

**City of Los Angeles  
Responsible Banking & Investment Monitoring Program  
For Investment Banks**

Investment banks providing City investment banking services or seeking City investment banking business must complete and submit this form no later than July 1<sup>st</sup> of each year to the City Administrative Officer to comply with Chapter 5.1, Section 20.95.1 of the Los Angeles Administrative Code.

**Contact Information:**

<u>Goldman Sachs &amp; Co. LLC</u>			
Name of Financial Institution			
<u>2121 Avenue of the Stars</u>	<u>Los Angeles</u>	<u>CA</u>	<u>90067</u>
Street Address	City	State	Zip Code
<u>Joseph Natoli, Managing Director</u>			
Contact Person Name and Title			
<u>415-393-7765</u>	<u>joseph.natoli@gs.com</u>		
Telephone No.	Email Address		

**SOCIAL RESPONSIBILITY**

Please answer the following questions for the preceding calendar year.

1. Did your firm make monetary donations to charitable programs within the City limits?

Yes X No \_\_\_

If yes, please complete the attached form, labeled at Exhibit 1.

2. Did your firm provide any scholarship awards to residents of the City of Los Angeles?

Yes X No \_\_\_

- a. How many scholarships were awarded? \*See Below
- b. What was the total value of the awarded scholarships? \*See Below

3. Does your firm have internal policies regarding utilization of subcontractors which are designated as "women owned," "minority owned," or "disabled" business enterprises? Yes X No \_\_\_

If yes, please provide a copy of your policies, labeled as Exhibit 2

**CONSUMER PROTECTION**

1. Is the financial institution currently in compliance with all applicable consumer financial protection laws?

Yes  No

If no, please briefly explain: \_\_\_\_\_

\_\_\_\_\_

2. Does the financial institution have policies to prevent the use of illegal predatory consumer adverse sales goals as the bases for evaluation, promotion, discipline or compensation of employees?

Yes  No

If no, please briefly explain: \_\_\_\_\_

\_\_\_\_\_

3. Does the financial institution encourage and maintain whistleblower protection policies for its employees and/or customers to report suspected illegal practices, including predatory sales goals?

Yes  No

If no, please briefly explain: \_\_\_\_\_

\_\_\_\_\_

4. In the last five years, has the financial institution been subject to any disciplinary actions such as fines, suspensions, or settlements, undertaken by the Securities and Exchange Commission, the Consumer Financial Protection Bureau, the Municipal Securities Regulation Board, the Financial Industry Regulatory Agency and/or any State regulatory agency?

Yes  No

5. If the answer to question no. 4 is yes, please provide in separate attachment labeled Exhibit 3, what the violation(s) are, the reason for the enforcement action, what government agencies are involved, the date of the enforcement action, what is the current status, and how were or will the issues be resolved?

\_\_\_\_\_

Please see Exhibit 3 for disclosure related to certain litigation and regulatory matters

\_\_\_\_\_

concerning Goldman Sachs & Co. LLC's role as underwriter of municipal offerings.

**CERTIFICATION UNDER PENALTY OF PERJURY (\*)**

I certify under penalty of perjury that I have read and understand the questions contained in this form and the responses contained in the form and on all the attachments. I further certify that I have provided full and complete answers to each question, and that all information provided in response to this form is true and accurate to the best of my knowledge and belief.

Joseph Natoli, Managing Director		6/19/2020
Print Name	Title	Signature
		Date

(\*) Signature must be that of the Head of Public Finance or equivalent corporate executive.

**PLEASE SEND THE ORIGINAL SIGNED FORM TO THE ADDRESS BELOW AND EMAIL A COPY TO [CAO.DEBT@LACITY.ORG](mailto:CAO.DEBT@LACITY.ORG).**

**Office of the City Administrative Officer  
200 North Main St. Room 1500  
Los Angeles, CA 90012  
Attention: Debt Management Group**

**Exhibit 1 - Attachment for Question #1 - Responsible Banking Investment Monitoring Program for Investment Banks**

Name of Charitable Organization	Type	Amount (\$)
<b>Total</b>		<b>\$2,497,123</b>
After-School All-Stars	Firm Direct	
Al Wooten, Jr. Heritage Center	Firm Direct	
California Hospital Medical Center Foundation	Firm Direct	
California Science Center Foundation	Firm Direct	
Children's Bureau	Firm Direct	
Chrysalis Center	Firm Direct	
Community Partners	Firm Direct	
Entertainment Industry Foundation	Firm Direct	
Fostering Media Connections	Firm Direct	
Fulfillment Fund	Firm Direct	
Geffen Playhouse	Firm Direct	
Hammer Museum	Firm Direct	
Harold Robinson Foundation	Firm Direct	
Hirshberg Foundation for Pancreatic Cancer Research	Firm Direct	
Homeless Health Care Los Angeles	Firm Direct	
Jewish Federation Council of Greater Los Angeles	Firm Direct	
Jewish Free Loan Association	Firm Direct	
Lafo Sports Foundation	Firm Direct	
LA's Promise	Firm Direct	
Los Angeles County Museum of Art / Museum Associates	Firm Direct	
Los Angeles Fire Department Foundation	Firm Direct	
Los Angeles Gay and Lesbian Community Services Center Inc.	Firm Direct	
Los Angeles Zoo & Botanical Gardens	Firm Direct	
Meaning Foundation	Firm Direct	
Natural History Museum of Los Angeles County	Firm Direct	
Operation Progress Student Assistance Foundation Cal	Firm Direct	
Petersen Automotive Museum	Firm Direct	
A Place Called Home	Firm Direct	
Project Angel Food	Firm Direct	
Queenscare	Firm Direct	
Skirball Cultural Center	Firm Direct	
Sri Lanka Foundation	Firm Direct	
St Annes Maternity Home	Firm Direct	
Taking The Reins	Firm Direct	
Team Rubicon	Firm Direct	
Temple Israel Of Hollywood	Firm Direct	
UCLA Foundation	Firm Direct	
The Simon Wiesenthal Center	Firm Direct	
Women In Institutional Investments Network	Firm Direct	
YMCA of Metropolitan Los Angeles	Firm Direct	
A Place Called Home	GS Gives	
Angel City Alliance	GS Gives	
Asia Society	GS Gives	
Baby2Baby	GS Gives	
Boys & Girls Clubs of America	GS Gives	
Bring on the Music, Inc.	GS Gives	
Camp Kesem National	GS Gives	
Cedars-Sinai Medical Center	GS Gives	
Center for the Study of Young People in Groups	GS Gives	
Community Partners	GS Gives	
Congregation of Maronite Lebanese Missionaries	GS Gives	
Entertainment Industry Foundation	GS Gives	
Geffen Playhouse, Inc.	GS Gives	
GoFundMe.org	GS Gives	
Harriett Buhai Center for Family Law	GS Gives	
Harvard-Westlake School	GS Gives	

International Medical Corps	GS Gives
Jewish Federation Council of Greater Los Angeles	GS Gives
John Thomas Dye School	GS Gives
LA Promise Fund	GS Gives
Las Madrinas	GS Gives
Los Angeles Gay & Lesbian Community Services Center, Inc.	GS Gives
Los Angeles Philharmonic Association	GS Gives
Los Angeles Team Mentoring, Inc.	GS Gives
Loyola Marymount University	GS Gives
Marlborough School	GS Gives
Marymount High School	GS Gives
Museum Associates	GS Gives
Nexleaf Analytics	GS Gives
Ocean Park Community Center	GS Gives
Our House Grief Support Center	GS Gives
Pacific Council on International Policy	GS Gives
Performing Arts Center of Los Angeles County	GS Gives
Point Foundation	GS Gives
Simon Wiesenthal Center	GS Gives
Team Rubicon	GS Gives
The Colleagues Helpers In Philanthropic Service	GS Gives
The People Concern	GS Gives
The UCLA Foundation	GS Gives
University of Southern California	GS Gives
Vision to Learn	GS Gives
Zoe LA	GS Gives
<b>Amount:</b>	
<b>\$2,497,123</b>	

## **Exhibit 2 - Attachment for Question #3 - Internal Policies Regarding Utilization of Subcontractors**

Goldman Sachs strives to provide diverse businesses with the opportunity to compete in a fair and equal basis for our business. Policies can be found at:

<https://www.goldmansachs.com/our-firm/people-and-culture/vendor-diversity/index.html>

# VENDOR DIVERSITY AT GOLDMAN SACHS

At Goldman Sachs, a wide array of goods and services are needed to support our business operations, and we work hard to ensure that we partner with the best businesses available to achieve our objectives. We strive to engage vendors that reflect the diversity of the communities where we live and work and of the clients we serve, and we look for vendors that can bring a range of perspectives to help us discover creative, effective solutions.

## VENDOR DIVERSITY PROGRAM

Launched in 2000, the Vendor Diversity Program aims to help break down barriers to market access for small and diverse enterprises and unlock commercial opportunities with our firm. We accept diverse vendor definitions for over 20 countries where we operate, including the following categories, where applicable:

- Disability-Owned Business Enterprise
- Lesbian, Gay, Bisexual and Transgender Business Enterprise
- Micro, Small or Medium Enterprise (MSME), Small or Medium Enterprise (SME) or Small Business
- Minority-Owned Business
- Social Enterprise Business
- Supported Business
- Veteran-Owned or Service-Disabled Veteran-Owned Business
- Women's Business Enterprise

Every year, we set vendor diversity goals within our key procurement strategies. We have committed to increasing our spend with diverse businesses by 50% by 2025.

We also expect our vendors to take proactive steps to provide diverse businesses with the opportunity to compete on a fair and equal basis for their business. Key vendors provide quarterly reports on Tier II diverse vendor spend in relation to Goldman Sachs contracts.

## REAL ESTATE PROJECTS

Our major real estate projects reflect our commitment to working with diverse vendors across the world. Some notable successes include the following:

- In New York, we spent more than \$300 million with minority- and women-owned businesses while constructing our global headquarters.
- In London, we spent more than £100 million with local SMEs, hired local labor, and provided over 200,000 hours of work to apprentices and trainees during the construction and fit-out phases of Plumtree Court, which opened in 2019.
- In Bengaluru, 64% of construction shell and core spend and 33% of interior work spend for our new campus, which opened in 2019, was with diverse vendors. More than 9,000 height adjustable desks were designed, manufactured and installed by a local, medium-sized enterprise.

## VENDOR CODE OF CONDUCT

All vendors are expected to operate according to the [Goldman Sachs Vendor Code of Conduct](#), which describes the expectations we have of our vendors to conduct business responsibly. It encompasses the areas of ethical business practices, labor and human rights, vendor diversity and inclusion, environmental stewardship and management systems and governance.

The Code reinforces our commitment to sustainable procurement and vendor diversity. All vendors are encouraged to communicate and enforce the Code's provisions throughout their organization and supply chain.

## MEMBERSHIPS

We partner with a number of vendor diversity organizations, which connect us to thousands of diverse businesses through their networks. We are members and active participants of Disability: IN, National Minority Supplier Development Council, Women's Business Enterprise National Council, WEConnect International and Financial Services Roundtable for Supplier Diversity.

## PROGRAMS FOR ENTREPRENEURS

We take action where our skills and leadership can make a clear impact. Through *10,000 Small Businesses*, *10,000 Women* and *Launch with GS*, the firm provides access to education, networks and capital to support business owners around the world.

*Goldman Sachs 10,000 Small Businesses* is an investment to help entrepreneurs create jobs and economic opportunity by providing access to education, capital and business support services. In the US, more than 9,100 business owners have graduated from the program across all 50 states in the US, Puerto Rico and Washington, D.C.; while in the UK, more than 1,700 small business leaders from across the UK and a wide range of business sectors have participated in the program, benefitting from immediate and sustained business growth.

*Goldman Sachs 10,000 Women* is a global initiative that fosters economic growth by providing women entrepreneurs with a business and management education, mentoring and networking, and access to capital. It has reached thousands of women from over 100 countries, and graduates report immediate and sustained business growth.

*Launch with GS* is Goldman Sachs' \$500 million investment strategy, which aims to increase access to capital and facilitate connections for women, Black, Latinx and other diverse entrepreneurs and investors.

## ADDITIONAL INFORMATION

Visit [gs.com/vendor-diversity](https://gs.com/vendor-diversity) to learn more about vendor diversity at Goldman Sachs.

## VENDOR DIVERSITY AT GOLDMAN SACHS

At Goldman Sachs, a wide array of goods and services are needed to support our business operations, and we work hard to ensure that we partner with the best businesses available to achieve our objectives. We strive to engage vendors that reflect the diversity of the communities where we live and work and of the clients we serve, and we look for vendors that can bring a range of perspectives to help us discover creative, effective solutions.



At Goldman Sachs, we require a wide range of goods and services to support our business operations globally, and we want to partner with the best businesses available to achieve our objectives. Developing an inclusive and responsible supply chain is core to our business and the economy as a whole, which is why we have committed to increase spend with diverse vendors by 50% by 2025. If you are interested in doing business with us, apply through our website.

[www.gs.com/vendor-diversity](http://www.gs.com/vendor-diversity).



### Exhibit 3 - Attachment for Question #4 - Consumer Protection and Disciplinary Action

1) **Applicable consumer financial protection laws:** Goldman Sachs & Co. LLC ("Goldman Sachs") has policies and procedures in place that are reasonably designed to facilitate compliance with laws applicable to the firm. Additionally, Goldman Sachs has adopted the attached Code of Business Conduct and Ethics (the "Code") which states that it is the firm's policy to comply with all applicable laws, rules and regulations.

[https://www.goldmansachs.com/our\\_firm/investor\\_relations/financial\\_reports/annual\\_reports/2003/pdf/GS03AR\\_businessprncples.pdf](https://www.goldmansachs.com/our_firm/investor_relations/financial_reports/annual_reports/2003/pdf/GS03AR_businessprncples.pdf)

2) **Policies to prevent illegal predatory consumer adverse sales goals:** Goldman Sachs has adopted the attached Code of Business Conduct and Ethics (the "Code") which states that it is the firm's policy to comply with all applicable laws, rules and regulations.

[https://www.goldmansachs.com/our\\_firm/investor\\_relations/financial\\_reports/annual\\_reports/2003/pdf/GS03AR\\_businessprncples.pdf](https://www.goldmansachs.com/our_firm/investor_relations/financial_reports/annual_reports/2003/pdf/GS03AR_businessprncples.pdf)

3) **Whistleblower protection policies:** Goldman Sachs & Co. LLC has policies and procedures in place that are reasonably designed to facilitate compliance with laws applicable to the firm. This includes policies that prohibit retaliation for reporting possible violations of law, ethics or firm policies, no matter whom the reporting of a possible violation comes from or concerns.

5) **Litigation in the last five years:**

The firm assumes that the LADWP primarily, is interested in proceedings relating to Goldman Sachs & Co. LLC's ("Goldman Sachs") role as managing underwriter of municipal offerings. Except as noted below, the firm's Public Sector and Infrastructure Banking group is not involved in litigation arising out of its role as a managing underwriter of municipal offerings.

From time to time, the firm, its managing directors and employees are involved in proceedings and receive inquiries, subpoenas and notices of investigation relating to various aspects of its business. These include requests for information by the Securities and Exchange Commission and certain other federal and state agencies and authorities arising out of publicly reported events in the municipal securities arena. As reported in the press, there has been recent regulatory and governmental focus on various aspects associated with municipal offerings, including pricing, transaction expenses, and municipal derivative products. The firm is willing to provide information regarding such matters upon request. In the normal course of business, the firm keeps regulatory inquiries, subpoenas, notices of investigation and other similar regulatory matters confidential, except as those that the firm has publicly disclosed in Form BD and the periodic reports filed by the firm electronically with the Securities and Exchange Commission. For additional information on matters that are required to be publicly reported, which may include updates to the information set forth herein, please also refer to the firm's various regulatory filings under applicable laws and regulations, including Form BD and periodic filings pursuant to the Exchange Act.

The City of Philadelphia (represented by Quinn Emanuel), purporting to sue on behalf of VRDO issuers between February 1, 2008 and June 30, 2016, filed an antitrust class action in February 2019 in New York federal court focused on alleged collusion by dealers (including Goldman Sachs) in resetting rates on VRDOs. The complaint contains no specific allegations about Goldman Sachs other than to note the names of two traders on the municipal trading desk, and it largely relies on economic analyses to support its claim. (Similar allegations about alleged improprieties in setting rates are the subjects of at least 4 pending whistleblower cases in which the firm is not named).

Goldman Sachs & Co. LLC is among a number of financial services firms named in qui tam actions. A qui tam action is pending in New York state court, and related qui tam actions in New Jersey and California state courts were dismissed with leave to replead. Amended qui tam complaints were filed in New Jersey and California state courts in October 2018. Related actions in Illinois state court and New York federal court were voluntarily dismissed. The actions allege that numerous financial institutions made misrepresentations in connection with underwritings for the relevant bond offerings when they allegedly promised to obtain the best price possible for the bonds. The actions seek unspecified damages equal to the interest the States allegedly overpaid on the bonds, as well as treble damages and civil penalties. GS has also received threatened claims related to Puerto Rico's ongoing debt crisis in connection with its role as an underwriter in certain debt issuances by the government of Puerto Rico.

On June 18, 2015, the Securities and Exchange Commission (“SEC”) announced settlements with 36 firms (collectively, the “Settlement Participants”), including Goldman Sachs, relating to the SEC’s Municipalities Continuing Disclosure Cooperation Initiative, a voluntary self-reporting program. The SEC alleged that between 2010 and 2014 Goldman Sachs and the other Settlement Participants violated federal securities laws by selling municipal bonds using offering documents that contained materially false statements or omissions about the bond issuers’ compliance with continuing disclosure obligations. Additionally, the SEC alleged that the Settlement Participants failed to conduct adequate due diligence to identify the misstatements and omissions before offering and selling the bonds to their customers. As part of its settlement, Goldman Sachs agreed, without admitting or denying the SEC’s allegations, to cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) of the Securities Act of 1933, pay a civil penalty of \$500,000 and retain an independent consultant to review our policies and procedures on due diligence for municipal securities underwriting.

On December 27, 2012, the Financial Industry Regulatory Authority (“FINRA”) announced settlements with five firms, including Goldman Sachs, regarding the reimbursement of California Public Securities Association (“Cal PSA”) fees as underwriting expenses in connection with California municipal and state bond offerings between February 2006 and December 2010. FINRA alleged that Goldman Sachs and the other four firms violated fair dealing and supervisory rules of the Municipal Securities Rulemaking Board (“MSRB”) by obtaining reimbursement for the Cal PSA payments. As part of its settlement, Goldman Sachs agreed, without admitting or denying FINRA’s allegations, to be censured, pay a fine, pay restitution to certain issuers in California and to implement any necessary revisions to its supervisory procedures and systems to ensure compliance with MSRB Rule G-27.

On September 27, 2012, the Securities and Exchange Commission and the Commonwealth of Massachusetts announced settlements with Goldman Sachs relating to the unauthorized political activities of a former employee, Neil Morrison, from 2008 until 2010 in connection with the former Massachusetts Treasurer. The firm detected Morrison’s unauthorized activities in the Fall of 2010, promptly reported them to the relevant regulators and terminated Morrison’s employment. As part of the SEC settlement, which found that Morrison’s unauthorized activities were attributable to Goldman Sachs, the firm agreed, without admitting or denying any findings or allegations, to be censured and to cease and desist from violating Section 15B(c)(1) of the Exchange Act as well as MSRB Rules G-8, G-9, G-17, G-27 and G-37. The firm also agreed to make payments pursuant to the settlements totaling roughly \$14.6 million.

Goldman Sachs (along with, in some cases, other financial services firms) is named by municipalities, municipal-owned entities, state-owned agencies or instrumentalities and non-profit entities in a number of FINRA arbitrations and federal court cases based on Goldman Sachs’ role as underwriter of the claimants’ issuances of an aggregate of approximately \$1.9 billion of auction rate securities from 2003 through 2007 and as a broker-dealer with respect to auctions for these securities, most of which have been concluded either through settlements or dismissal. The claimants generally allege that Goldman Sachs failed to disclose that it had a practice of placing cover bids in auctions, and/or failed to inform the claimant of the deterioration of the auction rate market beginning in the fall of 2007, and that, as a result, the claimant was forced to engage in a series of expensive refinancing and conversion transactions after the failure of the auction market in February 2008. Certain claimants also allege that Goldman Sachs advised them to enter into interest rate swaps in connection with their auction rate securities issuances, causing them to incur additional losses. The claims include breach of fiduciary duty, fraudulent concealment, negligent misrepresentation, breach of contract, violations of the Exchange Act and state securities laws, and breach of duties under the rules of the Municipal Securities Rulemaking Board and the NASD. Certain of the arbitrations have been enjoined in accordance with the exclusive forum selection clauses in the transaction documents.

As reported in the firm’s most recent Annual Report on Form 10-K, the firm is subject to a number of investigations and reviews by, and in some cases have received subpoenas and requests for documents and information from, various governmental and regulatory bodies and self-regulatory organizations relating to transactions involving municipal securities, including wall-cross procedures and conflict of interest disclosure with respect to state and municipal clients, the trading and structuring of municipal derivative instruments in connection with municipal offerings, political contribution rules, municipal advisory services and the possible impact of credit default swap transactions on municipal issuers. The firm is cooperating with the investigations and reviews. For further information, please refer to the firm’s various regulatory filings under applicable laws and regulations, including Form BD and periodic filings pursuant to the Exchange Act.

While the civil action did not in any way relate to the municipal securities business or the firm’s role as underwriter of municipal offerings, please note that on April 16, 2010, the Securities and Exchange Commission brought a civil action in the U.S. District Court for the Southern District of New York against Goldman Sachs and one of its employees in connection with a single collateralized debt obligation transaction made in early 2007, and subsequently, on July 15, 2010, Goldman Sachs agreed to a settlement with the Securities and Exchange Commission to resolve this action against the firm. For further information about this matter, please refer to the firm’s various regulatory filings under applicable laws and regulations, including Form BD, periodic filings pursuant to the Exchange Act, and [www.gs.com](http://www.gs.com).

On September 4, 2008, Goldman Sachs’ parent, The Goldman Sachs Group Inc., was named as a defendant, together with numerous other financial services firms, in two complaints filed in the U.S. District Court for the Southern District of New York alleging that the defendants engaged in a conspiracy to manipulate the auction securities market in violation of federal antitrust laws. The actions were filed, respectively, on behalf of putative classes of issuers of and investors in auction rate securities and seek, among other things, treble damages in an unspecified amount. Defendants’ motion to dismiss was granted on January 26, 2010. On March 1, 2010, the plaintiffs appealed from the dismissal of their complaints.

On August 21, 2008, Goldman Sachs entered into settlement agreements in principle with the Office of Attorney General of the State of New York and the Illinois Securities Department (on behalf of the North American Securities Administrators Association) regarding auction rate securities. Under the agreements, Goldman Sachs, among other things, without admitting or denying any wrongdoing, offered (i) to repurchase at par the outstanding auction rate securities that were held by its Private Wealth Management clients and were purchased through the firm prior to February 11, 2008, with the exception of those auction rate securities where auctions are clearing, (ii) to continue to work with issuers and other interested parties, including regulatory and governmental entities, to expeditiously provide liquidity solutions for institutional investors, and (iii) to pay a \$22.5 million fine. On June 3, 2009, Goldman Sachs entered into a final settlement with the Office of Attorney General of the State of New York pursuant to the agreement in principal. In connection with this final settlement, Goldman Sachs, without admitting or denying any wrongdoing, agreed to pay a civil penalty of \$22,500,000, of which \$1,952,439.67 was paid to the State of New York. The remainder of the civil penalty will be paid to those states and territories that enter administrative or civil consent orders approving the terms of the North American Securities Administrators Association settlement. On March 19, 2010, Goldman Sachs entered into a final settlement with the Illinois Securities Department. In addition, as of September 10, 2012, Goldman Sachs has entered into final settlements with 49 jurisdictions (including New York and Illinois).

On May 31, 2006, the U.S. Securities and Exchange Commission (the "SEC") announced that it had settled with 15 firms, including Goldman Sachs that participate in the auction rate securities market regarding their respective practices and procedures in this market. The SEC alleged in the settlement that the firms had managed auctions for auction rate securities in which they participated in ways that were not adequately disclosed or that did not conform to disclosed auction procedures. As part of the settlement, a number of firms, including Goldman Sachs had each agreed to pay civil money of \$1,500,000. In addition, without admitting or denying the SEC's allegations, Goldman Sachs agreed to be censured, to cease and desist from violating certain provisions of the securities laws, to provide to customers written descriptions of its material auction practices and procedures, and to implement procedures reasonably designed to detect and prevent any failures to conduct the auction process in accordance with disclosed procedures.

On June 27, 2006, as part of a multi-firm settlement relating to transactions in municipal securities below the minimum denominations set by the issuers of those securities, the NASD censured Goldman Sachs, assessed a fine and required the firm to adopt and implement policies and procedures to ensure compliance with those MSRB rules.

The firm's Public Sector and Infrastructure Banking group activities are the subject of the following lawsuit: in August 2004, several purchasers of Michigan Strategic Fund Resource Recovery Limited Obligation Revenue Bonds (Central Wayne Energy Recovery Limited Partnership Project) brought a lawsuit against Goldman Sachs, as underwriter, and R.W. Beck, as feasibility consultant, in Michigan state court alleging negligent and innocent misrepresentation in connection with the issuance of the bonds in 1998. In March 2005, these claims were dismissed and the plaintiffs were permitted to file an amended complaint alleging fraud in connection with the issuance of the bonds. In July 2005, the Michigan amended complaint was dismissed on forum non conveniens grounds and the plaintiffs have appealed that decision. Shortly thereafter, the plaintiffs served a similar fraud complaint in New York, which Goldman Sachs has moved to for summary judgment following the completion of discovery. In January 2009, a settlement was entered into on the basis of a dismissal of all claims and mutual releases. No payments were made pursuant to this settlement agreement.