



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 12, 2009

Ms. Sarah Smith
Chief Accounting Officer
The Goldman Sachs Group, Inc.
85 Broad Street
New York, New York 10004

Dear Ms. Smith:

This is in response to the request from The Goldman Sachs Group, Inc. ("GSGI") and Goldman Sachs Bank USA ("Bank"), both of New York, New York, for modifications related to the Board's regulatory reporting requirements for first quarter 2009 and future reporting periods.

GSGI and Bank have requested that they be allowed to use a "last Friday" reporting convention on a permanent basis as the closing date for regulatory reporting purposes.¹ You indicated that GSGI and Bank historically have used the "last Friday" of a reporting period as their closing date in order to use the subsequent weekend to perform the overall consolidation and to close their books. You also have indicated that changing this practice to conform their systems to the Board's reporting dates will require significant modifications to a number of systems and substantial personnel time and costs.

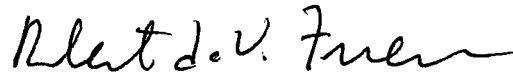
Based on all the facts of record, including the information provided in your request and other supervisory information, the Board grants temporary limited relief to GSGI and Bank. GSGI and Bank may use the "last Friday" reporting convention through the December 31, 2009, reporting date as the closing date for the Board's regulatory reports. The Board continues to believe that it is important to conduct performance measurements, meaningful analyses, and peer comparisons of large, complex institutions using comparable reporting periods. Although GSGI and Bank will expend personnel time and incur costs in implementing these changes, such considerations do not outweigh the benefit of comparability that results from consistency among all reporting institutions. Moreover, the extended compliance period provided by this relief will allow GSGI and Bank to manage their implementation costs in a reasonable fashion. As a condition of this relief and to promote transparency, GSGI must, through year-end 2009, (1) disclose in the footnotes to the FR Y-9C and FR Y-9LP reports that it is using the

¹ The Board previously declined to allow GSGI and Bank to use the "last Friday" reporting convention on a permanent basis as the closing date for regulatory reporting purposes. Board letter to Sarah Smith (The Goldman Sachs Group, Inc.), February 5, 2009. The Board, however, allowed GSGI and Bank to use the "last Friday" reporting convention for purposes of their year-end 2008 regulatory reports.

“last Friday” reporting convention, and (2) describe any events in those reports that would likely cause material differences between balances reported using the “last Friday” reporting convention and balances reported using the last calendar day of the quarter reporting date.

Please contact Homer C. Hill, III of the Federal Reserve Bank of New York at (212) 720-2164 if you have any questions.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Robert deV. Frierson".

Robert deV. Frierson
Deputy Secretary of the Board

cc: Homer C. Hill, III
Federal Reserve Bank of New York