Markets Subjects It to Various Risks as well as Increased Compliance and Regulatory Risks and Costs.

During 2020, emerging markets revenues accounted for approximately 34% of Citi's total revenues (Citi generally defines emerging markets as countries in *Latin America*, *Asia* (other than Japan, Australia and New Zealand), and central and Eastern Europe, the Middle East and Africa in *EMEA*). Although Citi continues to pursue its target client strategy, Citi's presence in the emerging markets subjects it to various risks, such as limitations of hedges on foreign investments; foreign currency volatility, including devaluations, sovereign volatility, election outcomes, regulatory changes and political events; foreign exchange controls; limitations on foreign investment; sociopolitical instability (including from hyperinflation); fraud; nationalization or loss of licenses; business restrictions; sanctions or asset freezes; potential criminal charges; closure of branches or subsidiaries; and confiscation of assets, and these risks can be exacerbated in the event of a deterioration in relationships between the U.S. and an emerging market country. For example, Citi operates in several countries that have, or have had in the past, strict capital and currency controls, such as Argentina, that limit its ability to convert local currency into U.S. dollars and/or transfer funds outside of those countries (for further information, see "Strategic Risk—Country Risk—Argentina" below).

Moreover, if the economic situation in an emerging markets country where Citi operates were to deteriorate below a certain level, U.S. regulators may impose mandatory loan loss or other reserve requirements on Citi, which would increase its credit costs and decrease its earnings (for further information, see "Strategic Risk—Country Risk—Argentina" below). In addition, political turmoil and instability have occurred in certain regions and countries, including *Asia*, the Middle East and *Latin America*, which have required, and may continue to require, management time and attention and other resources (such as monitoring the impact of sanctions on certain emerging markets economies as well as impacting Citi's businesses and results of operations in affected countries).

Citi's emerging markets presence also increases its compliance and regulatory risks and costs. For example, Citi's operations in emerging markets, including facilitating cross-border transactions on behalf of its clients, subject it to higher compliance risks under U.S. regulations that are primarily focused on various aspects of global corporate activities, such as anti-money laundering regulations and the Foreign Corrupt Practices Act. These risks can be more acute in less developed markets and thus require substantial investment in compliance infrastructure or could result in a reduction in certain of Citi's business activities. Any failure by Citi to comply with applicable U.S. regulations, as well as the regulations in the countries and markets in which it operates as a result of its global footprint, could result, even if the regulations require inconsistent results, in legal or regulatory proceedings, fines, penalties, injunctions or other similar restrictions, many of which could negatively impact Citi's results of operations and reputation (see the implementation and interpretation of regulatory changes and legal and regulatory proceedings risk factors below).

A Deterioration in or Failure to Maintain Citi's Co-Branding or Private Label Credit Card Relationships, Including as a Result of Any Bankruptcy or Liquidation, Could Have a Negative Impact on Citi's Results of Operations or Financial Condition.

Citi has co-branding and private label relationships through its Citi-branded cards and Citi retail services credit card businesses with various retailers and merchants globally, whereby in the ordinary course of business Citi issues credit cards to customers of the retailers or merchants. Citi's co-branding and private label agreements provide for shared economics between the parties and generally have a fixed term. The five largest relationships across both businesses in *North America GCB* constituted an aggregate of approximately 10% of Citi's revenues in 2020 (for additional information, see "*Global Consumer Banking—North America GCB*" above).

Over the last several years, a number of U.S. retailers have continued to experience declining sales, which has resulted in significant numbers of store closures and, in a number of cases, bankruptcies, as retailers attempt to cut costs and reorganize. The pandemic has exacerbated these trends and generally resulted in a challenging operating environment for retailers and merchants. In addition, as has been widely reported, competition among card issuers, including Citi, for these relationships is significant, and it has become increasingly difficult in recent years to maintain such relationships on the same terms or at all.

Citi's co-branding and private label relationships could continue to be negatively impacted by, among other things, the general economic environment; declining sales and revenues, partner store closures, government imposed restrictions, reduced air and business travel, or other operational difficulties of the retailer or merchant; termination due to a contractual breach by Citi or by the retailer or merchant; or other factors, including bankruptcies, liquidations, restructurings, consolidations or other similar events, whether due to the ongoing impact of the pandemic or otherwise (see the pandemic-related risk factor above).

While various mitigating factors could be available to Citi if any of the above events were to occur—such as by replacing the retailer or merchant or offering other card products—these events, particularly bankruptcies or liquidations, could negatively impact the results of operations or financial condition of Citi-branded cards, Citi retail services or Citi as a whole, including as a result of loss of revenues, increased expenses, higher cost of credit, impairment of purchased credit card relationships and contract-related intangibles or other losses (for information on Citi's credit card related intangibles generally, see Note 16 to the Consolidated Financial Statements).

Citi's Inability in Its Resolution Plan Submissions to Address Any Shortcomings or Deficiencies Identified or Guidance Provided by the FRB and FDIC Could Subject Citi to More Stringent Capital, Leverage or Liquidity Requirements, or Restrictions on Its Growth, Activities or Operations, and Could Eventually Require Citi to Divest Assets or Operations.

Title I of the Dodd-Frank Act requires Citi to prepare and submit a plan to the FRB and the FDIC for the orderly resolution of Citigroup (the bank holding company) and its significant legal entities under the U.S. Bankruptcy Code in the event of future material financial distress or failure. On December 17, 2019, the FRB and FDIC issued feedback on the resolution plans filed on July 1, 2019 by the eight U.S. GSIBs, including Citi. The FRB and FDIC identified one shortcoming, but no deficiencies, in Citi's resolution plan relating to governance mechanisms. For additional information on Citi's resolution plan submissions, see "Managing Global Risk—Liquidity Risk" below.

Under Title I, if the FRB and the FDIC jointly determine that Citi's resolution plan is not "credible" (which, although not defined, is generally believed to mean the regulators do not believe the plan is feasible or would otherwise allow Citi to be resolved in a way that protects systemically important functions without severe systemic disruption), or would not facilitate an orderly resolution of Citi under the U.S. Bankruptcy Code, and Citi fails to resubmit a resolution plan that remedies any identified deficiencies, Citi could be subjected to more stringent capital, leverage or liquidity requirements, or restrictions on its growth, activities or operations. If within two years from the imposition of any such requirements or restrictions Citi has still not remediated any identified deficiencies, then Citi could eventually be required to divest certain assets or operations. Any such restrictions or actions would negatively impact Citi's reputation, market and investor perception, operations and strategy.

Citi's Performance and the Performance of Its Individual Businesses Could Be Negatively Impacted if Citi Is Not Able to Effectively Compete for, Retain and Motivate Highly Qualified Colleagues.

Citi's performance and the performance of its individual businesses largely depend on the talents and efforts of its diverse and highly qualified colleagues. Specifically, Citi's continued ability to compete in each of its lines of business, to manage its businesses effectively and to execute its global strategy depends on its ability to attract new colleagues and to retain and motivate its existing colleagues. If Citi is unable to continue to attract, retain and motivate the most highly qualified colleagues, Citi's performance, including its competitive position, the execution of its strategy and its results of operations could be negatively impacted.

Citi's ability to attract, retain and motivate colleagues depends on numerous factors, some of which are outside of its control. For example, the banking industry generally is subject to more comprehensive regulation of employee compensation than other industries, including deferral and clawback requirements for incentive compensation. Citi often competes for talent with entities that are not subject to similar regulatory requirements, including, among others, technology companies. Other factors that could impact Citi's ability to attract, retain and motivate colleagues include its reputation, culture and the management and leadership of the Company and each of its lines of business, presence in a particular market or region and the professional opportunities it offers. For information on Citi's colleagues and workforce management, see "Human Capital Resources and Management" below.

Financial Services Companies and Others as well as Emerging Technologies Pose Increasingly Competitive Challenges to Citi.

Citi operates in an increasingly competitive environment, which includes both financial and non-financial services firms, such as traditional banks, online banks, financial technology companies and others. These companies compete on the basis of, among other factors, size, reach, quality and type of products and services offered, price, technology and reputation. Emerging technologies have the potential to intensify competition and accelerate disruption in the financial services industry.

Citi competes with financial services companies in the U.S. and globally that continue to develop and introduce new products and services. In recent years, non-financial services firms, such as financial technology companies, have begun to offer services traditionally provided by financial institutions, such as Citi, and have sought bank charters to provide these services. These firms attempt to use technology and mobile platforms to enhance the ability of companies and individuals to borrow, save and invest money. In addition, as discussed above, it is unclear how the macroeconomic business environment or societal norms may be impacted as a result of the pandemic. Citi may experience increased or different competitive and other challenges in a post-pandemic environment.

To the extent that Citi is not able to compete effectively with financial technology companies and other firms, Citi could be placed at a competitive disadvantage, which could result in loss of customers and market share, and its businesses, results of operations and financial condition could suffer. For additional information on Citi's competitors, see the co-brand and private label cards risk factor above and "Supervision, Regulation and Other—Competition" below.

Climate Change Could Have a Negative Impact on Citi's Results of Operations and Financial Condition.

Citi operates globally, including in countries, states and regions where its businesses, and the activities of its consumer customers and corporate clients, could be negatively impacted by climate change. Climate change presents both immediate and long-term risks to Citi and its customers and clients, with the risks expected to increase over time.

Climate risks can arise from physical risks (acute or chronic risks related to the physical effects of climate change) and transition risks (risks related to regulatory and legal, technological, market and reputational changes from a transition to a low-carbon economy). Physical risks could damage or destroy Citi's or its customers' and clients' properties and other assets and disrupt their operations. For example, climate change may lead to more extreme weather events occurring more often which may result in physical damage and additional volatility within our trading and other businesses and potential counterparty exposures and other financial risks. Transition risks may result in changes in regulations or market preferences, which in turn could have negative impacts on asset values, results of operation or the reputation of Citi and its customers and clients. For example, Citi's corporate credit portfolios include carbon-intensive industries like oil and gas and power that are exposed to climate risks, such as those risks related to the transition to a low-carbon economy, as well as low-carbon industries that may be subject to risks associated with new technologies. U.S. and non-U.S. banking regulators and others have increasingly viewed financial institutions as important in helping to address the risks related to climate change both directly and with respect to their customers. Ongoing legislative or regulatory uncertainties and changes regarding climate risk management and practices may result in higher regulatory, compliance, credit and reputational risks and costs.

For information on Citi's management of climate risk, see "Managing Global Risk—Strategic Risk—Climate Risk" below.

MARKET AND OTHER RISKS

Macroeconomic, Geopolitical and Other Challenges and Uncertainties Globally Could Have a Negative Impact on Citi's Businesses and Results of Operations.

In addition to the significant macroeconomic challenges posed by the pandemic (see the pandemic-related risk factor above), Citi has experienced, and could experience in the future, negative impacts to its businesses and results of operations as a result of other macroeconomic, geopolitical and other challenges, uncertainties and volatility. For example, governmental fiscal and monetary actions, or expected actions, such as changes in interest rate policies and any program implemented by a central bank to change the size of its balance sheet, could significantly impact interest rates, economic growth rates, the volatility of global financial markets, foreign exchange rates and global capital flows. Additional areas of uncertainty include, among others, geopolitical tensions and conflicts, protracted or widespread trade tensions, natural disasters, other pandemics and election outcomes. Moreover, adverse developments or downturns in one or more of the world's larger economies would likely have a significant impact on the global economy or the economies of other countries because of global financial and economic linkages.

In 2020, due to the pandemic, the FRB and other central banks took numerous actions to support the global economy, including by further reducing their benchmark interest rates and in certain instances providing additional liquidity to the financial system. Interest rates on loans Citi makes to customers and clients are typically based off or set at a spread over a benchmark interest rate, including the U.S. benchmark interest rate, and are therefore likely to decline as benchmark rates decline. By contrast, the interest rates at which Citi pays depositors are already low and unlikely to decline much further. Consequently, declining or continued low interest rates for loans and largely unchanged deposit rates would likely further compress Citi's net interest revenue. Citi's net interest revenue could also be adversely affected due to a flattening of the interest rate yield curve (e.g., a lower spread between shorter-term versus longer-term interest rates), as Citi, similar to other banks, typically pays interest on deposits based on shorter-term interest rates and earns money on loans based on longer-term interest rates. For additional information on Citi's interest rate risk, see "Managing Global Risk—Market Risk—Net Interest Revenue at Risk" below.

These and additional global macroeconomic, geopolitical and other challenges, uncertainties and volatilities have negatively impacted, and could continue to negatively impact, Citi's businesses, results of operations and financial condition, including its credit costs, revenues across *ICG* and *GCB* and *AOCI* (which would in turn negatively impact Citi's book and tangible book value).

OPERATIONAL RISKS

A Failure in or Disruption of Citi's Operational Processes or Systems Could Negatively Impact Citi's Reputation, Customers, Clients, Businesses or Results of Operations and Financial Condition.

Citi's global operations rely heavily on the accurate, timely and secure processing, management, storage and transmission of confidential transactions, data and other information as well as the monitoring of a substantial amount of data and complex transactions in real time. For example, Citi obtains and stores an extensive amount of personal and client-specific information for its consumer and institutional customers and clients, and must accurately record and reflect their extensive account transactions. Citi's operations must also comply with complex and evolving laws and regulations in the countries in which it operates.

With the evolving proliferation of new technologies and the increasing use of the internet, mobile devices and cloud technologies to conduct financial transactions, large global financial institutions such as Citi have been, and will continue to be, subject to an ever-increasing risk of operational loss, failure or disruption, including as a result of cyber or information security incidents. These risks have been exacerbated during the pandemic, when a substantial portion of Citi's colleagues have worked remotely and customers and clients have increased their use of online banking and other platforms (for additional information, see the cybersecurity risk factor below and pandemic-related risk factor above).

Although Citi has continued to upgrade its operational systems to automate processes and enhance efficiencies, operational incidents are unpredictable and can arise from numerous sources, not all of which are within Citi's control, including, among others, human error, such as processing errors, fraud or malice on the part of employees or third parties, accidental system or technological failure, electrical or telecommunication outages, failures of or cyber incidents involving computer servers or infrastructure or other similar losses or damage to Citi's property or assets. Irrespective of the sophistication of the technology utilized by Citi, there will