

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20080124932**

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REGISTRATION & DISCLOSURE

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Blanka Solta, Respondent,
CRD No. 4568965

Pursuant to Rule 9216 of FINRA Code of Procedure, I, Blanka Solta submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Blanka Solta ("Solta" or "Respondent") was born in [REDACTED] Solta joined J. Aron ("the Firm"), a non-member commodities affiliate of Goldman, Sachs & Co. ("Goldman Sachs"), a FINRA member firm, as a natural gas trading analyst in July 2002. Solta was promoted to associate natural gas trader in 2005 and then to Vice President in December 2007. Solta was registered with FINRA as a general securities representative of Goldman Sachs from October 2002 until the termination of her employment in February 2008.

On February 21, 2008, FINRA received a Form U-5 (Uniform Termination Notice for Securities Industry Registration) from Goldman Sachs reporting that Solta's employment with the Firm had been terminated on February 11, 2008 for failing to value certain proprietary commodities positions in accordance with Firm policies. Solta has not been employed in the securities industry since the termination of her employment from the Firm. Solta has no disciplinary history in the securities industry.

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OVERVIEW

Solta mismarked the price of certain proprietary natural gas options positions in November and December 2007 which had the effect of improving her profit and loss ("P&L") totals in her proprietary trading book at the Firm.

FACTS AND VIOLATIVE CONDUCT

Background

As a natural gas trader, Solta was responsible for quoting, trading and marking physical and derivative natural gas products in various regions in the United States and Canada, including: AECO (Canadian natural gas delivery point); Panhandle (Mid-Continent delivery point); Rockies (Rocky Mountain delivery point); Southern California; and the Houston Shipping Channel. Her positions generally were long and short across a variety of options strikes out to ten years within each region. Solta's trading strategy generally entailed hedging exposure created by transactions with counterparts and proprietary positions on behalf of the Firm. During her six-year tenure at the Firm, Solta traded only the Firm's funds for its proprietary account, and did not trade on behalf of any customer accounts.

Pursuant to the Goldman Sachs' policies and procedures, Solta was responsible for "providing a price or market value for all positions, in accordance with the Firm's policy, which is to mark all positions daily to fair value." Fair value was defined as "the value at which a willing buyer and willing seller would transact in an orderly market." Solta's supervisors reviewed her positions on a daily basis, and on a monthly basis, Firm auditors undertook a price verification review process.

Solta Mismarked Proprietary Natural Gas Options Positions

During the November and December 2007 time period, Solta improperly priced various natural gas options positions in her proprietary trading book, which had the effect of improving her P&L totals in her proprietary trading book at the Firm. The Firm became aware of the mismarkings during a routine end of month price verification process. As part of its additional review of Solta's portfolio, the Firm compared Solta's marks to contemporaneous market prices and quotes, many of which were derived from instant messages Solta herself had received from third-party brokers. Solta mismarked natural gas positions in three regions – Canadian, Rockies, and Panhandle – by \$9.3 million, which the Firm discovered on December 5, 2007 and \$11.9 million, which the Firm discovered on December 6, 2007, for a cumulative impact of approximately \$21.2 million.

The following examples highlight Solta's mismarking of natural gas options positions during this time period:

Example 1 – Panhandle region option with \$7.00 exercise price:

- Solta, who was short the position, marked it at 83 cents at the same time she bought the same option for 88 cents.

Example 2 – Canadian region option with \$5.50 exercise price:

- Solta, who was long the position, marked it at 64 cents despite contemporaneous broker quotes indicating a market price of 38 cents.

Example 3 – Canadian region option with \$5.00 exercise price:

- Solta, who was short the position, marked the March 2008 options at less than 1 cent, significantly below market value (she marked the April 2008 options at 32 cents at the same time).

These examples indicate a pattern of mismarked natural gas options positions, in favor of Solta's P&L. Where Solta had a long position, her marks were greater than the contemporaneous market prices. Conversely, where Solta had a short position, her marks were lower than the contemporaneous market prices.

Based on the foregoing conduct, Respondent violated NASD Conduct Rule 2110 by marking the price of natural gas options positions in a trading account in a manner which she knew or should have known did not accurately reflect the market value of those commodities.

SANCTIONS

I also consent to the imposition of the following sanctions:

1. A suspension of 12 months from association with any FINRA member in any capacity; and
2. A fine in the amount of \$10,000.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See FINRA Rules 8310 and IM-8311.)

The fine shall be due and payable either immediately upon reassociation with a member firm following the 12-month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this manner.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against him;
- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

Respondent further specifically and voluntarily waives any right to claim that a person violated the *ex parte* prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

Respondent understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule

9216;

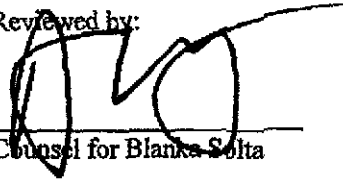
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
1. This AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Respondent;
 2. This AWC will be made available through FINRA's public disclosure program in response to public inquiries about Respondent's disciplinary record;
 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Respondent may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

Respondent certifies that he has read and understood all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that he has agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce Respondent to submit it.

22 September 2007
Date

Blanka Solta
Respondent

Reviewed by:

A handwritten signature in black ink, appearing to be "AS", written over a horizontal line.

Counsel for Blanca Solta

Andrew W. Sidman
Bressler, Amery & Ross, PC
17 State Street
New York, NY 10004
(t) 212-510-6916
(f) 212-425-9337

Accepted by FINRA:

10/2/09
Date

Signed on behalf of the
Director of ODA, by delegated authority

Linda S. Riefberg (by email) MCA w/permission

Linda S. Riefberg
Vice President
FINRA Department of Enforcement
14 Wall Street
New York, NY 10005