

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933  
Release No. 8558 / March 23, 2005

SECURITIES EXCHANGE ACT OF 1934  
Release No. 51416 / March 23, 2005

ADMINISTRATIVE PROCEEDING  
File No. 3-11869

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In the Matter of	:	ORDER UNDER SECTION 27A(b) OF THE
	:	SECURITIES ACT OF 1933 AND SECTION
	:	21E(b) OF THE SECURITIES EXCHANGE
Citigroup Global Markets Inc.,	:	ACT OF 1934 GRANTING WAIVERS OF THE
	:	DISQUALIFICATION PROVISIONS OF
Respondent.	:	SECTION 27A(b)(1)(A)(ii) OF THE
	:	SECURITIES ACT AND SECTION
	:	21E(b)(1)(A)(ii) OF THE EXCHANGE ACT
	:	

Citigroup Global Markets, Inc. (“CGMI”) has submitted a letter, dated January 7, 2005 requesting waivers of the disqualification provisions of Section 27A(b)(1)(A)(ii) of the Securities Act of 1933 (“Securities Act”) and Section 21E(b)(1)(A)(ii) of the Securities Exchange Act of 1934 (“Exchange Act”) arising from the settlement of administrative and cease-and-desist proceedings commenced by the Commission. On March 23, 2005, pursuant to CGMI’s offer of settlement, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”). The Order: (i) imposes a censure against CGMI; (ii) requires CGMI to cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act and Rule 10b-10 under the Exchange Act; (iii) requires CGMI to pay a civil monetary penalty in the amount of \$20 million to the United States Treasury; and (iv) requires CGMI to comply with certain undertakings.

The safe harbor provisions of Section 27A(c) of the Securities Act and Section 21E(c) of the Exchange Act are not available for any forward looking statement that is "made with respect to the business or operations of the issuer, if the issuer . . . during the 3-year period preceding the date on which the statement was first made . . . has been made the subject of a judicial or administrative decree or order arising out of a governmental action that (I) prohibits future violations of the antifraud provisions of the securities laws; (II) requires that the issuer cease and

desist from violating the antifraud provisions of the securities laws; or (III) determines that the issuer violated the antifraud provisions of the securities laws[.]" Section 27A(b)(1)(A)(ii) of the Securities Act; Section 21E(b)(1)(A)(ii) of the Exchange Act. The disqualifications may be waived "to the extent otherwise specifically provided by rule, regulation, or order of the Commission." Section 27A(b) of the Securities Act; Section 21E(b) of the Exchange Act.

Based on the representations set forth in CGMI's January 7, 2005 request, the Commission has determined that, under the circumstances, the request for waivers of the disqualifications resulting from the entry of the Order is appropriate and should be granted.

Accordingly, IT IS ORDERED, pursuant to Section 27A(b) of the Securities Act and Section 21E(b) of the Exchange Act, that waivers from the disqualification provisions of Section 27A(b)(1)(A)(ii) of the Securities Act and Section 21E(b)(1)(A)(ii) of the Exchange Act as to CGMI resulting from the entry of the Order are hereby granted.

By the Commission.

Jonathan G. Katz  
Secretary