



FOR IMMEDIATE RELEASE  
Citigroup Inc. (NYSE)  
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**CITI ANNOUNCES \$200 MILLION FUND TO SPUR SMALL BUSINESS LENDING IN LOW INCOME U.S. COMMUNITIES**

**Will Help Sustain and Grow U.S. Businesses, Drive Job Creation and Contribute to Nation's Economic Recovery**

**Partnering with Calvert Foundation and Opportunity Finance Network to Deliver Critical Financing for Small Business and Community Development**

NEW YORK, NY, May 5th, 2010 – Citi today announced the launch of the Communities at Work Fund, a \$200 million fund that will help fuel small business lending in low-wealth and low-income U.S. communities.

The Communities at Work Fund will provide financing to both nonprofit and for profit Community Development Financial Institution (CDFI) Loan Funds that will then lend to local businesses in low income communities. The Fund will help sustain and grow U.S. businesses, drive job creation and contribute to the economic recovery of communities that are underserved by traditional financial institutions.

“Citi’s investment in the Communities at Work Fund underscores our commitment to the economic life of the communities we serve and to the U.S. economic recovery,” said Citi CEO Vikram Pandit. “We recognize that too many small businesses, microenterprises, charter schools and community service institutions simply do not have access to credit, yet they are engines for economic growth. The Communities at Work Fund will leverage the expertise of the leaders in the Community Development finance sector and provide much-needed financing in these markets.”

CDFI Loan Funds have a 30-year history of serving as effective channels for creating economic opportunities in underserved communities while providing positive financial results. CDFI Loan Funds provided \$1.4 billion in financing in 2008 and have loaned \$15.9 billion cumulatively supporting more than 48,500

small businesses. CDFI Loan Funds' net charge-offs were lower than those of FDIC-insured institutions in 2008 and in 2009.

"Citi's investment in the Communities at Work Fund is driven by our commitment to providing funding to small businesses and microenterprises, which are a primary source of job creation and opportunity for underserved communities." said Bob Annibale, Global Director Citi Microfinance and Community Development. "This is not philanthropy, but an investment in the CDFI sector, which is rooted in local communities and provides innovative financing for community development and economic growth."

"Citi is delighted to partner with Calvert Foundation and Opportunity Finance Network to deliver new liquidity for CDFIs," said Andrew Ditton, Co-Head of Citi Community Capital. "They are leaders in the field of community development finance with a proven expertise in responsible and profitable lending to those communities most in need of capital."

Citi will provide \$199 million of capital through a combination of equity and loans with [Calvert Foundation](#) and the [Opportunity Finance Network](#) (OFN) contributing the balance.

### **Calvert Foundation and OFN Bring Unmatched Expertise to Fund Management**

Calvert Foundation and OFN, which have unsurpassed market expertise in CDFI Loan Funds, will manage the investment activity of the fund as well as its compliance and reporting. Calvert Foundation will manage lending and fund administration. OFN will manage marketing and compliance. Citi will contribute underwriting and risk management expertise.

"Small businesses are the engines of local economies, but the entrepreneurs behind these businesses often have the most trouble getting financing. These businesses are withering in the absence of financing," said Calvert Foundation President and CEO Shari Berenbach. "By lending prudently and productively in markets outside the mainstream, the Communities at Work Fund will drive real change for underserved communities while working to provide financial returns for investors."

"CDFIs who serve urban, rural, and reservation-based markets in all 50 states have experienced increased demand throughout the recession – and we fully expect that trend to continue. We commend Citi for having the foresight to invest in the opportunity markets of today to help forge a better tomorrow," said OFN President and CEO Mark Pinsky. "The Communities at Work Fund will provide immediate and much-needed capital in many of the nation's most distressed markets, stimulating local businesses and spurring job creation."

## **Initiative Builds on Citi's Commitment to Microenterprise and Community Development**

The Communities at Work Fund builds upon Citi's 30-year history of fostering economic growth and expanding access to financial products and services in underserved communities. Drawing on its global presence and breadth of business capabilities, Citi, together with the Citi Foundation, provides grants and corporate contributions, tailored innovative products and services, and targeted programs to meet the community development goals of the areas in which it operates. Additionally, Citi Microfinance works across Citi's business and regions to provide products and services for more than 100 microfinance institutions, networks and investors in over 40 countries that lend to the underserved.

Key microenterprise and community development initiatives by Citi include:

- Over the past five years, Citi has provided CDFIs with over \$300 million in loans and investments;
- Citi recently announced a \$600 million financing with the New York City Housing Authority to preserve and modernize over 20,000 affordable housing units;
- In 2010, Citi's Banamex helped launch the Microfinance Growth Fund, a new lending facility for microfinance institutions in Latin America and the Caribbean;
- In 2009, Citi helped 388,000 homeowners in their efforts to avoid foreclosure, bringing the total to approximately 824,000 since the start of the U.S. housing crisis in 2007; and
- Citi is financing CDFIs, such as ACCION Texas, which provide access to credit for small businesses and is partnering with Grameen America and other community institutions to expand access to savings in underserved communities.

Over the past 25 years the Citi Foundation has been a long-time investor in the CDFI industry, and has provided more than \$50 million in grants to support leading CDFIs such as Calvert Foundation and OFN and promote industry-wide innovation.

For more information about the Communities at Work Fund, please visit [www.communitiesatworkfund.com](http://www.communitiesatworkfund.com)

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### **About Citi**

Citi, the leading global financial services company, has approximately 200 million customer accounts and does business in more than 140 countries. Through Citicorp and Citi Holdings, Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management. Additional information may be found at [www.Citigroup.com](http://www.Citigroup.com) or [www.Citi.com](http://www.Citi.com).

### **Citi Microfinance:**

Working across Citi's businesses, product groups and geographies, Citi Microfinance serves more than 100 microfinance institutions (MFIs), networks and investors as clients in over 40 countries with products and services spanning the financial spectrum – from financing, access to capital markets, transaction services and hedging foreign exchange risk, to credit, savings, remittances and insurance products - to expand access to financial services for the underserved. [www.citi.com/citi/microfinance](http://www.citi.com/citi/microfinance)

### **Citi Community Capital**

Citi Community Capital (CCC) is a premier financial partner with nationally recognized expertise in financing all types of affordable housing and community reinvestment projects. CCC's origination, structuring, asset and risk management staff across the country provides creative financing solutions designed to meet their clients' needs. CCC helps community development financial institutions, real estate developers, national intermediaries and nonprofit organizations achieve their goals through a broad, integrated platform of debt and equity offerings.

### **About Calvert Social Investment Foundation**

Calvert Foundation manages more than \$200 million raised from thousands of caring investors who want to lift people out of poverty while earning a financial return on their investment. Investors do this through our Community Investment Note, which starts at \$20 and is available in various terms and rates up to 3%. At maturity, investors get their money back with interest. While invested, their dollars are hard at work revitalizing poor communities in all 50 U.S. states and over 100 countries, reversing inequality and creating hope and opportunity where it's needed most. Calvert Foundation has more than 15 years of experience bringing together investors and community organizations. Our team asks the right questions and structures deals that are both financially sound and offer long-term benefits to communities in need. Learn more at [www.calvertfoundation.org](http://www.calvertfoundation.org).

**EDITOR'S NOTE:** Calvert Foundation is a separate entity from Calvert Group Ltd. and its products should not be confused with any Calvert Group-sponsored investment product. In order to avoid confusion and be consistent when referring to Calvert Foundation in print news stories, always use "Calvert Foundation" as opposed to "Calvert" in headlines and subheads.

### **Opportunity Finance Network**

Opportunity Finance Network (OFN), the leading national network of more than 160 private financial institutions, creates growth that is good for communities, investors, individuals, and the economy. Members of OFN are community development financial institutions (CDFIs) who deliver responsible lending to help low-wealth and low-income communities join the economic mainstream. To date, the opportunity finance industry has financed more than \$25 billion in underserved markets in all 50 states, yielding more than 200,000 jobs, 500,000 housing units, and 5,000 community facility projects. More information is available at: [www.opportunityfinance.net](http://www.opportunityfinance.net).

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