

Final Terms

Note(s) Reference Number: LTCLN1410
ISIN: XS0602719097

9 March 2011

CITIGROUP FUNDING INC.
BRL12,500,000 SBDE LTDA Credit Linked Unsecured Note(s) due 30 March 2014
guaranteed by
CITIGROUP INC.
under the U.S.\$15,000,000,000 Global Structured Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 19 January 2011 which constitutes a base prospectus for the purposes of Directive 2003/71/EC (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the specified offices of the Paying Agents for the time being in London and Dublin and on the website of the Central Bank of Ireland (www.centralbank.ie).

Terms used herein shall have the meanings given to them in this Final Terms, provided that where any terms are not defined in this Final Terms, they shall have the meanings given to them in the Credit Derivatives Definitions and, if not defined in the Credit Derivatives Definitions, the meanings given to them in the Base Prospectus. References in this Final Terms to the **Credit Derivatives Definitions** are to the 2003 ISDA Credit Derivatives Definitions, as supplemented by the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc..

THE NOTES AND THE GUARANTEE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), AND MAY NOT AT ANY TIME BE OFFERED, SOLD, TRADED OR DELIVERED TO U.S. PERSONS OR PERSONS WITHIN THE UNITED STATES (AS SUCH TERMS ARE USED IN REGULATIONS UNDER THE SECURITIES ACT), AND PAYMENTS IN RESPECT OF THE NOTES MAY NOT BE MADE TO ANY U.S. PERSON OR ANY PERSON WITHIN THE UNITED STATES. CERTIFICATION OF NON-U.S. BENEFICIAL OWNERSHIP WILL BE REQUIRED AS A CONDITION TO RECEIVING ANY PAYMENTS ON THE NOTE(S).

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| 1. Issuer: | Citigroup Funding Inc. |
| 2. Guarantor: | Citigroup Inc. |
| 3. Series Number: | LTCLN1410. |
| 4. Relevant Currency or Currencies: | The Payment Currency – as set out in the Schedule. |
| 5. Aggregate Principal Amount: | BRL Principal Amount - as set out in the Schedule. |
| 6. Issue Price: | As set out in the Schedule. |

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| 7. | Specified Denominations: | BRL 500,000. |
| 8. | (i) Issue Date: | As set out in the Schedule. |
| | (ii) Interest Commencement Date: | The Issue Date. |
| 9. | Maturity Date: | As set out in the Schedule. |
| 10. | Interest Basis: | Interest shall be payable in respect of the Note(s) in accordance with the provisions set out in the Schedule. |
| 11. | Redemption/Payment Basis: | As set out in the Schedule. |
| 12. | Change of Interest Basis or Redemption/Payment Basis : | Not Applicable. |
| 13. | Put/Call Options: | Not Applicable. |
| 14. | Status of the Note(s): | Senior guaranteed Note(s). |
| 15. | Listing: | The Note(s) are to be listed on the Irish Stock Exchange. |
| 16. | Method of distribution: | Non-syndicated. |

The payment and/or delivery obligations of the Issuer in respect of the Note(s) are as set out in the Schedule.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 17. | Fixed Rate Note Provisions: | As set out in the Schedule. |
| 18. | Floating Rate Note Provisions: | Not Applicable. |

PROVISIONS RELATING TO REDEMPTION

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| 19. | Issuer Call: | Not Applicable. |
| 20. | Investor Put: | Not Applicable. |
| 21. | (i) Early Redemption Amount of the lowest Specified Denomination of the Note(s) payable on redemption for illegality: | In respect of the lowest Specified Denomination of the Note(s), a <i>pro rata</i> amount in the Payment Currency of the Recovery Value determined by the Calculation Agent, in its sole and absolute discretion, on a date selected by the Calculation Agent after the occurrence of such illegality (for the purposes of the definition of “Recovery Value”, the “ Valuation Date ”) less any Early Redemption Unwind Costs. For the purposes hereof, reference to “Undeliverable Assets” in the definition of “Recovery Value” shall be deemed to be references to “Reference Obligations”. |

- (ii) Early Redemption Unwind Costs: Standard Early Redemption Unwind Costs, to be determined in the sole and absolute discretion of the Calculation Agent.
22. Credit Linked Provisions: As set out in the Schedule. Condition 7 shall not apply to the Note(s).

GENERAL PROVISIONS APPLICABLE TO THE NOTE(S)

23. Form of Note(s): Registered Note(s):
Regulation S Global Note (BRL 12,500,000 principal amount) registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg.
24. Governing Law: English law applies.
25. Additional Financial Centre(s) or other special provisions relating to Payment Days: A Payment Day shall be a Business Day as defined in the Schedule.
26. Calculation Agent responsible for making calculations in respect of the Note(s): As set out in the Schedule.
27. Talons for future Coupons to be attached to Definitive Bearer Note(s) (and dates on which such Talons mature): Not Applicable.
28. Redenomination applicable: Not Applicable.
29. Notice to the Issuer: As set out in the Schedule.
30. Other final terms or special conditions: As set out in the Schedule.

DISTRIBUTION

31. (i) If syndicated, names of Dealers and Lead Dealer: Not Applicable.
- (ii) Stabilising Manager(s) (if any): Not Applicable.
32. If non-syndicated, name of relevant Dealer: As set out in the Schedule.
33. Whether TEFRA D applicable or TEFRA Rules not applicable: TEFRA Not Applicable.

34. Additional selling restrictions: As set out in the Schedule.

35. Additional tax restrictions: As set out in the Schedule.

OPERATIONAL INFORMATION

36. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg or DTC and the relevant identification number(s): Not Applicable.

37. Delivery: Delivery against payment.

38. Additional Paying Agent(s) (if any): Not Applicable.

39. Registrar and Transfer Agent: Citigroup Global Markets Deutschland AG & Co. KgaA.

ISIN:	XS0602719097
Common Code:	060271909

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Regulated Market of the Irish Stock Exchange of the Notes described herein pursuant to the U.S.\$15,000,000,000 Global Structured Note Programme of Citigroup Funding Inc.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Final Terms.

Signed on behalf of the Issuer:

By: 
Duly authorised

PART B – OTHER INFORMATION

1. (i) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Irish Stock Exchange Limited with effect from The Issue Date.

(ii) Estimate of total expenses related to Admission to trading: A fee of €500 payable to the Irish Stock Exchange in connection with the admission to trading of the Notes on the Irish Stock Exchange.
2. **RATINGS**

Ratings: Not Applicable.
3. **INTEREST OF NATURAL AND LEGAL PERSONS AND INVOLVED IN THE ISSUE**

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person is involved in the issue of the Notes has an interest material to the offer.
4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**
 - (i) Reasons for the offer: The net proceeds from these Notes will be applied by the Issuer for its general corporate purposes, primarily to fund the Guarantor and its subsidiaries. The Issuer may also use a portion of the proceeds to re-finance or extend the maturity of existing debt obligations. A substantial portion of the proceeds from the issue of these Notes may be used to hedge market risk with respect to these Notes.
 - (ii) Estimated net proceeds: USD 7,534,659.43.
 - (iii) Estimated total expenses: EUR1,600
5. **INFORMATION IN RELATION TO ANY UNDERLYING CORPORATE ENTITY, SECURITY OR OTHER ITEM (AN OBLIGATION), EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS**

In the event of the occurrence of certain circumstances specified in the Schedule hereto, the Issuer's obligation to pay principal in respect of these Notes linked to the credit of the Reference Obligation(s) may be replaced by an obligation to pay other amounts calculated by reference to the value of obligations issued by such Reference Entity and/or to deliver such obligations. In addition, these interest bearing Notes may cease to bear interest on or prior to the date of occurrence of such circumstances.

Potential investors in these Notes should be aware (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment.

The market price of these Notes may be volatile and will be affected by, amongst other things, the time remaining to the redemption date and the creditworthiness of the Reference Entity which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

If, in respect of these Notes, (i) a Potential Failure to Pay has occurred with respect to one or more Reference Obligation(s) in respect of which a Grace Period is applicable on or prior to an Interest Payment Date or the scheduled Maturity Date, any payments in respect of these Notes may be deferred and, if a Risk Event subsequently occurs, these Notes may be redeemed as further described in the Conditions.

If, in respect of these Notes, a Risk Event Notice has not been given on or prior to the scheduled Maturity Date or the or the Grace Period Extension Date (if applicable) but a Risk Event may have occurred, such date may be postponed and, if a Risk Event subsequently occurs, these Notes may be redeemed as further described in the Conditions.

Where these Notes provide for physical delivery, the Issuer may determine that the specified assets to be delivered are either (a) assets which for any reason (including, without limitation, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the delivery of assets which are loans) it is impossible or illegal to deliver on or before the Alternate Physical Payment Date or (b) assets which the Issuer, the Guarantor and/or any of their respective affiliates has not received under the terms of any transaction entered into by the Issuer, the Guarantor and/or any such affiliate to hedge the Issuer's obligations in respect of these Notes. Any such determination may delay settlement in respect of these Notes and/or cause the obligation to deliver such specified assets to be replaced by an obligation to pay a cash amount which, in either case, may affect the value of these Notes and, in the case of payment of a cash amount, will affect the timing of the valuation of these Notes and as a result, the amount of principal payable on redemption. Prospective purchasers should review the Terms and Conditions of these Notes and the Schedule to ascertain whether and how such provisions should apply to these Notes (including, but not limited to, "Alternate Settlement upon Declaration of Risk Event contained in the Schedule).

The Issuer's obligations in respect of these Notes are irrespective of the existence or amount of the Issuer's, the Guarantor's and/or any of their respective affiliates' credit exposure to the Reference Entity and the Issuer, the Guarantor and/or any of their respective affiliates need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Risk Event.

If so specified in the Schedule, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer or the Guarantor, as applicable, may give notice to the Noteholders in accordance with Condition 14 and redeem these Notes as specified in the Final Terms.

6. OPERATIONAL INFORMATION

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| (i) ISIN Code: | XS0602719097 |
| (ii) Common Code | 060271909 |
| (iii) CUSIP and CINS codes or any other relevant codes: | 97833Q9M5 |
| (iv) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg or DTC and the relevant identification number(s): | Not Applicable. |
| (v) Delivery: | Delivery against payment. |
| (vi) Additional Paying Agent(s) (if any): | Not Applicable. |
| (vii) Registrar and Transfer Agent: | Citigroup Global Markets Deutschland AG. |

SCHEDULE

I. Terms of the Note(s):

BRL Principal Amount: BRL 12,500,000.

Trade Date: 1 March 2011.

Issue Date: 11 March 2011.

Issue Price: 100% of the BRL Principal Amount.

Net Proceeds Payable to Issuer: USD 7,534,659.43.

Maturity Date: The earlier of (i) 30 March 2014; and (ii) the Early Redemption Payment Date (provided, in respect of (i) and (ii) above, in the event of an Unscheduled Holiday affecting the FX Rate Set Date relevant to such date, the date which is two Business Days following the FX Rate Set Date), subject to the “Early Termination and Adjustment Provisions” below.

Reference Obligation(s): An amount of the bonds identified below issued by the Reference Entity on 13 January 2011 with a scheduled maturity date of 30 March 2014.

CETIP Registration Number	Face Amount (BRL)
10L00056483	5,000,000
10L00056484	5,000,000
10L00056485	5,000,000
10L00056486	5,000,000
10L00056487	5,000,000

Obligations: Reference Obligation(s) only.

Reference Entity: SBDE – Sociedade Brasileira de Embalagens Descartaveis LTDA and any Successor thereto.

Interest: The Issuer shall pay to the Noteholder(s) its *pro rata* portion of the relevant Interest Amount on each Interest Payment Date.

Interest Amounts: In respect of an Interest Payment Date, an amount in the Payment Currency calculated by the Calculation Agent according to the formula below and in accordance with the terms and conditions applicable to the Reference Obligations and subsequently divided by the FX Rate. The FX Rate shall be determined on the relevant FX Rate Set Date.

The amount of interest expected to be paid by the Reference Entity in respect of the Reference Obligations on each Coupon Payment Date will be calculated in accordance with the following formula:

$$\left\{ \prod \left[\left(1 + \text{CDIRate} \right)^{\left(\frac{1}{252} \right)} - 1 \right] \times \text{Percentage} - 1 \right\} \times \left[\left(1 + \text{Spread} \right) \right]^{\left(\frac{N}{252} \right)} - 1 \times \text{OutstandingPrincipal}$$

Where:

Percentage = 100%

Spread = 3.00%

N = The number of Brazilian Business Days in the relevant Calculation Period

Outstanding Principal = The amount set out in Annex A in respect of the relevant Interest Payment Date

CDI Rate: The rate for each Brazilian Business Day shall be the Brazil Interbank Deposit Rate Annualized, known as the average (“Media”) of the DI-OVER-Extra-Grupo as published by the Central de Custodia e Liquidacao Financeira de Titulos (“CETIP”) for such Brazilian Business Day. If, for any Brazilian Business Day there is no such rate published, the CDI Rate for such Brazilian Business Day shall be determined by the Calculation Agent in its reasonable discretion.

Extraordinary Estimated Performance Payment: An amount in BRL determined by the Calculation Agent which shall be equal to

(a) Max [Estimated Ebitda – Ebitda Strike) * 14% * 50 % * 85% , 0] , limited to BRL 4,250,000 on September 30th, 2011 or

(b) Max [Estimated Ebitda – Ebitda Strike) * 14% * 50 % * 90% , 0] , limited to BRL 4,500,000 on any other Extraordinary Estimated Performance Payment Date.

The Extraordinary Estimated Performance Payment shall be paid in Payment Currency two Business Days after each Extraordinary Estimated Performance Payment Date, dividing the formula above by the FX Rate on the FX Rate Set Date.

Extraordinary Final Performance Payment: An amount in BRL determined by the Calculation Agent which shall be equal to

(a) { Max [Final Ebitda – Ebitda Strike) * 14% * 50 % * 85% , 0] – Extraordinary Estimated Performance Payment } , limited to BRL 4,250,000 on March 30th, 2012 or

(b) { Max [Final Ebitda – Ebitda Strike) * 14% * 50 % * 90% , 0] – Extraordinary Estimated Performance Payment } , limited to BRL 4,500,000 on any other Extraordinary Final Performance Payment Date.

The Extraordinary Final Performance Payment shall be paid in Payment Currency two Business Days after each Extraordinary Final Performance Payment Date, dividing the formula above by the FX Rate on the FX Rate Set Date.

For the avoidance of doubt, if the Extraordinary Performance Payment is an amount greater than zero then the Issuer will make a payment to the Noteholder. If the Extraordinary Performance Payment is an amount less than zero, then the BRL Principal Amount of this Note will be proportionally reduced by such amount.

Extraordinary Estimated Performance Payment Dates:	Every 30 September from and including 30 September 2011 up to and including the Maturity Date.
Extraordinary Final Performance Payment Dates:	Every 30 March from and including 30 March 2012 up to and including the Maturity Date.
Calculation Period:	Each period from, and including, the Coupon Payment Date to, but excluding, the next following Coupon Payment Date, except that the initial Calculation Period shall commence on, and include, the Issue Date, and the Final Calculation Period shall end on, but exclude, the 30 March 2014.
Interest Payment Dates:	The dates occurring two Business Days after each Coupon Payment Date, subject to the “Early Termination and Adjustment Provisions” below.
Coupon Payment Dates:	Each date identified as such in the left hand column of the table set out in Annex A hereto.
Principal Amortisation Amount:	<p>The Issuer shall pay to the Noteholder(s) on each Principal Amortisation Date an amount in the Payment Currency calculated by the Calculation Agent equal to any BRL Amortisation Amount actually paid by the Reference Entity in the Reference Currency during the relevant Calculation Period in accordance with the terms and conditions applicable to the Reference Obligation divided by the FX Rate in respect of the relevant Principal Amortisation Date, subject to the “Early Termination and Adjustment Provisions” below.</p> <p>The Interest Amortisation Amount expected to be paid by the Reference Entity in respect of the Reference Obligations is set out in the right hand column of the table contained in Annex A hereto.</p>
Principal Payment Dates:	Each date occurring two Business Days after each Principal Amortisation Date
Principal Amortisation Dates:	Each date identified as such in the left hand column of the table set out in Annex A hereto.
Redemption Amount:	The Issuer shall pay to the Noteholder(s) on the Maturity Date the relevant Proportion of an amount in the Payment Currency calculated by the Calculation Agent equal to the BRL Principal Amount divided by the relevant FX Rate. The FX Rate shall be determined on the applicable FX Rate Set Date, subject to the “Early Termination and Adjustment Provisions”

Early Termination and Adjustment Provisions:

Alternate Settlement upon Declaration of Risk Event: If, at any time during the Event Determination Period, the Issuer determines that a Risk Event has occurred or exists during the Event Determination Period, then the Issuer may elect (without having any obligation to make any such election), to give

written notice to the Noteholder(s) declaring that a Risk Event has occurred or exists, giving details of such Risk Event (the “**Risk Event Notice**”) to the Noteholder(s) (i) declaring that a Risk Event has occurred or exists, (ii) giving details of such Risk Event and (iii) specifying delivery and payment details and (iv) specifying any certifications required from the Noteholder(s) to receive delivery of any Reference Obligations.

Following such declaration of a Risk Event:

(i) the Maturity Date shall be accelerated to be the date which is one Business Day following the Event Determination Date (irrespective of whether the relevant Risk Event is continuing); and

(ii) subject to “Adjustment following a Regulatory Change Event”, on or before the Alternate Physical Payment Date, the Issuer shall, in full satisfaction of all its obligation(s) in respect of the Note(s), redeem the Note(s) by delivery to each Noteholder of the relevant Proportion of the Reference Obligations (rounded down to the nearest integral authorised denomination of the Reference Obligations), **PROVIDED THAT** if in the determination of the Issuer:

- (a) due to circumstances beyond the control of the Issuer, it is or would be impossible, illegal or in breach of any restriction (whether regulatory, fiduciary or contractual) to obtain, hold or deliver some or all of certain of the Reference Obligations (including any such Reference Obligations held by or on behalf of the Issuer and/or any Affiliate) to the Noteholder(s), including circumstances in which a Market Disruption Event is subsisting; and/or
- (b) due to circumstances beyond the control of the Issuer, it is or would be impracticable (whether on grounds of illiquidity or otherwise) and/or it is not commercially reasonable for the Issuer to obtain, hold or deliver some or all of certain of the Reference Obligations (including any such Reference Obligations held by or on behalf of the Issuer and/or any Affiliate) to the Noteholder(s); and/or
- (c) due to circumstances within the control of the Noteholder(s) (including, *inter alia*, the Noteholder(s) not having (i) opened or notified the Issuer of its specified account or (ii) given any required certifications), the Issuer is unable to arrange, or conditions are not fulfilled, for the delivery of some or all of the Reference Obligations;

and such circumstances continue up to and including the Alternate Physical Payment Date, then the Issuer shall have no further delivery obligations hereunder to the relevant Noteholder(s) with respect to those Reference Obligations which are affected by such circumstances described in (a), (b) and/or (c) above (the “**Undeliverable Assets**”) and the Issuer shall, in respect of the Undeliverable Assets, pay to the relevant Noteholder(s)’s specified account either (i) the relevant Proportion of the Alternate Redemption Amount on the Alternate Cash Payment Date (in respect of (a) or (b) above) or (ii) the proportion of the Alternate Redemption Amount that is equal to the proportion which the aggregate principal amount of the Notes held by that Noteholder bears to the aggregate principal amount

of the Notes affected by such circumstances (in respect of (c) above).

Risk Event: Means the occurrence or existence of (a) a Credit Event or (b) an Additional Risk Event.

Credit Event: Means the occurrence or existence of any of the following:

Bankruptcy

Failure to Pay

Grace Period Extension: Not applicable.

Payment Requirement: USD1,000,000 or its equivalent in the relevant obligation currency as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable

Repudiation/Moratorium

Obligation Acceleration

Restructuring

Default Requirement: USD10,000,000 or its equivalent in the relevant obligation currency as of the occurrence of the relevant Credit Event

Multiple Holder Obligation: Not Applicable

each as defined in the Credit Derivatives Definitions, provided that references to: (i) "Obligations" shall be deemed to be references to "Reference Obligations", (ii) "Notice Delivery Period" shall be deemed to be references to "Event Determination Period", (iii) "Scheduled Termination Date" shall be deemed to be references to "Maturity Date" and (iv) "Confirmation" shall be deemed to be references to "Final Terms".

Additional Risk Event: Means the occurrence or existence of any of the following:

Inconvertibility Event

Ownership Restriction Event

Settlement/Custodial Event

Market Disruption Event

each as defined below.

Event Determination Period: The period from and including the Trade Date to and including the Maturity Date.

Event Determination Date: The date on which the Issuer declares that a Risk Event has occurred or exists pursuant to "Alternate Settlement upon Declaration of Risk Event" above, as specified in the Risk Event Notice.

Alternate Physical Payment Date: The date which is 30 calendar days following the Event Determination Date.

Alternate Cash Payment Date: The date which is 5 Business Days after the Alternate Physical Payment Date.

Alternate Redemption Amount:	An amount in the Payment Currency equal to the Recovery Value determined by the Calculation Agent on the date selected by the Calculation Agent in its sole discretion in the period from and including the Alternate Physical Payment Date to and including the Alternate Cash Payment Date (the “ Valuation Date ”).
Recovery Value:	The highest firm bid quotation that the Calculation Agent is able to obtain on the Valuation Date from the Reference Dealers for the sale to the Reference Dealers of the Undeliverable Assets in the Payment Currency payable outside the Reference Jurisdiction, provided that if none of the Reference Dealers provides such a firm quotation then the Recovery Value shall be determined by the Calculation Agent in its sole discretion. The applicable Recovery Value may be equal to zero.
Reference Dealers:	The Noteholder(s) and such leading dealers, banks or banking corporations, which are not resident in the Reference Jurisdiction and which deal in obligations of the type of the Undeliverable Assets as are selected by the Calculation Agent in its sole discretion in order to determine the Recovery Value.
Adjustment following a Regulatory Change Event:	If the Issuer determines at any time on or prior to the latest of the Maturity Date, the Alternate Physical Payment Date and the Alternate Cash Payment Date, if applicable, that a Regulatory Change Event has occurred or exists, then any payment due to the Noteholder(s), or amount of the Reference Obligation(s) to be delivered to the Noteholder(s), shall be reduced by an amount in USD or an amount of the Reference Obligation(s) (rounded down to the nearest integral authorised denomination of the Reference Obligation(s)), as the case may be, that is equal in value to the allocable portion of the Regulatory Change Cost, as determined by the Issuer.
Potential Risk Event:	If on the Maturity Date or on any Interest Payment Date the Issuer determines that a Risk Event may exist or may have occurred at any time during the Event Determination Period (but the Issuer has not provided a Risk Event Notice in respect thereof), the Issuer shall give written notice to the Noteholder(s) of such potential Risk Event and shall not pay the Redemption Amount and/or the relevant Interest Amount, as the case may be, until the earlier of (i) the date on which the Issuer determines that a Risk Event has not so occurred or existed; and (ii) the date which is 30 calendar days after the Maturity Date or the relevant Interest Payment Date, as the case may be, (the “ Cut-Off Date ”), provided that if the Issuer determines, on or before the Cut-Off Date, that a Risk Event occurred or existed during the Event Determination Period and the Issuer gives written notice to the Noteholder(s) declaring that a Risk Event had so occurred or existed, then the Issuer’s obligations under the Note(s) shall be as set out in paragraph (ii) of “Alternate Settlement upon Declaration of Risk Event” save that the “Alternate Physical Payment Date” shall be the date which is 30 calendar days following the Cut-Off Date.
Early Redemption Event:	If at any time during the Event Determination Period, the Calculation Agent determines that the Reference Obligation(s) have been prepaid in full by the Reference Entity according to their terms and conditions (such early redemption an “ Early Redemption Event ” and the date on which such redemption occurs, the “ Early Redemption Date ”), the Calculation Agent may give written notice (an “ Early Redemption Notice ”) to the Noteholder(s) declaring that an Early Redemption Event has occurred.

Following such declaration of an Early Redemption Event:

- (i) the Maturity Date shall be accelerated to the date which is two Business Days following the Early Redemption Date (the “**Early Redemption Payment Date**”); and
- (ii) subject to “Adjustment following a Regulatory Change Event”, on the Early Redemption Payment Date, the Issuer shall, in full satisfaction of all its obligation(s) in respect of the Note(s), redeem the Note(s) by paying the each Noteholder its pro rate portion of the amount in the Payment Currency equal to the amount actually paid by the Reference Entity in the Reference Currency in respect of such Reference Obligation(s) as a result of the occurrence of the Early Redemption Event and divided by the relevant FX Rate (the “**Early Redemption Amount**”).

For the avoidance of doubt, the amount due by the Reference Entity under the Reference Obligation(s) subject to the Early Redemption Event shall be calculated as a function of the present value of all outstanding unpaid and due interest and principal starting from and including the Reference Obligation issuance date to but excluding its scheduled maturity date according to its terms and conditions.

Other Terms:

Reference Custodian:	Citibank Distribuidora de Titulos e Valores Mobiliários SA
Reference Currency:	Brazilian Commercial Real (“ BRL ”), being the lawful currency of the Reference Jurisdiction, or if BRL ceases to be the lawful currency of the Reference Jurisdiction, any other lawful currency in effect in such jurisdiction.
Payment Currency:	United States Dollars (“ US\$ ” and “ USD ”)
Reference Entity:	SBDE – Sociedade Brasileira de Embalagens LTDA
Reference Jurisdiction:	The Federative Republic of Brazil.
Reference Investor:	Any person that holds the Reference Obligation(s), which may include the Issuer and/or any of its Affiliates (including, without limitation, any trust, special purpose vehicle or account through which the Issuer or any of its Affiliates may hold Reference Obligations in the Reference Jurisdiction).
Reference Exchanges/ Clearing Entities:	Cetip S.A. – Balcao Organizado de Ativos e Derivativos (“ CETIP ”)
Dealer:	Citigroup Global Markets Limited.
Calculation Agent:	Citigroup Global Markets Limited.
Determinations, Elections and Calculations:	All determinations, elections and calculations under the Note(s) shall be made by the relevant party in its sole and absolute discretion acting in good faith and shall be binding in the absence of manifest error.
FX Rate Set Date:	Means in respect of :

(i) each Interest Payment Date, the relevant Coupon Payment Date occurring immediately before it;

(ii) each payment of a Principal Amortisation Amount, the relevant Principal Amortisation Date occurring immediately before such payment being due; and

(iii) the Early Redemption Payment Date, the date on which the Early Redemption Event occurs,

in each case subject to adjustment in accordance with the Preceding Business Day Convention; provided that in the event of an Unscheduled Holiday occurring, it will be subject to adjustment in accordance with the Following Business Day Convention.

FX Rate: The Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reals per one U.S. Dollar, for settlement two Business Days thereafter, as reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PTAX-800 (“Consultas de Cambio” or Exchange Rate Enquiry), Option 5 (“Cotacoes para Contabilidade” or Rates for Accounting Purposes) at approximately 8:30 p.m., Sao Paulo time, on the FX Rate Set Date, provided, however, that if, in the determination of the Calculation Agent, such rate is not available or is deemed to be misrepresentative, the FX Rate shall be the rate determined by the Calculation Agent in its sole discretion. The FX Rates shall be determined on the relevant FX Rate Set Date.

Unscheduled Holiday: In respect of an FX Rate Set Date, such day is not a Brazilian Business Day and the market was not aware of such fact (by means of public announcement or by reference to other publicly available information) until after 9:00 a.m. local time in Sao Paulo, on such day.

Brazilian Business Day: A day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in any one of Sao Paulo, Rio de Janeiro and Brasilia.

Business Days: A day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London, New York City and any one of Sao Paulo, Rio de Janeiro or Brasilia.

Business Day Convention: Following, which shall apply to any date on which a payment or delivery would otherwise be due to be made by the Issuer that is not a Business Day.

Taxation and Expenses: Neither the Issuer nor the Guarantor shall be liable for or otherwise obliged to pay any taxes, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment and/or delivery, or enforcement of any Note and all payments made by the Issuer and/or the Guarantor shall be made subject to any such taxes, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

All expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, and/or other taxes or duties arising from the delivery and/or transfer of Reference Obligations or any other assets in connection with the issue or performance of the Note(s), shall be for the account of the Noteholder(s) and shall be deducted from payments and/or deliveries to be made by the Issuer under the Note(s), but without duplication of any adjustments pursuant

to the terms of "Adjustment following a Regulatory Change Event" above.

Selling and Transfer Restrictions: The selling restrictions applicable to the Note(s) shall be as set out in the Base Prospectus (including any supplements to the Base Prospectus).

The Note(s) may not be offered or sold in any jurisdiction where offer and sale is prohibited by applicable law or regulation.

The Note(s) may not be transferred without the prior written consent of the Issuer.

Additional Disclaimers: Neither the Issuer nor the Dealer, nor any of their Affiliates or agents, will be obligated to hold any Reference Obligations or pursue any remedies they may have with respect thereto (even if the Issuer transfers Reference Obligations to the Noteholder(s) or refers to their market value in connection with the satisfaction of the Issuer's obligations following the declaration of a Risk Event as described above).

II. Notices.

(A) Notices to the Noteholder(s).

The Issuer shall give notices to the Noteholder(s) by facsimile transmission, e-mail, mail or courier to the facsimile number, e-mail address or mailing address of each Noteholder as advised by such Noteholder to the Issuer from time to time.

Any communication to the Noteholder(s) shall be deemed to be received by the relevant Noteholder, in the case of communication by fax, when an acknowledgement of receipt is received, in the case of communication by e-mail, when an acknowledgement of receipt is received (other than an "out of office" or similar reply), or, in the case of communication by letter, when the letter is delivered, in each case in the manner required by this paragraph.

(B) Notices to the Issuer.

Notices to be given by any Noteholder to the Issuer regarding the Note(s) will be validly given if delivered in writing to the Issuer and copied to the Calculation Agent as follows:

To the Issuer:

Attention: Treasury Capital Markets
Fax: +1 901-257-4416
Address: 601 Lexington Avenue, 6th Floor
New York, New York 10022
United States

To the Calculation Agent:

Attention: Emerging Markets Credit Trading
Fax: +44 20 7192 3085/8043 0172
Address: Citigroup Centre
Canada Square

Canary Wharf
London E14 5LB
United Kingdom.

Any such notice shall be deemed to have been given on the day when delivered or when deemed delivered (as provided below) to both the Issuer and the Calculation Agent. If such notice is delivered or deemed delivered, as the case may be, to the Issuer and the Calculation Agent on different days, such notice shall be deemed to be delivered on the later of such days. If any such notice is delivered on a day that is not a Local Business Day or after 5.00 p.m. in the place of receipt on a Local Business Day, it will be deemed delivered on the next following Local Business Day. The relevant Noteholder must provide satisfactory evidence to the Issuer of its holding of the Note(s) which, so long as the Note(s) are represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, is expected to be in the form of certification from Euroclear and/or Clearstream, Luxembourg, as the case may be. For the purposes hereof, **Local Business Day** means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the place of receipt of the relevant notice.

III. Definitions.

The following capitalised terms shall have the meaning set out below for the purposes of the Note(s):

(A) Additional Risk Events:

Inconvertibility Event means the occurrence after the Trade Date of any event or existence of any condition that has the effect of it being impossible, illegal or impracticable for, or has the effect of prohibiting, restricting or materially delaying the ability of, any Reference Investor (1) to convert the Reference Currency into the Payment Currency through customary legal channels; or (2) to effect currency transactions on terms as favourable as those available to residents of the Reference Jurisdiction; or (3) to freely and unconditionally transfer or repatriate any funds (in the Payment Currency or the Reference Currency) from accounts inside the Reference Jurisdiction to accounts outside the Reference Jurisdiction or between accounts inside the Reference Jurisdiction; or (4) to receive the full value of any cash payment (when converted to the Payment Currency) made under the Reference Obligations due to the introduction after the Trade Date by any Governmental Authority (as defined in the Credit Derivatives Definitions) of a new currency regime (including the introduction of a dual currency regime) or the imposition of currency exchange limitations.

Ownership Restriction Event means the occurrence after the Trade Date of any event or existence of any condition that has the effect of it being illegal, impossible or impracticable for, or has the effect of prohibiting, restricting or materially delaying the ability of, any Reference Investor to purchase, hold, receive, sell, freely transfer or remain the owner of any Reference Obligation or any amount received in respect thereof.

Settlement/Custodial Event means (1) the occurrence after the Trade Date of any event, the existence of any condition or the taking of any action that results, or may result with the passage of time, in the Bankruptcy (as defined in the Credit Derivatives Definitions as if references to "Reference Entity" were changed to "Custodian" for these purposes) of any Custodian; or (2) in respect of the Reference Obligations owned by such Reference Investor or any amount received in respect thereof, a Custodian (i) fails to perform in a timely manner any or all of its obligations owed to a Reference Investor under any Reference Custodial/Settlement Arrangement, or (ii) fails to take any action when instructed to do so by a Reference Investor pursuant to the terms of any Reference Custodial/Settlement Arrangement, or (iii) takes any action which is contrary to the terms of any Reference Custodial/Settlement Arrangement; in each case that affects or may affect, in the determination of the Issuer, the hedging arrangements of the Issuer and/or any of its Affiliates in respect of the Issuer's obligations with respect to the Note(s).

Market Disruption Event means the occurrence of any event or existence of any condition that has the effect of (1) the failure or suspension of normal trading on any recognized securities, futures or other exchange on which the Reference Obligations or futures thereon are traded; or (2) any Reference Obligation becoming ineligible for clearance or settlement through the principal clearing system or by the relevant settlement procedure for the Reference Obligations.

(B) Other Events:

Regulatory Change Event means:

(i) the adoption of, change in or change in the interpretation or administration of, any law, rule, directive, decree or regulation in the Reference Jurisdiction after the Trade Date by any Governmental Authority (as defined in the Credit Derivatives Definitions); and/or

(ii) the compliance by a Reference Investor with any request or directive of any Governmental Authority (as defined in the Credit Derivatives Definitions, provided that such term shall also include any taxing authority),

which in any such case:

1. would, in respect of any amount of Reference Obligations (and/or any amount received in respect thereof) which a Reference Investor could have held during the term of the Note(s), impose, modify or apply any tax, charge, duty, reserve, special deposit, insurance assessment or any other requirement on such Reference Investor and this results in additional costs to a Reference Investor; and/or
2. increases in any other way the actual or potential cost to a Reference Investor of hedging the obligations of the Issuer with respect to the Note(s) at any time during the term of the Note(s).

(C) Additional Definitions:

Affiliate means, in respect of any designated person, any person that directly or indirectly controls or is controlled by or is under common control with such designated person. For the purposes of this definition, control (including with correlative meanings, the terms controlled by and under common control with), as used with respect to any person, shall mean the possession, directly, or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting securities or by contract or otherwise.

Custodian means any custodian (including the Reference Custodian), sub-custodian, depository, settlement system, bank or clearing house (or any agent or delegate of any of the foregoing) or any exchange used by a Reference Investor as part of any Reference Custodial/Settlement Arrangement entered into from time to time (including the Reference Exchanges/Clearing Entities).

“Ebitda” means the Reference Entity’s earnings before interest, tax and depreciation as defined in the Reference Obligation terms and conditions and as determined by the Calculation Agent.

“Ebitda Strike” means BRL 59,000,000.

“Estimated Ebitda” means the estimated annualized Reference Obligation Ebitda as of 30th June of each year as defined in the Reference Obligation terms and conditions and as determined by the Calculation Agent.

“Final Ebitda” means the audited fiscal year end Reference Obligation’s Ebitda as defined in the Reference Obligation terms and conditions and as determined by the Calculation Agent.

Proportion means, in respect of a Noteholder, the proportion of the aggregate principal amount of Note(s) outstanding consisting of principal amounts of the Note(s) held by such Noteholder.

Regulatory Change Cost means, in respect of a Regulatory Change Event, an amount, determined by the Issuer equal to the cost which a Reference Investor would have incurred in respect of such Regulatory Change Event had it purchased, received, held, transferred or sold the Reference Obligations (and/or any amount received in respect thereof) at any time during the term of the Note(s).

Reference Custodial/Settlement Arrangement means any formal or informal (express or implied) arrangement, method, means or account type through which a Reference Investor may hold, directly or indirectly, an interest (including a beneficial interest) in the Reference Obligations and/or any amount received in respect thereof.

Annex A

	Coupon Payment Dates¹	Principal Amortisation Date	Outstanding Principal Amount (BRL)	Expected Amortisation Amount² (BRL)
30 March 2011	Yes		12,500,000	N/A
30 September 2011	Yes		12,500,000	N/A
16 January 2012		Yes	12,500,000	4,166,667
30 March 2012	Yes		8,333,333	N/A
1 October 2012	Yes		8,333,333	N/A
15 January 2013		Yes	8,333,333	4,166,667
1 April 2013	Yes		4,166,667	N/A
30 September 2013	Yes		4,166,667	N/A
31 March 2014	Yes	Yes	4,166,667	4,166,667

¹ The Coupon Payment Dates are the dates on which a payment of an amount of interest in respect of the Reference Obligation is expected to be made to its noteholder(s).

² The Expected Amortisation Amount is the amount of principal in respect of the Reference Obligation that is expected to be paid to its noteholder(s) on the corresponding Principal Amortisation Date set out in the left hand column of this table.