

December 23, 2003

Citigroup Inc.
153 East 53rd Street
New York, NY 10043

Mr. Lawrence Smith
Director of Technical Application and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Letter of Comment No: 6
File Reference: FSPFAS106A

Re: FSP FAS 106-a, Proposed FASB Staff Position FAS 106-a: "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (FSP FAS 106-a).

Dear Mr. Smith:

Citigroup appreciates the opportunity to comment on the Proposed FSP FAS 106-a, *Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003*.

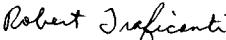
We support the Staff's proposal to delay the accounting for the effects that would result from the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the "Act"). We believe the proposal to defer for this year-end quantitative disclosure of any expected impact of the effects of the Act in favor of qualitative disclosures, pending further consideration of the underlying accounting issues, is a prudent one, and will allow companies more time to carefully consider their alternatives before making rash decisions.

It is apparent that the Act was carefully designed to encourage plan sponsors/employers to continue to provide prescription drug coverage to Medicare eligible retirees. However, there are significant unknown variables within the Act itself that might cause companies to come to misleading conclusions that have to be changed at a later date. Additionally, we agree that companies need more time to digest the Act and its economic consequences, as well as the implementation rules which are not yet formulated, and anticipate the actions of present and future retiree coverage elections in order to make an informed decision about their next course of action.

We urge the FASB staff to consider the effects of underlying accounting issues as they relate to this Act in the very near term so that businesses and retirees alike can realize any positive economic consequence.

We would be pleased to discuss our comments at your convenience.

Sincerely,


Robert Traficanti

Vice President and Deputy Controller