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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM D
NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6), AND/OR
UNIFORM LIMITED OFFERING EXEMPTION



Name of Offering (Check if this is an amendment and name has changed, and indicate change.)
MAT Three LLC, Series 2006-1

Filing Under (Check box(es) that apply): Rule 504 Rule 505 Rule 506 Section 4(6) ULOE

Type of Filing: New Filing Amendment

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FINANCIAL

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

Name of Issuer (Check if this is an amendment and name has changed, and indicate change.)
MAT Three LLC, Series 2006-1

Address of Executive Offices (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code)
c/o Citigroup Alternative Investments, 731 Lexington Ave, 26th Floor, New York, NY (212) 559-9428
10022 (attn.: Lauren Yorks)

Address of Principal Business Operations (if different from Executive Offices) (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code)
SAME SAME

Brief Description of Business **Private investment fund**

Type of Business Organization

- corporation limited partnership, already formed other: **Limited liability company**
- business trust limited partnership, to be formed

Actual or Estimated Date of Incorporation or Organization: Month Year Actual Estimated

Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State: CN for Canada; FN for other foreign jurisdiction)

GENERAL INSTRUCTIONS

Federal:
Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6).
When To File: A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.
Where To File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W. Washington, D.C. 20549.
Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.
Information Required: A new filing must contain all information requested. Amendments need only report the name of the issuer and offering, any changes thereto, the information requested in Part C, and any material changes from the information previously supplied in Parts A and B. Part E and the Appendix need not be filed with the SEC.
Filing Fee: There is no federal filing fee.

State:
This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment of a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix to the notice constitutes a part of this notice and must be completed.

ATTENTION

Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate Federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Citigroup Alternative Investments LLC

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Carpenter, Michael A.

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Arnold, William

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Citigroup Inc.

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Barr, Dean

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Froman, Michael

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Brown, Neil

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)
Case, Robert

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)
Vogel, David J.

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)
Nolte, Ray

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)
Azrack, Joseph F.

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)
Barber, John R.

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)
Benson, Todd E.

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)
Islam, Reaz

Business or Residence Address (Number and Street, City, Zip Code)
731 Lexington Ave, 26th Floor, New York, NY 10022

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)

Marchack, Glenn N.

Business or Residence Address (Number and Street, City, Zip Code)

731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)

Kim, Millie

Business or Residence Address (Number and Street, City, Zip Code)

731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner
Officer of Managing Agent

Full Name (Last name first, if individual)

Roelofs, Richard P.

Business or Residence Address (Number and Street, City, Zip Code)

731 Lexington Ave, 26th Floor, New York, NY 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, Zip Code)

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

B. INFORMATION ABOUT OFFERING

Yes No

- 1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering?.....
 Answer also in Appendix, Column 2, if filing under ULOE.
- 2. What is the minimum investment that will be accepted from any individual? (subject to waiver)..... **\$250,000**
 Yes No
- 3. Does the offering permit joint ownership of a single unit?.....
- 4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration or solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only.

Full Name (Last name first, if individual)

Citicorp Investment Services

Business or Residence Address (Number and Street, City, State, Zip Code)

599 Lexington Avenue New York, New York 10043

Name of Associated Broker or Dealer

Citicorp Investment Services

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States)..... All States

[AL]	[AK]	[AZ]	[AR]	[CA]	[CO]	[CT]	[DE]	[DC]	[FL]	[GA]	[HI]	[ID]
[IL]	[IN]	[IA]	[KS]	[KY]	[LA]	[ME]	[MD]	[MA]	[MI]	[MN]	[MS]	[MO]
[MT]	[NE]	[NV]	[NH]	[NJ]	[NM]	[NY]	[NC]	[ND]	[OH]	[OK]	[OR]	[PA]
[RI]	[SC]	[SD]	[TN]	[TX]	[UT]	[VT]	[VA]	[WA]	[WV]	[WI]	[WY]	[PR]

Full Name (Last name first, if individual)

Citigroup Global Markets Inc.

Business or Residence Address (Number and Street, City, State, Zip Code)

388 Greenwich Street, New York, New York 10013

Name of Associated Broker or Dealer

Citigroup Global Markets Inc.

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States)..... All States

[AL]	[AK]	[AZ]	[AR]	[CA]	[CO]	[CT]	[DE]	[DC]	[FL]	[GA]	[HI]	[ID]
[IL]	[IN]	[IA]	[KS]	[KY]	[LA]	[ME]	[MD]	[MA]	[MI]	[MN]	[MS]	[MO]
[MT]	[NE]	[NV]	[NH]	[NJ]	[NM]	[NY]	[NC]	[ND]	[OH]	[OK]	[OR]	[PA]
[RI]	[SC]	[SD]	[TN]	[TX]	[UT]	[VT]	[VA]	[WA]	[WV]	[WI]	[WY]	[PR]

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States)..... All States

[AL]	[AK]	[AZ]	[AR]	[CA]	[CO]	[CT]	[DE]	[DC]	[FL]	[GA]	[HI]	[ID]
[IL]	[IN]	[IA]	[KS]	[KY]	[LA]	[ME]	[MD]	[MA]	[MI]	[MN]	[MS]	[MO]
[MT]	[NE]	[NV]	[NH]	[NJ]	[NM]	[NY]	[NC]	[ND]	[OH]	[OK]	[OR]	[PA]
[RI]	[SC]	[SD]	[TN]	[TX]	[UT]	[VT]	[VA]	[WA]	[WV]	[WI]	[WY]	[PR]

(Use blank sheet, or copy and use additional copies of this sheet, as necessary)

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero". If the transaction in an exchange offering, check this box and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

	Aggregate Offering Price	Amount Already Sold
Type of Security		
Debt	\$ _____	\$ _____
Equity	\$ _____	\$ _____
<input type="checkbox"/> Common <input type="checkbox"/> Preferred		
Convertible Securities (including warrants)	\$ _____	\$ _____
Limited Partnership Interests	\$ _____	\$ _____
Other (Specify <u>limited liability company shares</u>)	<u>Sindeterminate</u>	<u>\$243,800,000</u>
Total	<u>Sindeterminate</u>	<u>\$243,800,000</u>

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number Investors	Aggregate Dollar Amount Of Purchase
Accredited Investors	<u>332</u>	<u>\$243,800,000</u>
Non-accredited Investors	\$ <u>0</u>	\$ <u>0</u>
Total (for filings under Rule 504 only)	_____	_____

Answer also in Appendix, Column 4, if filing under ULOE.

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C - Question 1.

Type of offering	Type of Security	Dollar Amount Sold
Rule 505	<u>N/A</u>	\$ <u>N/A</u>
Regulation A	<u>N/A</u>	\$ <u>N/A</u>
Rule 504	<u>N/A</u>	\$ <u>N/A</u>
Total	<u>N/A</u>	\$ <u>N/A</u>

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees	<input type="checkbox"/> \$ _____
Printing and Engraving Costs	<input type="checkbox"/> \$ _____
Legal Fees	<input checked="" type="checkbox"/> \$ <u>100,000</u>
Accounting Fees	<input type="checkbox"/> \$ _____
Engineering Fees	<input type="checkbox"/> \$ _____
Sales Commissions (specify finders' fees separately)	<input checked="" type="checkbox"/> \$ <u>*</u>
Other Expenses (identify)	<input type="checkbox"/> \$ _____

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

Total \$ 100,000

* On the issuance date, in addition to the purchase price for the Shares, an investor will be required to pay a Placement Fee of 1.0% of the purchase price of the Shares purchased by such investor. In addition, the Fund is obligated to reimburse the Placement Agent for certain expenses incurred in connection with the distribution of the Shares.

b. Enter the differences between the aggregate offering price given in response to Part C – Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the “adjusted gross proceeds to the issuer.”

\$ indeterminate

5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount of any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C – Questions 4.b above.

		Payments to Officers, Directors, & Affiliates	Payments To Others
Salaries and fees	<input checked="" type="checkbox"/>	\$ _____ *	<input type="checkbox"/> \$ _____
Purchase of real estate	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Purchase, rental or leasing and installation of machinery and equipment	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Acquisition of other business (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger)	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Repayment of indebtedness	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Working capital	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Other (specify): <u>Investment in securities</u>	<input type="checkbox"/>	\$ _____	<input checked="" type="checkbox"/> <u>\$ indeterminate</u>
.....	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Column Totals	<input checked="" type="checkbox"/>	\$ _____ *	<input checked="" type="checkbox"/> <u>\$ indeterminate</u>
Total Payments Listed (column totals added)	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/> <u>\$ indeterminate</u>

D. FEDERAL SIGNATURE

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) MAT Three LLC By: Citigroup Alternative Investments LLC, as Managing Agent	Signature 	Date February 28, 2006
Name (Print or Type) Reaz Islam	Title (Print or Type) Managing Director of Managing Agent	

*On each Payment Date, the Fund will pay to the Managing Agent a Base Management Fee (the "Base Management Fee"), payable quarterly in arrears, at an annual rate which is set forth in the applicable Series Supplement. There is no requirement that the Base Management Fee be set at any particular amount.

ATTENTION

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)