

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 62088 / May 12, 2010**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-11935**

In the Matter of

**Smith Barney Fund Management  
LLC and Citigroup Global Markets  
Inc.,**

Respondents.

**ORDER DIRECTING  
DISBURSEMENT OF FAIR FUND**

On January 7, 2010, the Commission published a notice of the Plan of Distribution (“Plan”) proposed by the Division of Enforcement in connection with this proceeding (Exchange Act Release No. 61312). On February 25, 2010, the Commission extended the comment period by 30 days (Exchange Act Release No. 61587). The Commission received no comments and on April 15, 2010, the Plan was approved pursuant to delegated authority (Exchange Act Release No. 61917).

The Plan provides for the distribution of disgorgement-related portions of the Fair Fund to funds from the Smith Barney Family of Funds (the “Funds”) that engaged a Citigroup affiliate, Citicorp Trust Bank fsb or a predecessor entity (collectively, “CTB”), as their transfer agent and paid transfer agent fees to CTB between October 1, 1999, and November 30, 2004, or to successors to such Funds, in proportion to the total transfer agent fees paid to CTB by each Fund or class of a Fund (subject to certain adjustments). Further, the Respondents have advanced estimated distribution amounts to Funds that were liquidated after the initial submission of the Plan but before the distribution. Under the Plan, the Respondents will recover the amounts advanced to those liquidated Funds, plus interest. Funds that were liquidated prior to the initial submission of the Plan in August 2005 will not participate in the proposed distribution.

The Plan provides that the Commission will arrange for disbursement from the Fair Fund when the Approved Payment File listing the payees with the identification information required to make the distribution has been received and accepted. The Approved Payment File for the distribution in the amount of \$110,782,362.95 has been received and accepted.

Accordingly, it is ORDERED that the Commission staff shall transfer \$110,782,362.95 of the Fair Fund to the custodians for the entitled funds and that these custodians shall distribute such monies, as provided for in the Plan of Distribution.

By the Commission.

Elizabeth M. Murphy  
Secretary