

Citi Global Wealth Management



April 17, 2009

Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: File Number SR-FINRA-2009-008
Proposed Changes to Forms U-4 and U-5

Dear Ms. Murphy:

Citigroup Global Markets, Inc. ("CGMI" or the "Firm") appreciates the opportunity to comment on the rule proposal made by the Financial Industry Regulatory Authority ("FINRA") to amend the Uniform Application for Securities Industry Registration or Transfer ("Form U4") and the Uniform Termination Notice for Securities Industry Registration ("Form U5")(collectively, the "Forms"), which was done in file number SR-FINRA-2009-008.

We fully support FINRA's efforts to amend the Forms to address specific regulatory concerns regarding the identity of individuals and firms subject to statutory disqualification, pursuant to Section 15(b)(4)(D) or (E) of the Exchange Act of 1934, as a result of willful violations of underlying laws, rules or regulations. The current Forms elicit information that assists regulators and firms in identifying persons subject to statutory disqualification based on findings by, or sanctions imposed by, the Securities and Exchange Commission ("SEC"), the Commodity Futures Trading Commission ("CFTC"), or an SRO as defined in the Forms. The Forms do not, however, currently specifically ask the registrant whether there has been a finding, by the SEC, CFTC or an SRO, of a willful violation of an underlying federal securities law, rule or regulation. The FINRA rule proposal seeks to amend specifically existing questions 14C and 14E, and add six new questions that must be answered by the registrant, and then filed with FINRA through the CRD system.

We understand that in order to comply with this rule proposal, the Firm, which has approximately 28,000 registered individuals, will need to amend all of their Forms U4 with respect to the six new questions. And, as proposed, the Firm will have to do this either the first time that we make any amendment to the Form U4 for that registered person but no later than 120 days following the effective date.

Footnote 8 to the FINRA rule proposal describes the mechanics of how the amendments to the Form U4 must work. FINRA will transfer all current answers to the Form U4 for existing questions 14C(1) through (5) and 14E(1) through (4), but for new questions

14C(6)-(8) and 14E(5)-(7), these questions will be blank (i.e., not populated with a “yes” or “no” answer). CGMI must affirmatively answer these newly added questions by clicking the appropriate “yes” or “no” radio button for approximately 28,000 registered persons.

We believe that there is a very significant practical issue that CGMI will face in order to comply with the requirement in the FINRA rule proposal that the Form U4 be populated with a “yes” or “no” answer either the first time an amendment is made but no later than 120 days after the effective date. Because FINRA’s rules also require that an associated person sign the actual Form U4 before any amendment to the disclosure sections of that form can be filed, we believe that the time period of the first time an amendment is made or 120 days from effective date of the rule proposal to amend the Forms will not afford our Firm enough time to notify all 28,000 registered persons of the six new questions, and receive their affirmative answers to those questions, with an accompanying signature or written acknowledgement.

We understand that FINRA has made a recent rule proposal, SR-FINRA-2009-019, to eliminate the signature requirement under the following circumstances. The Firm would be allowed to file the amendment to the Form U4 for any Form U4 disclosure question if the Firm uses reasonable efforts to provide the associated person with a copy of the amended disclosure information prior to filing, and the person has provided a written acknowledgement prior to filing that the information has been received and reviewed. We fully support this rule proposal, and request that the Commission expeditiously approve SR-FINRA-2009-19. However, for purposes of complying with SR-FINRA-2009-08, our firm will still have the burden of obtaining a written response from approximately 28,000 people to the six new questions to the Form U4.¹

To comply with this new rule proposal, the Firm will need sufficient time and resources to develop a systemic method to: (i) communicate the six new questions to the approximate 28,000 registered persons within CGMI, (ii) allow these individuals to answer each question, (iii) record the answers to those questions, (iv) transfer the answers to the CRD system so that the “yes” or “now” radio button can be accomplished, (v) track individuals who have not responded, (vi) escalate non-responders to appropriate supervisors, and (vii) provide an ability to have registrants ask interpretive questions and get answers to those questions.

We fully support the regulatory objectives of FINRA and believe that it is important for the regulators, and the Firm, to timely identify persons who may be subject to statutory disqualification for willful violations of federal securities laws, rules and regulation. However, to accomplish these objectives in the most efficient manner, we respectfully request that FINRA amend the effective date to a more reasonable standard that accounts

¹ The Firm also requests the ability to transmit the responses to the new questions through electronic batch filing into CRD. Otherwise, the Firm would have to make a separate filing for each of its approximate 28,000 registered persons. We also understand that the CRD system will be upgraded in the near future, and that may add complexity to filing the answers to the new questions for each of the 28,000 registered persons.

for the practical burdens set forth above. Thus, we recommend that the SEC allow firms at least 180 days after effective date to implement the rule, including the ability to file amendments to the Forms during that 180 day time period, as well as consider requests for a reasonable extension of time, if needed, based on systems changes to CRD or other related issues relating to the filing of the Forms U4.

Thank you again for the opportunity to provide comments. Please do not hesitate to contact me with any further questions.

Regards,

Evan J. Charkes