

THE GOLDMAN SACHS GROUP, INC. GLOBAL RESOLUTION PLAN

Public Filing – September 27, 2013

September 27, 2013

Table of Contents

Sections

A.	Names of Material Entities	2
B.	Description of Core Business Lines	3
C.	Summary of Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources	8
D.	Description of Derivative and Hedging Activities.....	16
E.	Memberships in Material Payment, Clearing and Settlement Systems.....	17
F.	Description of Foreign Operations	18
G.	Material Supervisory Authorities	20
H.	Principal Officers.....	24
I.	Resolution Planning Corporate Governance Structure and Processes Related to Resolution Planning.....	25
J.	Description of Material Management Information Systems.....	28
K.	High-Level Description of Resolution Strategy, Covering Such Items as the Range of Potential Purchasers of the Company, its Material Entities and Core Business Lines.....	29

Introduction

Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”) requires certain large bank holding companies and non-bank financial institutions, including The Goldman Sachs Group, Inc. (“Group Inc.” and together with its consolidated subsidiaries “Goldman Sachs,” “GS Group,” “the firm,” “our,” “us” or “we”), to develop a resolution plan.

On October 17, 2011, the Federal Deposit Insurance Corporation (the “FDIC”), together with the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”), (collectively, our “Supervisors”), released the final rule (the “Final Rule”) implementing the requirement in Dodd-Frank that covered companies prepare resolution plans. These resolution plans are intended to help covered companies, the FDIC, the Federal Reserve Board and the Financial Stability Oversight Council better respond to the financial distress of a systemically important financial company.

On April 15, 2013, our Supervisors issued additional guidance (“Guidance”) for the preparation of our 2013 annual resolution plan submission. Our resolution plan for 2013 is required to be responsive to, and consistent with, the Guidance.

Goldman Sachs has developed a resolution plan under the Final Rule and the Guidance (the “Plan”). This resolution plan is prepared under Title I of Dodd-Frank, as required, but the firm could also be resolved under the Orderly Liquidation Authority under Title II of Dodd-Frank.

The Plan does not rely on the provision of extraordinary support by the U.S. or any other government to the firm or its subsidiaries and would result in no loss to the FDIC Deposit Insurance Fund.

The Plan has been submitted to our Supervisors and provides a detailed plan for the orderly resolution of Goldman Sachs under economic scenarios that include baseline, adverse and severely adverse economic conditions.

We believe that the resolution planning process, as required by our Supervisors, is a critical building block in the development of orderly resolution plans for major financial institutions that will address the “too big to fail” problem, an objective we fully support. We also support the goal that all financial institutions, regardless of size or complexity, should be able to be resolved without cost to the taxpayer.

Our Supervisors require that a summary of the resolution plan be made publicly available and provided a standardized format. This public document follows that format in the subsequent pages.

A. Names of Material Entities

“Material Entity” is a term defined in the Final Rule as a subsidiary or foreign office of the Covered Company that is significant to the activities of a Critical Operation or Core Business Lines. The material entities we identified include those legal entities that meet these criteria and are presented below, under the headings of “Covered Company”, “Material Operating Entities” and “Material Service Entities” for our 2013 resolution plan.

Covered Company	Material Operating Entities	Material Service Entities
<ul style="list-style-type: none"> ▪ The Goldman Sachs Group, Inc. (Parent holding company) 	<ul style="list-style-type: none"> ▪ Goldman, Sachs & Co. (U.S. broker-dealer) ▪ Goldman Sachs International (U.K. broker-dealer) ▪ Goldman Sachs Bank USA (FDIC-insured U.S. bank) ▪ J. Aron & Company (Commodity & foreign exchange market maker) ▪ Goldman Sachs Japan Co., Ltd. (Japanese broker-dealer) ▪ Goldman Sachs International Bank (U.K. bank) ▪ Goldman Sachs Execution & Clearing, L.P. (U.S. broker-dealer) ▪ Goldman Sachs Asset Management L.P. (U.S. investment advisor) ▪ Goldman Sachs Asset Management International (U.K. investment advisor) ▪ GS Mortgage Derivatives (U.S. mortgage derivative entity) ▪ Goldman Sachs (Asia) L.L.C. (Delaware L.L.C. which acts as a broker in Hong Kong, Taiwan & South Korea) ▪ Goldman Sachs Asia Finance (Mauritian market-making entity in Hong Kong) 	<ul style="list-style-type: none"> ▪ Goldman Sachs Services Private Limited (Indian staffing service entity) ▪ Goldman Sachs Services L.L.C. (U.S. staffing service entity) ▪ Goldman Sachs Japan Holdings, Ltd. (Japanese staffing and facilities service entity) ▪ Goldman Sachs Services Limited (U.K. staffing service entity) ▪ Goldman Sachs Headquarters LLC (U.S. facilities service entity) ▪ GSJC 30 Hudson Urban Renewal LLC (U.S. facilities service entity) ▪ GSJC Land LLC (U.S. facilities service entity) ▪ GSJC Master Lessee LLC (U.S. facilities service entity) ▪ Goldman Sachs Property Management (U.K. facilities service entity) ▪ Bridgewater ODC, LLC (U.S. facilities service entity) ▪ Federal Boulevard, LLC (U.S. facilities service entity) ▪ Birchfield Estates Ltd (U.K. facilities service entity)

B. Description of Core Business Lines

Introduction

Goldman Sachs is a global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Details on our businesses are included in our Annual Report on Form 10-K for the year ended December 31, 2012 and our Quarterly Report on Form 10-Q for the period ended June 30, 2013.

Goldman Sachs is a bank holding company and a financial holding company regulated by the Federal Reserve Board. Our U.S. bank depository institution subsidiary, Goldman Sachs Bank USA ("GS Bank USA"), is a New York State-chartered bank and a member of the Federal Reserve System. GS Bank USA is supervised and regulated by the Federal Reserve Board, the FDIC, the New York State Department of Financial Services and the Consumer Financial Protection Bureau.

As of December 2012, we had offices in over 30 countries and 49% of our total staff of 32,400 was based outside the Americas. Our clients are located worldwide, and we are an active participant in financial markets around the world. In 2012, we generated 41% of our net revenues outside the Americas.

Goldman Sachs has a number of important businesses within our four segments: Investment Banking, Institutional Client Services, Investing & Lending and Investment Management.

These businesses are the core of the Goldman Sachs franchise and allow us to serve clients and execute our strategy on a global basis. Recovery planning requires a definition of core and non-core businesses based on the ability of a firm to separate business lines for sale or closure, to raise liquidity, increase capital ratios and reduce balance sheet size.

Resolution planning, in contrast, requires a further definition of core as those business lines and associated support operations, services and functions that, upon failure, would result in a material loss of revenue, profit or franchise value, and may need to be singled out for specific actions as part of a resolution exercise. These business lines, which are primarily included in our Investment Banking and Institutional Client Services activities are defined as Resolution Business Core Lines and are referred to as RBCLs throughout this document. Other businesses in our Investing & Lending and Investment Management segments are important for GS Group but have not been defined as RBCLs.

This Section B describes only the firm's RBCLs.

Investment Banking

Investment Banking serves corporate and government clients around the world. We provide financial advisory services and help companies raise capital to strengthen and grow their businesses. We seek to develop and maintain long-term relationships with a diverse global group of institutional clients, including governments, states and municipalities. Our goal is to deliver to our clients the entire resources of the firm in a seamless fashion, with investment banking serving as the main initial point of contact with Goldman Sachs.

Financial Advisory. Financial Advisory includes strategic advisory assignments with respect to mergers and acquisitions, divestitures, corporate defense activities, risk management, restructurings and spin-offs. In particular, we help clients execute large, complex transactions for which we provide multiple services, including “one-stop” acquisition financing and cross-border structuring expertise. Financial Advisory also includes revenues from derivative transactions directly related to these client advisory assignments. We also assist our clients in managing their asset and liability exposures and their capital. In addition, we may provide lending commitments and bank loan and bridge loan facilities in connection with our advisory assignments.

Underwriting. The other core activity of Investment Banking is helping companies raise capital to fund their businesses. As a financial intermediary, our job is to match the capital of our investing clients – who aim to grow the savings of millions of people – with the needs of our corporate and government clients – who need financing to generate growth, create jobs and deliver products and services. Our underwriting activities include public offerings and private placements, including domestic and cross-border transactions, of a wide range of securities and other financial instruments. Underwriting also includes revenues from derivative transactions entered into with corporate and government clients in connection with our underwriting activities.

- **Equity Underwriting.** We underwrite common and preferred stock and convertible and exchangeable securities. We regularly receive mandates for large, complex transactions and have held a leading position in worldwide public common stock offerings and worldwide initial public offerings for many years
- **Debt Underwriting.** We underwrite and originate various types of debt instruments, including investment-grade and high-yield debt, bank loans and bridge loans, and emerging- and growth-market debt, which may be issued by, among others, corporate, sovereign, municipal and agency issuers. In addition, we underwrite and originate structured securities, which include mortgage-related securities and other asset-backed securities

Institutional Client Services

Institutional Client Services serves our clients who come to the firm to buy and sell financial products, raise funding and manage risk. We do this by acting as a market maker and offering market expertise on a global basis. Institutional Client Services makes markets and facilitates client transactions in fixed income, equity, currency and commodity products. In addition, we make markets in and clear client transactions on major stock, options and futures exchanges worldwide. Market makers provide liquidity and play a critical role in price discovery, which contributes to the overall efficiency of the capital markets. Our willingness to make markets, commit capital and take risk in a broad range of products is crucial to our client relationships.

Our clients are primarily institutions that are professional market participants, including investment entities whose ultimate customers include individual investors investing for their retirement or putting aside surplus cash in a deposit account.

Through our global sales force, we maintain relationships with our clients, receiving orders and distributing investment research, trading ideas, market information and analysis. As a market maker, we provide prices to clients globally across thousands of products in all major asset classes and markets. At times we take the other side of transactions ourselves if a buyer or seller is not readily available and at other times we connect our clients to other parties who want to transact. Much of this connectivity between the firm and its clients is maintained on technology platforms and operates globally wherever and whenever markets are open for trading.

Institutional Client Services and our other businesses are supported by our Global Investment Research division, which, as of December 2012, provided fundamental research on more than 3,700 companies worldwide and more than 40 national economies, as well as on industries, currencies and commodities.

Institutional Client Services generates revenues in four ways:

- In large, highly liquid markets (such as markets for U.S. Treasury bills, large capitalization S&P 500 stocks or certain mortgage pass-through securities), we execute a high volume of transactions for our clients for modest spreads and fees
- In less liquid markets (such as mid-cap corporate bonds, growth market currencies or certain non-agency mortgage-backed securities), we execute transactions for our clients for spreads and fees that are generally somewhat larger
- We also structure and execute transactions involving customized or tailor-made products that address our clients' risk exposures, investment objectives or other complex needs (such as a jet fuel hedge for an airline)
- We provide financing to our clients for their securities trading activities, as well as securities lending and other prime brokerage services

Institutional Client Services activities are organized by asset class and include both "cash" and "derivative" instruments. "Cash" refers to the underlying instrument (such as a stock, bond or barrel of oil). "Derivative" refers to instruments that derive their value from underlying asset prices, indices, reference rates and other inputs, or a combination of these factors (such as an option, which is the right or obligation to buy or sell a certain bond or stock index on a specified date in the future at a certain price, or an interest rate swap, which is the agreement to convert a fixed rate of interest into a floating rate or vice versa).

Fixed Income, Currency and Commodities Client Execution

Our Fixed Income, Currency and Commodities Client Execution business includes interest rate products, credit products, mortgages, currencies and commodities.

- Interest Rate Products. Government bonds, money market instruments such as commercial paper, treasury bills, repurchase agreements and other highly liquid securities and instruments, as well as interest rate swaps, options and other derivatives
- Credit Products. Investment-grade corporate securities, high-yield securities, credit derivatives, bank and bridge loans, municipal securities, emerging market and distressed debt, and trade claims
- Mortgages. Commercial mortgage-related securities, loans and derivatives, residential mortgage-related securities, loans and derivatives (including U.S. government agency-issued collateralized mortgage obligations, other prime, subprime and Alt-A securities and loans), and other asset-backed securities, loans and derivatives
- Currencies. Most currencies, including growth-market currencies.
- Commodities. Oil and natural gas, base, precious and other metals, electricity, coal, agricultural and other commodity products

Equities

Our Equities business includes equity client execution and commissions and fees.

- **Equities Client Execution.** We make markets in equity securities and equity-related products, including convertible securities, options, futures and over-the-counter (OTC) derivative instruments, on a global basis. As a principal, we facilitate client transactions by providing liquidity to our clients with large blocks of stocks or options, requiring the commitment of our capital.
- We also structure and execute derivatives on indices, industry groups, financial measures and individual company stocks. We develop strategies and provide information about portfolio hedging and restructuring and asset allocation transactions for our clients. We also work with our clients to create specially tailored instruments to enable sophisticated investors to establish or liquidate investment positions or undertake hedging strategies. We are one of the leading participants in the trading and development of equity derivative instruments.
- Our exchange-based market-making activities include making markets in stocks and exchange-traded funds. We are a Designated Market Maker (DMM) for stocks traded on the NYSE, a registered market maker for ETFs on NYSE Arca, a market maker in listed options on the International Securities Exchange, the Chicago Board Options Exchange, NYSE Arca, the Boston Options Exchange, the Philadelphia Stock Exchange, the Miami Options Exchange and NYSE MKT, and a market maker in futures and options on the Chicago Mercantile Exchange and the Chicago Board of Trade.
- **Commissions and Fees.** We generate commissions and fees from executing and clearing institutional client transactions on major stock, options and futures exchanges worldwide. We increasingly provide our clients with access to electronic “low-touch” equity trading platforms, and electronic trades account for the majority of our equity trading activity. However, a majority of our net revenues in these activities continue to be derived from our traditional “high-touch” handling of more complex trades. We expect both types of activity to remain important.

C. Summary of Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources

Set out on the following pages is financial information extracted from our Annual Report on Form 10-K for the year ended December 31, 2012.

Please see our Annual Report on Form 10-K for the year ended December 31, 2012 (our "2012 Form 10-K") for the notes to these statements. The notes are an integral part of our consolidated financial statements.

Please see our Quarterly Report on Form 10-Q for the period ended June 30, 2013 (our "June 2013 Form 10-Q") for our second quarter financial information.

RESOLUTION PLAN 2013

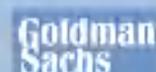


- Set forth below are the consolidated statements of earnings from our 2012 Form 10-K¹:

<i>in millions, except per share amounts</i>	Year Ended December		
	2012	2011	2010
Revenues			
Investment banking	\$ 4,941	\$ 4,361	\$ 4,810
Investment management	4,968	4,691	4,669
Commissions and fees	3,161	3,773	3,569
Market making	11,348	9,287	13,678
Other principal transactions	5,865	1,507	6,932
Total non-interest revenues	30,283	23,619	33,658
Interest income	11,381	13,174	12,309
Interest expense	7,501	7,982	6,806
Net interest income	3,880	5,192	5,503
Net revenues, including net interest income	34,163	28,811	39,161
Operating expenses			
Compensation and benefits	12,944	12,223	15,376
U.K. bank payroll tax	–	–	465
Brokerage, clearing, exchange and distribution fees	2,208	2,463	2,281
Market development	509	640	530
Communications and technology	782	828	758
Depreciation and amortization	1,738	1,865	1,889
Occupancy	875	1,030	1,086
Professional fees	867	992	927
Insurance reserves	598	529	398
Other expenses	2,435	2,072	2,559
Total non-compensation expenses	10,012	10,419	10,428
Total operating expenses	22,956	22,642	26,269
Pre-tax earnings	11,207	6,169	12,892
Provision for taxes	3,732	1,727	4,538
Net earnings	7,475	4,442	8,354
Preferred stock dividends	183	1,932	641
Net earnings applicable to common shareholders	\$ 7,292	\$ 2,510	\$ 7,713
Earnings per common share			
Basic	\$ 14.63	\$ 4.71	\$ 14.15
Diluted	14.13	4.51	13.18
Average common shares outstanding			
Basic	496.2	524.6	542.0
Diluted	516.1	556.9	585.3

¹ The notes accompanying our consolidated statements of earnings in our 2012 Form 10-K are an integral part of our consolidated financial statements

RESOLUTION PLAN 2013



- Set forth below are the consolidated statements of financial condition from our 2012 Form 10-K¹:

<i>in millions, except share and per share amounts</i>	As of December	
	2012	2011
Assets		
Cash and cash equivalents	\$ 72,669	\$ 56,008
Cash and securities segregated for regulatory and other purposes (includes \$30,484 and \$42,014 at fair value as of December 2012 and December 2011, respectively)	49,671	64,264
Collateralized agreements:		
Securities purchased under agreements to resell and federal funds sold (includes \$141,331 and \$187,789 at fair value as of December 2012 and December 2011, respectively)	141,334	187,789
Securities borrowed (includes \$38,395 and \$47,621 at fair value as of December 2012 and December 2011, respectively)	136,893	153,341
Receivables from brokers, dealers and clearing organizations	18,480	14,204
Receivables from customers and counterparties (includes \$7,866 and \$9,682 at fair value as of December 2012 and December 2011, respectively)	72,874	60,261
Financial instruments owned, at fair value (includes \$67,177 and \$53,989 pledged as collateral as of December 2012 and December 2011, respectively)	407,011	364,206
Other assets (includes \$13,426 and \$0 at fair value as of December 2012 and December 2011, respectively)	39,623	23,152
Total assets	\$ 938,555	\$ 923,225
Liabilities and shareholders' equity		
Deposits (includes \$5,100 and \$4,526 at fair value as of December 2012 and December 2011, respectively)	\$ 70,124	\$ 46,109
Collateralized financings:		
Securities sold under agreements to repurchase, at fair value	171,807	164,502
Securities loaned (includes \$1,558 and \$107 at fair value as of December 2012 and December 2011, respectively)	13,765	7,182
Other secured financings (includes \$30,337 and \$30,019 at fair value as of December 2012 and December 2011, respectively)	32,010	37,364
Payables to brokers, dealers and clearing organizations	5,283	3,667
Payables to customers and counterparties	189,202	194,625
Financial instruments sold, but not yet purchased, at fair value	126,644	145,013
Unsecured short-term borrowings, including the current portion of unsecured long-term borrowings (includes \$17,595 and \$17,854 at fair value as of December 2012 and December 2011, respectively)	44,304	49,038
Unsecured long-term borrowings (includes \$12,593 and \$17,162 at fair value as of December 2012 and December 2011, respectively)	167,305	173,545
Other liabilities and accrued expenses (includes \$12,043 and \$9,486 at fair value as of December 2012 and December 2011, respectively)	42,395	31,801
Total liabilities	862,839	852,846
Commitments, contingencies and guarantees		
Shareholders' equity		
Preferred stock, par value \$0.01 per share; aggregate liquidation preference of \$6,200 and \$3,100 as of December 2012 and December 2011, respectively	6,200	3,100
Common stock, par value \$0.01 per share; 4,000,000,000 shares authorized, 816,807,400 and 795,555,310 shares issued as of December 2012 and December 2011, respectively, and 465,148,387 and 485,467,565 shares outstanding as of December 2012 and December 2011, respectively	8	8
Restricted stock units and employee stock options	3,298	5,681
Nonvoting common stock, par value \$0.01 per share; 200,000,000 shares authorized, no shares issued and outstanding	—	—
Additional paid-in capital	48,030	45,553
Retained earnings	65,223	58,834
Accumulated other comprehensive loss	(193)	(516)
Stock held in treasury, at cost, par value \$0.01 per share; 351,659,015 and 310,087,747 shares as of December 2012 and December 2011, respectively	(46,850)	(42,281)
Total shareholders' equity	75,716	70,379
Total liabilities and shareholders' equity	\$ 938,555	\$ 923,225

¹ The notes accompanying our consolidated statements of earnings in our 2012 Form 10-K are an integral part of our consolidated financial statements

Capital

As of December 2012, our total shareholders' equity was \$75.72 billion (consisting of common shareholders' equity of \$69.52 billion and preferred stock of \$6.20 billion). As of December 2011, our total shareholders' equity was \$70.38 billion (consisting of common shareholders' equity of \$67.28 billion and preferred stock of \$3.10 billion).

Consolidated Regulatory Capital

The Federal Reserve Board is the primary regulator of GS Group, a bank holding company and a financial holding company under the U.S. Bank Holding Company Act of 1956 and a financial holding company under the amendments to the BHC Act effected by the U.S. Gramm-Leach-Bliley Act of 1999. As a bank holding company, we are subject to consolidated regulatory capital requirements that are computed in accordance with the Federal Reserve Board's risk-based capital regulations (which are based on the "Basel 1" Capital Accord of the Basel Committee on Banking Supervision ("Basel Committee")), reflecting the Federal Reserve Board's revised market risk regulatory capital requirements which became effective on January 1, 2013. These capital requirements are expressed as capital ratios that compare measures of capital to risk-weighted assets ("RWAs"). The firm's capital levels are also subject to qualitative judgments by its regulators about components, risk weightings and other factors.

Federal Reserve Board regulations require bank holding companies to maintain a minimum Tier 1 capital ratio of 4% and a minimum total capital ratio of 8%. The required minimum Tier 1 capital ratio and total capital ratio in order to be considered a "well-capitalized" bank holding company under the Federal Reserve Board guidelines are 6% and 10%, respectively. Bank holding companies may be expected to maintain ratios well above the minimum levels, depending on their particular condition, risk profile and growth plans. The minimum Tier 1 leverage ratio is 3% for bank holding companies that have received the highest supervisory rating under Federal Reserve Board guidelines or that have implemented the Federal Reserve Board's risk-based capital measure for market risk. Other bank holding companies must have a minimum Tier 1 leverage ratio of 4%. In January 2014, this minimum will be raised to 4% for all bank holding companies.

For more information on regulatory capital requirements, see Note 20 to the condensed consolidated financial statements in Part I, Item 1 of our June 2013 Form 10-Q.

RESOLUTION PLAN 2013

The table below* presents information about our regulatory capital ratios, which are based on Basel 1, as implemented by the Federal Reserve Board:

<i>\$ in millions</i>	As of December	
	2012	2011
Common shareholders' equity	\$ 69,516	\$ 67,279
Less: Goodwill	(3,702)	(3,802)
Less: Intangible assets	(1,397)	(1,666)
Less: Equity investments in certain entities ¹	(4,805)	(4,556)
Less: Disallowed deferred tax assets	(1,261)	(1,073)
Less: Debt valuation adjustment ²	(180)	(664)
Less: Other adjustments ³	(124)	(356)
Tier 1 Common Capital	58,047	55,162
Non-cumulative preferred stock	6,200	3,100
Junior subordinated debt issued to trusts ⁴	2,730	5,000
Tier 1 Capital	66,977	63,262
Qualifying subordinated debt ⁵	13,342	13,828
Other adjustments	87	53
Tier 2 Capital	13,429	13,881
Total Capital	\$ 80,406	\$ 77,143
Risk-Weighted Assets	\$ 399,928	\$ 457,027
Tier 1 Capital Ratio	16.7%	13.8%
Total Capital Ratio	20.1%	16.9%
Tier 1 Leverage Ratio ⁶	7.3%	7.0%
Tier 1 Common Ratio ⁷	14.5%	12.1%

1. Primarily represents a portion of our equity investments in non-financial companies.
2. Represents the cumulative change in the fair value of our unsecured borrowings attributable to the impact of changes in our own credit spreads (net of tax at the applicable tax rate).
3. Includes net unrealized gains/(losses) on available-for-sale securities (net of tax at the applicable tax rate), the cumulative change in our pension and postretirement liabilities (net of tax at the applicable tax rate) and investments in certain nonconsolidated entities.
4. See Note 16 to the consolidated financial statements in Part II, Item 8 of our 2012 Form 10-K for additional information about the junior subordinated debt issued to trusts.
5. Substantially all of our subordinated debt qualifies as Tier 2 capital for Basel 1 purposes.
6. See Note 20 to the consolidated financial statements in Part II, Item 8 of our 2012 Form 10-K for additional information about the firm's Tier 1 leverage ratio.
7. The Tier 1 common ratio equals Tier 1 common capital divided by RWAs. We believe that the Tier 1 common ratio is meaningful because it is one of the measures that we and investors use to assess capital adequacy and, while not currently a formal regulatory capital ratio, this measure is of increasing importance to regulators. The Tier 1 common ratio is a non-GAAP measure and may not be comparable to similar non-GAAP measures used by other companies.

Our Tier 1 capital ratio increased to 16.7% as of December 2012 from 13.8% as of December 2011, primarily reflecting an increase in common shareholders' equity and a reduction in market RWAs. Our Tier 1 leverage ratio increased to 7.3% as of December 2012 from 7.0% as of December 2011.

* The information on this page does not take into account the Federal Reserve Board's risk-based capital requirements which became effective on January 1, 2013. For our capital and leverage ratios taking into account these requirements, see "Management's Discussions and Analysis – Equity Capital – Consolidated Regulatory Capital Ratios" in Part I, Item 2 of our June 2013 Form 10-Q.

Funding Sources

Our primary sources of funding are secured financings, unsecured long-term and short-term borrowings, and deposits. We seek to maintain broad and diversified funding sources globally.

We raise funding through a number of different products, including:

- collateralized financings, such as repurchase agreements, securities loaned and other secured financings
- long-term unsecured debt (including structured notes) through syndicated U.S. registered offerings, U.S. registered and Rule 144A medium-term note programs, offshore medium-term note offerings and other debt offerings
- savings and demand deposits through deposit sweep programs and time deposits through internal and third-party broker-dealers
- short-term unsecured debt through U.S. and non-U.S. commercial paper and promissory note issuances and other methods

We generally distribute our funding products through our own sales force and third-party distributors, to a large, diverse creditor base in a variety of markets in the Americas, Europe and Asia. We believe that our relationships with our creditors are critical to our liquidity. Our creditors include banks, governments, securities lenders, pension funds, insurance companies, mutual funds and individuals. We have imposed various internal guidelines to monitor creditor concentration across our funding programs.

Secured Funding. We fund a significant amount of inventory on a secured basis. Secured funding is less sensitive to changes in our credit quality than unsecured funding, due to our posting of collateral to our lenders. Nonetheless, we continually analyze the refinancing risk of our secured funding activities, taking into account trade tenors, maturity profiles, counterparty concentrations, collateral eligibility and counterparty rollover probabilities. We seek to mitigate our refinancing risk by executing term trades with staggered maturities, diversifying counterparties, raising excess secured funding, and pre-funding residual risk through our Global Core Excess ("GCE").

We seek to raise secured funding with a term appropriate for the liquidity of the assets that are being financed, and we seek longer maturities for secured funding collateralized by asset classes that may be harder to fund on a secured basis especially during times of market stress. Substantially all of our secured funding, excluding funding collateralized by liquid government obligations, is executed for tenors of one month or greater. Assets that may be harder to fund on a secured basis during times of market stress include certain financial instruments in the following categories: mortgage and other asset-backed loans and securities, non-investment grade corporate debt securities, equities and convertible debentures and emerging market securities. Assets that are classified as level 3 in the fair value hierarchy are generally funded on an unsecured basis.

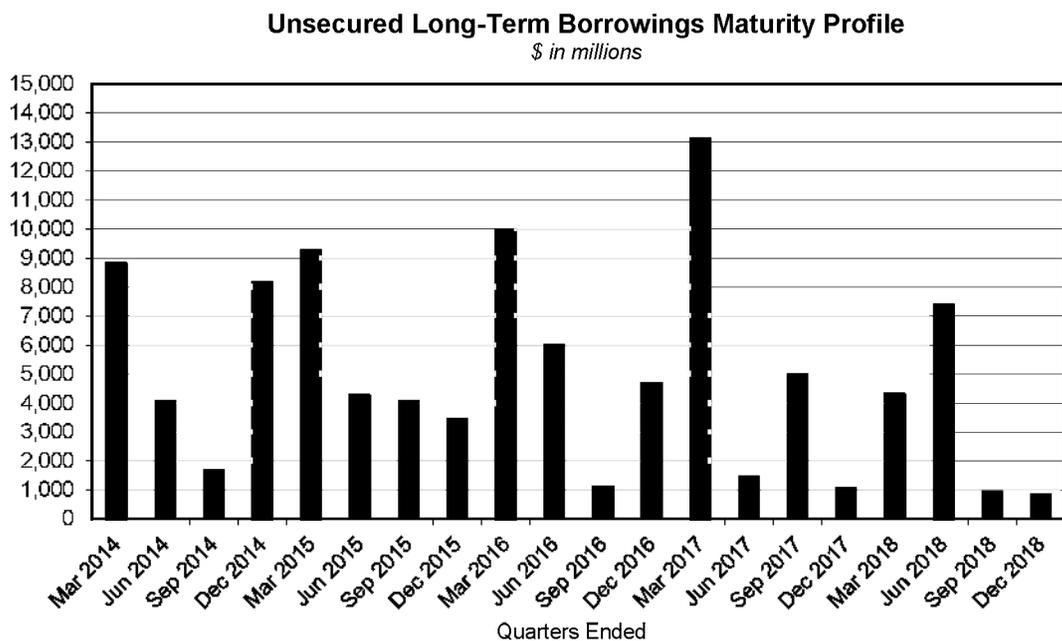
The weighted average maturity of our secured funding, excluding funding collateralized by highly liquid securities eligible for inclusion in our GCE, exceeded 100 days as of December 2012.

A majority of our secured funding for securities not eligible for inclusion in the GCE is executed through term repurchase agreements and securities lending contracts. We also raise financing through other types of collateralized financings, such as secured loans and notes.

GS Bank USA has access to funding through the Federal Reserve Bank discount window, subject to conditions established by the Federal Reserve Board, which become considerably more onerous if the bank is experiencing significant financial distress. While we do not rely on this funding in our liquidity planning and stress testing, and do not assume it in our resolution plan, we maintain policies and procedures necessary to access this funding and test discount window borrowing procedures.

Unsecured Long-Term Borrowings

We issue unsecured long-term borrowings as a source of funding for inventory and other assets and to finance a portion of our GCE. We issue in different tenors, currencies and products to maximize the diversification of our investor base. The table below presents our quarterly unsecured long-term borrowings maturity profile through 2018 as of December 2012.



The weighted average maturity of our unsecured long-term borrowings as of December 2012 was approximately eight years. To mitigate refinancing risk, we seek to limit the principal amount of debt maturing on any one day or during any week or year. We enter into interest rate swaps to convert a substantial portion of our long-term borrowings into floating-rate obligations in order to manage our exposure to interest rates.

Deposits

As part of our efforts to diversify our funding base, deposits have become a more meaningful share of our funding activities. GS Bank USA has been actively growing its deposit base with an emphasis on issuance of long-term certificates of deposit and on expanding our deposit sweep program, which involves long-term contractual agreements with several U.S. broker-dealers who sweep client cash to FDIC-insured deposits. We utilize deposits to finance activities in our bank subsidiaries. The table below presents the sourcing of our deposits.

<i>in millions</i>	As of December 2012	
	Type of Deposit	
	Savings and Demand ¹	Time ²
Private bank deposits ³	\$30,460	\$ –
Certificates of deposit	–	21,507
Deposit sweep programs	15,998	–
Institutional	51	2,108
Total⁴	\$46,509	\$23,615

1. Represents deposits with no stated maturity.

2. Weighted average maturity in excess of three years.

3. Substantially all were from overnight deposit sweep programs related to private wealth management clients.

4. Deposits insured by the FDIC as of December 2012 were approximately \$42.77 billion.

Unsecured Short-Term Borrowings

A significant portion of our short-term borrowings was originally long-term debt that is scheduled to mature within one year of the reporting date. We use short-term borrowings to finance liquid assets and for other cash management purposes. We primarily issue commercial paper, promissory notes and other hybrid instruments.

As of December 2012, our unsecured short-term borrowings were \$44.30 billion. See Note 15 to the consolidated financial statements in Part II, Item 8 of our 2012 Form 10-K for further information about our unsecured short-term borrowings.

D. Description of Derivative and Hedging Activities

Derivatives are instruments that derive their value from underlying asset prices, indices, reference rates and other inputs, or a combination of these factors. Derivatives may be traded on an exchange (exchange-traded) or they may be privately negotiated contracts, which are usually referred to as over-the-counter (“OTC”) derivatives. Certain of the firm’s OTC derivatives are cleared and settled through central clearing counterparties (OTC-cleared), while others are bilateral contracts between two counterparties (bilateral OTC).

- **Market-Making.** As a market maker, the firm enters into derivative transactions to provide liquidity to clients and to facilitate the transfer and hedging of their risks. In this capacity, the firm typically acts as principal and is consequently required to commit capital to provide execution. As a market maker, it is essential to maintain an inventory of financial instruments sufficient to meet expected client and market demands
- **Risk Management.** The firm also enters into derivatives to actively manage risk exposures that arise from its market-making and investing and lending activities in derivative and cash instruments. The firm’s holdings and exposures are hedged, in many cases, on either a portfolio or risk-specific basis, as opposed to an instrument-by-instrument basis. The offsetting impact of this economic hedging is reflected in the same business segment as the related revenues. In addition, the firm may enter into derivatives designated as hedges under U.S. GAAP. These derivatives are used to manage foreign currency exposure on the net investment in certain non-U.S. operations and to manage interest rate exposure in certain fixed-rate unsecured long-term and short-term borrowings, and deposits

The firm enters into various types of derivatives, including:

- **Futures and Forwards.** Contracts that commit counterparties to purchase or sell financial instruments, commodities or currencies in the future
- **Swaps.** Contracts that require counterparties to exchange cash flows such as currency or interest payment streams. The amounts exchanged are based on the specific terms of the contract with reference to specified rates, financial instruments, commodities, currencies or indices
- **Options.** Contracts in which the option purchaser has the right, but not the obligation, to purchase from or sell to the option writer financial instruments, commodities or currencies within a defined time period for a specified price

Derivatives are accounted for at fair value, net of cash collateral received or posted under enforceable credit support agreements. Derivatives are reported on a net-by-counterparty basis (i.e., the net payable or receivable for derivative assets and liabilities for a given counterparty) when a legal right of setoff exists under an enforceable netting agreement.

E. Memberships in Material Payment, Clearing and Settlement Systems

Set forth below is a list of our memberships in material payment, clearing and settlement systems:

Market	Payment, Clearing and Settlement Systems	Description of Services
Global	▪ CLS	Multi-currency cash settlement system that settles payment instructions related to trades in FX spot contracts, FX forwards, FX options, FX swaps, non-deliverable forwards, credit derivatives and seventeen major currencies
	▪ SWIFT	Telecommunication platform for the exchange of standardized financial messages between financial institutions and corporations
Japan	▪ Japan Securities Clearing Corporation	Clearing service provider for Japanese equities and derivatives
	▪ Japan Securities Depository	Japan's central securities depository
Europe	▪ Eurex Clearing AG	Central counterparty for derivatives, equities, repo, energy and fixed income transactions
	▪ Euroclear	International Central Securities Depository and settlement services for cross-border transactions involving bonds, equities, derivatives and investment funds
	▪ European Central Counterparty Ltd.	Central counterparty clearing equities from various European markets and from the US, as well as ETFs, currency ETCs and depository receipts
	▪ ICE Clear Europe	Clearing house for OTC energy and emissions markets and European credit default swaps
	▪ LCH.Clearnet Group	Central counterparty clearing provider for commodities (exchange traded and OTC), equities, fixed income, energy and freight, and interest rate and credit default swaps
United States	▪ Chicago Mercantile Exchange Clearing, Inc.	Clearing and settlement services provider for futures, options, and OTC derivatives products
	▪ Depository Trust Company	Central depository providing depository and book-entry services for eligible securities and other financial assets
	▪ Fedwire	Electronic payment system for cash in the U.S. and the central securities depository for U.S. government and agency securities
	▪ Fixed Income Clearing Corporation	Clearing, settlement, risk management, central counterparty services provider for U.S. Government securities and mortgage-backed securities
	▪ ICE Clear Credit LLC	Clearing house for North American credit default swaps
	▪ ICE Clear U.S.	Clearing house for agriculture, foreign exchange and equity index futures markets
	▪ National Securities Clearing Corporation Ltd.	Clearing, settlement, risk management, central counterparty services provider for equities, corporate and municipal debt, American depository receipts, exchange-traded funds, and unit investment trusts
	▪ Options Clearing Corporation	Central clearing and settlement services provider for options on common stocks and other equity issues, stock indices, foreign currencies, interest rate composites, single-stock futures, futures, options on futures, and securities lending transactions

F. Description of Foreign Operations

The most significant overseas operating entities for the purposes of resolution planning are:

- Goldman Sachs International (U.K. Broker-Dealer)
- Goldman Sachs International Bank (U.K. Bank)
- Goldman Sachs Japan Co., Ltd (Japan Broker-Dealer)

In total, we have a physical presence in over 30 countries outside the U.S.

At December 31, 2012 approximately 65% of the total assets of GS Group were located in the Americas, 29% in EMEA and 6% in Asia (regions are defined on the next page).

Due to the highly integrated nature of international financial markets, the firm manages its businesses based on the profitability of the enterprise as a whole. The methodology for allocating profitability to geographic regions is dependent on estimates and management judgment because a significant portion of the firm's activities require cross-border coordination in order to facilitate the needs of the firm's clients.

Geographic results for GS Group (not just the RBCLs identified in Section B above) are generally allocated as follows:

- Investment Banking: location of the client and investment banking team
- Institutional Client Services: Fixed Income, Currency and Commodities Client Execution, and Equities (excluding Securities Services): location of the market-making desk; Securities Services: location of the primary market for the underlying security
- Investing & Lending: Investing: location of the investment; Lending: location of the client
- Investment Management: location of the sales team

RESOLUTION PLAN 2013

The table below presents the total net revenues, pre-tax earnings and net earnings of the firm by geographic region allocated based on the methodology referred to above, as well as the percentage of total net revenues, pre-tax earnings and net earnings (excluding Corporate) for each geographic region.

\$ in millions	Year Ended December					
	2012		2011		2010	
Net revenues						
Americas ¹	\$20,159	59%	\$17,873	62%	\$21,564	55%
EMEA ²	8,612	25	7,074	25	10,449	27
Asia ^{3,4}	5,392	16	3,864	13	7,148	18
Total net revenues	\$34,163	100%	\$28,811	100%	\$39,161	100%
Pre-tax earnings						
Americas ¹	\$ 6,960	61%	\$ 5,307	85%	\$ 7,303	55%
EMEA ²	2,943	26	1,210	19	3,029	23
Asia ³	1,490	13	(231)	(4)	2,933	22
Subtotal	11,393	100%	6,286	100%	13,265	100%
Corporate ⁵	(186)		(117)		(373)	
Total pre-tax earnings	\$11,207		\$ 6,169		\$12,892	
Net earnings						
Americas ¹	\$ 4,259	56%	\$ 3,522	78%	\$ 4,322	50%
EMEA ²	2,369	31	1,103	24	2,200	26
Asia ³	972	13	(103)	(2)	2,083	24
Subtotal	7,600	100%	4,522	100%	8,605	100%
Corporate	(125)		(80)		(251)	
Total net earnings	\$ 7,475		\$ 4,442		\$ 8,354	

1. Substantially all relates to the U.S.

2. EMEA (Europe, Middle East and Africa).

3. Asia also includes Australia and New Zealand.

4. Net revenues in Asia in 2011 primarily reflect lower net revenues in Investing & Lending, principally due to losses from public equities, reflecting a significant decline in equity markets in Asia during 2011.

5. Consists of charitable contributions of \$169 million, \$103 million and \$345 million for the years ended December 2012, December 2011 and December 2010, respectively, and real estate-related exit costs of \$17 million, \$14 million and \$28 million for the years ended December 2012, December 2011 and December 2010, respectively. Net provisions for litigation and regulatory proceedings, previously included in Corporate, have now been allocated to the geographic regions. Reclassifications have been made to previously reported geographic region amounts to conform to the current presentation.

G. Material Supervisory Authorities

Regulation

As a participant in the banking, securities, investment management, OTC derivatives, futures and options and insurance industries, we are subject to extensive regulation worldwide. Regulatory bodies around the world are generally charged with safeguarding the integrity of the securities and other financial markets and with protecting the interests of the customers of market participants, including depositors in banking entities and the customers of broker-dealers, investment advisers, swap dealers and security-based swap dealers. The following section refers to the entire GS Group (i.e., not only the material entities referred to in Section A).

Bank Holding Company Regulation

Group Inc. is a bank holding company under the Bank Holding Company Act of 1956 (“BHC Act”) and a financial holding company under amendments to the BHC Act effected by the U.S. Gramm-Leach-Bliley Act of 1999 (“GLB Act”).

Supervision and Regulation

As a bank holding company and a financial holding company under the BHC Act, Group Inc. is subject to supervision and examination by the Federal Reserve Board. Under the system of “functional regulation” established under the BHC Act, the Federal Reserve Board serves as the primary regulator of our consolidated organization, but generally defers to the primary regulators of our U.S. non-bank subsidiaries with respect to the activities of those subsidiaries. Such “functionally regulated” non-bank subsidiaries include broker-dealers registered with the SEC, such as our principal U.S. broker-dealer, Goldman, Sachs & Co. (“GSCO”), entities registered with or regulated by the CFTC with respect to futures-related and swaps-related activities and investment advisers registered with the SEC with respect to their investment advisory activities.

Bank Subsidiaries

Our subsidiary, GS Bank USA, is supervised and primarily regulated by the Federal Reserve Board, the FDIC and the New York State Department of Financial Services. The Bank is also regulated by the Consumer Financial Protection Bureau. In addition, Group Inc. has two limited purpose trust company subsidiaries that are not permitted to and do not accept deposits or make loans (other than as incidental to their trust activities) and are not insured by the FDIC. The Goldman Sachs Trust Company, N.A., a national banking association that is limited to fiduciary activities, is regulated by the Office of the Comptroller of the Currency and is a member bank of the Federal Reserve System. The Goldman Sachs Trust Company of Delaware, a Delaware limited purpose trust company, is regulated by the Office of the Delaware State Bank Commissioner.

A number of our activities are conducted partially or entirely through GS Bank USA and its subsidiaries, including: the acceptance of client and brokered deposits; lending to high-net-worth individuals, institutional and corporate clients; the origination of bank loans and mortgage loans; entering into interest rate, credit, currency and other derivatives; and agency lending.

The firm's principal non-U.S. subsidiary, Goldman Sachs International Bank ("GSIB"), is a wholly-owned credit institution, regulated by the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority ("FCA") in the U.K., and is subject to minimum capital requirements.

Broker-Dealer and Securities Regulation

Goldman Sachs' broker-dealer subsidiaries are subject to regulations that cover all aspects of the securities business, including sales methods, trade practices, use and safekeeping of clients' funds and securities, capital structure, recordkeeping, the financing of clients' purchases, and the conduct of directors, officers and employees. In the United States, the SEC is the federal agency responsible for the administration of the federal securities laws. GSCO is registered as a broker-dealer, a municipal advisor and an investment adviser with the SEC and as a broker-dealer in all 50 states and the District of Columbia. Self-regulatory organizations, such as FINRA and the NYSE, adopt rules that apply to, and examine, broker-dealers such as GSCO.

In addition, state securities and other regulators also have regulatory or oversight authority over GSCO. Similarly, our businesses are also subject to regulation by various non-U.S. governmental and regulatory bodies and self-regulatory authorities in virtually all countries where we have offices. GSEC and one of its subsidiaries are registered U.S. broker-dealers and are regulated by the SEC, the NYSE and FINRA.

Our exchange-based market-making activities are subject to extensive regulation by a number of securities exchanges. As a Designated Market Maker ("DMM") on the NYSE and as a market maker on other exchanges, we are required to maintain orderly markets in the securities to which we are assigned. Under the NYSE's DMM rules, this may require us to supply liquidity to these markets when markets are declining.

The firm's principal non-U.S. regulated subsidiaries include Goldman Sachs International ("GSI") and Goldman Sachs Japan Co., Ltd. ("GSJCL"). GSI, the firm's regulated U.K. broker-dealer, is regulated by the PRA and the FCA. GSJCL, the firm's regulated Japanese broker-dealer, is regulated by Japan's Financial Services Agency. These and certain other non-U.S. subsidiaries of the firm are subject to capital adequacy requirements promulgated by authorities of the countries in which they operate.

Swaps, Derivatives and Commodities Regulation

The commodity futures, commodity options and swaps industry in the United States is subject to regulation under the U.S. Commodity Exchange Act. The CFTC is the federal agency charged with the administration of the CEA. In addition, the SEC is the federal agency charged with the regulation of security-based swaps. Several of Goldman Sachs' subsidiaries, including GSCO and GSEC, are registered with the CFTC and act as futures commission merchants, commodity pool operators, commodity trading advisors or (as discussed below) swap dealers, and are subject to CFTC regulations. The rules and regulations of various self-regulatory organizations, such as the Chicago Board of Trade and the Chicago Mercantile Exchange, other futures exchanges and the National Futures Association, also govern the commodity futures, commodity options and swaps activities of these entities. In addition, Goldman Sachs Financial Markets, L.P. (GSFM) is registered with the SEC as an OTC derivatives dealer and conducts certain OTC derivatives activities.

We have registered certain subsidiaries as "swap dealers" under the CFTC rules, including GSCO, GS Bank USA, GSI and J. Aron & Company. We expect that these subsidiaries, and our businesses more broadly, will be subject to significant and developing regulation and regulatory oversight in connection with swap-related activities. However, the full impact of the various U.S. and non-U.S. regulatory developments will not be known with certainty until the rules are implemented and market practices and structures develop under the final rules.

J. Aron & Company is authorized by the U.S. Federal Energy Regulatory Commission (FERC) to sell wholesale physical power at market-based rates. As a FERC-authorized power marketer, J. Aron & Company is subject to regulation under the U.S. Federal Power Act and FERC regulations and to the oversight of FERC. As a result of our investing activities, Group Inc. is also an "exempt holding company" under the U.S. Public Utility Holding Company Act of 2005 and applicable FERC rules.

In addition, as a result of our power-related and commodities activities, we are subject to energy, environmental and other governmental laws and regulations.

Investment Management Regulation

Our investment management business is subject to significant regulation in numerous jurisdictions around the world relating to, among other things, the safeguarding of client assets, offerings of funds, marketing activities, transactions among affiliates and our management of client funds. Certain of our subsidiaries are registered with, and subject to oversight by, the SEC as investment advisers.

In Europe, Goldman Sachs provides investment services that are subject to oversight by national regulators as well as the EU. These investment services are regulated in accordance with national laws, many of which implement EU directives, and increasingly by directly applicable EU regulations. These national and EU laws require, among other things, compliance with certain capital adequacy standards, customer protection requirements and market conduct and trade reporting rules.

Goldman Sachs provides investment services in and from the United Kingdom under the regulation of the PRA and the FCA.

Other Regulation Outside the United States

Many of our subsidiaries outside the U.S. are supervised by the banking, securities, or other regulators of the countries in which they operate. The regulations to which these subsidiaries are subject are, in most cases, broadly similar to those that prevail in the U.S. and are generally intended to meet similar objectives. Certain Goldman Sachs entities are also regulated by the European securities, derivatives and commodities exchanges of which they are members.

In the United Kingdom, the PRA and FCA regulates GSI, GSIB and Goldman Sachs Asset Management International, our U.K. investment management subsidiary.

Elsewhere in Europe, various other GS Group entities are regulated by the banking and securities industry supervisors of the countries in which they operate. These include the European Union, the Federal Financial Supervisory Authority and the Bundesbank in Germany, the Autorité de Contrôle Prudentiel and the Autorité des Marchés Financiers in France, Banca d'Italia and the Commissione Nazionale per le Società e la Borsa in Italy, the Federal Financial Markets Service and the Central Bank of the Russian Federation and the Swiss Financial Market Supervisory Authority. Our Irish bank subsidiary, GS Bank Europe, is regulated by the Central Bank of Ireland.

GSJCL is regulated by Japan's Financial Services Agency. It is also regulated by the Tokyo Stock Exchange, the Osaka Securities Exchange, the Tokyo Financial Exchange, the Japan Securities Dealers Association, the Tokyo Commodity Exchange, Securities and Exchange Surveillance Commission, Bank of Japan, the Ministry of Finance and the Ministry of Economy, Trade and Industry, among others.

Elsewhere in Asia, certain subsidiaries of GS Group are regulated by banking and securities industry supervisors of the countries in which they operate. These include the Securities and Futures Commission in Hong Kong, the Monetary Authority of Singapore, the China Securities Regulatory Commission, the Korean Financial Supervisory Service, the Reserve Bank of India and the Securities and Exchange Board of India.

In other countries, subsidiaries of GS Group are regulated by the Australian Securities and Investments Commission, the Australian Securities Exchange and the Central Bank of Brazil, among others.

As of December 2012, our subsidiaries were in compliance with the local capital adequacy requirements applicable to them.

H. Principal Officers

Set forth below are the name, present title, principal occupation and certain biographical information for our executive officers as included in our 2012 Form 10-K. All of our executive officers have been appointed by and serve at the pleasure of our board of directors.

- **Lloyd C. Blankfein.** Mr. Blankfein has been our Chairman and Chief Executive Officer since June 2006, and a director since April 2003
- **Alan M. Cohen.** Mr. Cohen has been an Executive Vice President of Goldman Sachs and our Global Head of Compliance since February 2004
- **Gary D. Cohn.** Mr. Cohn has been our President and Chief Operating Officer (or Co-Chief Operating Officer) and a director since June 2006
- **Edith W. Cooper.** Ms. Cooper has been an Executive Vice President of Goldman Sachs since April 2011 and our Global Head of Human Capital Management since March 2008. From 2002 to 2008, she served in various positions at the firm, including sales management within the Securities Division
- **J. Michael Evans.** Mr. Evans has been our global head of Growth Markets since January 2011 and a Vice Chairman of Goldman Sachs since February 2008. From 2004 to June 2012, Mr. Evans was Chairman of Goldman Sachs Asia Pacific
- **Gregory K. Palm.** Mr. Palm has been an Executive Vice President of Goldman Sachs since May 1999, and our General Counsel and head or co-head of the Legal Department since May 1992
- **John F.W. Rogers.** Mr. Rogers has been an Executive Vice President of Goldman Sachs since April 2011 and Chief of Staff and Secretary to the Board of Directors of Goldman Sachs since December 2001
- **Harvey M. Schwartz.** Mr. Schwartz has been an Executive Vice President of Goldman Sachs and our Chief Financial Officer since January 2013. From February 2008 to January 2013, Mr. Schwartz was global co-head of the Securities Division
- **Mark Schwartz.** Mr. Schwartz has been a Vice Chairman of Goldman Sachs and Chairman of Goldman Sachs Asia Pacific since rejoining the firm in June 2012. From 2006 to June 2012, he was Chairman of MissionPoint Capital Partners, an investment firm he co-founded
- **Michael S. Sherwood.** Mr. Sherwood has been a Vice Chairman of Goldman Sachs since February 2008 and co-chief executive officer of Goldman Sachs International since 2005
- **John S. Weinberg.** Mr. Weinberg has been a Vice Chairman of Goldman Sachs since June 2006. He has been co-head of Goldman Sachs' Investment Banking Division since December 2002

I. Resolution Planning Corporate Governance Structure and Processes Related to Resolution Planning

Our Resolution Plan's governing and oversight bodies consist of the following groups and individuals:

- The **Board of Directors** (the "Board") of Group Inc. is the body responsible for establishing the strategic direction of GS Group and overseeing the performance of GS Group's business and management. The Board is responsible for providing general oversight for the Resolution Plan. The Board reviews and approves the Resolution Plan initially and on an annual basis. In addition, at its regularly held or special meetings, the Board will review and approve any significant changes to the Resolution Plan that may occur during the year before submission to our Supervisors
- **Senior executives** of GS Group, including the **Chief Financial Officer** and other key members of the **Executive Office** and the **Firmwide Finance Committee**, are responsible for oversight of the Resolution Plan's development, maintenance, implementation, filing and compliance. Annually (and at other Board meetings as needed), these senior executives are also responsible for presenting the Resolution Plan to the Board for its review and approval
- The Resolution Plan's **Steering Group** is made up of key GS Group managing directors, who are responsible for the Resolution Plan's management oversight and control. The Steering Group actively works to develop and maintain the Resolution Plan and to ensure that it contains information required by the relevant rules. The Steering Group, through the **Group Operating Officer**, coordinates the activities of various workstreams and leads in the development and maintenance of specific parts of the Resolution Plan. In addition, the Steering Group provides direction and strategy for the Resolution Plan, helps to resolve issues and policy decisions, and approves scope changes and Resolution Plan deliverables. The Steering Group also acts as a liaison to senior executives (including the Executive Office and the Firmwide Finance Committee) and to our Supervisors. The Steering Group meets frequently (usually weekly)
- The **Group Operating Officer** is the senior management official primarily responsible for overseeing the development, maintenance, implementation, and filing of the Resolution Plan and for GS Group's compliance with the Final Rule. The Group Operating Officer is responsible for the day-to-day maintenance of the workstream activities that develop specific components of the Resolution Plan. The Group Operating Officer and the team that supports him are the content experts who manage the overall Resolution Plan activities, meet with the various global regulatory bodies, respond to requested comments on various regulatory proposals, and engage directly with the Steering Group and the Firmwide Finance Committee, as necessary. In addition, the Group Operating Officer will meet and engage with outside legal counsel and consultants as necessary
- **Internal Audit** provides independent assurance over the relevant procedures and controls with respect to the Resolution Plan

General Process

The Resolution Plan was developed under the direction of the Steering Group and under the oversight of the Firmwide Finance Committee and the Executive Office.

The Steering Group is co-chaired by the firm's Chief Accounting Officer, Chief Risk Officer and Head of Operations, and its supporting group includes the Group Operating Officer and representatives of a wide range of departments, including our Legal, Controllers, Operations, Corporate Treasury and Technology departments.

The Resolution Plan was reviewed and approved by the Board. On an annual basis, the Resolution Plan will be updated and presented to the Board for its review and approval prior to submission to our Supervisors.

In addition, we expect that the Resolution Plan will be updated as we obtain additional feedback from our Supervisors. As required by the Final Rule, notification will be made to our Supervisors within 45 days in the event that a change in circumstances results in a requirement for a material change in the Resolution Plan. The Resolution Plan will be reviewed and, where necessary, updated upon occurrence of specific events such as an acquisition of a new business, the sale of any significant businesses or significant changes to material entities, RCBL and/or critical operations.

Process Steps

The various components of the Resolution Plan were developed by the Group Operating Officer and members of the Steering Group based on the underlying regulations, communications with our Supervisors, and information and communications with various divisions of GS Group.

The Steering Group operates by receiving presentations on various topics, both from internal teams and from external advisors (legal and financial consultants), and by discussing the issues raised in order to formulate a direction for the Resolution Plan.

The Steering Group, which usually meets weekly:

- Analyzes the additional guidance provided by our Supervisors and determines how to incorporate into our Resolution Plan
- Determines the alternative/additional resolution strategies to include under adverse and severely adverse economic conditions
- Analyzes counterparties' contractual rights, based on advice from internal and external counsel
- Analyzes jurisdiction-by-jurisdiction assumptions as to actions that individual authorities would take in consultation with external legal advisors
- Leverages a broad range of financial and other relevant information from our Management Information Systems ("MIS")

RESOLUTION PLAN 2013

- Revisits our core business lines and material entities based on the information from our MIS
- Reviews our critical operations, as agreed with our Supervisors, and considered how they could be maintained, sold or wound down in an orderly manner
- Analyzes the obstacles to resolution and their mitigants

This Resolution Plan was updated and presented broadly across the firm. This included discussions with subject matter experts, senior management and various internal governance committees in a number of jurisdictions globally. Outside legal counsel was engaged to provide legal advice on jurisdictional and bankruptcy issues and to review the overall strategy and Plan. Once vetted, the Resolution Plan was presented to the firm's Firmwide Finance Committee, the Executive Office and the Board for approval.

The Resolution Plan was submitted to our Supervisors on September 27, 2013.

J. Description of Material Management Information Systems

Our MIS have been used extensively to prepare financial and other information used in the preparation of our Resolution Plan.

MIS are critical to the firm's key functions, which include trade booking, trade processing, valuation, risk management, cash and securities clearance and settlement, collateral management, funding, daily profit and loss calculation and reporting, accounting, financial reporting, and regulatory reporting. In most cases, a single application or information system supports a given function across businesses, product lines and entities; this allows for a significant level of consistency in the functionality and reporting available.

The majority of the software applications used by the firm are internally developed proprietary applications; although we also utilize third-party vendor applications.

We focus on the rigor and effectiveness of the firm's risk and financial reporting systems. The goal of our risk and financial reporting management technology is to provide the right information to the right people at the right time, which requires systems that are comprehensive, reliable and timely. We devote significant time and resources to our risk management and financial reporting technology to ensure that it consistently provides us with complete, accurate and timely information, not only on an aggregated GS Group view, but also at an entity and a business line level.

Our MIS have extensive ad hoc reporting capabilities, and most of our systems include legal entity information as part of the data they manage. As a result, we do not believe that there are material gaps or weaknesses in our ability to provide relevant data in a crisis scenario.

Our MIS are overseen by an extensive governance framework, with documented policies, standards and procedures.

The firm has a broad business resilience program focused on mitigating a wide array of risks. For instance, we have multiple data centers, resilient desktops and capacity support to enable home working. We also have business recovery sites and capacity around the world. This business resilience program is designed to ensure that all critical applications are available for use in crisis scenarios.

GS Group has implemented a framework for managing access to systems and applications across the firm. Access to each individual application must be requested and granted separately, in most cases by the business team responsible for the application's function.

In the area of information security, we have developed and implemented a framework of principles, policies and technology to protect the information assets provided to us by our clients and those of the firm from cyber-attacks and other misappropriation, corruption or loss. Safeguards are applied to maintain the confidentiality and availability of information resources.

K. High-Level Description of Resolution Strategy, Covering Such Items as the Range of Potential Purchasers of the Company, its Material Entities and Core Business Lines

Goldman Sachs has developed three strategies for the rapid and orderly resolution of the firm in a manner that the firm believes would not (i) pose a systemic risk to the U.S. financial system, (ii) require extraordinary government support, or (iii) require any taxpayer funds. The strategies, which are influenced by Goldman Sachs' liquid assets, secured long term funding and balance sheet based on fair value, have been prepared under the baseline, adverse and severely adverse economic scenarios provided to Goldman Sachs by the Federal Reserve and the FDIC.

We believe that one scenario would involve recovery actions such as the sale of the businesses and assets of our material entities to one or multiple buyers before any resolution proceeding. Any sale would need to be conducted quickly, with the benefit of expedited and coordinated regulatory approvals to maintain the franchise value of the firm. Following the required assumptions of the regulatory guidance, however, we have prepared two additional strategies, a preferred strategy and an alternative strategy. The strategy actually pursued will depend on the particular circumstances at the time and the alternatives available to the Group Inc. Board of Directors.

Our preferred strategy, which is new this year in light of the broader range of strategies that has been encouraged by the regulatory guidance, would involve recapitalizing our two major broker-dealers, one in the U.S. and one in the U.K., and several other material entities, through the forgiveness of intercompany indebtedness, with the goal of achieving well-capitalized entities that would then be able to wind down their critical operations and core businesses in an orderly manner without the need for the entities to enter into insolvency proceedings. Our U.S. Bank, Goldman Sachs Bank USA, would be placed into an FDIC receivership, under the FDIC's traditional resolution powers, with certain of its assets and liabilities being transferred to a bridge bank. The bridge bank would either be sold in part or as a whole, or its businesses wound down over a period of time in an orderly manner. Group Inc. would enter into a Chapter 11 proceeding, as would several smaller subsidiaries. The preferred strategy is designed to work even under the severely adverse economic scenario.

If the two strategies outlined above are unsuccessful, our alternative strategy contemplates all material entities entering insolvency proceedings, and is as we outlined in last year's resolution plan. Our material entities could be placed into various bankruptcy or similar proceedings in the jurisdictions in which they are domiciled, and wound down over a period of time in an orderly manner without relying on extraordinary government support or taxpayer funds. These proceedings will include: SIPA liquidation for our U.S. broker-dealers; relevant broker-dealer or bank resolution regimes in the U.K. and Japan; and Chapter 11 or various other proceedings for our other material entities.

We believe the potential purchasers for the businesses or assets of our Material Entities and for other non-Resolution Business Core Lines of Goldman Sachs could include global financial institutions, private equity funds, insurance companies or sovereign wealth funds.