



Information Circular: Citigroup Funding Equity-Linked Securities

To: Head Traders, Technical Contacts, Compliance Officers, Head of ETF Trading, Structured Products Traders

From: William Slattery, Director, NASDAQ Listing Qualifications Department

DATE: March 27, 2007

Equity-Linked Notes	Symbol	CUSIP Number
Citigroup Funding Inc. 8.5% Equity-Linked Note Linked to the Common Stock of Chesapeake Energy Corporation	ECC	17311G706

Citigroup Funding Inc. ("Citigroup") issued 8.5% Equity Linked Securities ("ELKS") based upon the common stock of Chesapeake Energy Corporation. Citigroup issued 7.349 million units of the new security at \$10 each with a maturity date of April 4, 2008. The ELKS will commence trading on NASDAQ on an unlisted trading privileges basis on NASDAQ on March 26, 2007.

As more fully set forth in the Prospectus Supplement, the ELKS will bear a coupon of 8.50% per annum based on the initial offering price of \$10 per ELKS. The ELKS are not subject to redemption by the investor prior to maturity. At maturity, investors will receive for each ELKS (i) 0.32510 shares of Chesapeake Energy Corporation Common Stock, if Chesapeake Energy Corporation stock trades at a price equal to or below \$24.61 from the Pricing Date to and including the Valuation Date April 1, 2008 or (ii) \$10.00 per ELKS.

All payments, (whether of coupon or principal) which may be due to holders of ELKS are the sole responsibility of the Issuer, Citigroup Funding Inc., and not Chesapeake Energy Corporation. Investors of ELKS will not be entitled to any rights with respect to the underlying common stock shares (including, with limitations, voting rights, the rights to receive any dividends or other distributions in respect thereof and the right to tender or exchange the underlying common stock shares in any partial tender or exchange offer by Chesapeake Energy Corporation common stock shares to investors of the ELKS at maturity.

Chesapeake Energy Corporation is not involved in the subject offering and has no obligation with respect to these securities whatsoever, including any obligations with respect to the principal amount to be paid at maturity, or to take the needs of the Issuer or holders of ELKS into consideration. Any dividends or distributions to the underlying common stock shareholders will not be paid to holders of ELKS. The ELKS are a series of unsecured debt issued by Citigroup Funding Inc. ELKS will be issued in book-entry form.

The ELKS combine features of equity and debt. The terms of the ELKS differ from those of ordinary debt securities in that the Issuer will not pay you a fixed amount at maturity. Several factors will influence the value of the ELKS. One can expect that generally the market price of the underlying common stock shares on any day will affect the value of the ELKS more than

any other single factor. Other factors that may influence the value of the ELKS include: supply and demand for the ELKS, volatility of the underlying stock, interest rates, economic, financial, political and regulatory or judicial events. In addition, the time remaining to maturity and the credit worthiness of Citigroup Funding Inc. may influence the pricing of the ELKS.

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

Trading in ELKS on NASDAQ is subject to [NASDAQ equity trading rules](#). The ELKS product will trade from 7:00 a.m. until 8:00 p.m. The SEC short sale rule (SEC Rule 10a-1) applies to trading in the ELKS products.

Trading of ELKS on NASDAQ is subject to the provisions of [NASDAQ Rule 2310](#). Members recommending transactions in ELKS to customers should make a determination that the recommendation is suitable for the customer. In addition, members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in the NASDAQ Conduct Rules.

Members also should review [NASD Notice to Members 03-71](#) for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

This Information Circular is not a statutory prospectus. NASDAQ members should consult the registration statement or prospectus for the ELKS product for additional information.

Inquiries regarding this Information Circular should be directed to:

- Will Slattery, Director, NASDAQ Listing Qualifications, at 301.978.8088
- NASDAQ Market Sales at 800.846.0477