

OFFICE OF THE ATTORNEY GENERAL
BUREAU OF SECURITIES
STATE OF NEW JERSEY
153 HALSEY STREET
P.O. BOX 47029
NEWARK, NEW JERSEY 07101

IN THE MATTER OF: :
 :
Goldman, Sachs & Co., :
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CRD #361. :
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CONSENT ORDER

BEFORE AMY KOPLETON, ACTING BUREAU CHIEF

Pursuant to the authority granted to the Chief of the New Jersey Bureau of Securities (“Bureau Chief”) by the Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq. (“Securities Law”), and after investigation, review, and due consideration of the facts and statutory provisions set forth below, the Bureau Chief has determined that civil monetary penalties and additional monetary and other remedies be assessed against Goldman, Sachs & Co. (“Goldman Sachs”).

WHEREAS, the New Jersey Bureau of Securities (the “Bureau”) is the State agency with the responsibility to administer and enforce the Securities Law; and

WHEREAS, N.J.S.A. 49:3-67 authorizes the Bureau Chief from time to time to issue such Orders as are necessary to carry out the provisions of the Securities Law, upon a finding that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the provisions of the Securities Law; and

WHEREAS, Goldman Sachs is a broker-dealer registered with the Bureau; and

WHEREAS, coordinated investigations into Goldman Sachs’ activities in connection

with the marketing and sale of auction rate securities (“ARS”) have been conducted under the auspices of a multistate task force comprised of members of the North American Securities Administrators Association (“NASAA”); and

WHEREAS, Goldman Sachs has cooperated with regulators conducting the investigations by responding to inquiries, providing documentary evidence and other materials, and providing regulators with access to facts relating to the investigations; and

WHEREAS, Goldman Sachs has advised regulators of its agreement to resolve the investigations relating to its marketing and sale of ARS to individual investors; and

WHEREAS, Goldman Sachs agrees to take certain actions described herein and to make certain payments; and

WHEREAS, Goldman Sachs admits to the jurisdiction of the Bureau and consents to the form and entry of this Consent Order without admitting or denying the findings of fact and conclusions of law set forth herein; and

WHEREAS, Goldman Sachs waives compliance with the provisions of the New Jersey Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq.; and

WHEREAS, Goldman Sachs elects to waive permanently any right to a hearing on the Bureau Chief’s findings of fact and conclusions of law in this Consent Order after reasonable notice within the meaning of N.J.S.A. 49:3-58(c)(2) and to judicial review of the validity of this Consent Order; and

WHEREAS, Goldman Sachs and the Bureau Chief wish to resolve these issues in accordance with the terms of this Consent Order and without the expense and delay that formal administrative proceedings would involve; and

WHEREAS, the provisions set forth in this Consent Order constitute the entire agreement between the Bureau and Goldman Sachs.

FINDINGS OF FACT

The Bureau Chief makes the following findings of fact:

1. Goldman Sachs admits the jurisdiction of the Bureau, neither admits nor denies the findings of fact and conclusions of law contained in this Consent Order, and consents to the entry of this Consent Order by the Bureau.
2. Auction rate securities are long-term bonds issued by municipalities, corporations, and student loan companies, or perpetual equity instruments issued by closed-end mutual funds that pay an interest rate that resets periodically through a bidding process known as a Dutch auction.
3. Goldman Sachs participated in the marketing and sale of ARS.
4. Goldman Sachs acted as an underwriter and as the auction broker-dealer for certain issues of auction rate securities. When acting as sole manager, Goldman Sachs was the only firm that could submit bids into the auction on behalf of its clients and/or other broker-dealers who wanted to buy and/or sell any auction rate securities in such auctions. When acting as lead manager, Goldman Sachs was the primary firm that could submit bids into the auction, but other auction broker-dealers were able to submit orders on behalf of their clients as well. Goldman Sachs received revenue in connection with auction rate securities, including an underwriting fee representing a percentage of total issuance and a fee for managing the auctions.
5. Goldman Sachs conveyed to certain clients that ARS were secure, liquid securities that were a suitable alternative for cash management purposes. It did so through its sales force, some of whom represented to certain investors that auction rate securities were highly liquid, safe

investments for cash management purposes.

6. These representations were misleading as to certain investors. Auction rate securities were in fact different from cash and money market funds. As discussed above, the liquidity of an auction rate security relied on the successful operation of the Dutch auction process. In the event of a failed auction, investors cannot sell their auction rate securities in that auction and are potentially stuck holding long-term investments, not money market instruments. As discussed below, starting in the Fall of 2007, the auction rate securities market faced dislocation and an increased risk of auction failure.

7. Since it began participating in the auction rate securities market, Goldman Sachs submitted “cover” bids, purchase orders for the entirety of an auction rate security issue for which it acted as the sole or lead auction manager. Such “cover” bids were Goldman Sachs proprietary orders that would be filled, in whole or in part, if there was otherwise insufficient demand in an auction. When Goldman Sachs purchased auction rate securities through “cover” bids, those auction rate securities were then owned by Goldman Sachs and the holdings were recorded on Goldman Sachs’ balance sheet. For risk management purposes, Goldman Sachs imposed limits on the amounts of securities its Municipal Money Markets unit could hold (which included Goldman Sachs’ auction rate securities holdings).

8. Because many investors could not ascertain how much of an auction was filled through Goldman Sachs “cover” bids, those investors could not determine if auctions were clearing because of normal marketplace demand, or because Goldman Sachs was making up for the lack of demand through “cover” bids. Many investors were also not aware that the liquidity of the auction rate securities was dependent upon Goldman Sachs’ continued use of “cover” bids. While Goldman Sachs could track its own inventory as a measure of the supply and demand for

its auction rate securities, many investors had no comparable ability to assess the operation of the auctions. There was no way for those investors to monitor supply and demand in the market or to assess when broker-dealers might decide to stop supporting the market, which could cause its collapse.

9. In August of 2007, the credit crisis and other deteriorating market conditions began to strain the auction rate securities market. Some institutional investors withdrew from the market, decreasing demand for auction rate securities.

10. The resulting market dislocation should have been evident to Goldman Sachs. When client demand for its auction rate securities declined, Goldman Sachs' "cover" bids filled the increasing shortfall, thereby sustaining the impression for certain investors that auctions managed by Goldman Sachs were functioning. As a result, Goldman Sachs' auction rate securities inventory grew significantly, requiring Goldman Sachs to raise its risk management limits for its Municipal Money Markets business (which included auction rate securities) several times.

11. From the Fall of 2007 through early February of 2008, demand for auction rate securities continued to erode and Goldman Sachs' auction rate securities inventory increased significantly. Goldman Sachs was aware of the increasing strains in the auction rate securities market, and increasingly questioned the viability of the auction rate securities market. Goldman Sachs did not disclose these increasing risks of owning or purchasing auction rate securities to all of its clients.

12. In February of 2008, Goldman Sachs and other firms stopped supporting auctions. Without the benefit of "cover" bids, the auction rate securities market collapsed, leaving certain investors who had been led to believe that these securities were liquid, safe investments

appropriate for managing short-term cash needs, holding long-term or perpetual securities that could not be sold at par value until and if the auctions cleared again.

Failure to Supervise

13. Goldman Sachs did not adequately supervise certain of its salespeople to ensure that all of the firm's clients would be sufficiently apprised of ARS, the mechanics of the auction process, and the potential illiquidity of ARS, including the fact that Goldman Sachs may stop submitting "cover" bids, as discussed above.

CONCLUSIONS OF LAW

Solely for the purpose of this Consent Order, and without admitting or denying the findings of fact and conclusion of law set forth herein, Goldman Sachs consents to the Bureau Chief making the following conclusions of law:

14. Goldman Sachs' conduct described above constitutes unethical conduct in the securities business, pursuant to N.J.S.A. 49:3-58(a)(2)(vii).

15. Goldman Sachs' conduct described above constitutes a failure to reasonably supervise its agents, pursuant to N.J.S.A. 49:3-58(a)(2)(xi).

16. The activities set forth herein are grounds, pursuant to N.J.S.A. 49:3-58(a)(1), N.J.S.A. 49:3-58(a)(2)(vii), and N.J.S.A. 49:3-58(a)(2)(xi), for the initiation of administrative proceedings.

17. Nothing in this Consent Order shall be construed as a finding or admission of fraud.

18. This Consent Order is in the public interest, pursuant to N.J.S.A. 49:3-58(a)(1).

ORDER

On the basis of the Findings of Fact, Conclusions of Law, and Goldman Sachs' consent to the entry of this Consent Order,

It is on this 6th day of May 2011, HEREBY ORDERED:

19. This Consent Order concludes the investigation by the Bureau and any other action that the Bureau could commence under applicable New Jersey law on behalf of New Jersey as it relates to Goldman Sachs' marketing and sale of auction rate securities to Goldman Sachs' Eligible Investors, as defined below.
20. This Consent Order is entered into solely for the purpose of resolving the investigation into Goldman Sachs' marketing and sale of auction rate securities, and is not intended to be used for any other purpose.
21. This Consent Order shall be binding upon Goldman Sachs and its successors and assigns as well as to successors and assigns of relevant affiliates with respect to all conduct subject to the provisions above and all future obligations, responsibilities, undertakings, commitments, limitations, restrictions, events, and conditions.
22. Goldman Sachs will CEASE AND DESIST from violating the Securities Law and will comply with N.J.S.A. 49:3-58(a)(2)(vii) and N.J.S.A. 49:3-58(a)(2)(xi) in connection with the marketing and sale of ARS.
23. Goldman Sachs is assessed and shall pay the sum of nine hundred fifty-nine thousand, seven hundred ninety-four dollars and thirty-five cents (\$959,794.35) due and payable within ten days of the entry of this Consent Order to "State of New Jersey, Bureau of Securities," 153 Halsey Street, 6th Floor, Newark, New Jersey 07102, or to be mailed to "Bureau of Securities," P.O. Box 47029, Newark, New Jersey 07101. The civil monetary penalty payment shall be

deposited in the Securities Enforcement Fund, pursuant to N.J.S.A. 49:3-66.1. This amount constitutes the state of New Jersey's proportionate share of the state settlement amount of twenty-two million, five hundred thousand dollars (\$22,500,000.00).

24. In the event another state securities regulator determines not to accept Goldman Sachs' settlement offer, the total amount of the payment to the state of New Jersey shall not be affected.

Requirement to Repurchase ARS from Retail ARS Investors

25. Goldman Sachs shall have provided liquidity to Eligible Investors by offering to buy back Eligible ARS that since February 11, 2008, have not been auctioning, at par, in the manner described below.

26. "Eligible ARS," for the purposes of this Consent Order, shall mean auction rate securities purchased from Goldman Sachs on or before February 11, 2008.

27. "Eligible Investors," for the purposes of this Consent Order, shall mean:

- a. Natural persons (including their IRA accounts, testamentary trust and estate accounts, custodian UGMA and UTMA accounts, and guardianship accounts);
- b. Legal entities forming investment vehicles for closely related individuals including but not limited to IRA accounts, Trusts, Family Limited Partnerships, and other legal entities performing a similar function;
- c. Charities and non-profits with Internal Revenue Code Section 501(c) status that purchased Eligible ARS from Goldman Sachs; and
- d. Small Businesses that purchased Eligible ARS from Goldman Sachs. For purposes of this provision, "Small Businesses" shall mean Goldman Sachs clients not otherwise covered in paragraphs 27(a) and (b) above that had \$10 million or less in assets in their accounts with Goldman Sachs, net of margin loans, as determined by the client's

aggregate household position(s) at Goldman Sachs as of August 31, 2008, or, if the client was not a client of Goldman Sachs as of August 31, 2008, as of the date that the client terminated its client relationship with Goldman Sachs. Notwithstanding any other provision, "Small Businesses" does not include broker-dealers or banks acting as conduits for their customers.

28. Goldman Sachs shall have offered to purchase, at par plus accrued and unpaid dividends/interest, from Eligible Investors their Eligible ARS that since February 11, 2008, have not been auctioning ("Buyback Offer"), and explain what Eligible Investors must do to accept, in whole or part, the Buyback Offer. The Buyback Offer shall have remained open until at least November 12, 2008 ("Offer Period"). Goldman Sachs may extend the Offer Period beyond this date.

29. Goldman Sachs shall have undertaken its best efforts to identify and provide notice to Eligible Investors who invested in Eligible ARS that since February 11, 2008, have not been auctioning, of the relevant terms between Goldman Sachs and the Bureau.

30. Eligible Investors may have accepted the Buyback Offer by notifying Goldman Sachs at any time before midnight, Eastern Time, November 12, 2008, or such later date and time as Goldman Sachs may extend the Offer Period. For Eligible Investors who accepted the Buyback Offer within the Offer Period, Goldman Sachs shall have purchased the Eligible ARS on or before November 17, 2008 (or a later date if an offer period is extended). For Eligible Investors who accepted the Buyback Offer within the Offer period but custodied their Eligible ARS away from Goldman Sachs, Goldman Sachs shall repurchase the Eligible ARS upon receipt of assurance reasonably satisfactory to Goldman Sachs from the Eligible Investor's current financial institution that the bidding rights associated with the Eligible ARS will be transferred to Goldman Sachs and transfer of the Eligible ARS.

31. No later than December 31, 2009, any Eligible Investor who for good cause (including but not limited to incapacity or failure to receive the notice provided for in paragraph 29) did not

accept the Buyback Offer pursuant to paragraph 30 above, shall be entitled to sell their Eligible ARS, at par, to Goldman Sachs for thirty (30) days after establishing such good cause, and Goldman Sachs shall purchase such Eligible Investor's Eligible ARS promptly.

32. No later than October 20, 2008, Goldman Sachs shall have established a dedicated toll-free telephone assistance line, with appropriate staffing, to provide information and to respond to questions from clients concerning the terms of the settlement between Goldman Sachs and the Bureau.

Review of Client Accounts

33. For a period of two years from the date of this Consent Order, upon request from any firm that is repurchasing auction rate securities, upon receipt from the repurchasing firm of (i) the names of any Goldman Sachs clients that may hold ARS subject to the repurchasing firm's repurchase offer, (ii) the CUSIPs of the Eligible ARS, (iii) the clients' Goldman Sachs' account number(s) (if known to the repurchasing firm), and (iv) the date those ARS were transferred to Goldman Sachs (if known to the repurchasing firm), Goldman Sachs shall take reasonable steps to provide notice to those clients of the repurchasing firm's repurchase offer.

Relief for Investors Who Sold Below Par

34. By November 12, 2008, Goldman Sachs shall have undertaken its best efforts to identify any Eligible Investor who sold Eligible ARS below par between February 11, 2008, and August 21, 2008, and shall have paid any such Eligible Investor the difference between par and the price at which the Eligible Investor sold the Eligible ARS.

Reimbursement for Related Loan Expenses

35. Goldman Sachs shall have made best efforts to identify Eligible Investors who took out loans from Goldman Sachs, between February 11, 2008, and March 19, 2010, that were secured

by Eligible ARS that were not successfully auctioning at the time the loan was taken out from Goldman Sachs, and paid interest associated with the auction rate securities based portion of those loans in excess of the total interest and dividends received on the auction rate securities during the duration of the loan. Goldman Sachs shall have reimbursed such clients for the excess expense, plus reasonable interest thereon. Such reimbursement shall have occurred no later than March 31, 2010.

Claims for Consequential Damages

36. Goldman Sachs shall consent to participate in a special arbitration (“Arbitration”) for the exclusive purpose of arbitrating any Eligible Investor’s consequential damages claim arising from their inability to sell Eligible ARS. Goldman Sachs shall have provided written notice to Eligible Investors of the terms of the Arbitration process on or before November 12, 2008.

37. The Arbitration shall be conducted by a single public arbitrator (as defined by section 12100(u) of the NASD Code of Arbitration Procedures for Customer Disputes, eff. April 16, 2007), under the auspices of FINRA. Goldman Sachs will pay all applicable forum and filing fees. Any Eligible Investors who choose to pursue such claims in the Arbitration shall bear the burden of proving that they suffered consequential damages and that such damages were caused by their inability to access funds invested in Eligible ARS.

38. In the Arbitration, Goldman Sachs shall be permitted to defend itself against such claims; provided, however, that Goldman Sachs shall not contest in these arbitrations liability related to the sale of auction rate securities, or use as part of its defense any decision by an Eligible Investor not to borrow money from Goldman Sachs.

39. Eligible Investors seeking consequential damages who elect to use the Arbitration process provided for herein shall not be eligible for punitive or special damages.

40. Eligible Investors who elect to utilize the Arbitration process set forth above are limited to the remedies available in that process and may not bring or pursue a claim against Goldman

Sachs or in any case where Goldman Sachs is an underwriter relating to Eligible ARS in another forum.

Institutional Investors

41. Goldman Sachs shall endeavor to work with issuers and other interested parties, including regulatory and governmental entities, to expeditiously provide liquidity solutions for institutional investors not covered by paragraph 25 above that purchased auction rate securities from Goldman Sachs prior to February 11, 2008 (“Institutional Investors”).

42. Beginning November 12, 2008, and within 45 days of the end of each Goldman Sachs fiscal quarter thereafter, Goldman Sachs shall have submitted a written report to the Illinois Securities Department or other representative specified by NASAA outlining Goldman Sachs’ progress with respect to its obligations pursuant to this Consent Order. Goldman Sachs shall have, at the option of the Illinois Securities Department or other representative specified by NASAA, conferred with such representative on a quarterly basis to discuss Goldman Sachs’ progress to date. Such quarterly reports and conferences shall have continued until December 31, 2009. Following every quarterly report, the representative shall have advised Goldman Sachs of any concerns regarding Goldman Sachs’ progress, and, in response, Goldman Sachs shall have discussed how Goldman Sachs plans to address such concerns. The reporting or meeting deadlines may be amended with written permission from the Illinois Securities Department or other representative specified by NASAA.

Relief for Municipal Issuers

43. Goldman Sachs shall promptly refund to municipal issuers refinancing fees paid to Goldman Sachs for the refinancing or conversion of their auction rate securities that occurred between February 11, 2008, and the date of this Consent Order, where Goldman Sachs acted as underwriter for the initial primary offering of the auction rate securities between August 1, 2007,

and February 11, 2008. Nothing in this Consent Order precludes the Bureau from pursuing any other civil action that may arise with regard to auction rate securities other than the marketing and sale of auction rate securities to retail investors.

44. Goldman Sachs agrees to waive any right to indemnification and/or claims of contribution, and/or other similar remedies with respect to any costs, expenses, or losses in connection with this Consent Order that Goldman Sachs may have against any municipal issuers that issued securities through Goldman Sachs in the primary market, including any student loan authority.

Additional Considerations

45. Nothing herein shall preclude New Jersey, its departments, agencies, boards, commissions, authorities, political subdivisions and corporations, other than the Bureau and only to the extent set forth in paragraph 19 above (collectively, "State Entities"), and the officers, agents or employees of State Entities from asserting any claims, causes of action, or applications for compensatory, nominal and/or punitive damages, administrative, civil, criminal, or injunctive relief against Goldman Sachs in connection with certain auction rate securities practices at Goldman Sachs.

46. This Consent Order shall not disqualify Goldman Sachs or any of its affiliates or current or former employees from any business that they otherwise are qualified or licensed to perform under applicable state law and this Consent Order is not intended to form the basis for any disqualification.

47. To the extent applicable, this Consent Order hereby waives any disqualification from relying upon the registration exemptions or registration safe harbor provisions that may be contained in the federal securities laws, the rules and regulations thereunder, the rules and regulations of self regulatory organizations or any states' or U.S. Territories' securities laws. In addition, this Consent Order is not intended to form the basis for any such disqualifications. In

addition, this Consent Order is not intended to form the basis of a statutory disqualification under Section 3(a)(39) of the Securities Exchange Act of 1934.

48. Except in an action by the Bureau to enforce the obligations of Goldman Sachs in this Consent Order, this Consent Order may neither be deemed nor used as an admission of or evidence of any alleged fault, omission, or liability of Goldman Sachs in any civil, criminal, arbitration, or administrative proceeding in any court, administrative agency, or tribunal. For any person or entity not a party to this Consent Order, this Consent Order does not limit or create any private right against Goldman Sachs including, without limitation with respect to the use of any e-mails or other documents of Goldman Sachs or of others concerning the marketing and/or sales of auction rate securities, limit or create liability of Goldman Sachs, or limit or create defenses of Goldman Sachs to any claims.

49. This Consent Order and any dispute related thereto shall be construed and enforced in accordance with, and governed by, the laws of the state of New Jersey without regard to any choice of law principles.

50. Evidence of a violation of this Consent Order proven in a court of competent jurisdiction shall constitute prima facie proof of a violation of the Securities Law in any civil action or proceeding hereafter commenced by the Bureau against Goldman Sachs.

51. Should the Bureau prove in a court of competent jurisdiction that a material breach of this Consent Order by Goldman Sachs has occurred, Goldman Sachs shall pay to the Bureau the cost, if any, of such determination and of enforcing this Consent Order including without limitation legal fees, expenses, and court costs.

52. If Goldman Sachs fails to make the payment specified in paragraph 23 above, the Bureau, at its sole discretion, may pursue any legal remedies, including but not limited to initiating an action to enforce the Consent Order, revoking Goldman Sachs' registration within the state, or terminating this Consent Order.

53. If in any proceeding, after notice and opportunity for a hearing, a court of competent jurisdiction, including an administrative proceeding by a state securities administrator, finds that there was a material breach of this Consent Order, the Bureau, at its sole discretion, may terminate the Consent Order. If Goldman Sachs defaults on any other obligation under this Consent Order, the Bureau may, at its sole discretion, pursue legal remedies to enforce the Consent Order or pursue an administrative action, including but not limited an action to revoke Goldman Sachs' registration within the state. Goldman Sachs agrees that any statute of limitations or other time related defenses applicable to the subject of the Consent Order and any claims arising from or relating thereto are tolled from and after the date of this Consent Order. In the event of such termination, Goldman Sachs expressly agrees and acknowledges that this Consent Order shall in no way bar or otherwise preclude the Bureau from commencing, conducting, or prosecuting any investigation, action, or proceeding, however denominated, related to the Consent Order, against Goldman Sachs, or from using in any way any statements, documents, or other materials produced or provided by Goldman Sachs prior to or after the date of this Consent Order, including, without limitation, such statements, documents, or other materials, if any, provided for purposes of settlement negotiations, except as may otherwise be provided in a written agreement with the Bureau.

54. Goldman Sachs shall cooperate fully and promptly with the Bureau and shall use its best efforts to ensure that all the current and former officers, directors, trustees, agents, members, partners, and employees of Goldman Sachs (and of any of Goldman Sachs' parent companies, subsidiaries, or affiliates) cooperate fully and promptly with the Bureau in any pending or subsequently initiated investigation, litigation, or other proceeding relating to auction rate securities and/or the subject matter of the Consent Order. Such cooperation shall include, without limitation, and on a best efforts basis:

- (a) production, voluntarily and without service of subpoena, upon the request of the Bureau, of all documents or other tangible evidence requested by the Bureau and

any compilations or summaries of information or data that the Bureau requests that Goldman Sachs (or the Goldman Sachs' parent companies, subsidiaries, or affiliates) prepare, except to the extent such production would require the disclosure of information protected by the attorney-client and/or work product privileges;

(b) without the necessity of a subpoena, having the current (and making all reasonable efforts to cause the former) officers, directors, trustees, agents, members, partners, and employees of Goldman Sachs (and of any of the Goldman Sachs' parent companies, subsidiaries, or affiliates) attend any Proceedings (as hereinafter defined) in New Jersey or elsewhere at which the presence of any such persons is requested by the Bureau and having such current (and making all reasonable efforts to cause the former) officers, directors, trustees, agents, members, partners, and employees answer any and all inquiries that may be put by the Bureau to any of them at any proceedings or otherwise, except to the extent such production would require the disclosure of information protected by the attorney-client and/or work product privileges; "Proceedings" include, but are not limited to, any meetings, interviews, depositions, hearings, trials, grand jury proceedings, or other proceedings;

(c) fully, fairly, and truthfully disclosing all information and producing all records and other evidence in its possession, custody, or control (or the possession, custody, or control of the Goldman Sachs parent companies, subsidiaries, or affiliates) relevant to all inquiries made by the Bureau concerning the subject matter of the Consent Order, except to the extent such inquiries call for the disclosure of information protected by the attorney-client and/or work product privileges; and

(d) making outside counsel reasonably available to provide comprehensive presentations concerning any internal investigation relating to all matters in the Consent Order and to answer questions, except to the extent such presentations or questions call

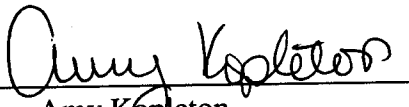
for the disclosure of information protected by the attorney-client and/or work product privileges.

55. In the event Goldman Sachs fails to comply with paragraph 25 of the Consent Order, the Bureau shall be entitled to specific performance, in addition to any other available remedies.

56. The Bureau has agreed to the terms of this Consent Order based on, among other things, the representations made to the Bureau by Goldman Sachs, its counsel, and the Bureau's own factual investigation. To the extent that any material representations are later found to be materially inaccurate or misleading, this Consent Order is voidable by the Bureau in its sole discretion.

Goldman, Sachs & Co. hereby consents to the form and entry of this Consent Order without admitting or denying the findings of fact and conclusions of law set forth herein.

NEW JERSEY BUREAU OF SECURITIES

By: 
Amy Kopleton
Acting Chief, Bureau of Securities

DATED: 5/6/11

**CONSENT TO ENTRY OF CONSENT ORDER BY
GOLDMAN, SACHS & CO.**

Goldman, Sachs & Co. ("Goldman Sachs") hereby acknowledges that it has been served with a copy of this Consent Order, has read the foregoing Consent Order, is aware of its right to a hearing and appeal in this matter, and has waived the same.

Goldman Sachs admits the jurisdiction of the Bureau, neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Consent Order, and consents to entry of this Consent Order by Bureau as settlement of the issues contained in this Consent Order.

Goldman Sachs states that no promise of any kind or nature whatsoever was made to it to induce it to enter into this Consent Order and that it has entered into this Consent Order voluntarily.

Michael Keats represents that he/she is a Managing Director of Goldman Sachs and that, as such, has been authorized by Goldman Sachs to enter into this Consent Order for and on behalf of Goldman Sachs.

DATED this 4th day of May, 2011.

GOLDMAN, SACHS & CO.

By: Michael C. Keats
Title: MANAGING DIRECTOR

STATE OF New York)
County of New York)

SUBSCRIBED AND SWORN TO before me this 4th day of May, 2011.

Keith Berger
Notary Public

My commission expires:

KEITH BERGER
Notary Public, State of New York
No. 02BE6083024
Certificate Filed in New York County
Commission Expires Nov. 12, 2011