June 2, 2003

ZAO Citibank and the British Higher School of Art and Design Offer Loans to Students

On June 2, 2003 ZAO Citibank and the British Higher School of Art and Design (BHSAD), Moscow, announced a partnership agreement whereby Citibank will issuance loans to BHSAD students. Called a Universal Loan, successful applications will receive an unsecured retail loan in cash.

Citibank will not stipulate the purpose of the loan or ask for a third party surety. Universal Loans may be granted to BHSAD students residing in Moscow aged between 22 and 60 earning a net monthly income of at least RUB 16,000.

The Universal Loan will be issued in Russian roubles in amounts of between RUB 32,000 – 320,000 depending on the borrower's net monthly income for the terms of 18, 24, 30 or 36 months. Providing the loan in rubles reduces the borrower's foreign exchange risk.

Elena Pozdnykhova, Head of Citibank Russia's Loan Product Department, said, "This is the third project of its type offered by BHSAD which aims to provide financial support and educational benefits to its students. The school now has a system whereby some students are able to get a discount on their tuition fees if they pay early which this loan enables them to do".

Alexander Avramov, BHSAD Director, said, "Despite the fact that BHSAD tuition fees are lower than those charged by similar higher educational institutions in Europe, it is often difficult for Russian students to raise the amount. Citibank is the only Russian bank offering unsecured rouble loans with competitive interest rates. We hope our joint initiative will prove successful in the interests of developing Russian art and design".

In order to obtain the Universal Loan, the prospective borrower does not have to be a Citibank customer. Once approved, the student will be issued with a current rouble account and a free VISA Electron card.

An applicant's loan can be approved within 48 hours of applying. The loan amount, credited to the borrower's current account on the approval date, must be repaid on a monthly basis.