

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9130 / July 22, 2010

SECURITIES EXCHANGE ACT OF 1934
Release No. 62556 / July 22, 2010

In the Matter of

Goldman, Sachs & Co.,

Respondent.

**ORDER UNDER SECTION 27A(b)
OF THE SECURITIES ACT OF 1933
AND SECTION 21E(b) OF THE
SECURITIES EXCHANGE ACT OF
1934, GRANTING WAIVERS OF
THE DISQUALIFICATION
PROVISIONS OF SECTION
27A(b)(1)(A)(ii) OF THE
SECURITIES ACT OF 1933 AND
SECTION 21E(b)(1)(A)(ii) OF THE
SECURITIES EXCHANGE ACT OF
1934 AS TO GOLDMAN, SACHS &
CO. AND ITS AFFILIATES**

Goldman, Sachs & Co. (“Defendant” or “Goldman”) has submitted a letter on behalf of itself and its affiliates, dated July 13, 2010, for a waiver of the disqualification provisions of Section 27A(b)(1)(A)(ii) of the Securities Act of 1933 (“Securities Act”) and Section 21E(b)(1)(A)(ii) of the Securities Exchange Act of 1934 (“Exchange Act”) arising from its settlement of an injunctive action filed by the Commission.

On April 16, 2010, the Commission filed a civil injunctive action in U.S. District Court for the Southern District of New York charging Defendant with violating the antifraud provisions of the federal securities laws. In its complaint, the Commission alleged that Defendant misstated and omitted key facts regarding a synthetic collateralized debt obligation (“CDO”) that hinged on the performance of subprime residential mortgage-backed securities. Defendant failed to disclose to investors vital information about the CDO, in particular the role that a major hedge fund played in the portfolio selection process and the fact that the hedge fund had taken a short position against the CDO. On July 20, 2010, pursuant to Defendant’s consent, the Southern District of New York entered a Final Judgment permanently enjoining Defendant from violating Section 17(a) of the Securities Act, requiring Defendant to pay disgorgement and a penalty, and requiring Defendant to comply with specified remedial undertakings.

The safe harbor provisions of Section 27A(c) of the Securities Act and Section 21E(c) of the Exchange Act are not available for any forward looking statement that is “made with respect to the business or operations of an issuer, if the issuer . . . during the 3-year period preceding the date on which the statement was first made . . . has been made the subject of a judicial or

administrative decree or order arising out of a governmental action that (I) prohibits future violations of the antifraud provisions of the federal securities laws; (II) requires that the issuer cease and desist from violating the antifraud provisions of the securities laws; or (III) determines that the issuer violated the antifraud provisions of the securities laws[.]” Section 27A(b)(1)(A)(ii) of the Securities Act and Section 21E(b)(1)(A)(ii) of the Exchange Act. The disqualifications may be waived “to the extent otherwise specifically provided by rule, regulation, or order of the Commission.” Section 27A(b) of the Securities Act and Section 21E(b) of the Exchange Act.

Based on the representations set forth in Goldman’s letter, the Commission has determined that, under the circumstances, the request for a waiver of the disqualifications resulting from the entry of the Judgment is appropriate and should be granted.

Accordingly, **IT IS ORDERED**, pursuant to Section 27A(b) of the Securities Act and Section 21E(b) of the Exchange Act, that a waiver from the disqualification provisions of Section 27A(b)(1)(A)(ii) of the Securities Act and Section 21E(b)(1)(A)(ii) of the Exchange Act as to Goldman and its affiliates resulting from the entry of the Judgment is hereby granted.

By the Commission.

Elizabeth M. Murphy
Secretary