

**CITIGROUP INC.**  
**AUDIT COMMITTEE CHARTER**  
As of March 21, 2012

**Mission**

The Audit Committee (“Committee”) of Citigroup Inc. (“Citigroup”) is a standing committee of the Board of Directors (“Board”). The purpose of the Committee is to assist the Board in fulfilling its oversight responsibility relating to (i) the integrity of Citigroup’s consolidated financial statements and financial reporting process and Citigroup’s systems of internal accounting and financial controls; (ii) the performance of the internal audit function (“Internal Audit”); (iii) the annual independent integrated audit of Citigroup’s consolidated financial statements and effectiveness of Citigroup’s internal control over financial reporting, the engagement of the independent registered public accounting firm (“Independent Auditors”) and the evaluation of the Independent Auditors’ qualifications, independence and performance; (iv) policy standards and guidelines for risk assessment and risk management; (v) the compliance by Citigroup with legal and regulatory requirements, including Citigroup’s disclosure controls and procedures; and (vi) the fulfillment of the other responsibilities set out herein. The report of the Committee required by the rules of the Securities and Exchange Commission shall be included in Citigroup’s annual proxy statement.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that Citigroup’s financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Independent Auditors, on whose assurances the Committee may rely.

**Membership**

The Committee shall be comprised of at least three members of the Board, and the members shall meet the independence, experience, and expertise requirements of the New York Stock Exchange and other applicable laws and regulations (including the Sarbanes-Oxley Act of 2002).

At least one member of the Committee will qualify as an audit committee financial expert as defined by the Securities and Exchange Commission. The members of the Committee and the Committee Chair shall be appointed by, and may be removed by, the Board on the recommendation of the Nomination, Governance and Public Affairs Committee. Committee membership shall be rotated periodically, and the Committee Chair shall be rotated periodically.

**Authority**

The Committee shall have the sole authority to select, evaluate, appoint, and replace the Independent Auditors (subject to stockholder ratification) and shall approve in advance all audit engagement fees and terms and all audit-related, tax compliance and

other non-audit engagements with the Independent Auditors. The Committee shall consult with management, but shall not delegate these responsibilities. The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain special legal, accounting, or other consultants to advise the Committee. Citigroup shall provide funding, as determined by the Committee, for payment of compensation to the Independent Auditors, any advisors employed by the Committee and ordinary administrative expenses of the Committee. The Committee may form and delegate authority to subcommittees, comprised of one or more members of the Committee, as necessary or appropriate. Each subcommittee shall have the full power and authority of the Committee, subject to any limitations imposed by the Committee. The Committee is empowered to approve and amend policies and programs falling under its purview, except for certain policies and programs that require the approval of the Company's Board of Directors (as set forth below).

### **Duties and Responsibilities**

The Committee shall have the following duties and responsibilities:

#### Meetings and Access

- Meet as often as it determines, but not less frequently than quarterly.
- Periodically meet separately with management, Internal Audit and the Independent Auditors.
- Ensure that employees performing an internal audit function and any independent public accountant or other external auditor have unrestricted access to the Committee.
- Regularly report to the Board on the Committee's activities.
- Annually review and report to the Board on its own performance.
- Review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

#### Financial Statement and Disclosure Matters

- Review and discuss with management and the Independent Auditors the annual audited consolidated financial statements of Citigroup as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A"), and recommend to the Board whether the audited consolidated financial statements should be included in Citigroup's Form 10-K.
- Review and discuss with management and the Independent Auditors the quarterly consolidated financial statements of Citigroup as well as the MD&A and the results of the Independent Auditors' reviews of the quarterly consolidated financial statements, prior to the filing of each of Citigroup's Form 10-Qs.

- Discuss generally with management, prior to release, Citigroup's quarterly earnings press releases and accompanying financial information. The Committee need not approve each earnings release prior to issuance.
- Review and discuss with management (1) any significant deficiencies or material weaknesses in the design or operation of Citigroup's internal control over financial reporting, and (2) any fraud, whether or not material, involving management or other employees who have a significant role in Citigroup's internal control over financial reporting.
- Review and discuss periodically reports from the Independent Auditors on, among other things, certain:
  - Critical accounting policies and practices to be used;
  - Alternative treatments of financial information within U.S. generally accepted accounting principles;
  - Other material written communications between the Independent Auditors and management, such as any management letter and Citigroup's response to such letter or schedule of unadjusted differences; and
  - Difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, any significant disagreements with management, and communications between the audit team and the audit firm's national office with respect to difficult auditing or accounting issues presented by the engagement.
- Review and discuss with management and the Independent Auditors, at least annually:
  - Developments and issues with respect to loan loss and other reserves and approve Citigroup's Credit Reserve Policy;
  - Regulatory and accounting initiatives, as well as off-balance sheet structures, and their effect on Citigroup's consolidated financial statements; and
  - Accounting policies used in the preparation of Citigroup's consolidated financial statements and, in particular, those policies for which management is required to exercise discretion or judgment regarding the implementation thereof.
- Review with management its evaluation of Citigroup's internal control structure and procedures for financial reporting and review periodically, but in no event less frequently than quarterly, management's conclusions about the efficacy of such internal controls and procedures, including any significant deficiencies or material weaknesses in such controls and procedures.
- Annually review and discuss with management and the Independent Auditors (1) management's assessment of the effectiveness of Citigroup's internal control structure and procedures for financial reporting and (2) the Independent Auditors' report on the effectiveness of Citigroup's internal control over financial reporting related to Section 404 of the Sarbanes-Oxley Act of 2002.

- Establish procedures for the receipt, retention, and treatment of complaints received by Citigroup regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of Citigroup of concerns regarding questionable accounting or auditing matters.

#### Oversight of Citigroup's Relationship with the Independent Auditors

- Receive and discuss a report from the Independent Auditors at least annually regarding:
  - The Independent Auditors' expertise in evaluating financial reporting related risks;
  - The Independent Auditors' internal quality-control procedures;
  - Any material issues raised by the most recent quality-control review, or peer review (if applicable), of the Independent Auditors, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the Independent Auditors;
  - Any steps taken to deal with any such issues;
  - All relationships between the independent auditors and Citigroup, in order to assess the Independent Auditors' independence; and
  - Key staffing and lead audit partner rotation plans.
- Approve guidelines for the retention of the Independent Auditors for any non-audit services and determine procedures for the approval of audit, audit-related, tax compliance and other non-audit services in advance. In accordance with such procedures, the Committee shall approve in advance any audit, audit-related, and tax compliance services provided to Citigroup by the Independent Auditors. Pre-approval authority may be delegated to one or more members of the Committee.
- Review and discuss the scope and plan of the independent audit.
- Evaluate the qualifications, performance and independence of the Independent Auditors, including whether the provision of non-audit services is compatible with maintaining the auditors' independence, and taking into account the opinions of management and Internal Audit. This shall include a review and discussion of the annual communication as to independence delivered by the Independent Auditors (PCAOB Rule 3526 – "Communication with Audit Committees Concerning Independence"). The Committee shall present its conclusions to the Board, and if so determined by the Committee, recommend that the Board take additional action to satisfy itself of the qualifications, performance and independence of the auditors.
- Recommend to the Board policies for Citigroup's hiring of employees or former employees of the Independent Auditors.

## Oversight of Risk Assessment and Risk Management

- The Committee's responsibilities pertaining to Risk are as set forth below and do not extend to risk matters to the extent they are reported on to another committee of the Board.
- In consultation with the Risk Management and Finance Committee, and as required by New York Stock Exchange rules, review and discuss with management, at least annually:
  - the key guidelines and policies governing Citigroup's significant processes for risk assessment and risk management; and
  - Citigroup's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- With respect to operational risk, review with management matters related to the effectiveness of Citigroup's control environment and the status of corrective actions.

## Oversight of Internal Audit

- Review and approve the appointment and replacement of the Chief Auditor who shall report directly to the Committee; and approve the Chief Auditor's base compensation, adjustments and incentive compensation.
- Review and discuss any significant Internal Audit findings that have been reported to management, management's responses, and the progress of the related corrective action plans.
- Review and evaluate the adequacy of the work performed by the Chief Auditor and Internal Audit, and ensure that Internal Audit is independent and has adequate resources to fulfill its duties, including implementation of the annual audit plan.
- Review and approval of Internal Audit Charter.

## Compliance and Regulatory Oversight Responsibilities

- Review and discuss with management, at least annually, the implementation and effectiveness of each of the Company's compliance and ethics program, including the processes for resolution of compliance and ethics issues and, in connection with such review, obtain, at least annually, from the Chief Compliance Officer (and the other persons, if any, with operational responsibility for the Company's compliance and ethics program) reports regarding the implementation and effectiveness of such program. Such responsibility may be fulfilled by one or more presentations to the full Board. The Chief Compliance Officer and any other person or persons with such operational responsibility shall have the authority to communicate directly with the Committee concerning compliance and ethics issues as such person or persons deem necessary, including between meetings of the Committee.

- Review and discuss with management, at least annually, the effectiveness of the Company's anti-money laundering compliance program (the "AML Program"), and recommend to the Board approval of material changes to the AML Program.
- Review with management the Sanctions Screening Policy and Standards and approve the Policy and Standards and any material changes thereto.
- Review periodically with management, including the Citigroup Chief Risk Officer, the Chief Compliance Officer and the General Counsel, and the Independent Auditors, any significant correspondence with, or other action by, regulators or governmental agencies, any material legal affairs of Citigroup and Citigroup's compliance with applicable law and listing standards.
- Receive regular reports on the schedule and results of significant regulatory examinations in the United States and abroad, including the nature and status of corrective actions.
- Receive regular reports on significant issues that potentially create regulatory attention, including briefings on business decisions or significant issues that arise in areas on which the regulators are focused or that otherwise generate regulatory scrutiny or actions.
- Oversee and receive reports on ongoing regulatory projects, including regular updates on significant long-term projects being implemented in response to particular regulatory issues or concerns, except to the extent another Committee of the Board receives reports on specific regulatory projects.
- Receive periodic briefings on the key controls and processes in specific business or functional areas, in particular with respect to areas that are the subject of regulatory concern.
- Receive periodic briefings on existing or proposed regulations in the United States and abroad that could significantly impact Citigroup's business activities, including periodic briefings on the nature of the regulatory environment in the United States and abroad.
- Review and discuss with management the strategy for and status of Citigroup's key regulatory relationships in the United States and abroad.
- Review whether senior management has established appropriate incentives to integrate compliance objectives into the management goals, performance reviews and compensation structure across Citigroup, and that appropriate actions and other measures are taken when compliance failures are identified, including disciplinary actions for serious compliance failures.

- Annually review and approve management's evaluation of the effectiveness of Citigroup's systems and processes used to calculate risk-based capital requirements.
- Receive and discuss reports from management on an annual and as needed basis relating to: significant reported ethics violations; compliance with regulatory internal control and compliance reporting requirements; compliance with OCC Bulletin 97-23 (business resumption and contingency planning, including disaster recovery); fraud and operating losses; internal and external fraud incidents, and associated control enhancements and remediation plans; technology and information security; and Citigroup's and subsidiaries' insurance.

#### Other Responsibilities

- Review and discuss the report of the Chief Auditor regarding the expenses of, the perquisites paid to, and the conflicts of interest, if any, of members of Citigroup's senior management.
- Review and discuss with management, at least annually, the Company's policies and control systems used to manage third-party vendor relationships.
- Review and discuss with the Chief Tax Officer tax policies, accruals, developments and other related matters.
- Review and discuss management's annual report regarding Citigroup's pension plans.