



John Ramsay  
Managing Director  
Deputy General Counsel  
Global Corporate & Investment Bank  
Tel 212 816 8817  
Fax 212 816 8841  
john.ramsay@citigroup.com

June 16, 2006

**VIA EMAIL**

Nancy M. Morris  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-9303

**RE: NYSE Filing Relating to NYSE Rule 312(f) Regarding Changes Within Member Organizations (SR-NYSE-2005-58, as amended by Amendment No. 1)**

Dear Ms. Morris:

Citigroup Global Markets Inc. ("CGMI") is pleased to respond to the proposed amendment (the "Proposal") by the New York Stock Exchange, Inc. ("NYSE") to NYSE Rule 312(f) that would, among other things, permit member firms to recommend purchases and sales of non-investment grade debt and equity securities of companies controlled by and under common control with member firms (except for Material Associated Persons ("MAPs") as defined in Rule 17h-1T of the Securities Exchange Act of 1934), subject to appropriate customer disclosure of the relationship. CGMI supports the Proposal, and urges the Commission to approve it as promptly as possible.

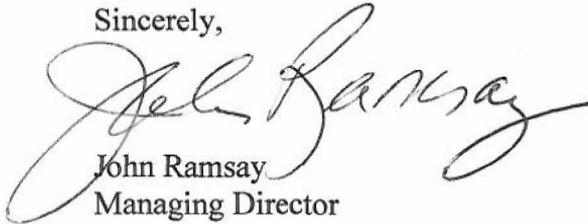
CGMI agrees with the NYSE that the Proposal will have the benefit of reducing "an unnecessary burden on legitimate business activity."<sup>1</sup> As the NYSE notes in the accompanying commentary, the Proposal was precipitated by changes to the business and regulatory environment, including the wide diversification of business conducted by member organizations and other entities in the same control family, and the nature of new products created for investors. CGMI believes that these changes significantly mitigate conflict of interest issues that Rule 312(f) was originally intended to address. As such, CGMI believes the Proposal strikes the correct balance by permitting member firms to recommend securities of companies controlled by or under common control with them, coupled with the requirement that the member disclose such control relationship to the customer. In addition, the Proposal further reduces unnecessary burdens by eliminating the need for member firms to structure merger and acquisition transactions in a potentially complex or convoluted manner in order to avoid falling within the scope of Rule 312(f).

---

<sup>1</sup> 71 FR 30460

We appreciate the opportunity to respond to the Proposal. Please contact me at 212.816.8817 if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "John Ramsay". The signature is written in black ink and is positioned above the printed name and title.

John Ramsay  
Managing Director  
Deputy General Counsel

CC:

Robert Colby, Acting Director, Division of Market Regulation, Securities and  
Exchange Commission

Grace Vogel, Executive Vice President, Member Firm Regulation, New York Stock Exchange