



Information Circular: Citigroup Funding Inc. Stock Market Upturn Notes

To: Head Traders, Technical Contacts, Compliance Officers, Head of ETF Trading, Structured Products Traders

From: William Slattery, Director, NASDAQ Listing Qualifications Department

DATE: March 27, 2007

Equity-Linked Notes	Symbol	CUSIP Number
Citigroup Funding Inc., Stock Market Upturn Notes Linked to the MSCI EAFE Index	SMU	17311G607

Citigroup Funding Inc. has issued 5.172 million units of Stock Market Upturn Notes ("SMU") that are linked to the performance of the MSCI EAFE Index. The securities were issued at \$10 per Unit and will mature on October 6, 2008.

At maturity for each \$10.00 unit, investors will receive \$10.00 plus the Index Return Amount of the MSCI EAFE Index.

The Index Return Amount will equal

- (a) If the Final Index Level is less than or equal to the Initial Index Level
 - (i) \$10.00 and
 - (ii) The Index Return Percentage
- (b) If the Final Index Level is greater than the Initial Index Level
 - (i) \$10.00 and
 - (ii) The Index Return Percentage and
 - (iii) The Participation Rate of 300%.

The Index Return cannot be greater than \$2.00 per each note

The Index Return Percentage equals:

$$\frac{\text{Final Index Value} - \text{Initial Index Value}}{\text{Initial Index Value}}$$

The Index Return Percentage cannot be greater than 6.67% and may be a negative number.

Since all payments (whether of coupon or principal) that may be due to the holders of the notes are the sole responsibility of the issuer, Citigroup Funding Inc., it is the credit of Citigroup Funding Inc. which stands behind SMU.

The market value of SMU will depend substantially on the value of the MSCI EAFE Index. Other factors that will likely affect the trading value of SMU are fluctuations in interest rates, volatility of the index, time remaining to maturity, the credit rating of Citigroup Funding Inc., and dividend yields on the stocks comprising the index.

Trading in SMU on NASDAQ is subject to [NASDAQ equity trading rules](#). The SMU product will trade from 7:00 a.m. until 8:00 p.m. The SEC short sale rule (SEC Rule 10a-1) applies to trading in the SMU product.

Trading of SMU on NASDAQ is subject to the provisions of [NASDAQ Rule 2310](#). Members recommending transactions in SMU to customers should make a determination that the recommendation is suitable for the customer. In addition, members must possess sufficient information to satisfy the “know your customer” obligation that is embedded in the NASDAQ Conduct Rules.

Members also should review [NASD Notice to Members 03-71](#) for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

This Information Circular is not a statutory prospectus. NASDAQ members should consult the registration statement or prospectus for the SMU product for additional information.

Inquiries regarding this Information Circular should be directed to:

- Will Slattery, Director, NASDAQ Listing Qualifications, at 301.978.8088
- NASDAQ Market Sales at 800.846.0477