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November 4, 2010

*NOT ADMITTED TO THE NEW YORK BAR

By E-Mail & U.S. Mail

Thomas Borgers
Financial Crisis Inquiry Commission
1717 Pennsylvania Avenue, NW
Suite 800
Washington, DC 20006-4614

Financial Crisis Inquiry Commission ("Commission")

Dear Mr. Borgers:

As you know, we represent Citigroup Inc. ("Citi" or the "Company") in connection with its responses to the Commission's requests for documents and information, including Bob Hinkley's October 18, 2010 e-mail request (the "October 18 Request") and questions you posed during a conference call with my colleague Susanna Buergel on October 14, 2010 (the "October 14 Call").

During the October 14 Call, I understand that you and your colleagues from the Commission expressed an interest in obtaining four categories of information. First, you asked what Citi paid for the pool of New Century-originated mortgage loans that collateralized CMLTI 2006-NC2. We understand that Citi paid \$970,969,301.29 for this pool. Second, you asked how long Citi held this pool of loans prior to securitization. In response to this inquiry, we understand that Citi purchased these whole loans on August 29, 2006 and CMLTI 2006-NC2 closed on September 28, 2006. Third, you asked us to quantify the aggregate volume of bonds sold by CGMI in connection with CMLTI 2006-NC2. We understand that the total amount of bonds Citi sold at issuance was \$910,611,220. Finally, you requested that we identify the initial purchasers of certain

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classes of bonds associated with CMLTI 2006-NC2. In response to that request, Citi states that, according to its records, the initial purchasers were as follows:

CUSIP	CLASS	PURCHASER	QUANTITY IN DOLLARS
17309TAF5	M-1	Avendis Capital	6,000,000
17309TAF5	M-1	Banca Commerciale Italiana	6,000,000
17309TAF5	M-1	Cheyne Finance Limited	7,000,000
17309TAF5	M-1	FINCEECF	4,000,000
17309TAF5	M-1	Intesa	5,285,000
17309TAF5	M-1	Maxim Capital Advisors	5,000,000
17309TAF5	M-1	Y2K Finance Inc.	6,000,000
17309TAG3	M-2	Dynamic Credit Corp.	3,000,000
17309TAG3	M-2	FAH	4,000,000
17309TAG3	M-2	FINCEECF	5,018,000
17309TAG3	M-2	Industrial and Commercial Bank of China	4,000,000
17309TAG3	M-2	KOIL	5,000,000
17309TAG3	M-2	Palmer Square 3	3,000,000
17309TAG3	M-2	Parvest ABS Eurobor	20,000,000
17309TAH1	M-3	Cohen Bros & Company	5,000,000
17309TAH1	M-3	Princeton Advisory Group	4,199,000
17309TAH1	M-3	Vero Capital	5,000,000
17309TAJ7	M-4	Cohen Bros & Company	8,093,000
17309TAJ7	M-4	Y2K Finance Inc.	8,000,000
17309TAK4	M-5	Cohen Bros & Company	9,566,000
17309TAK4	M-5	Salomon Bros Holding Co.	7,000,000
17309TAL2	M-6	Cohen Bros & Company	4,000,000
17309TAL2	M-6	JPMIM A173185	3,886,000
17309TAL2	M-6	Salomon Bros Holding Co.	3,000,000
17309TAM0	M-7	DB ZWIRN & Co.	3,000,000
17309TAM0	M-7	Salomon Bros Holding Co.	3,940,000
17309TAM0	M-7	UBS Securities	3,000,000
17309TAN8	M-8	Barclays	2,000,000
17309TAN8	M-8	Harding Advisory LLC	3,000,000
17309TAN8	M-8	Salomon Bros Holding Co.	3,520,000
17309TAP3	M-9	Seneca Capital Management	2,000,000
17309TAP3	M-9	CIA Warehouse Acct	1,500,000
17309TAP3	M-9	Costa Bella CDO	1,000,000
17309TAP3	M-9	Independence VI	1,500,000
17309TAP3	M-9	Sherwood III	2,000,000
17309TAP3	M-9	UBS Securities	2,333,000
17309TAP3	M-9	Western Springs	1,500,000
17309TAQ1	M-10	ACA ABS 2006-1	5,596,000
17309TAQ1	M-10	Seneca Capital Management	3,130,000
17309TAQ1	M-10	Mulberry Street CDO	3,700,000
17309TAQ1	M-10	Multistrat Cust Trust	1,300,000

17309TAR9	CE	Capmark Financial Group Inc.	6,863,170
17309TAS7	P	Capmark Financial Group Inc.	50

In addition, Citi provides the following responses to the numbered questions posed in the October 18 Request.

- Question 2. Citi confirms that the documents bearing control numbers CITI-FCIC 122231 through 122232 came from due diligence vendor 406 Partners.
- Question 3. Citi states that loans may be removed from a pool for reasons other than the fact that they were classified as event level 3. For example, loans may be prepaid in full while due diligence is ongoing, or removed from the pool by the seller, or flagged by a due diligence vendor for reasons outside the scope of the standard credit, compliance and valuation reviews.
- Question 4. Citi confirms that a credit due diligence review was not performed with respect to some of the funded loans in this pool, and a blank entry in the “COMPLIANCE EVENT LEVEL” column in the due diligence report bearing control number CITI-FCIC 122232 indicates that a credit review was not performed on a particular loan.
- Question 6. Records of the process by which Citi selected the due diligence sample for this transaction are not readily available. As a general matter, however, Citi selected due diligence samples based on adverse selection criteria or a combination of adverse selection criteria and random criteria. Also as a general matter, the loan seller would not have had any input regarding Citi’s sample size or limiting the amount of due diligence that Citi could perform.
- Question 7. Citi responds that it was not a due diligence vendor’s role to declare loans as “eligible” or “ineligible” for securitization. In any case, Citi notes that the funded loan report provided to the Commission does not reflect any loans classified as event level 3, which is the classification typically associated with a loan that Citi might reject.
- We are still reviewing questions 1 and 5 and hope to provide responses promptly.

* * * * *

Citi reserves the right to supplement, amend, modify or correct any of the responses provided above.

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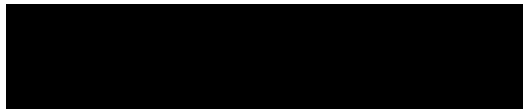
As we have discussed, the Company is providing the information in this letter in response to the Commission's requests and pursuant to the Commission's representations that the information provided to the Commission will be maintained in strict confidence and will be used by the Commission solely for the purposes of this inquiry.

We understand from our discussions that the Commission's work, and the materials it requests and obtains from the Company, are not subject to the provisions of FOIA. We also understand that the Commission intends to keep the materials submitted to it by the Company strictly confidential in connection with this inquiry.

If any person not a member of the Commission or its staff (including, without limitation, any government employee) should request an opportunity to inspect or copy any confidential information provided by the Company, or if you or any member of the Commission or its staff contemplates disclosure of this information to any other person, the Company requests that the Commission promptly notify Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, N.Y., N.Y. 10019 (att'n Brad Karp) and Citigroup Inc., 399 Park Avenue, N.Y., N.Y. 10022 (att'n P.J. Mode).

Please do not hesitate to contact me if you would like to discuss this letter or any other matter.

Respectfully,

A large black rectangular redaction box covering the signature area.

Brad S. Karp