August 31, 2010

Via Email & Mail
Mr. David Viniar
Chief Financial Officer
Goldman Sachs & Co.
c/o Richard Klapper, Esq.
Sullivan & Cromwell
125 Broad Street
New York, NY 10004-2498
klapperr@sullcrom.com

Re: Financial Crisis Inquiry Commission Hearing on July 1, 2010

Dear Mr. Viniar:

Thank you for testifying on July 1, 2010 in front of the Financial Crisis Inquiry Commission and agreeing to provide additional assistance. Toward that end, please provide written responses to the following additional questions and any additional information by September 10, 2010.[1]

1. Please provide the reports Goldman Sachs has given the Office of the Comptroller of the Currency relating to its derivatives business.

2. In September 2008, what was the amount of overnight funding, if any, that Goldman Sachs required? What was the average length in days of Goldman Sachs's short term funding over this month? For purposes of this question, short-term funding is funding of less than 90 days.

3. In September 2008, AIG received government money that was in part paid to Goldman Sachs. Goldman Sachs has stated that much of these funds were passed onto counterparties. Did these Goldman Sachs counterparties in turn have an obligation to pay funds to Goldman Sachs? In addition, were any funds that AIG paid to other

[1] The answers you provide to the questions in this letter are a continuation of your testimony and under the same oath you took before testifying on July 1, 2010. Further, please be advised that according to section 1001 of Title 18 of the United States Code, "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

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counterparties, aside from Goldman Sachs, paid to Goldman Sachs by these counterparties in turn to pay off contracts related to AIG?

4. Goldman Sachs began buying CDS protection on AIG in 2007. By 2008, the price for that protection had increased. Did Goldman Sachs mark to market the value of its AIG credit protection that it had previously bought?

The FCIC appreciates your cooperation in providing the information requested. Please do not hesitate to contact Sarah Knaus at (202) 292-1394 or sknaus@fcic.gov if you have any questions or concerns.

Sincerely,

Wendy Edelberg
Executive Director, Financial Crisis Inquiry Commission

cc: Phil Angelides, Chairman, Financial Crisis Inquiry Commission
Bill Thomas, Vice Chairman, Financial Crisis Inquiry Commission

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September 10, 2010

Via E-mail

Wendy Edelberg,
Executive Director,
Financial Crisis Inquiry Commission,
1717 Pennsylvania Avenue, N.W., Suite 800,
Washington, D.C. 20006-4614.

Re: Additional Questions to David Viniar

Dear Ms. Edelberg:

On behalf of The Goldman Sachs Group, Inc. ("GS Group"), I write with respect to your August 31, 2010 letter to David Viniar requesting responses to additional questions following the Commission's July 1, 2010 hearing.[1] Responses to each of the questions from your letter are included below. For your convenience, we have included the question before the each response.

Request No. 1

Please provide the reports Goldman Sachs has given the Office of the Comptroller of the Currency relating to its derivatives business.

As we have previously highlighted in a response sent to the Commission on July 15, 2010, Goldman Sachs does not make any filings related to its derivatives business directly to the Office of the Comptroller of the Currency. We believe that the data relating to Goldman Sachs that is used for the OCC report regarding annual combined cash and derivative trading revenues for commercial banks is largely sourced from Goldman Sachs Bank USA's Quarterly Call Reports to the Federal Reserve Bank of New York. (These call reports are publicly available from the website of the Federal

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1 The statements in this letter are based upon information, including documents, supplied by GS Group.

Financial Institutions Examination Council at www.ffiec.gov.) Please note that the OCC reports annually the *combined* cash and derivative trading revenues of commercial banks. GS Group does not make any filings or reports to its regulators that attempt to distinguish between cash and derivative revenues.

Request No. 2

In September 2008, what was the amount of overnight funding, if any, that Goldman Sachs required? What was the average length in days of Goldman Sachs's short term funding over this month? For purposes of this question, short-term funding is funding of less than 90 days.

Short-term funding includes unsecured borrowings and secured financing collateralized with assets other than highly liquid government bonds. During the month of September 2008, approximately $28 billion of the firm's short-term funding was overnight, which includes financing where the maturity date is at the option of either counterparty, often referred to as "open funding". The weighted average maturity of the subset of our total financing that was 90 days or less to maturity during this period was 29 days.

We maintain a material amount of excess liquidity to enable us to meet current and potential liquidity requirements of the firm. Our global core excess pool of liquidity averaged more than $110 billion during the fourth quarter of 2008. We determine the size of our excess liquidity by identifying and estimating potential contractual and contingent cash and collateral outflows over a short-term horizon in a liquidity crisis, which includes upcoming maturities of our unsecured borrowings as well as adverse changes in the terms of, or the inability to refinance, secured funding trades with upcoming maturities, reflecting, among other factors, the quality of the underlying collateral and counterparty concentration. Our excess liquidity consists of unencumbered, highly liquid securities that may be sold or pledged to provide same-day liquidity, as well as certain overnight cash deposits.

Request No. 3

In September 2008, AIG received government money that was in part paid to Goldman Sachs. Goldman Sachs has stated that much of these funds were passed onto counterparties. Did these Goldman Sachs counterparties in turn have an obligation to pay funds to Goldman Sachs? In addition, were any funds that AIG paid to other counterparties, aside from Goldman Sachs, paid to Goldman Sachs by these counterparties in turn to payoff contracts related to AIG?

As Goldman Sachs has previously said, the majority of the super senior CDO credit default swap trades that Goldman Sachs affiliates had with AIG were trades in which AIG sold credit protection to Goldman Sachs and Goldman Sachs sold credit protection to another counterparty referencing the same security. There were no arrangements that we are aware of where a counterparty had an obligation to reimburse Goldman Sachs subsequent to receipt of payment from Goldman Sachs. The form of the contracts with these counterparties was such that any gain with AIG was offset by a loss with the counterparties. The vast majority of the money we received from AIG in connection with the Maiden Lane III transaction in November 2008 was used to purchase the cash bonds underlying the credit default swap trades from our counterparties in order to complete the settlement as required by the Federal Reserve. These counterparties did not have an obligation to pay money to Goldman Sachs. Rather, they delivered the relevant securities to Goldman Sachs, which it, in turn, delivered to Maiden Lane III.

Regarding whether funds paid by AIG to other counterparties were subsequently paid to Goldman Sachs, Goldman Sachs does not know what transactions other market participants had engaged in with AIG. Moreover, Goldman Sachs did not have credit default swap contracts such that a counterparty had an obligation to pass on to Goldman Sachs payments it received from AIG.

It has been reported by the media, and suggested by the Commission at the hearing on June 30, that a portion of the collateral received by one of AIG's counterparties was paid to Goldman Sachs as collateral for other transactions. While Goldman Sachs has no independent knowledge of the details of any transactions between that company and AIG, that institution did initiate transactions with Goldman Sachs in late 2006 and early 2007 in which it entered into derivative transactions secured by a portfolio of securities. We do not know whether the institution used these transactions to hedge transactions they had with AIG. It should also be noted that Goldman Sachs entered into trades offsetting its positions with the institution and, therefore, any money Goldman Sachs received from the institution as a result of these transactions was, in turn, paid to other counterparties.

Request #4

Goldman Sachs began buying CDS protection on AIG in 2007. By 2008, the price for that protection had increased. Did Goldman Sachs mark to market the value of its AIG protection that it had previously bought?

Yes. Consistent with substantially all of Goldman Sachs' trading assets and liabilities, the credit default swap protection trades on AIG were marked to market on a daily basis with related gains and losses recognized in its profit and loss account.

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Pursuant to Section 5 of the Fraud Enforcement and Recovery Act of 2009, Pub. L. No. 111-21, 123 Stat. 1617, I hereby request on behalf of GS Group that this letter and the material to which it refers be maintained in a secure manner and not be disclosed to the public, including in response to any request under the Freedom of Information Act, 5 U.S.C. § 552. If you wish to release any of these documents publicly, GS Group respectfully requests reasonable advance notice of your intent to do so and the opportunity to object to, or to seek to limit, such a release.

Sincerely,

Richard H. Klapper

Richard H. Klapper

cc: Janet A. Broeckel, Esq.
(Goldman, Sachs & Co.)