

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9312 / April 12, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-14845

In the Matter of

GOLDMAN, SACHS & CO.

Respondent.

ORDER UNDER RULE 602(e) OF THE
SECURITIES ACT OF 1933 GRANTING A
WAIVER OF THE RULE 602(c)(3)
DISQUALIFICATION PROVISION

I.

Goldman, Sachs & Co. (“Goldman” or “Respondent”) has submitted a letter, dated March 15, 2012, requesting a waiver of the Rule 602(c)(3) disqualification from the exemption from registration under Regulation E arising from Goldman’s settlement of an administrative proceeding commenced by the Commission.

II.

On April 12, 2012, pursuant to Goldman’s Offer of Settlement, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order against Goldman. Under the Order, the Commission found that Goldman failed to establish, maintain and enforce written policies and policies reasonably designed, given the nature of its business, to prevent the misuse of material, nonpublic information concerning its analysts’ published research, in willful violation of Section 15(g) of the Securities Exchange Act of 1934 (“Exchange Act”). In the Order, the Commission ordered Goldman to cease and desist from committing or causing any violations and any future violations of Section 15(g) of the Exchange Act, ordered Goldman be censured, ordered Goldman to pay a civil penalty in the amount of \$22 million, with \$11 million of this amount to be deemed satisfied by payment of \$11 million to the Financial Industry Regulatory Authority in a related proceeding, and ordered Goldman to comply with specified undertakings.

III.

The Regulation E exemption is unavailable for the securities of small business investment company issuers or business development company issuers if, among other things, any investment adviser or underwriter for the securities to be offered is subject to an order of the Commission entered pursuant to section 15(b) or 15A(1) of the Securities Exchange Act of 1934. 17 C.F.R. § 230.602(c)(3). Rule 602(e) of the Securities Act of 1933 (“Securities Act”) provides, however, that the disqualification “. . . shall not apply . . . if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the exemption be denied.” 17 C.F.R. § 230.602(e).

IV.

Based upon the representations set forth in Goldman’s request, the Commission has determined that pursuant to Rule 602(e) under the Securities Act a showing of good cause has been made that it is not necessary under the circumstances that the exemption be denied as a result of the Order.

Accordingly, **IT IS ORDERED**, pursuant to Rule 602(e) under the Securities Act, that a waiver from the application of the disqualification provision of Rule 602(c)(3) under the Securities Act resulting from the entry of the Order is hereby granted.

By the Commission.

Elizabeth M. Murphy
Secretary