



July 30, 2007

Ms. Barbara Sweeney  
Office of the Corporate Secretary  
NASD  
1735 K Street, NW  
Washington, DC 20006-1506

Mr. William Jannace  
Director of Rule and Interpretive Standards  
Member Firm Regulation  
New York Stock Exchange  
20 Broad Street, 23<sup>rd</sup> Floor  
New York, NY 10005

**RE: NASD Notice to Members 07-30; NYSE Information Memo 7-54; Request for Comment on Proposed Joint Guidance Regarding the Review and Supervision of Electronic Communications**

Citigroup Global Markets Inc. ("CGMI") appreciates the opportunity to respond to the NYSE and NASD Joint Guidance Regarding the Review and Supervision of Electronic Communications (the "Joint Guidance").

CGMI supports the principles-based approach of the Joint Guidance, which provides an appropriate level of flexibility to member firms in addressing the challenges raised by electronic communications. We commend the NYSE and NASD for taking this approach, particularly in light of the continual innovations in the area of electronic communications, and the varied manner in which member firms address these challenges.

CGMI also wishes to commend the NYSE and NASD for their willingness to work with the industry in formulating the Joint Guidance. CGMI was actively involved in the dialogue between the SROs and the industry that culminated in the Joint Guidance, demonstrating that a collaborative effort between member firms and the SROs can result in a positive, sensible, outcome, even when addressing complex matters such as the review and supervision of electronic communications. As a result of this collaborative effort, we believe that the Joint Guidance has struck an appropriate balance between ensuring the requisite regulatory objectives are met in a way that recognizes the challenges involved in formulating and implementing procedures and systems to meet such objectives. We believe that this process should serve as a model for future consultation between the industry and regulatory community in addressing other areas of regulation where guidance may be helpful.

We look forward to continuing the dialogue between the regulatory community and the industry on electronic communications, as well as other matters. If you have any questions, please do not hesitate to contact me at 212.816.5727.

Sincerely,

A handwritten signature in cursive script, appearing to read "Elaine H. Mandelbaum".

Elaine Mandelbaum  
Managing Director  
Deputy General Counsel

CC: *NASD*

Marc Menchel, Executive Vice President and General Counsel  
Elisse B. Walter, Senior Executive Vice President  
*NYSE Regulation*  
Richard G. Ketchum, Chief Executive Officer  
Grace B. Vogel, Executive Vice President