

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 10289 / January 24, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-17808

In the Matter of

Citigroup, Inc.
Citigroup Global Markets
Holdings, Inc.

ORDER UNDER RULE 405 OF THE
SECURITIES ACT OF 1933, GRANTING A
WAIVER FROM BEING INELIGIBLE
ISSUERS

Citigroup, Inc. (“Citigroup”) and Citigroup Global Markets Holdings, Inc. (“CGMHI”) have submitted a letter, dated January 17, 2017, constituting an application for relief from Citigroup and CGMHI being considered “ineligible issuer[s]” under clause (1)(vi) of the definition of ineligible issuer in Rule 405 of the Securities Act of 1933 (“Securities Act”). Citigroup and CGMHI request relief from being considered ineligible issuer(s) under Rule 405, due to the entry on January 24, 2017, of an order instituting administrative and cease-and-desist proceedings against Citigroup Global Markets, Inc. (“CGMI”), a subsidiary of both Citigroup and CGMHI (the “Cease-and-Desist Order”). The Cease-and-Desist Order requires, among other things, CGMI to cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) of the Securities Act.

Under clause (1)(vi) of the definition of ineligible issuer in Rule 405 of the Securities Act, an issuer becomes an ineligible issuer and thus unable to avail itself of well-known seasoned issuer status, if “[w]ithin the past three years (but in the case of a decree or order agreed to in a settlement, not before December 1, 2005), the issuer or any entity that at the time was a subsidiary of the issuer was made the subject of any judicial or administrative decree or order arising out of a governmental action that: (A) [p]rohibits certain conduct or activities regarding, including future violations of, the anti-fraud provisions of the federal securities laws...”

Under clause (2) of the definition of ineligible issuer in Rule 405 of the Securities Act, an issuer shall not be an ineligible issuer if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the issuer be considered an ineligible issuer.

Based on the representations set forth in Citigroup and CGMHI’s January 17, 2017 request, and on other considerations, the Commission has determined that Citigroup and CGMHI have made a showing of good cause under clause (2) of the definition of ineligible issuer in Rule 405 of the Securities Act and that Citigroup and CGMHI should not be considered ineligible issuers by reason

of the entry of the Cease-and-Desist Order. Any different facts from those represented or failure to comply with the terms of the Cease-and-Desist Order would require us to revisit our determination that good cause has been shown and could constitute grounds to revoke or further condition the waiver. The Commission reserves the right, in its sole discretion, to revoke or further condition the waiver under those circumstances.

Accordingly, IT IS ORDERED, pursuant to clause (2) of the definition of ineligible issuer in Rule 405 of the Securities Act, that a waiver from Citigroup and CGMHI being ineligible issuers under Rule 405 of the Securities Act is hereby granted.

By the Commission.

Brent J. Fields
Secretary