

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9895 \ August 19, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16764

<p>In the Matter of</p> <p>Citigroup Global Markets, Inc.</p> <p>Respondent.</p>

**ORDER UNDER RULE 506(d) OF THE
SECURITIES ACT OF 1933 GRANTING
A WAIVER OF THE RULE
506(d)(1)(iv)(B) DISQUALIFICATION
PROVISION**

I.

Citigroup Global Markets, Inc. (“CGMI”) submitted a letter dated July 21, 2015, requesting that the Securities and Exchange Commission (the “Commission”) grant a waiver of disqualification under Rule 506(d)(1)(iv)(B) of Regulation D under the Securities Act of 1933 (the “Securities Act”).

II.

The Commission issued an order instituting administrative and cease-and-desist proceedings against CGMI (the “Order”) pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 (the “Exchange Act”) and Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 (the “Advisers Act”) relating to CGMI’s compliance and surveillance failures involving technological errors, and resulting in violations of Section 15(g) of the Exchange Act and Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder.

III.

The exemptions under Rule 506 of Regulation D would be unavailable to CGMI upon entry of the Commission’s Order. Rule 506(d)(2) of Regulation D provides, however, that disqualification “shall not apply. . . upon a showing of good cause and without prejudice to any other action by the Commission, if the Commission determines that it is not necessary under the circumstances that an exemption be denied.”

IV.

Based upon the representations set forth in CGMI’s waiver request, the Commission has determined that, pursuant to Rule 506(d)(2)(ii) of Regulation D under the Securities Act, a showing of good cause has been made that it is not necessary under the circumstances that the exemptions be denied.

Accordingly, **IT IS ORDERED**, pursuant to Rule 506(d) of Regulation D under the Securities Act, that a waiver from the application of the disqualification provision of Rule 506(d)(1)(iv)(B) under the Securities Act resulting from the entry of the Order is hereby granted to CGMI.

By the Commission.

Brent J. Fields
Secretary