Final Terms dated 9 September 2008

Citigroup Funding Inc.
Issue of up to EUR150,000,000 'Flippable' Fixed to Floating Rate Notes due 2013 (the Notes)
Guaranteed by Citigroup Inc.
under the U.S.$30,000,000,000 Euro Medium Term Note Programme

The Base Prospectus referred to below (as completed by this Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (b) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

(a) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or

(b) in those Public Offer Jurisdictions mentioned in Paragraph 55 of Part A below, provided such person is one of the persons mentioned in Paragraph 55 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

None of the Issuer, the Guarantor and any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The Notes and the Deed of Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or, in the case of bearer Notes, delivered within the United States or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act), except in certain transactions exempt from the registration requirements of the Securities Act. For a description of certain restrictions on offers and sales of Notes, see "*Plan of Distribution*" in the Prospectus.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth under the sections entitled "*Terms and Conditions of the Notes*" in the Base Prospectus dated 21 August 2008 which constitutes a base prospectus for the purposes of the Prospectus Directive (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, the Guarantor and the offer of the Notes is only available on the basis of the combination of this Final Terms, the Base Prospectus. The Base Prospectus and this Final Terms are available for viewing at the office of the Issuer at 388 Greenwich Street, 38th floor, attn.: Treasury, New York, NY 10013, United States, at the office of the paying agent in London, at the offices of the Distributors, and on the web-site of the Distribution Manager (www.mpscapitalservices.it) and the Distributors (www.mps.it, www.antonveneta.it, www.bancatoscana.it and www.biverbanca.it).

1.	(i)	Issuer:	Citigroup Funding Inc. (the **Offeror**)
	(ii)	Guarantor:	Citigroup Inc.

2.	(i) Series Number:	EMTN0571
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Euro (**EUR**)
4.	Aggregate Principal Amount:	
	(i) Series:	Up to EUR 150,000,000. It is anticipated that the final Aggregate Principal Amount of the Notes to be issued will be published by the Distribution Manager (as defined herein) by means of a notice to be published on its web site (www.mpscapitalservices.it) within 5 days of the close of the Offer (as defined herein) The final Aggregate Principal Amount of the Notes will depend on the outcome of the Offer
	(ii) Tranche:	Up to EUR 150,000,000. It is anticipated that the final Aggregate Principal Amount of the Notes to be issued will be published by the Distribution Manager (as defined herein) by means of a notice to be published on its web site (www.mpscapitalservices.it) within 5 days of the close of the Offer
5.	Issue Price:	100 per cent. of the Aggregate Principal Amount
6.	(i) Specified Denominations:	EUR1,000
	(ii) Calculation Amount:	EUR1,000
7.	(i) Issue Date:	9 October 2008
	(ii) Interest Commencement Date:	Issue Date
8.	Maturity Date:	9 October 2013, subject to adjustment in accordance with the Following Business Day Convention
9.	Types of Notes:	Fixed Rate Notes unless the Issuer exercises the 'Floating Rate Option' as further described below – see paragraphs 16 and 17 below The Notes are Cash Settled Notes
10.	Interest Basis:	(i) 5.50 per cent. Fixed Rate per annum from (and including) the Interest Commencement Date to (but excluding) the earlier of (a) the Maturity Date and (b) the Floating Rate Commencement Date (if any)

		(ii) 6-month EURIBOR plus 0.50 per cent. Floating Rate from (and including) the Floating Rate Commencement Date (if any) to (and including) the Maturity Date (further particulars described below)
11.	Redemption/Payment Basis	Redemption at par
12.	Change of Interest or Redemption/Payment Basis:	Applicable – see paragraph 10 above The Issuer may elect to change the interest basis from Fixed Rate to Floating Rate (the **Floating Rate Option**) on giving notice to the the holders in accordance with Condition 13 of the General Conditions not less than 11 Business Days' prior to the first day of any Interest Period beginning on or after 9 October 2009. The first day of the first Interest Period falling after the exercise of the Floating Rate Option shall be the **Floating Rate Commencement Date** For the avoidance of doubt, the Floating Rate will apply from (and including) the Floating Rate Commencement Date and the Floating Rate Option may only be exercised by the Issuer once
13.	Put/Call Options:	Not Applicable
14.	(i) Status of the Notes:	Senior
	(ii) Status of the Guarantee:	Senior
15.	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16.	**Fixed Rate Note Provisions**	Applicable subject as provided in paragraph 12 above
	(i) Interest Rate:	5.50 per cent. per annum
	(ii) Interest Payment Dates:	9 April and 9 October in each year from (and including) 9 April 2009 to (and including) 9 October 2013, subject to adjustment in accordance with the Following Business Day Convention (subject as provided above)
	(iii) Interest Amounts:	EUR27.5 in respect of each Calculation Amount
	(iv) Broken Amount:	Not Applicable
	(v) Day Count Fraction:	30/360

	(vi)	Other terms relating to the method of calculating interest for Fixed Rate Notes	Not Applicable
17.	**Floating Rate Note Provisions**		Applicable subject as provided in paragraph 12 above
	(i)	Specified Period(s)/Specified Interest Payment Dates:	9 April and 9 October in each year from (and including) the first Interest Payment Date immediately succeeding the Floating Rate Commencement Date to (and including) 9 October 2013, subject to adjustment in accordance with the Following Business Day Convention, in the event that the Issuer exercises the Floating Rate Option as provided in paragraph 12 above For the purposes of the definition of "Interest Period", the Interest Commencement Date shall be deemed to be the Floating Rate Commencement Date
	(ii)	Business Day Convention:	In respect of an Interest Payment Date, Following Business Day Convention
	(iii)	Manner in which the Interest Rate(s) is/are to be determined:	Screen Rate Determination
	(iv)	Party responsible for calculating the Interest Rate(s) and/or Interest Amount(s) (if not the Calculation Agent):	Calculation Agent
	(v)	Screen Rate Determination:	Applicable
		- Reference Rate:	6-month EURIBOR
		- Interest Determination Date(s):	The second day on which the TARGET System is open prior to the start of each Interest Period
		- Page:	Reuters page EURIBOR01
	(vi)	ISDA Determination:	Not Applicable
	(vii)	Margin(s):	+ 0.50 per cent. per annum
	(viii)	Minimum Interest Rate:	Not Applicable
	(ix)	Maximum Interest Rate:	Not Applicable
	(x)	Day Count Fraction:	30/360
	(xi)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method	The General Conditions apply For the purposes of the determination of any Interest

	of calculating interest on Floating Rate Notes, if different from those set out in the General Conditions:	Amount in accordance with this paragraph 17, the Calculation Period for the purposes of the determination of the Day Count Fraction for the relevant Interest Period shall be deemed to be the period from (and including) the Interest Accrual Date falling at the beginning of such Interest Period to (but excluding) the Interest Accrual Date falling at the end of such Interest Period **Interest Accrual Date** means 9 April and 9 October in each year from (and including) the Floating Rate Commencement Date to (and including) 9 October 2013
18.	**Zero Coupon Note Provisions**	Not Applicable
19.	**Dual Currency Interest Provisions**	Not Applicable
20.	**Index Linked Interest Provisions**	Not Applicable
21.	**Commodity Linked Interest Provisions**	Not Applicable
22.	**Inflation Linked Interest Provisions**	Not Applicable
23.	**Share Linked Interest Provisions**	Not Applicable
24.	**Formula Linked Interest Provisions**	Not Applicable
25.	**Foreign Exchange Rate Linked Interest Provisions**	Not Applicable

PROVISIONS RELATING TO REDEMPTION

26.	**Issuer Call**	Not Applicable
27.	**Investor Put**	Not Applicable
28.	**Redemption Amount of each Note**	EUR1,000 in respect of each Calculation Amount
29.	**Index Linked Redemption Amount**	Not Applicable
30.	**Inflation Linked Redemption Amount**	Not Applicable
31.	**Commodity Linked Redemption Amount**	Not Applicable
32.	**Share Linked Redemption Amount**	Not Applicable
33.	**Formula Linked Redemption Amount**	Not Applicable
34.	**Foreign Exchange Rate Linked Redemption Amount**	Not Applicable
35.	**Early Redemption Amount**	
	(i) Early Redemption Amount(s)	The Early Redemption Amount will be determined

	payable on redemption for taxation reasons or illegality (Condition 5(b) of the General Conditions) or on Event of Default (Condition 9 of the General Conditions) and/or the method of calculating the same:	as set out in Condition 5(d)(iii)(i) of the General Conditions
	(ii) Early Redemption Amount includes amount in respect of accrued interest:	No: together with the Early Redemption Amount accrued interest shall also be paid
36.	**Provisions applicable to Physical Delivery**	Not Applicable
37.	**Variation of Settlement**	
	(i) Issuer's option to vary settlement:	Not Applicable
	(ii) Holder's option to vary settlement:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

38.	**Form of Notes:**	Bearer Notes: Temporary Global Note exchangeable for a Permanent Global Note on or after the Exchange Date which is exchangeable for Definitive Notes on a day falling not less than 60 days after that on which the notice requiring exchange is given by the holder or the Fiscal Agent and on which banks are open for business in London (being the city in which the specified office of the Fiscal Agent is located) and in Brussels and Luxembourg
39.	New Global Note:	Yes
40.	Business Centres:	London, New York City and TARGET
41.	Business Day Jurisdictions(s) or other special provisions relating to payment dates:	London, New York City and TARGET Business Days
42.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
43.	Coupons to become void upon the due date for redemption of the Notes:	Yes
44.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
45.	Details relating to Instalment Notes: amount	Not Applicable

	of each Instalment Amount (including any maximum or minimum Instalment Amount), date on which each payment is to be made:	
46.	Redenomination, renominalisation and reconventioning provisions	Not Applicable
47.	Consolidation provisions:	The provisions of General Condition 12 apply
48.	Other final terms	Not Applicable
49.	Name and address of Calculation Agent:	Citibank, N.A., Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom
50.	Determinations:	Any matter falling to be determined, considered, elected, selected or otherwise decided upon by the Issuer, the Calculation Agent or any other person shall be determined, considered or otherwise decided upon by such person in a commercially reasonable manner

DISTRIBUTION

51.	(i) If syndicated, names and addresses of Managers and underwriting commitments:	Not Applicable
	(ii) Date of Subscription Agreement:	Not Applicable
	(iii) Stabilising Manager(s) (if any):	Not Applicable
52.	If non-syndicated, name and address of Dealer:	Citigroup Global Markets Limited at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom. For the avoidance of doubt, the Dealer will not act as a Distributor and will not place any Notes to the public in the Republic of Italy.
53.	Total commission and concession:	On the Issue Date, a Management Fee (to be 0.70 per cent. of the Aggregate Principal Amount of the Notes placed through the Distributors) shall be paid by the Issuer through the Dealer to the Distribution Manager (as defined in paragraph 55 below). At the same time, the Issuer shall pay, through the Distribution Manager, a placement fee (the **Selling Fee**) to each Distributor. Such Selling Fee will be equal to 2.80 per cent. of the Aggregate Principal Amount of the Notes placed by the Distributors
54.	U.S. Selling Restrictions:	Reg. S Compliance Category: TEFRA D See "Plan of Distribution – United States of

America" set out on page 89 of the Base Prospectus

55. Non-exempt Offer:

An offer (the **Offer**) of the Notes will be made other than pursuant to Article 3(2) of the Prospectus Directive in Italy (the **Public Offer Jurisdiction**) during the period from (and including) 10 September 2008 to (and including) 6 October 2008 (the **Offer Period**), during the hours in which banks are generally open for business in the Republic of Italy (**Italy**).

The Notes may be offered only in accordance to the applicable laws and regulations, and in particular pursuant to Articles 8, 9 and 10-bis of the CONSOB Regulation 14 May 1999, n. 11971 (the **Regulation**) and Articles 14, 17 and 18 of the Prospectus Directive.

The Notes placed through door-to-door selling pursuant to Article 30 of the Legislative Decree of 24 February 1998, n. 58, as subsequently amended, will be offered from (and including) 10 September 2008 to (and including) 29 September 2008.

Pursuant to article 30, paragraph 6, of the Financial Services Act (as defined below), the validity and enforceability of the contracts entered into through door-to-door selling is suspended for a period of seven days after the investors' signature of the same. Within such period investors may communicate their withdrawal to the relevant Distributor without any charge or commission.

MPS Capital Services Banca per le Imprese S.p.A. is the Distribution Manager in relation to the offer in Italy (the **Distribution Manager**). In its capacity as Distribution Manager MPS Capital Services Banca per le Imprese S.p.A. has organised the placing syndicate by appointing the Distributors. The Notes will be publicly offered in Italy through a distribution network, in respect of which, MPS Capital Services Banca per le Imprese S.p.A. will act as a Distribution Manager, (the **Distribution Network** and each bank involved a **Distributor**) other than pursuant to Article 3(2) of the Prospectus Directive in the Public Offer Jurisdiction during the Offer Period The Notes will be placed into the Republic of Italy without any underwriting commitment by the Distribution Manager and the Distributors and no undertakings have been made by third parties to guarantee the subscription of the Notes.

The following Distributors are part of the Distribution Network:

Banca Monte dei Paschi di Siena S.p.A.

Piazza Salimbeni, 3
53100 Siena
Italy

Banca Antonveneta S.p.A.

Piazzetta F. Turati, 2
35131 Padova
Italy

Biverbanca S.p.A.

Via Carso, 15
13900 Biella
Italy

Banca Toscana S.p.A.

via del Corso, 6
50122 Firenze
Italy

The *Commission de Surveillance du Secteur Financier* has provided CONSOB (the Italian Securities Exchange Commission) with certificates of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. The Base Prospectus has been passported into Italy pursuant to Article 10-bis of the CONSOB Regulation 11971/99.

See further Paragraph 7 of Part B below.

56. Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

This Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdiction of the Notes described herein pursuant to the U.S.$30,000,000,000 Euro Medium Term Note Programme of Citigroup Funding Inc.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Final Terms. Information set out in Part B hereto relating to the description of the ratings has been extracted from the web-site of the relevant rating agency. Each of the Issuer and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By: ....
Duly authorised

Signed on behalf of the Guarantor:

By: ....
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing	Not Applicable
Admission to trading:	Not Applicable

2. RATINGS

Ratings: The Issuer's long-term/short-term senior debt is rated:

Moody's:	Aa3/P-1 (Negative Outlook)
S&P:	AA-/A-1+ (Negative Outlook)
Fitch:	AA-/F1+ (Negative Outlook)

based on the guarantee by Citigroup Inc.

Moody's

An obligation rataed 'Aa' by Moody's is judged to be of high quality and subject to very low credit risk

Issuers (or supporting institutions) rated Prime-1 (P-1) by Moody's have a superior ability to repay short-term debt obligations

A Moody's rating outlook is an opinion regarding the likely direction of a rating over the medium term. Where assigned, rating outlooks fall into the following four categories: Positive (POS), Negative (NEG), Stable (STA), and Developing (DEV - contingent upon an event)

S&P

An obligation rated 'AA' by S&P differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong. Ratings may be modified by the addition of a plus (+) or minus (-) sign to show the relative standing within the rating category

A short-term obligation rated 'A-1' by S&P is rated in the highest category by S&P. The obligor's capacity to meet its financial commitment on the obligation is strong. The plus sign (+) indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong

A S&P rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future CreditWatch action

Negative Outlook means that a rating may be lowered.

Fitch

Obligations rated 'AA' by Fitch denote expectations of very low credit risk. This rating indicates very strong capacity for payment of financial commitments, which capacity is not significantly vulnerable to foreseeable events. The modifier "-" appended to the rating denotes relative status within this rating category

Obligations rated "F1+" denote the highest credit quality and indicate the strongest capacity for timely payment of financial commitments; the "+" denotes an exceptionally strong credit feature

Rating Outlook: An Outlook indicates the direction a rating is likely to move over a one to two-year period. Outlooks may be positive, stable or negative. A positive or negative Rating Outlook does not imply a rating change is inevitable. Similarly, ratings for which outlooks are 'stable' could be upgraded or downgraded before an outlook moves to positive or negative if circumstances warrant such an action. Occasionally, Fitch Ratings may be unable to identify the fundamental trend. In these cases, the Rating Outlook may be described as evolving

A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Each rating should be evaluated independently of any other rating

The Issuer's credit ratings are an assessment of the Issuer's ability to meet its obligations under the Notes, including making payments under the Notes. Consequently, actual or anticipated changes in the Issuer's credit ratings may affect the trading value of the Notes. However, because the Notes' yield is dependent on certain factors in addition to the Issuer's ability to pay its obligations on the Notes, an improvement in the Issuer's credit ratings will not reduce the other investment risks related to the Notes

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Distribution Manager and, through the Distribution Manager to the Distributors, as described above under paragraph 53 above, or to or by the Dealer and save as discussed in "Plan of Distribution" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer

Banca Monte dei Paschi di Siena S.p.A., Banca Antonveneta S.p.A., Banca Toscana S.p.A. and Biverbanca S.p.A. (the **Distributors**) and MPS Capital Services Banca per le Imprese S.p.A. (the **Distribution Manager**) are affiliates of the MPS Banking Group. The Distribution Manager and the Distributors are in a conflicted situation as they may receive from the Issuer, respectively, Management and Selling Fees. For the avoidance of doubt, the Distributors will receive from the Issuer, through the Distribution Manager, the Selling Fees as a percentage to be calculated on the aggregate principal amount of Notes placed. See paragraph 53 above

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	See "*Use of Proceeds*" in the Base Prospectus
(ii)	Estimated net proceeds:	The estimated net proceeds will depend on the final size of the Offer. It is anticipated that the estimated net proceeds will be published by the Distribution Manager (as defined herein) by means of a notice to be published on its web site (www.mpscapitalservices.it) within 5 days of the close of the Offer For the avoidance of doubt, the estimated net proceeds reflect the proceeds to be received by the Offeror on the Issue Date. They are not a reflection of the fees payable by/to the Dealer and to the Distribution Manager and the Distributors
(iii)	Estimated total expenses:	Approximately EUR2,405

5. PERFORMANCE OF THE FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE FORMULA

The Notes are principal-protected.

In addition, an interest amount will be payable on 9 April and 9 October in respect of each Calculation Amount in each year from (and including) 9 April 2009 to (and including the Maturity Date

On 9 April 2009 and 9 October 2009, each Noteholder will receive a fixed amount of interest of EUR27.5 in respect of each Calculation Amount. On each Interest Payment Date thereafter, the Issuer may elect to change the Interest basis from Fixed Rate to Floating Rate, giving 11 Business Days notice in accordance with Condition 13 of the General Conditions, and each Noteholder will receive an amount of interest calculated by reference to 6-month EURIBOR plus 0.50 per cent. using the Screen Rate Determination method (as further described in the Base Prospectus) on each Interest Payment Date thereafter. Such election by the Issuer may only be made once during the term of the Notes. If no such election is made, each Noteholder will continue to receive a fixed amount of interest of EUR27.5 in respect of each Calculation Amount on each Interest Payment Date.

6. OPERATIONAL INFORMATION

ISIN Code:	XS0386998818
Common Code:	038699881
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment See the section entitled "Details of the method and time limits for paying up and delivering the Notes" in paragraph 7 below for further details
Names and addresses of initial Paying Agent(s):	Citibank, N.A., Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
Name and address of Registrar:	Not Applicable
Name and addresses of Transfer Agents:	KBL European Private Bankers S.A. at 43, Boulevard Royale, L-2955 Luxembourg and the Registrar
Intended to be held in a manner which would allow Eurosystem eligibility:	Yes (Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met)

7. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	EUR1,000 in respect of each Calculation Amount (of which 3.5 per cent. of the Aggregate Principal Amount of the Notes is represented by commissions payable by the Dealer to the Distribution Manager and the Distributors)
Conditions to which the offer is subject:	Offers of the Notes are conditional on their issue

	The Issuer reserves the right, with the Distribution Manager's prior consent, to cancel the Offer and the issue of the Notes at any time prior to the Issue Date. The Distribution Manager will publish a notice on its web site (www.mpscapitalservices.it) in the event that the Offer is cancelled or the Notes are not issued pursuant to the above
Description of the application process:	Investors may apply to subscribe for Notes during the Offer Period. The Offer Period may be discontinued at any time, with the Distribution Manager's prior consent. In such case the Distribution Manager shall give immediate notice to the public by means of a notice published on its web site (www.mpscapitalservices.it) Applications for the Notes can be made in Italy during the Offer Period through the Distributors. The applications can be made in accordance with the relevant Distributor's usual procedures. Prospective investors will not be required to enter into any contractual arrangements directly with the Issuer or the Dealer related to the subscription for the Notes A prospective investor should contact the relevant Distributor prior to the end of the Offer Period. A prospective investor will subscribe for Notes in accordance with the arrangements agreed with the relevant Distributor relating to the subscription of securities generally There is no pre-identified allotment criteria. The Distribution Manager through the Distributors will adopt allotment criteria that ensures equal treatment of prospective investors. All of the Notes requested through the Distributors during the Offer Period will be assigned up to the maximum amount of the Offer
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	Not Applicable
Details of the minimum and/or maximum amount of application:	The minimum amount of application is the Calculation Amount
Details of the method and time limits for paying up and delivering the Notes:	The Notes will be made available on a delivery versus payment basis The Notes will be issued on the Issue Date against payment by the Distributors, via the Distribution Manager, and via the Dealer, to the Issuer of the gross subscription moneys. Each investor will be notified by the relevant Distributor of the settlement arrangements in respect of the Notes at the time of such investor's application

	The Issuer estimates that the Notes will be delivered to the purchaser's respective book-entry securities accounts on or around the Issue Date
Manner in and date on which results of the offer are to be made public:	By the Distribution Manager by means of a notice to be published on its web site (www.mpscapitalservices.it) within five days of the close of the Offer
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	The Offer may be made through the Distributors in Italy to any person, in compliance with the relevant selling restrictions, as described in the Base Prospectus Qualified Investors (as described in the Base Prospectus) may be assigned only those Notes remaining after the allocation of all the Notes requested by the public in Italy during the Offer Period Offers (if any) in other EEA countries will only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Applicants will be notified directly by the relevant Distributor of the success of their application Dealings in the Notes may commence on the Issue Date
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Responsibility for any tax implications of investing in these Notes rests entirely with the subscriber or purchaser The Issuer is not aware of any expenses and taxes specifically charged to the subscriber or purchaser For details of the Offer Price, which includes the commissions payable by/to the Dealer and the Distribution Manager and the Distributors, see the section above entitled "Offer Price" For the tax regime applicable to investors in Italy, see 'Italian Taxation' in the section entitled 'Taxation of Notes' in the Base Prospectus

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	The Distributors named at paragraph 55 above, at: **Banca Monte dei Paschi di Siena S.p.A.** Piazza Salimbeni, 3 53100 Siena **Banca Antonveneta S.p.A.** Piazzetta F. Turati, 2 35131 Padova Italy **Biverbanca S.p.A.** Via Carso, 15 13900 Biella Italy **Banca Toscana S.p.A.** via del Corso, 6 50122 Firenze Italy

8. SECONDARY MARKET

Citigroup Global Markets Limited will use its reasonable efforts, under normal market conditions, to provide a daily secondary market for the Notes

The Notes may be traded on the Sistema di Internalizzazione Sistematica (SIS) named "De@lDone Trading" (**DDT**), managed solely by Monte dei Paschi di Siena Capital Services Banca per le Imprese S.p.A.

SCHEDULE 1

RISK FACTORS RELEVANT TO THE NOTES – EXTRACTED FROM THE BASE PROSPECTUS DATED 21 AUGUST 2008

EACH OF THE ISSUER AND THE GUARANTOR BELIEVES THAT THE FOLLOWING FACTORS MAY AFFECT ITS ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES ISSUED UNDER THE PROGRAMME. ALL THESE FACTORS ARE CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND NEITHER THE ISSUER NOT THE GUARANTOR IS IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCY OCCURRING. INVESTORS MAY LOSE THEIR ENTIRE INVESTMENT OR PART OF IT AS THE CASE MAY BE. NEITHER THE ISSUER NOR THE GUARANTOR REPRESENT THAT THE LIST BELOW IS COMPREHENSIVE. PROSPECTIVE INVESTORS SHOULD READ THIS BASE PROSPECTUS IN ITS ENTIRETY AND FORM THEIR OWN CONCLUSIONS REGARDING THE ISSUER AND THE GUARANTOR.

The ability of the Issuer and the Guarantor to fulfil their obligations under the Notes is dependent on the earnings of the Guarantor's subsidiaries.

The Guarantor is a holding company that does not engage in any material amount of business activities that generate revenues. The Guarantor services its obligations primarily with dividends and advances from its subsidiaries. Its subsidiaries that operate in the banking, insurance and securities businesses can only pay dividends if they are in compliance with applicable regulatory requirements imposed on them by federal and state regulatory authorities. Its subsidiaries may also be subject to credit agreements that also may restrict their ability to pay dividends. If such subsidiaries did not realize sufficient earnings to satisfy applicable regulatory requirements, or if such requirements were changed to further restrict the ability of such subsidiaries to pay dividends to the Guarantor, the Guarantor's ability to fulfil its obligations under the Securities may be adversely affected.

Under U.S. banking law, the Guarantor may be required to apply its available funds to support the financial position of its banking subsidiaries, rather than to fulfil its obligations under the Notes.

Under longstanding policy of The Board of Governors of the U.S. Federal Reserve System, a bank holding company (such as the Guarantor) is expected to act as a source of financial strength for its subsidiary banks and to commit resources to support such banks. As a result of that policy, the Guarantor may be required to commit resources (in the form of investments or loans) to its subsidiary banks in amounts or at times that could adversely affect its ability to also fulfil its obligations under the Securities.

Economic conditions

The profitability of the Guarantor's businesses may be affected by global and local economic conditions, such as the levels and liquidity of the global financial and other asset markets, the absolute and relative level and volatility of interest rates and equity prices, investor sentiment, inflation, and the availability and cost of credit.

The Guarantor generally maintains large trading portfolios in the fixed income, currency, commodity and equity markets and has significant investment positions, including investments held by its private equity business. In addition, the Guarantor periodically holds portfolios in advance of syndication or distribution activities. The revenues derived from these portfolios are directly affected by economic and market conditions (including without limitation through the valuation of these portfolios). The valuation of a significant portion of the trading portfolios is valued using models whose inputs are not observable in the market and are therefore based on management's best estimate.

The credit quality of the Guarantor's on-balance-sheet assets and off-balance-sheet exposures is also affected by economic conditions, as more loan delinquencies would likely result in a higher level of charge-offs and increased provisions for credit losses, and lower levels of other revenues adversely affecting the Guarantor's earnings. The Guarantor's consumer businesses are particularly affected by factors such as: prevailing interest rates; the rate of unemployment; the level of consumer confidence; residential real estate values, especially in the U.S.; changes in consumer spending; and the number of personal bankruptcies.

Credit, market and market liquidity risk

As discussed above, the Guarantor's earnings may be impacted through its market risk and credit risk positions and by changes in economic conditions. In addition, the Guarantor's earnings are dependent upon the extent to which management can successfully implement effective risk management processes and manage its positions within the global markets. In particular environments, the Guarantor may not be able to mitigate its risk exposures as effectively as desired, and may have unwanted exposures to certain risk factors.

The Guarantor's earnings are also dependent upon its ability to properly value financial instruments. In certain illiquid markets, processes to ascertain value and estimates of value, both of which require substantial elements of judgment, are required. The Guarantor's earnings are also dependent upon how effectively it assesses the cost of credit and manages its portfolio of risk concentrations. In addition to the direct impact of the successful management of these risk factors, management effectiveness is taken into consideration by the rating agencies, which determine the Guarantor's own credit ratings and thereby affect the Guarantor's cost of funds. Moreover, actions by third parties, such as rating agency downgrades of instruments to which the Guarantor has exposure and independent actions by market participants, can result in reduced liquidity and valuations of those instruments.

Competition

Merger activity in the financial services industry has produced companies that are capable of offering a wide array of financial products and services at competitive prices. Globalization of the capital markets and financial services industries exposes the Guarantor to competition at both the global and local levels. In addition, technological advances and the growth of e-commerce and regulatory developments have made it possible for non-depository institutions to offer products and services that traditionally were banking products. The Guarantor's ability to grow its businesses, and therefore its earnings, is affected by these competitive pressures and is dependent on the Guarantor's ability to attract and retain talented and dedicated employees.

Country risk

The Guarantor's international revenues are subject to risk of loss from unfavourable political and diplomatic developments, currency fluctuations, social instability, and changes in governmental policies, including expropriation, nationalization, international ownership legislation, interest-rate caps and tax policies. In addition, revenues from the trading of international securities and investment in international securities may be subject to negative fluctuations as a result of the above factors. The impact of these fluctuations could be accentuated because certain international trading markets, particularly those in emerging market countries, are typically smaller, less liquid and more volatile than U.S. trading markets.

For geographic distributions of net income, see page 20 of the Guarantor's 2007 Form 10-K. For a discussion of international loans, see Note 17 to the Consolidated Financial Statements on page 145 of the Guarantor's 2007 Form 10-K and "Country and Cross-Border Risk Management Process" on page 65 of the Guarantor's 2007 Form 10-K.

Operational risk

The Guarantor is exposed to many types of operational risk, including the risk of fraud by employees and outsiders, clerical and record-keeping errors, integration of numerous acquired businesses, and computer/telecommunications systems malfunctions. Given the high volume of transactions at the Guarantor, certain errors may be repeated or compounded before they are discovered and rectified. In addition, the Guarantor's necessary dependence upon automated systems to record and process its transaction volume may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. The Guarantor may also be subject to disruptions of its operating systems arising from events that are wholly or partially beyond its control (for example, natural disasters, acts of terrorism, epidemics, computer viruses, and electrical/telecommunications outages), which may give rise to losses in service to customers and/or monetary loss to the Guarantor. All of these risks are also applicable where the Guarantor relies on outside vendors to provide services to it and its customers.

Fiscal and monetary policies

The Guarantor's businesses and earnings are affected by the policies adopted by regulatory authorities and bodies of the United States and other governments. For example, in the United States, policies of the Federal Reserve Board directly influence the rate of interest paid by commercial banks on their interest-bearing deposits and also may affect the value of financial instruments held by the Guarantor. In addition, such changes in monetary policy may affect the credit quality of the Guarantor's customers. The actions of the Federal Reserve Board and international central banking authorities directly impact the Guarantor's cost of funds for lending, capital raising and investment activities.

Reputational and legal risk

Various issues may give rise to reputational risk and cause harm to the Guarantor and its business prospects. These issues include appropriately dealing with potential conflicts of interest; legal and regulatory requirements; ethical issues; money laundering laws; privacy laws; information security policies; sales and trading practices; and conduct by companies in which we hold strategic investments or joint venture partners. Failure to address these issues appropriately could also give rise to additional legal risk to the Guarantor, which could increase the number of litigation claims and the amount of damages asserted against the Guarantor, or subject the Guarantor to regulatory enforcement actions, fines and penalties.

Certain regulatory considerations

As a worldwide business, the Guarantor and its subsidiaries are subject to extensive regulation, new legislation and changing accounting standards and interpretations thereof in many jurisdictions. Legislation is introduced, including tax, consumer protection, privacy and other legislation, from time to time in Congress, in the states and in foreign jurisdictions that may change banking and financial services laws and the operating environment of the Guarantor and its subsidiaries in substantial and unpredictable ways. The Guarantor cannot determine whether such legislation will be enacted and the ultimate effect that it would have on the Guarantor's results.

SET OUT BELOW ARE RISK FACTORS THAT THE ISSUER AND THE GUARANTOR BELIEVE REPRESENT THE PRINCIPAL RISKS INVOLVED IN INVESTING IN THE NOTES. INVESTORS MAY LOSE THEIR ENTIRE INVESTMENT OR PART OF IT AS THE CASE MAY BE. NEITHER THE ISSUER NOR THE GUARANTOR REPRESENT THAT THE LIST BELOW IS COMPREHENSIVE. PROSPECTIVE INVESTORS SHOULD READ THIS BASE PROSPECTUS IN ITS ENTIRETY AND FORM THEIR OWN CONCLUSIONS REGARDING INVESTING IN ANY NOTES. FURTHER RISK FACTORS RELATING TO A SPECIFIC ISSUE OF NOTES MAY BE SET OUT IN THE APPLICABLE FINAL TERMS.

Prospective investors in Notes should determine whether an investment in Notes is appropriate in their particular circumstances and should consult with their legal, business and tax advisers to determine the consequences of an investment in Notes and to arrive at their own evaluation of the investment.

An investment in Notes is only suitable for investors who:

(a) have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in Notes;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;

(c) are capable of bearing the economic risk of an investment in Notes for an indefinite period of time; and

(d) recognise that it may not be possible to dispose of Notes for a substantial period of time, if at all.

Prospective investors in Notes should make their own independent decision to invest in Notes and as to whether the investment in Notes is appropriate or proper for them based upon their own judgement and upon advice from such advisers as they may deem necessary. Prospective investors in Notes should not rely on any communication (written or oral) of the Issuer, any Dealer or any of their affiliates or their respective officers or agents as investment advice or as a recommendation to invest in Notes, it being understood that information and explanations related to Notes shall not be considered to be investment advice or a recommendation to invest in Notes. No communication (written or oral) received from the Issuer, any Dealer or any of their affiliates or their respective officers or agents shall be deemed to be an assurance or guarantee as to the expected results of an investment in Notes.

Illegality in relation to Notes

If the Issuer determines that the performance of its obligations under an issue of Notes or the Guarantor determines that the performance of its obligations under the Deed of Guarantee in respect of such Notes or that any arrangements made to hedge the Issuer's and/or the Guarantor's obligations under such Notes and/or the Deed of Guarantee, as the case may be, has become illegal in whole or in part for any reason, the Issuer may redeem the Notes early and, if and to the extent permitted by applicable law, will pay to each Noteholder in respect of each Calculation Amount held by such holder, an amount equal to the fair market value of each such Calculation Amount notwithstanding such illegality less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements.

Modification, waivers and substitution

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters which may have a general or specific effect upon their interests. These provisions permit defined majorities to bind all Noteholders, including those Noteholders who did not attend and vote at the relevant meeting, and Noteholders who voted in a manner contrary to the majority.

The Conditions of the Notes also provide that the Issuer and the Guarantor may make, without the consent of the Noteholders, (i) any modification to the Notes, the Receipts, the Coupons, the Talons, the Fiscal Agency Agreement, the Deed Poll, the Deed of Covenant, the Registry Services Agreement and/or the Deed of Guarantee which is not prejudicial to the interests of the Noteholders or (ii) any modification to the Notes, the Receipts, the Coupons, the Talons, the Fiscal Agency Agreement, the Deed Poll, the Deed of Covenant, the Registry Services Agreement and/or the Deed of Guarantee which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Determinations

The terms of the Notes confer on the Calculation Agent some discretion in making determinations and calculations in relation to, *inter alia*, Underlying Asset(s) and the occurrence of various events. Whilst the Calculation Agent will act in good faith and in its sole and absolute discretion (unless otherwise specified in the applicable Final Terms), there can be no assurance that the exercise of any such discretion will not affect the value of the Notes or the occurrence of an early repayment.

Change of law

The Conditions of the Notes are based on relevant laws in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or administrative practices after the date of this Base Prospectus.

Fixed Rate Notes

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes, since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other floating rate Notes issued by the Issuer. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than the prevailing rates on its other fixed rate Notes.

Risks related to the market generally

Impact of implicit fees on the Issue/Offer Price

Investors should note that implicit fees (e.g. placement fees, direction fees, structuring fees) may be a component of the Issue/Offer Price of Notes, but such fees will not be taken into account for the purposes of determining the price of such Notes in the secondary market.

The Issuer will specify in the relevant Final Terms, the type and amount of any implicit fees which are applicable from time to time.

Investors should also take into consideration that if Notes are sold on the secondary market immediately following the offer period relating to such Notes, the implicit fees included in the Issue/Offer Price on initial subscription for such Notes will be deducted from the price at which such Notes may be sold in the secondary market.

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid and an investor may not be able to find a timely and/or suitable counterpart. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market or at prices higher than the relevant investor's initial investment. Therefore, in establishing their investment strategy, investors should ensure that the term of the Notes is in line with their future liquidity requirements. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes. The liquidity of Notes is also influenced by whether or not the relevant Notes are exclusively offered to retail investors without any offer to institutional investors.

The Issuer may, but is not obliged to, list an issue of Notes on a stock exchange. If Notes are not listed or traded on any exchange, pricing information for the relevant Notes may be more difficult to obtain and the liquidity of such Notes may be adversely affected.

If Notes are not listed on a regulated market, they may be traded on trading systems governed by the laws and regulations in force from time to time (e.g. multilateral trading systems or "MTF") or in other trading systems (e.g. bilateral systems, or equivalent trading systems). Trading in such Notes may take place outside the above-mentioned trading systems, with possible risks as to the transparency of the determination of prices. Investors should note that the Issuer does not grant any warranty to Noteholders as to the methodologies used to determine the price of Notes which are traded outside a trading system, however, where the Issuer or any of its affiliates determines the price of such Notes, it will take into account the market parameters applicable at such time in accordance with applicable provisions of law.

Each of the Issuer, the Guarantor and any Dealer may, but is not obliged to, at any time purchase Notes at any price in the open market or by tender or private treaty. Any Notes so purchased may be held or resold or surrendered for cancellation. Any Dealer may, but is not obliged to, be a market maker for an issue of Notes. Even if a Dealer is a market-maker for an issue of Notes, the secondary market for such Notes may be limited. To the extent that an issue of Notes becomes illiquid, an investor may have to hold the relevant Notes until maturity before it is able to realise value.

Investors should note that a secondary market may be affected by both legal restrictions in certain jurisdictions and by the Issuer, the Guarantor and/or any Dealer purchasing or holding Notes.

If it is possible to sell Notes, they would be sold for the prevailing bid price in the market and may be subject to a transaction fee. The prevailing bid price may be affected by several factors including the performance of the relevant Underlying Asset, prevailing interest rates at the time of sale, the time left before the stated maturity date and the creditworthiness of the Issuer. It is therefore possible that an investor selling Notes in the secondary market may receive a price less than the investor's initial investment in the relevant Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to Notes issued under the Programme. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Recent United States Tax Law Developments

The United States Internal Revenue Service (the **IRS**) and United States Treasury Department recently issued a notice (the **Notice**) that requests public comments on a comprehensive list of tax policy issues raised by certain securities that are not classified as debt for U.S. federal income tax purposes. In particular, the IRS and United States Treasury Department specifically question whether, and to what degree, payments (or deemed accruals) in respect of these securities should be subject to withholding. Accordingly, it is possible that future guidance could be issued as a result of the Notice requiring withholding on payments made to a Non-U.S. Holder on a Note, Receipt, Coupon or Talon.

Potential Conflicts of Interest

Where the Calculation Agent is an affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Notes that may influence the amount receivable or specified assets deliverable on redemption of the Notes.

The Issuer, the Guarantor and/or any of their affiliates may from time to time engage in transactions involving Underlying Asset(s) for their proprietary accounts or for other accounts under their management, subject to requirements of the Securities Act. The Issuer, the Guarantor and/or their affiliates may also issue other derivative instruments in respect of any Underlying Asset(s). The Issuer, the Guarantor and/or their affiliates may also act as underwriter in connection with future offerings of shares or other securities related to an issue of Notes or may act as financial adviser to certain companies or companies whose shares are included in a basket of shares or in a commercial banking capacity for such companies. These activities may have a positive or negative effect on the value of the relevant Underlying Asset(s) and consequently upon the value of the Notes.

The Issuer, the Guarantor and any Dealer may at the date hereof or at any time hereafter, be in possession of information in relation to an Underlying Asset that is or may be material in the context of the Notes and may or may not be publicly available to Noteholders. There is no obligation on the Issuer, the Guarantor or any Dealer to disclose to Noteholders any such information.

The Issuer, the Guarantor and/or any of their affiliates may have existing or future business relationships with any Underlying Asset(s) (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

Where Notes are offered to the public, as the relevant Manager(s)/Dealer and any distributors act pursuant to a mandate granted by the Issuer and they receive fees on the basis of the services performed and the outcome of the placement of such Notes, potential conflicts of interest could arise.

Post Issuance Information

The Issuer will not provide any post issuance information, except if required by any applicable laws and regulations.