UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, v. FABRICE TOURRE, Defendant.	10 Civ. 3229 (BSJ)(MHD) ECF Case

SEC'S MEMORANDUM OF LAW IN SUPPORT OF ITS MOTION FOR PARTIAL RELIEF FROM THE COURT'S JUNE 10, 2011 PARTIAL DISMISSAL ORDER

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Dated: Washington, D.C.
June 14, 2012

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Plaintiff U.S. Securities and Exchange Commission ("SEC" or "Commission") submits this memorandum of law in support of its motion, pursuant to Federal Rule of Civil Procedure 54(b), for partial relief from this Court's June 10, 2011 Order ("Order" or "June 10 Order"), dismissing the SEC's claims against Defendant Fabrice Tourre for primary and aiding and abetting violations of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

PRELIMINARY STATEMENT

This lawsuit concerns false and misleading statements and material omissions by Tourre, an employee of Goldman Sachs & Co. ("GS & Co."), in connection with the offer and sale of notes of a synthetic collateralized debt obligation ("CDO") by GS & Co. to German commercial financing bank IKB Deutsche Industriebank AG ("IKB") in April 2007. In an Order dated June 10, 2011,[1] the Court dismissed certain of the SEC's fraud and misrepresentation claims against Tourre relating to the sale of the CDO's notes to IKB. The Court held that while the Amended Complaint adequately pled fraud with regard to that sale, it failed to plead that the fraud occurred in connection with a "domestic securities transaction," as defined by the Supreme Court's decision in *Morrison v. National Australia Bank Limited*, 130 S. Ct. 2869 (2010). Specifically, this Court held that the Amended Complaint failed to plead facts sufficient to show that any party to the IKB note purchases incurred "irrevocable liability" to purchase or sell the securities in the United States. Order at 25. Accordingly, the Court dismissed certain aspects of the SEC's fraud claims against Tourre.

More recently, the Second Circuit has held that the definition of a "domestic securities transaction" is broader than the test this Court employed. Specifically, the Second Circuit held that pleading transfer of title to securities within the United States is sufficient to survive a motion to dismiss on *Morrison* grounds. *Absolute Activist Value Master Fund Ltd. v. Ficeto*, 677 F.3d 60, 62, 67, 68, 69 (2d Cir. 2012). This clarification of the law was not available at the time the parties briefed and this Court ruled on Tourre's motion to dismiss; however, the

[1] *S.E.C. v. Goldman Sachs & Co.*, 790 F. Supp. 2d 147 (S.D.N.Y. 2011).

Commission's Amended Complaint alleges that title for the notes that were sold by GS & Co. to IKB initially transferred at a closing in New York. For these reasons, explained in greater detail below, the Commission respectfully requests relief from the Court's June 10 Order and reinstatement of those portions of the claims against Tourre for primary and aiding and abetting liability under Section 10(b) of the Exchange Act in connection with the sale of notes to IKB.

BACKGROUND

A. The Amended Complaint

This case concerns false and misleading statements and material omissions by Tourre, an employee of GS & Co., in connection with a synthetic CDO, known as ABACUS 2007-AC1, that was tied to the performance of subprime residential mortgage-backed securities. Amended Complaint ¶¶ 1, 55. ABACUS 2007-AC1 was structured and marketed by GS & Co. and Tourre, and Tourre was primarily responsible for the CDO. *Id.* ¶¶ 4, 10. Working from GS & Co. headquarters in New York, Tourre and GS & Co. sent false and misleading marketing and offering materials to IKB and other potential investors in an effort to sell ABACUS 2007-AC1 notes. *Id.* ¶¶ 55-58, 66.

As a result of the sales and marketing efforts by GS & Co. and Tourre from New York, the Loreley entities (which were investment vehicles affiliated with IKB and for which IKB served as investment advisor) purchased $150 million worth of ABACUS 2007-AC1 notes. *See id.* ¶¶ 53, 61. The ABACUS 2007-AC1 transaction closed on or about April 26, 2007. *Id.* ¶ 61. The closing took place at One Battery Park Plaza in New York, New York. *Id.* ¶ 62. At the closing, GS & Co. initially purchased the notes ordered by IKB, received the notes through the book-entry facilities of the Depository Trust Company ("DTC") located at 55 Water Street in New York, and then delivered the notes to Goldman Sachs International ("GSI") for further delivery to the Loreley entities.[2] *Id.* GS & Co. delivered $150 million, representing the

[2] The Amended Complaint alleged that the notes were delivered by GS & Co. to a New York-based bank for further delivery. Amended Complaint ¶ 62. Discovery has clarified that, in fact, the notes were transferred through a series of setops from GS & Co. to GSI for further delivery to the Loreley entities, and that these transfers were facilitated by JP Morgan, a New York-based bank. A declaration from a GS & Co. employee detailing these transfers is attached hereto as Exhibit A.

purchase price of the notes, by federal funds transfer to LaSalle Bank in Chicago as trustee for ABACUS 2007-AC1. *Id.* ¶ 63.

Based on these allegations, the Commission asserted, *inter alia*, claims that Tourre violated Section 10(b) of the Exchange Act and Rule 10b-5, aided and abetted GS & Co. in the violation of Section 10(b) and Rule 10b-5, and violated Section 17(a) of the Securities Act of 1933 ("Securities Act"), in connection with the offer and sale of securities to IKB. *Id.* ¶¶ 74-83.

B. The Court's June 10, 2011 Partial Dismissal Order

Tourre moved to dismiss the Amended Complaint on the ground that the Commission failed to plead a "domestic securities transaction" in accordance with the Supreme Court's decision in *Morrison*. Tourre argued that the IKB note purchase was an "unambiguously foreign transaction" because the Loreley entities ultimately acquired the notes from GSI pursuant to Regulation S ("Reg. S"), 17 C.F.R. §§ 230.901-230-905, and that *Morrison* precludes finding a "domestic transaction" based on the sales and marketing activities conducted by Tourre and GS & Co. from New York. The Commission opposed Tourre's motion, arguing that Reg. S does not apply to the antifraud provisions of the federal securities law, and that allegations in the Amended Complaint that the offer and sale of the notes purchased by the Loreley entities was undertaken by Tourre and GS & Co. in and from the United States satisfied *Morrison*'s "domestic transaction" test. The Commission also noted that the closing for the ABACUS 2007-AC1 transaction took place in New York City.

Following oral argument, the Court granted in part and denied in part Tourre's motion to dismiss. The Court rejected Tourre's Reg. S argument, agreeing with the Commission that Reg. S does not apply to the antifraud provisions of the federal securities laws. Order at 26 n.13. The Court also held that *Morrison*'s "domestic transaction" test is satisfied by pleading facts that show "irrevocable liability" was incurred either by a purchaser or seller of the notes in the United States – *i.e.*, that a purchaser incurred irrevocable liability to pay for the security or that a seller incurred irrevocable liability to deliver the security. *Id.* at 21. The Court held that because the Commission's allegations did not "demonstrate where any party to the IKB note purchases

incurred 'irrevocable liability,' the SEC fails to provide sufficient facts that allow the court to draw the reasonable inference that the IKB note 'purchase[s] or sale[s were] made in the United States.'" *Id.* at 24 (internal citation omitted). Citing the district court decision in *Quail Cruises Ship Management Limited v. Agencia de Viagens CVC Tur Limitada*,732 F. Supp. 2d 1345, 1350 (S.D. Fla. 2010), this Court further held that a domestic "closing, absent a purchase or sale . . . made in the United States, is not determinative." Order at 23-24 (internal quotation marks and citations omitted).[3] Accordingly, the Court dismissed the claims that Tourre violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, aided and abetted GS & Co. in violating those provisions, and violated Section 17(a) of the Securities Act in connection with the purchase by or sale of securities to IKB. *Id*. at 26, 36-37.

C. The *Absolute Activist* Decision

In its recent decision in *Absolute Activist*, the Second Circuit assessed whether a complaint filed by foreign hedge funds, which had purchased shares of companies not traded on a domestic exchange, sufficiently alleged facts to allow the court to draw the reasonable inference that the purchases were "domestic securities transaction[s]" under *Morrison*. The Second Circuit cited this Court's June 10 Order with approval and held, in part, that "the point of irrevocable liability can be used to determine the locus of a securities purchase or sale." *Absolute Activist*, 677 F.3d at 68. But the Second Circuit went on to state:

> However, we do not believe this is the only way to locate a securities transaction. After all, a "sale" is ordinarily defined as "[t]he transfer of property or title for a price." BLACK'S LAW DICTIONARY 1454 (9th ed. 2009); *see also* U.C.C. § 2-106(1). Thus, a sale of securities can be understood to take place at the location in which title is transferred.

Id. The Second Circuit cited with approval the Eleventh Circuit's decision in *Quail Cruises Ship Management Limited v. Agencia de Viagens CVC Tur Limitada*, 645 F.3d 1307, 1310–11 (11th Cir. 2011), where that court held that an allegation "that the closing actually occurred in the

[3] The district court's decision in *Quail Cruises* was subsequently reversed on appeal. *Quail Cruises Ship Mgmt. Ltd. v. Agencia de Viagens CVC Tur Limitada*, 645 F.3d 1307, 1310 (11th Cir. 2011). The SEC brought that development to this Court's attention in its Memorandum of Law in Opposition to Defendant Tourre's Motion for Certification of an Interlocutory Appeal [Dkt. 112], at 13.

United States" was sufficient to survive a motion to dismiss on *Morrison* grounds. Accordingly, the Second Circuit concluded that, "to sufficiently allege a domestic securities transaction in securities not listed on a domestic exchange, . . . a plaintiff must allege facts suggesting that irrevocable liability was incurred *or title was transferred within* the United States." *Absolute Activist*, 677 F.3d at 68 (emphasis added). Facts evidencing such can include allegations regarding "the exchange of money." *Id.* at 70.

Applying its test to the complaint in *Absolute Activist*, the Second Circuit held that the foreign hedge funds failed to plead purchases that satisfied *Morrison*'s "domestic transaction" test. *Id*. at 69-70. However, the Second Circuit remanded to allow the plaintiffs to amend their complaint to "assert additional facts leading to the plausible inference that either irrevocable liability was incurred *or that title passed* in the United States," because there had been "significant ambiguity as to what constitutes a 'domestic transaction in other securities'" prior to the Second Circuit's ruling in that case. *Id.* at 62 (emphasis added).

LEGAL STANDARD

Federal Rule of Civil Procedure 54(b) confirms the inherent power of the Court to revise a prior decision at any time before the entry of final judgment resolving all claims. Fed. R. Civ. P. 54(b) ("[A]ny order . . . that adjudicates fewer than all the claims or the rights and liabilities of fewer than all the parties does not end the action as to any of the claims or parties and *may be revised* at any time before the entry of a judgment . . . ." (emphasis added)). Under Rule 54(b), a court's earlier decisions are typically treated as law of the case, giving the court discretion to revisit and change earlier rulings when there has been, among other things, "an intervening change of controlling law." *Official Comm. of Unsecured Creditors of Color Tile, Inc. v. Coopers & Lybrand, LLP*, 322 F.3d 147, 167 (2d Cir. 2003) (quoting *Virgin Atl. Airways, Ltd. v. Nat'l Mediation Bd.*, 956 F.2d 1245, 1255 (2d Cir. 1992)); *see also, e.g., Grace v. Rosenstock*, 228 F.3d 40, 51 (2d Cir. 2000) ("All interlocutory orders remain subject to modification or adjustment prior to the entry of a final judgment adjudicating the claims to which they pertain.").

ARGUMENT

Section 10(b) and Rule 10b-5 thereunder prohibit fraud in connection with a domestic securities transaction. *See Morrison*, 130 S. Ct. at 2884 (holding that Section 10(b) applies only to "domestic securities transactions"); 17 C.F.R. § 240.10b-5 (prohibiting fraud "in connection with" a purchase or sale of any security). The Commission's claims that Tourre violated these provisions, and aided and abetted the same, should be reinstated because the Amended Complaint adequately alleges that Tourre's fraud on IKB occurred "in connection with" a "domestic securities transaction," as defined by the Second Circuit's recent decision in *Absolute Activist*. Although this Court previously held that the Amended Complaint does not adequately allege that IKB incurred irrevocable liability in the United States, the Amended Complaint *does* adequately allege that title to the ABACUS 2007-AC1 notes initially passed in the United States. And the alleged fraud by Tourre was in connection with that domestic securities transaction. Under the holding of *Absolute Activist*, this is sufficient to state a claim pursuant to Section 10(b) and Rule 10b-5.

A. The Amended Complaint Alleges That Title To The ABACUS 2007-AC1 Notes Passed In New York.

The Commission's Amended Complaint alleges that the closing of the ABACUS 2007-AC1 transaction took place in New York. *See* Amended Complaint ¶ 62. The Amended Complaint further alleges that, at the closing in New York, GS & Co. initially purchased the ABACUS 2007-AC1 notes ordered by IKB, received the notes through the book-entry facilities of DTC in New York, and then delivered the notes to GSI for further delivery to the Loreley entities.[4] *Id.* This closing process was consistent with the ABACUS 2007-AC1 offering memorandum, which expressly stated that the offered notes would be "ready for delivery . . . only in New York, New York." *Id.* Furthermore, the Amended Complaint alleges that GS & Co. made payment for the notes to the ABACUS 2007-AC1 trustee's bank account at LaSalle Bank in the United States. *Id.* ¶ 63.

[4] *See supra* note 2.

This Court recognized long ago that title to securities vests at the time of delivery. *See, e.g., S.E.C. v. John E. Samuel & Co.*, No. 72 Civ. 505, 1973 WL 361, at *2 (S.D.N.Y. Jan. 2, 1973) (holding that, under U.C.C. § 8-301(1), "it is clear that title and rights to securities vest in the purchaser at the time of delivery"). The Amended Complaint alleges that delivery of the notes occurred at the closing in New York. *See Quail Cruises*, 645 F.3d at 1310 (noting that the purchase and sale agreement confirms that title would transfer at the domestic closing); *cf. Richardson v. Kelley Land & Cattle Co.*, 504 F.2d 30, 32 n.4 (8th Cir. 1974) ("We reject the argument that 'closing date' meant something other than the date for transfer of title."). And the allegation that payment for the notes was made by GS & Co. in the United States further supports the conclusion that the title to the notes transferred in the United States. *See Absolute Activist*, 677 F.3d at 70. Because the factual allegations in the Amended Complaint regarding the closing and delivery of the ABACUS 2007-AC1 notes "giv[e] rise to the plausible inference that . . . title [to the notes sold to the Loreley entities] was transferred within the United States," *id.* at 62, the Amended Complaint alleges a domestic purchase or sale of securities.

B. The Alleged Domestic Purchase Or Sale Of Securities Was "In Connection With" Tourre's Fraud.

As noted above, Section 10(b) and Rule 10b-5 prohibit fraud "in connection with" the purchase or sale of securities. The Supreme Court has held that Section 10(b) and Rule 10b-5 "broadly prohibit[] deception, misrepresentation, and fraud 'in connection with the purchase or sale of any security.'" *Merrill Lynch, Pierce, Fenner & Smith Inc. v. Dabit*, 547 U.S. 71, 78 (2006). In order to satisfy the "in connection with" element, "it is enough that the fraud alleged 'coincide' with a securities transaction--whether by the plaintiff or by someone else. The requisite showing, in other words, is deception 'in connection with the purchase or sale of any security,' not deception of an identifiable purchaser or seller." *Id.*; *see also S.E.C. v. Zandford*, 535 U.S. 813, 822 (2002) (concluding that §10(b)'s "in connection with" requirement is met where a fraudulent scheme and a purchase or sale of securities "coincide").

In *Romano v. Kazacos*, 609 F.3d 512 (2d Cir. 2010), the Second Circuit held that "it must give a broad construction to the 'in connection with' requirement." *Id.* at 523. Thus, a fraud and

a purchase or sale of securities "coincide" – and are therefore "in connection with" one another – if they are part of "'a string of events that were all intertwined.'" *Id*. at 524 (quoting *S.E.C. v. Pirate Investors LLC*, 580 F.3d 233, 245 (4th Cir. 2009)). Stated another way, "[t]he 'in connection with' test is satisfied when the proscribed conduct and the sale are part of the same fraudulent scheme." *Id*. For example, the "in connection with" element can be satisfied where the "securities sale was necessary to the completion of the fraudulent scheme." *Pirate Investors*, 580 F.3d at 244; *see also Roland v. Green*, 675 F.3d 503, 519-520 (5th Cir. 2012) (holding "the best articulation of the 'coincide' requirement" to be that "a misrepresentation is 'in connection with' the purchase or sale of securities if there is a relationship in which the fraud and the [security] sale coincide or are *more than tangentially related* " (quoting *Madden v. Cowen & Co.*, 576 F.3d 957, 965-66 (9th Cir. 2009) (emphasis in original)).

Applying these principles here, it is clear that Tourre's fraud was "in connection with" the domestic purchase or sale of ABACUS 2007-AC1 notes. As the Amended Complaint alleges, GS & Co. purchased the ABACUS 2007-AC1 notes in New York and then immediately transferred the notes to GSI for further delivery to the Loreley entities. Amended Complaint ¶ 62. GS & Co. purchased the notes in the United States only because they would then be sold to the Loreley entities; the subsequent purchase by the Loreley entities occurred only because of misrepresentations and omissions by Tourre and GS & Co. to the Loreley entities' investment advisor, IKB; and the sale of the notes to the Loreley entities was contingent on GS & Co. first purchasing the notes in the United States. What is more, the path by which the notes were to be transferred to GS & Co., then to GSI, and ultimately to the Loreley entities was mapped more than two weeks in advance of the closing as an integrated and seamless transaction. *See* Exhibit A, at ¶ 4. Thus, GS & Co.'s initial purchase of the notes in New York was "more than tangentially related" to Tourre's fraudulent conduct that induced IKB to recommend that the Loreley entities purchase the notes, *Roland*, 675 F.3d at 519-520, and, in fact, was "necessary to the completion of the fraudulent scheme," *Pirate Investors*, 580 F.3d at 244. Tourre's deception of IKB, GS & Co's initial purchase of the ABACUS 2007-AC1 notes, and the subsequent

purchase of those notes by the Loreley entities were "a string of events that were all intertwined." *Romano*, 609 F.3d at 524. In other words, Tourre's misrepresentations and omissions that induced IKB to recommend the Loreley entities' purchase the notes, and the purchase and sale of the notes in New York at the closing, "'were part of the same fraudulent scheme.'" *Romano*, 609 F.3d at 524 (quoting *Pirate Investors*, 580 F.3d at 245). Accordingly, Tourre's fraud was "in connection with" the domestic sale and purchase of the ABACUS 2007-AC1 notes.

CONCLUSION

For the reasons set forth above, the SEC's Amended Complaint alleges a claim under Section 10(b) and Rule 10b-5 for fraud in connection with a domestic securities transaction. Therefore, the Commission respectfully requests partial relief from the Court's June 10 Order and reinstatement of the SEC's claims that Tourre violated Section 10(b) of the Exchange Act and Rule 10b-5, and aided and abetted GS & Co. in the violation of those provisions.[5]

Dated: Washington, D.C.
June 14, 2012

Respectfully submitted,

/s/ *Matthew T. Martens*

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[5] In the event the Court decides that the Amended Complaint, as presently styled, does not sufficiently plead that title transferred in the United States, the Commission respectfully requests further leave, pursuant to Federal Rule of Civil Procedure 15(a)(2), to re-plead in accordance with the clarification provided by *Absolute Activist* after Tourre's motion to dismiss was resolved. *See Absolute Activist*, 677 F.3d at 62; *see also* Nov. 1, 2010 Order (granting leave to amend because *Morrison* decision issued after original complaint had been filed) [Dkt. 42].

CERTIFICATE OF SERVICE

I certify that on June 14, 2012, I directed the foregoing SEC'S MOTION FOR PARTIAL RELIEF FROM THE COURT'S JUNE 10, 2011 PARTIAL DISMISSAL ORDER to be filed using the CM/ECF system, which will send notification of such filing to the following email address:

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/s/ *Matthew T. Martens*
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,	
Plaintiff,	
v.	**10 Civ. 3229 (BSJ)(MHD)**
FABRICE TOURRE,	**ECF Case**
Defendant.	

DECLARATION OF TREVOR WILLIAMS PURSUANT TO 28 U.S.C. § 1746

I, Trevor Williams, make the following declaration:

1. I am an employee of Goldman Sachs & Company ("GS & Co.") where I work in the Operations Division and am part of a group manage settlements for securities lending and agency lending, including corporate settlements exclusive of interest rate products.

2. I was asked to collect and review firm records reflecting the process by which GS & Co. acquired the notes relating to the ABACUS 2007-AC1 collateralized debt obligation ("ABACUS notes") in April 2007 and transferred those notes to its affiliate, Goldman Sachs International ("GSI"), for subsequent transfer to the Loreley entities.

3. I reviewed electronic records available to GS & Co. to identify the entries in those records relating to the acquisition of title to the the ABACUS notes by GS & Co. and the electronic transfer of title in those notes to GSI and then to the Loreley entities. Attached as Exhibit 1 are Excel spreadsheets reflecting the information I identified. The following provides an explanation of the transfer of title to the ABACUS notes.

4. On April 10, 2007, GS & Co. set up the transfer orders by which, upon closing the ABACUS 2007-AC1 transaction, the following transfers of the ABACUS notes would occur:

a. GS & Co. would acquire title the ABACUS notes from the Trustee through the Depository Trust Company ("DTC") in New York;

b. GS & Co. would then transfer title to the ABACUS notes through DTC in New York to an account with Euroclear, which provides European settlement and transfer services similar to those provided by DTC in the United States;

c. Title to the ABACUS notes would then be further transferred within Euroclear from a Euroclear account for GS & Co. to a Euroclear account for GSI, completing an intercompany transfer of the notes from GS & Co. to GSI; and

d. Title to the ABACUS notes would then be transferred from the Euroclear account for GSI to the Loreley entities.

5. At or around the close of business on April 26, 2007 in New York (April 27, 2007 in Europe), the following occurred:

a. GS & Co. acquired title to the ABACUS notes from the Trustee through DTC in New York;

b. Title to the ABACUS notes was then transferred from GS & Co.'s account with DTC to a Euroclear clearance account for GS & Co., via an inter-depository foreign transit exchange between DTC and Euroclear (that transfer was facilitated by J.P. Morgan Chase);

c. Title to the ABACUS notes was then further transferred within Euroclear from a Euroclear clearance account for GS & Co. to a Euroclear clearance account for GSI, thereby completing the intercompany transfer of the notes from GS & Co. to GSI; and

d. Title to the ABACUS notes was then transferred by Euroclear from the Euroclear clearance account for GSI to the Loreley entities.

I make the foregoing declaration under penalty of perjury based on knowledge, information, and belief following a reasonable investigation.

Trevor Williams

6/11/12
Date

USG0010JAB55

Acct No.	Acct Desc.	Clr. A	Tran. Type	Trade Date	Settle Date	Quantity	Amount
762017127-01	ABACUS misc	DTC	TR	10-Apr-07	26-Apr-07	50,000,000.00	50,000,000.00
039041587-01	ABACUS NI ACCT	DTC	TR	10-Apr-07	26-Apr-07	-50,000,000.00	-50,000,000.00
762017127-01	ABACUS misc	EC	TR	10-Apr-07	26-Apr-07	-50,000,000.00	-50,000,000.00
034999219-01	GSI INTERCO W/GSCO	EC	TR	10-Apr-07	26-Apr-07	50,000,000.00	50,000,000.00
023530041-01	LORELEY FINANCING (JERSEY)	EC	TR	10-Apr-07	26-Apr-07	50,000,000.00	50,000,000.00
034999201-01	GSCO INTERCO W/GSI	EC	TR	10-Apr-07	26-Apr-07	-50,000,000.00	-50,000,000.00
982000010-00	UNPLEDGED	DTC	JL	10-Apr-07	26-Apr-07	-50,000,000.00	0
039041587-01	ABACUS NI ACCT	DTC	JL	10-Apr-07	26-Apr-07	50,000,000.00	0
982000010-00	UNPLEDGED	DTC	JL	26-Apr-07	26-Apr-07	50,000,000.00	0
958020018-00	INTERDEPOSITORY FOREIGN TRANSI	DTC	JL	26-Apr-07	26-Apr-07	-50,000,000.00	0
958020018-00	INTERDEPOSITORY FOREIGN TRANSI	EC	JL	26-Apr-07	27-Apr-07	50,000,000.00	0
958190019-00	EUROCLEAR CLEARANCE	EC	JL	26-Apr-07	27-Apr-07	-50,000,000.00	0
958190019-00	EUROCLEAR CLEARANCE	EC	JL	10-Apr-07	27-Apr-07	50,000,000.00	0
034999219-01	GSI INTERCO W/GSCO	EC	JL	10-Apr-07	27-Apr-07	-50,000,000.00	-50,000,000.00
958328015-00	EUROCLEAR/GSIL CLEARANCE	EC	JL	10-Apr-07	27-Apr-07	-50,000,000.00	0
034999201-01	GSCO INTERCO W/GSI	EC	JL	10-Apr-07	27-Apr-07	50,000,000.00	50,000,000.00
958328015-00	EUROCLEAR/GSIL CLEARANCE	EC	JL	10-Apr-07	27-Apr-07	50,000,000.00	0
023530041-01	LORELEY FINANCING (JERSEY)	EC	JL	10-Apr-07	27-Apr-07	-50,000,000.00	-50,000,000.00

USG0010AAA63

Acct No.	Acct Desc.	Clr. A	Tran.	Trade Date	Settle Date	Quantity	Amount
762017127-01	ABACUS misc	DTC	TR	10-Apr-07	26-Apr-07	100,000,000.00	100,000,000.00
039041587-01	ABACUS NI ACCT	DTC	TR	10-Apr-07	26-Apr-07	-100,000,000.00	-100,000,000.00
762017127-01	ABACUS misc	EC	TR	10-Apr-07	26-Apr-07	-100,000,000.00	-100,000,000.00
034999219-01	GSI INTERCO W/GSCO	EC	TR	10-Apr-07	26-Apr-07	100,000,000.00	100,000,000.00
023530058-01	LORELEY FINANCING (JERSEY)	EC	TR	10-Apr-07	26-Apr-07	100,000,000.00	100,000,000.00
034999201-01	GSCO INTERCO W/GSI	EC	TR	10-Apr-07	26-Apr-07	-100,000,000.00	-100,000,000.00
982000010-00	UNPLEDGED DTC	DTC	JL	10-Apr-07	26-Apr-07	-100,000,000.00	0
039041587-01	ABACUS NI ACCT	DTC	JL	10-Apr-07	26-Apr-07	100,000,000.00	0
982000010-00	UNPLEDGED DTC	DTC	JL	26-Apr-07	26-Apr-07	50,000,000.00	0
982000010-00	UNPLEDGED DTC	DTC	JL	26-Apr-07	26-Apr-07	50,000,000.00	0
958020018-00	INTERDEPOSITORY FOREIGN TRA	DTC	JL	26-Apr-07	26-Apr-07	-50,000,000.00	0
958020018-00	INTERDEPOSITORY FOREIGN TRA	DTC	JL	26-Apr-07	26-Apr-07	-50,000,000.00	0
958020018-00	INTERDEPOSITORY FOREIGN TRA	EC	JL	26-Apr-07	27-Apr-07	50,000,000.00	0
958020018-00	INTERDEPOSITORY FOREIGN TRA	EC	JL	26-Apr-07	27-Apr-07	50,000,000.00	0
958190019-00	EUROCLEAR CLEARANCE	EC	JL	26-Apr-07	27-Apr-07	-50,000,000.00	0
958190019-00	EUROCLEAR CLEARANCE	EC	JL	26-Apr-07	27-Apr-07	-50,000,000.00	0
958190019-00	EUROCLEAR CLEARANCE	EC	JL	10-Apr-07	27-Apr-07	100,000,000.00	0
034999219-01	GSI INTERCO W/GSCO	EC	JL	10-Apr-07	27-Apr-07	-100,000,000.00	-100,000,000.00
958328015-00	EUROCLEAR/GSIL CLEARANCE	EC	JL	10-Apr-07	27-Apr-07	-100,000,000.00	0
034999201-01	GSCO INTERCO W/GSI	EC	JL	10-Apr-07	27-Apr-07	100,000,000.00	100,000,000.00
958328015-00	EUROCLEAR/GSIL CLEARANCE	EC	JL	10-Apr-07	27-Apr-07	100,000,000.00	0
023530058-01	LORELEY FINANCING (JERSEY)	EC	JL	10-Apr-07	27-Apr-07	-100,000,000.00	-100,000,000.00