Abhayad Kamat/NewYork/DBNA/DeuBa@DBAMERICAS

03/27/2007 01:56 PM

To Richard R Kim/NewYork/DBNA/DeuBa@DBAmericas
cc
bcc
Subject Re: Fw: ******URGENT**********

yes sure, but i think we should keep those requests separate from the CDO warehouse valuation requests... the relevant salesperson can take care of those monthly valuation marks... let me know how you want to proceed.

Richard R Kim/NewYork/DBNA/DeuBa

03/27/2007 01:43 PM

To

Abhayad Kamat/NewYork/DBNA/DeuBa@DBAmericas

cc

Subject

Re: Fw: ******URGENT**********(Document link: Abhayad Kamat) won't our managers want to receive monthly marks for their own monitoring purposes?

Abhayad
Kamat/NewYork/DBNA/DeuBa

03/27/2007 01:29
PM

To

Chehao Lu/NewYork/DBNA/DeuBa, Sara M
Chan/NewYork/DBNA/DeuBa@DBAmericas,
doug.hamilton@db.com

cc

Richard R Kim/NewYork/DBNA/DeuBa@DBAmericas, Sourav

Sen/NewYork/DBNA/DeuBa

Subject

Fw:

******URGENT**********

when our CDOs close, we need to convey to valuations group that we no longer need these valuations. see eg. Gemstone 7 below. they still keep pushing trading desk to give valuations... pls can you take care of this for the deals that you work on?

thanks.

----- Forwarded by Jordan Milman/NewYork/DBNA/DeuBa on 03/27/2007 11:50 AM -----

Richard Leclezio/NewYork/DBNA/DeuBa

03/27/2007 11:23
AM

To

Jordan
Milman/NewYork/DBNA/DeuBa@DBAmericas

cc

Subject

******URGENT**********

Hi Jordan,

Please can you help,

I have HBK on my back to get the following spreads.

Please can you provide the parameters.......tks

[attachment "Jordan_Milman_daily_requests_20070326.xls" deleted by Richard R Kim/NewYork/DBNA/DeuBa]

Richard Leclezio
Assistant Vice President
Valuation Services Group
Deutsche Bank [/] - New York
(t) +1 212 250 2485
(m) +1 646 [redacted]
Email: richard.leclezio@db.com
BBG: leclri.nydb@bloomberg.net

[redacted] = Redacted by the Permanent Subcommittee on Investigations

From: Paul Mazzilli
Sent: Thursday, February 8, 2007 08:12:59 AM
To: Kevin Jenks
CC: Jason Lowry
Subject: FW: Gemstone CDO 7 - price diff between purchase price and current mark

Attachments: Prices to Kevin.xls

We found the overall loss to be down 0.9% or $9.4mm.

-----Original Message-----
From: Paul Mazzilli
Sent: Wednesday, January 24, 2007 12:44 PM
To: Kevin Jenks
Cc: Jason Lowry
Subject: RE: Gemstone CDO 7 - price diff between purchase price and current mark

We see the whole portfolio down 0.9% or $9.4mm compared to DBS's 1.7%($19mm). Attached is DBS's email with our prices included.

-----Original Message-----
From: Kevin Jenks
Sent: Wednesday, January 24, 2007 4:27 AM
To: Paul Mazzilli; Jason Lowry
Subject: Fw: Gemstone CDO 7 - price diff between purchase price and current mark

I need the gem 7 portfolio priced using our ye marks and then override where you think appropiate. I need this asap

----- Original Message -----
From: Abhayad Kamat
To: Marco Lukesch; Kevin Jenks; Rachel Wish
Cc: Chehao Lu; Sourav Sen; Konstantin Kulev <konstantin.kulev@db.com>
Sent: Tue Jan 23 20:16:50 2007
Subject: Gemstone CDO 7 - price diff between purchase price and current mark

Some investors are asking for current marks on the Gemstone CDO 7 portfolio. The attached file has the purchase price and the current marks that we got from our desk. There are many bonds where the price difference between purchase price and current mark is more than 4% -- highlighted in yellow. I have asked Jordan to review the marks but it would be great if you could have someone at HBK review also to check if the current marks seem correct. It seems as if the entire portfolio price has dropped since purchase by 1.74% which does not show well to investors.

thanks.
Abhayad

Abhayad Kamat
Global CDO Group
Deutsche Bank Securities Inc.
60 Wall Street, 19th Floor,
New York, NY 10005-2858
(212) 250-0526 work
(917)[redacted]cell
(732) 578-2890 fax

[redacted] = Redacted by the Permanent Subcommittee on Investigations

---

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1464

Abhayad Kamat/NewYork/DBNA/DeuBa@DBAMERICAS

01/23/2007 08:14 PM

To Jordan Milman/NewYork/DBNA/DeuBa@DBAmericas, Jashin Patel/NewYork/DBNA/DeuBa@DBAmericas
cc Chehao Lu/NewYork/DBNA/DeuBa, Konstantin Kulev/NewYork/DBNA/DeuBa, Sourav Sen/NewYork/DBNA/DeuBa
bcc
Subject HBK - price diff between purchase price and current mark

The attached file has the purchase price and current mark for the bonds in the HBK / Gemstone CDO 7 warehouse.

There are many bonds where the price difference between purchase price and current mark is more than 4% -- highlighted in yellow. Before we send these over to CDO investors, pls could you review to check if the current marks are correct. It seems as if the entire portfolio price has dropped since purchase by 1.74% which does not show well to investors.

thanks.

(See attached file: Gemstone VII Portfolio 01.23.07 (w Prices).xls)

Abhayad Kamat
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Redacted by the Permanent Subcommittee on Investigations

Gemstone VII Portfolio 01.23.07 (w Prices).xls	**Type:** application/msexcel **Name:** Gemstone VII Portfolio 01.23.07 (w Prices).xls

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1465

Jashin Patel/NewYork/DBNA/DeuBa@DBAMERICAS

01/24/2007 01:01 PM

To Jordan Milman/NewYork/DBNA/DeuBa@DBAmericas
cc
bcc
Subject Fw: HBK - price diff between purchase price and current mark

I checked the names Abhayad highlighed are most are marked within the context of recent color there are 4 which should be tightened.

there's one cash bond which he highlighted... HEAT 2006-7 B1: we just offered prot at 465; you had a cash bid of 94-00 (362DM at 100PPC) for Fidelity in late October

(See attached file: Gemstone VII Portfolio 01.23.07 (w Prices)_JP.xls)

Jashin Patel
Securitized Product Group Trading
Deutsche Bank Securities Inc.
212 250 7730 (t)
----- Forwarded by Jashin Patel/NewYork/DBNA/DeuBa on 01/24/2007 12:46 PM -----

Abhayad Kamat/NewYork/DBNA/DeuBa

01/23/2007 08:14 PM

To

Jordan Milman/NewYork/DBNA/DeuBa@DBAmericas, Jashin Patel/NewYork/DBNA/DeuBa@DBAmericas

cc

Chehao Lu/NewYork/DBNA/DeuBa, Konstantin Kulev/NewYork/DBNA/DeuBa, Sourav Sen/NewYork/DBNA/DeuBa

Subject

HBK - price diff between purchase price and current mark

The attached file has the purchase price and current mark for the bonds in the HBK / Gemstone CDO 7 warehouse.

There are many bonds where the price difference between purchase price and current mark is more than 4% -- highlighted in yellow. Before we send these over to CDO investors, pls could you review to check if the current marks are correct. It seems as if the entire portfolio price has dropped since purchase by 1.74% which does not show well to investors.

thanks.

[attachment "Gemstone VII Portfolio 01.23.07 (w Prices).xls" deleted by Jashin Patel/NewYork/DBNA/DeuBa]

Abhayad Kamat
Global CDO Group
Deutsche Bank Securities Inc.
60 Wall Street, 19th Floor,
New York, NY 10005-2858
(212) 250-0526 work
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▬ = Redacted by the Permanent Subcommittee on Investigations

Gemstone VII Portfolio 01.23.07 (w Prices) _JP.xls	**Type:** application/msexcel **Name:** Gemstone VII Portfolio 01.23.07 (w Prices) _JP.xls

Abhayad Kamat/NewYork/DBNA/DeuBa@DBAMERICAS

01/24/2007 04:15 PM

To Chehao Lu/NewYork/DBNA/DeuBa, Ilinca R Bogza/NewYork/DBNA/DeuBa@DBNA@DEUBAINT, Konstantin Kulev/NewYork/DBNA/DeuBa

cc

bcc

Subject Re: We priced the port

for investors who have asked for current marks on the Gemstone CDO 7 portfolio, tell them: HBK says that the overall current portfolio is down USD 9mm.
no need to provide current prices on a line item level.

"Kevin Jenks" <kjenks@hbk.com>

01/24/2007 01:14 PM

To

Abhayad Kamat/NewYork/DBNA/DeuBa@DBAmericas

cc

Subject

We priced the
port

It is down 9mm

Ilinca R
Bogza/NewYork/DBNA/DeuBa@DBAMERICAS

02/07/2007 12:55 PM

To Abhayad Kamat/NewYork/DBNA/DeuBa@DBAMERICAS@DEUBAINT
cc
bcc
Subject Re: Fw: Gemstone CDO 7 - portfolio mark

Can you ask him.. We need him to provide

Abhayad
Kamat/NewYork/DBNA/DeuBa@DBAMERICAS

02/07/2007 12:54
PM

To

Ilinca R

Bogza/NewYork/DBNA/DeuBa@DBAMERICAS@DEUBAINT

cc

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1469

Subject

Re: Fw: Gemstone

CDO 7 - portfolio mark(Document link: Ilinca R Bogza) the marks we got from jordan are too low... and it will take quite some time if we try to take on an exercize where we try to get kevin and jordan to agree on the correct marks. so alternatively we ask kevin to provide us the detailed marks. worth asking.

Ilinca R
Bogza/NewYork/DBNA/DeuBa@DBAMERICAS

02/07/2007 12:52
PM

To

Abhayad.Kamat@db.com

cc

Subject

Fw: Gemstone CDO 7 -

portfolio
mark

Why can we not show a priced portfolio?? we need to show this

----- Forwarded by Ilinca R Bogza/NewYork/DBNA/DeuBa on 02/07/2007 12:52 PM -----

Abhayad Kamat/NewYork/DBNA/DeuBa@DBAMERICAS
02/07/2007 12:51 PM

To
kjenks@hbk.com, MLukesch@hbk.com, rwish@hbk.com
cc
Ilinca R Bogza/NewYork/DBNA/DeuBa@DBNA@DEUBAINT, Chehao Lu/NewYork/DBNA/DeuBa
Subject
Gemstone CDO 7 - portfolio mark

Kevin,
what is the overall gain/loss (based on current marks) on the Gemstone CDO 7 portfolio?

Abhayad Kamat
Global CDO Group
Deutsche Bank Securities Inc.
60 Wall Street, 19th Floor,
New York, NY 10005-2858
(212) 250-0526 work
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(732) 578-2890 fax

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Ilinca R Bogza/NewYork/DBNA/DeuBa@DBAMERICAS

02/07/2007 02:46 PM

To Abhayad Kamat/NewYork/DBNA/DeuBa@DBAMERICAS@DEUBAINT
cc Chehao Lu/NewYork/DBNA/DeuBa@DBAmericas
bcc
Subject Re: Fw: New simpler pricing

Can we include that in the disclaimer?

Abhayad Kamat/NewYork/DBNA/DeuBa@DBAMERICAS

02/07/2007 02:14 PM

To Chehao Lu/NewYork/DBNA/DeuBa, Ilinca R Bogza/NewYork/DBNA/DeuBa@DBNA@DEUBAINT

cc

Subject

Fw: New simpler pricing

use this for the current prices to be sent to investors, but pls note to investors that this is frm hbk.

Abhayad Kamat
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60 Wall Street, 19th Floor,
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(732) 578-2890 fax

[redacted] = Redacted by the Permanent Subcommittee on Investigations

----- Forwarded by Abhayad Kamat/NewYork/DBNA/DeuBa on 02/07/2007 02:13 PM -----

"Kevin Jenks"
<kjenks@hbk.com>

02/07/2007 02:06
PM

To

Abhayad
Kamat/NewYork/DBNA/DeuBa@DBAmericas

cc

Subject

New simpler

pricing

[attachment "Pricing of gem 7.xls" deleted by Ilinca R Bogza/NewYork/DBNA/DeuBa]

From: Kevin Jenks
Sent: Wednesday, February 7, 2007 01:23:58 PM
To: Jason Lowry
Subject: FW: Gemstone CDO 7 - portfolio mark

Need line Item marks for cdo portfolio use dec or jan depending on which is better

---

From: Abhayad Kamat
Sent: Wednesday, February 07, 2007 12:51 PM
To: Kevin Jenks; Marco Lukesch; Rachel Wish
Cc: Ilinca R Bogza; Chehao Lu
Subject: Gemstone CDO 7 - portfolio mark

Kevin,
what is the overall gain/loss (based on current marks) on the Gemstone CDO 7 portfolio?

Abhayad Kamat
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60 Wall Street, 19th Floor,
New York, NY 10005-2858
(212) 250-0526 work
(917)[redacted] cell
(732) 578-2890 fax

[redacted] = Redacted by the Permanent Subcommittee on Investigations

From: Kevin Jenks
Sent: Wednesday, March 7, 2007 08:44:15 AM
To: Abhayad Kamat; 'Ilinca R Bogza'[ilinca.r.bogza@db.com]
Subject: FW: Updated prices

Attachments: prices sent to kevin 20070306.xls

This is our estimate of our portfolio marks currently. This is not 3rd party as we have not gotten all for February. We are approx down 30mm

---

From: Paul Mazzilli
Sent: Tuesday, March 06, 2007 6:20 PM
To: Kevin Jenks
Cc: Jason Lowry
Subject: Updated prices

Greg Lippmann/NewYork/DBNA/DeuBa@DBAMERICAS

03/03/2007 07:44 AM

To "Richard Dalbert" <richard.dalbert@db.com>
cc
bcc
Subject Fw: Fremont Shut Down Sub-prime business

Call me if you want.

Sent from my BlackBerry Handheld.

From: Rajeev Misra
Sent: 03/03/2007 05:34 AM
To: Greg Lippmann
Cc: Richard DAlbert; Anshu Jain
Subject: Re: Fremont Shut Down Sub-prime business

Well, no regrets. Let's hold tight on our shorts now. It will be a bumpy mkt to mkt ride but we will prevail.

Sent from my BlackBerry Handheld.

From: Greg Lippmann
Sent: 03/02/2007 06:44 PM
To: Rajeev Misra
Cc: Richard DAlbert
Subject: Fw: Fremont Shut Down Sub-prime business

Well, we covered some a bit too early.

NEW to CCC Watch Neg at S&P from B- Watch Neg
*NEW CENTURY SAYS U.S. ATTORNEY CONDUCTING CRIMINAL PROBE
*NEW CENTURY SAYS U.S. ATTY PROBE ON TRADING, ACCOUNTING ERRORS
*NEW CENTURY SAYS NYSE REVIEWING TRANSACTIONS IN ITS SECURITIES
*NEW CENTURY SAYS SEC REQUESTED MEETING ON RESTATEMENT
*NEW CENTURY SEEKING TO OBTAIN WAIVERS FROM LENDERS
*NEW CENTURY SEES REPORTING PRETAX LOSS FOR 4Q, YEAR
*NEW CENTURY SEES CONCLUDING MATERIAL WEAKNESSES WERE PRESENT

Sent from my BlackBerry Handheld.

From: Ryan Stark
Sent: 03/02/2007 05:53 PM
To: Greg Lippmann; Hiroki Kurita; Jordan Milman
Cc: Philip Weingord; Frank Byrne; Anilesh Ahuja; Michael Commaroto; Andrew Peisch; Glenn Minkoff
Subject: Fremont Shut Down Sub-prime business

This is real - not a rumor.

Ryan Stark
Director
Deutsche Bank Securities
60 Wall St.
NY, NY 10005
212-250-8473
917-[redacted] cell

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1476

Fremont General Corporation (the "Company") could not file its Annual Report on Form 10-K for the fiscal year ended December 31, 2006 by March 1, 2007 without unreasonable effort or expense for the reasons set forth below.

In light of the current operating environment for subprime mortgage lenders and recent legislative and regulatory events, Fremont Investment & Loan, the Company's wholly owned industrial bank subsidiary ("FIL"), intends to exit its subprime residential real estate lending business. Management and the board of directors are engaged in discussions with various parties regarding the sale of the business.

Additionally, the Company expects that it, FIL and the Company's wholly owned subsidiary, Fremont General Credit Corporation ("FGCC"), will enter into a voluntary formal agreement, to be designated as a cease and desist order (the "Order"), with the Federal Deposit Insurance Corporation (the "FDIC"). Among other things, the Order will require FIL to cease and desist from the following:

- o Operating with management whose policies and practices are detrimental to FIL;
- o Operating FIL without effective risk management policies and procedures in place in relation to FIL's brokered subprime mortgage lending and commercial real estate construction lending businesses;
- o Operating with inadequate underwriting criteria and excessive risk in relation to the kind and quality of assets held by FIL;
- o Operating without an accurate, rigorous and properly documented methodology concerning its allowance for loan and lease losses;
- o Operating with a large volume of poor quality loans;
- o Engaging in unsatisfactory lending practices;
- o Operating without an adequate strategic plan in relation to the volatility of FIL's business lines and the kind and quality of assets held by FIL;
- o Operating with inadequate capital in relation to the kind and quality of assets held by FIL;
- o Operating in such a manner as to produce low and unsustainable earnings;
- o Operating with inadequate provisions for liquidity in relation to the volatility of FIL's business lines and the kind and quality of assets held by FIL;
- o Marketing and extending adjustable-rate mortgage ("ARM") products to subprime borrowers in an unsafe and unsound manner that greatly increases the risk that borrowers will default on the loans

=================================PAGE BREAK===================================

or otherwise cause losses to FIL, including (1) ARM products that qualify borrowers for loans with low initial payments based on an introductory rate that will expire after an initial period, without adequate analysis of the borrower's ability to repay at the fully indexed rate, (2) ARM products containing features likely to require frequent refinancing to maintain affordable monthly payment or to avoid foreclosure, and (3) loans or loan arrangements with loan-to-value ratios approaching or exceeding 100 percent of the value of the collateral;

- Making mortgage loans without adequately considering the borrower's ability to repay the mortgage according to its terms;

- Operating in violation of Section 23B of the Federal Reserve Act, in that FIL engaged in transactions with its affiliates on terms and under circumstances that in good faith would not be offered to, or would not apply to, nonaffiliated companies; and

- Operating inconsistently with the FDIC's Interagency Advisory on Mortgage Banking and Interagency Expanded Guidance for Subprime Lending Programs.

The Order will also require FIL to take a number of steps, including (1) having and retaining qualified management; (2) limiting the Company's and FGCC's representation on FIL's board of directors and requiring that independent directors comprise a majority of FIL's board of directors; (3) revising and implementing written lending policies to provide effective guidance and control over FIL's residential lending function; (4) revising and implementing policies governing communications with consumers to ensure that borrowers are provided with sufficient information; (5) implementing control systems to monitor whether FIL's actual practices are consistent with its policies and procedures; (6) implementing a third-party mortgage broker monitoring program and plan; (7) developing a five-year strategic plan, including policies and procedures for diversifying FIL's loan portfolio; (8) implementing a policy covering FIL's capital analysis on subprime residential loans; (9) performing quarterly valuations and cash flow analyses on FIL's residual interests and mortgage servicing rights from its residential lending operation, and obtaining annual independent valuations of such interests and rights; (10) limiting extensions of credit to certain commercial real estate borrowers; (11) implementing a written lending and collection policy to provide effective guidance and control over FIL's commercial real estate lending function, including a planned material reduction in the volume of funded and unfunded nonrecourse lending and loans for condominium conversion and construction as a percentage of Tier I capital; (12) submitting a capital plan that will include a Tier I capital ratio of not less than 14% of FIL's total assets; (13) implementing a written profit plan; (14) limiting the payment of cash dividends by FIL without the prior written consent of the FDIC and the Commissioner of the California Department of Financial Institutions; (15) implementing a written liquidity and funds management policy to provide effective guidance and control over FIL's liquidity position and needs; (16) prohibiting the receipt, renewal or rollover of brokered deposit accounts without obtaining a Brokered Deposit Waiver approved by the FDIC; (17) reducing adversely classified assets; and (18) implementing a comprehensive plan for the methodology for determining the adequacy of the allowance for loan and lease losses.

In addition, the Company is analyzing, in connection with the preparation of the Company's consolidated financial statements as of and for the period ended December 31, 2006, the FDIC's criticism with respect to the Company's methodology for determining the carrying value of the Company's residential real estate loans held for sale.

Michael Lamont/NewYork/DBNA/DeuBa@DBAMERICAS

03/15/2007 08:33 AM

To Greg Lippmann/NewYork/DBNA/DeuBa@DBAmericas
cc
bcc
Subject Fw: HBK-pls read

lets discuss this when you have a chance. long story

----- Forwarded by Michael Lamont/NewYork/DBNA/DeuBa on 03/15/2007 08:33 AM -----

Anshu Jain/DMGGM/DMG UK/DeuBa@DBEMEA

03/14/2007 06:36 PM

To

Fred Brettschneider/NewYork/DBNA/DeuBa@DBAmericas@DBAMERICAS@DEUBAINT, Rajeev Misra/DMGGM/DMG UK/DeuBa@DBEMEA, Yassine Bouhara/DMGEQ/DMG UK/DeuBa@DBEMEA, Pablo Calderini/NewYork/DBNA/DeuBa@DBAmericas, Barry Bausano/NewYork/DBNA/DeuBa@DBAmericas, Jonathan Hitchon/DMGEQ/DMG UK/DeuBa@DBEMEA

cc

Michael Lamont/NewYork/DBNA/DeuBa@DBAmericas, Richard
DAlbert/NewYork/DBNA/DeuBa@DBAmericas

Subject

Re: HBK-pls
read

Well done..

From: Fred Brettschneider
Sent: 03/14/2007 06:25 PM EDT
To: Anshu Jain; Rajeev Misra; Yassine Bouhara; Pablo Calderini; Barry Bausano; Jonathan Hitchon
Cc: Michael Lamont; Richard DAlbert
Subject: HBK-pls read

We believe that we have reached an acceptable compromise with HBK. We will be restructuring the unsold mezz Aaa and we will underwrite the senior portion leaving them with the junior piece. We are still hopeful of selling the entire tranche but this "re-tranching" vastly mitigates our risk. HBK seems pleased with the outcome and was appreciative of our efforts.

Freddie

Sent from my BlackBerry Handheld.

Larry Pike/NewYork/DBNA/DeuBa@DBAMERICAS

03/27/2007 10:34 AM

To Sean Whelan/db/dbcom@DBAmericas, michael.jones@db.com
cc
bcc
Subject As sent to Bill Healy on HBK

Discussion points:
** On Feb 21 HBK priced GEMSTONE 7 in a weak market for CDOs
** Only about half the deal cleared up and down the capital structure with HBK taking down the balance as agreed in advance.
** Earlier during the structuring phase, we had advised them against adding a 2-year revolving (reinvestment) period rather than leaving it a static deal as in past deals but they insisted on this new feature. This process pushed the deal marketing back 2 to 3 weeks into a worse time for CDOs and added a feature not favored by investors.
** 400mm of the unsold bonds were a middle (mezz) AAA class that were expected to be purchased by an investor who backed out at a late stage due to a deteriorating market.
** HBK was upset about this and wanted DB to take these bonds down, threatening to curtail business globally with HBK if we didn't.
** In the end we agreed to carve this 400mm into a senior and junior piece and DB took down the senior 200mm, with HBK keeping the junior 200mm.

Bill- side note that they did increase the deal size from 750mm to 1.1bb but we did not have any problem with that or advise against it.
If you think I have still left out some info that clarifies anything, please let me know.

Larry Pike, CFA
Director
Deutsche Bank Securities, Inc.
225 Franklin St., 24th Floor
Boston, MA 02110
(617) 217-6422

Gemstone 7

DB holds
200mm Class A-1b1

HBK owns
200mm A-1b II
31.9mm Class B (about a third of this class)
38.3mm Class C (a little over half of this class)
36.1mm Class D (about 2/3 of this class)

They take down the BBs and equity in their deal

Below is the capital structure. The A-1b was expected to be sold but the account backed out and is NOT considered to be still actively looking at it. The class is being split further with DB keeping the senior 200mm of risk in that class and HBK keeping the junior 200mm of risk.

CLASS	RATING(M/S)	SIZE(MM)	SIZE(%)	WAL(YR)	COUPON	PRICE	DM
A-1a	Aaa/AAA	244.0	22.2	2.1	NA	NA	NA
A-1b	Aaa/AAA	400.0	36.3	3.1	L+ 0.35%		
A-2	Aaa/AAA	159.0	14.4	4.9	L+ 0.47%	100%	L+ 0.47%

B	Aa2/AA	96.9	8.8	5.8	L+ 0.68%	100%	L+ 0.68%
C	A2/A	68.3	6.2	6.2	L+ 2.25%	97.02640%	L+ 2.85%
D	Baa2/BBB	55.1	5.0	5.7	L+ 4.75%	98.91859%	L+ 5.00%
E	Ba1/BB+	18.7	1.7	6.3	NA	NA	NA
SUB		59.5	5.4				

Greg Lippmann/NewYork/DBNA/DeuBa@DBAMERICAS

02/20/2007 05:36 PM

To Rich Rizzo/NewYork/DBNA/DeuBa@DE
cc
bcc
Subject Re: Gemstone CDO 7 - HBK - repos

we dont have much choice....either we repo for them or we take it down...so we will need to mark it etc...

Greg H. Lippmann
Managing Director
Deutsche Bank Securities Inc.
3rd Floor
60 Wall Street
New York, New York 10005
Phone (212) 250-7730
Fax (212) 797-2201
Mobile (917) [redacted]
greg.lippmann@db.com

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Rich Rizzo/NewYork/DBNA/DeuBa

02/20/2007 09:32

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1481

PM

To

Greg

Lippmann/NewYork/DBNA/DeuBa@DBAmericas

cc

Subject

repos

Your call here
My concern is mostly about monitoring - seems like this requires the pool to be priced and hbk generally views market as tighter than it is

Also recall ilinca I think took 10-20MM of gemst 4 and 5 BBs back from jenks - they've been trying to sell and got a 25bid (from deveaney)

Sent from my BlackBerry Handheld.

From: Greg Lippmann
Sent: 02/20/2007 04:06 PM
To: Abhayad Kamat
Cc: Rich Rizzo
Subject: Re: Gemstone CDO 7 - HBK - repos

i dont understand these...seems backward....i would say 20% haircut on A and 30 on BBB at the moment....seems you are 15 and 25....

Abhayad
Kamat/NewYork/DBNA/DeuBa

02/20/2007 09:02 PM

To

Greg Lippmann/NewYork/DBNA/DeuBa

cc

Rich Rizzo/NewYork/DBNA/DeuBa@DBAmericas

Subject

Gemstone CDO 7 - HBK -

repos

Greg,

HBK's Gemstone CDO 7 is pricing tomorrow and we will probably have 40-50% of the As and BBBs unsold -- about $35m As and $30m BBBs. HBK will take these tranches back but we would like to offer them repos on these tranches if possible.

Would you be ok to offer repos at the following advance rates:

Rating	Advance Rate %
A2/A	85%
Baa2/BBB	75%

Rating	Advance Rate % (based on par)	Advance Rate % (based on pool market value)
A2/A	12.0%	6.5%
Baa2/BBB	7.0%	1.5%

- CDO purchased pool at price of ~96.5% (27% BB assets); based on current market, pool is down 2.0% since purchase.

Once you confirm if ok on the advance rates, I will check with Alain Van-Loo for interest rates to be charged.

thanks.
Abhayad

Abhayad Kamat
Global CDO Group

Deutsche Bank Securities Inc.
60 Wall Street, 19th Floor,
New York, NY 10005-2858
(212) 250-0526 work
(917) [redacted] cell
(732) 578-2890 fax

----- Forwarded by Abhayad Kamat/NewYork/DBNA/DeuBa on 02/20/2007 03:44 PM -----

"ILINCA BOGZA, DEUTSCHE BANK SECURI" <ibogza@bloomberg.net>

Sent by: ibogza@bloomberg.net

To

undisclosed-recipients:;

02/20/2007 03:17 PM

cc

Subject

** UPDATE $[1.1]BLN GEMSTONE VII ** REVISED TALK **

** UPDATE GEMSTONE CDO 7, A $[1.1]BLN MEZZANINE ABS CDO MANAGED BY HBK

** EXPECTED PRICING FEB [21ST].

CLASS	RATING(M/S)	SIZE(MM)	SIZE(%)	WAL(YR)	PRICE TALK	IOI
A-1	Aaa/AAA	[716.0]	[65.0]	[3.2]	* CALL DESK *	---
A-2	Aaa/AAA	[87.0]	[7.9]	[5.3]	* NOT OFFERED *	---
B	Aa2/AA	[96.9]	[8.8]	[6.0]	L+ [0.62% AREA]	90%
C	A2/A	[68.3]	[6.2]	[6.3]	L+ [2.65% AREA]	75%
D	Baa2/BBB	[55.1]	[5.0]	[5.7]	L+ [5.00% AREA]	75%
E	Ba1/BB+	[18.7]	[1.7]	[6.3]	* CALL DESK *	---
SUB		[59.5]	[5.4]			

The McGraw-Hill Companies

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Ratings Services

55 Water Street, 41st. Floor
New York, NY 10041-0003
212 438 2000 Tel
212 438 2650 Fax

March 15, 2007

Gemstone CDO VII Ltd.
c/o Deutsche Bank (Cayman) Limited
P.O. Box 1984 GT
Elizabethan Square, Grand Cayman
Cayman Islands
Attention: The Directors

Re: <u>**Gemstone CDO VII Ltd./Gemstone CDO VII Corp.**</u>
U.S.$244,000,000 Class A-1a Floating Rate Notes Due December 2045
U.S.$400,000,000 Class A-1b Floating Rate Notes Due December 2045
U.S.$159,000,000 Class A-2 Floating Rate Notes Due December 2045
U.S.$96,900,000 Class B Floating Rate Notes Due December 2045
U.S.$68,300,000 Class C Floating Rate Deferrable Interest Notes Due December 2045
U.S.$55,100,000 Class D Floating Rate Deferrable Interest Notes Due December 2045
U.S.$18,700,000 Class E Floating Rate Deferrable Interest Notes Due December 2045

Dear Sir or Madam:

Pursuant to your request for a Standard & Poor's rating on the above-referenced obligations, we have reviewed the information submitted to us and, subject to the enclosed *Terms and Conditions*, have assigned ratings to the classes as follows:

Class	Amount	Maturity	Rating
A-1a	U.S.$244,000,000	December 12, 2045	AAA
A-1b	U.S.$400,000,000	December 12, 2045	AAA
A-2	U.S.$159,000,000	December 12, 2045	AAA
B	U.S.$96,900,000	December 12, 2045	AA
C	U.S.$68,300,000	December 12, 2045	A
D	U.S.$55,100,000	December 12, 2045	BBB
E	U.S.$18,700,000	December 12, 2045	BB+

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the U.S. Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. This rating is based on financial information and documents we received prior to the issuance of this letter. Standard & Poor's assumes that the documents you have provided to us are final. If any subsequent changes were made in the final documents, you must notify us of such changes by sending us the revised final documents with the changes clearly marked.

To maintain the rating, Standard & Poor's must receive all relevant financial information, including all reports submitted to the trustee, as soon as such information is available. Placing us on a distribution list for this information would facilitate the process. You must promptly notify us of all material changes in the financial information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information, if necessary, to maintain the rating. Please send all information available via electronic delivery to: SCDO_surveillance@sandp.com. In addition, please send hard copies of all information to: Standard & Poor's Ratings Services, 55 Water Street, 42nd floor, New York, New York 10041-0003, Attention: SCDO Surveillance Group.

Standard & Poor's is pleased to have the opportunity to be of service to you. For more information please visit our website at www.standardandpoors.com. If we can be of help in any other way, please contact us. Thank you for choosing Standard & Poor's and we look forward to working with you again.

Very truly yours,

Standard & Poor's Ratings Services,
a division of The McGraw-Hill Companies, Inc.

"Standard & Poor's" /s/

Analytical Contact: William Leong
212-438-1387

STANDARD
&POOR'S

Standard & Poor's Ratings Services Terms and Conditions Applicable To U.S. Structured Finance Ratings

Scope of Rating. You understand and agree that (i) an issue rating reflects Standard & Poor's current opinion of the likelihood that payments of principal and interest will be made on a timely basis in accordance with the terms of the obligations, (ii) a rating is an opinion and is not a verifiable statement of fact, (iii) ratings are based on information supplied to Standard & Poor's by an issuer or its agents and upon other information obtained by Standard & Poor's from other sources it considers reliable, (iv) Standard & Poor's does not perform an audit in connection with any rating and a rating does not represent an audit by Standard & Poor's, (v) Standard & Poor's relies on the issuer, its accountant, counsel, and other experts for the accuracy and completeness of the information submitted in connection with the rating and surveillance process, (vi) Standard & Poor's undertakes no duty of due diligence or independent verification of any information, (vii) Standard & Poor's does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a rating or the results obtained from the use of such information, (viii) Standard & Poor's may raise, lower, suspend, place on CreditWatch, or withdraw a rating at any time, in Standard & Poor's sole discretion, and (ix) a rating is not a "market" rating nor a recommendation to buy, hold, or sell any financial obligation.

Publication. Standard & Poor's reserves the right to publish, disseminate, or license others to publish or disseminate the rating and the rationale for the rating unless you specifically request that the rating be assigned and maintained on a confidential basis. If a confidential rating subsequently becomes public through disclosure by the issuer or a third party other than Standard & Poor's, Standard & Poor's reserves the right to publish it. As a matter of policy, Standard & Poor's publishes ratings for all public issues and 144A issues in the U.S. market. Standard & Poor's may release analytical reports describing the transaction and explaining the basis of our rating in our sole discretion, and we acknowledge that these reports are not issued by or on behalf of you or at your request. Standard & Poor's may publish explanations of Standard & Poor's ratings criteria from time to time and nothing in this Agreement shall be construed as limiting Standard & Poor's ability to modify or refine Standard & Poor's criteria at any time as Standard & Poor's deems appropriate.

Information to be Provided by You. You shall meet with Standard & Poor's for an analytic review at any reasonable time Standard & Poor's requests. You also agree to provide Standard & Poor's promptly with all information relevant to the rating and surveillance of the rating including information on material changes to information previously supplied to Standard & Poor's. The rating may be affected by Standard & Poor's opinion of the accuracy, completeness, timeliness, and reliability of information received from you or your agents. Standard & Poor's undertakes no duty of due diligence or independent verification of information provided by you or your agents. Standard & Poor's reserves the right to withdraw the rating if you or your agents fails to provide Standard & Poor's with accurate, complete, timely, or reliable information.

Confidential Information. For purposes of this Agreement, "Confidential Information" shall mean information received by Standard & Poor's from you or your agents which has been marked "Proprietary and Confidential" or in respect of which Standard & Poor's has received specific written notice of its proprietary and confidential nature. Notwithstanding the foregoing, information disclosed by you or your agents shall not be deemed to be Confidential Information, and Standard & Poor's shall have no obligation to treat such information as Confidential Information, if such information (i) was substantially known by Standard & Poor's at the time of such disclosure, (ii) was known to the public at the time of such disclosure, (iii) becomes known to the public (other than by Standard & Poor's act) subsequent to such disclosure, (iv) is disclosed lawfully to Standard & Poor's by a third party subsequent to such disclosure, (v) is developed independently by Standard & Poor's without reference to the Confidential Information, (vi) is approved in writing by you for public disclosure, or (vii) is required by law to be disclosed by you or Standard & Poor's, provided that notice of such required disclosure is given to you. Commencing on the date hereof, Standard & Poor's will use Confidential Information only in connection with the assignment and monitoring of ratings and will not directly disclose any Confidential Information to any third party. Standard & Poor's may also use Confidential Information for research and modeling purposes provided that the Confidential Information is not presented in a way that can be directly tied to you. You agree that the Confidential Information may be used to raise, lower, suspend, withdraw, and place on CreditWatch any rating if the Confidential Information is not directly disclosed.

Standard & Poor's Not an Advisor, Fiduciary, or Expert. You understand and agree that Standard & Poor's is not acting as an investment, financial, or other advisor to you and that you should not and cannot rely upon the rating or any other information provided by Standard & Poor's as investment or financial advice. Nothing in this Agreement is intended to or should be construed as creating a fiduciary relationship between Standard & Poor's and you or between Standard & Poor's and recipients of the rating. You understand and agree that Standard & Poor's has not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the U.S. Securities Act of 1933.

Limitation on Damages. You agree that Standard & Poor's, its officers, directors, shareholders, and employees shall not be liable to you or any other person for any actions, damages, claims, liabilities, costs, expenses, or losses in any way arising out of or relating to the rating or the related analytic services provided for in an aggregate amount in excess of the aggregate fees paid to Standard & Poor's for the rating, except for Standard & Poor's gross negligence or willful misconduct. In no event shall Standard & Poor's, its officers, directors, shareholders, or employees be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, legal fees, or losses (including, without limitation, lost profits and opportunity costs). In furtherance and not in limitation of the foregoing, Standard & Poor's will not be liable in respect of any decisions made by you or any other person as a result of the issuance of the rating or the related analytic services provided by Standard & Poor's hereunder or based on anything that appears to be advice or recommendations. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence), or otherwise. You acknowledge and agree that Standard & Poor's does not waive any protections, privileges, or defenses it may have under law, including but not limited to, the First Amendment of the Constitution of the United States of America.

Term. This Agreement shall terminate when the ratings are withdrawn. Notwithstanding the foregoing, the paragraphs above, "Confidential Information", "Standard & Poor's Not an Advisor, Fiduciary, or Expert", and "Limitation on Damages", shall survive the termination of this Agreement or any withdrawal of a rating.

Third Parties. Nothing in this Agreement, or the rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of the rating. No person is intended as a third party beneficiary to this Agreement or to the rating when issued.

Binding Effect. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns.

Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, then the remainder of this Agreement shall not be affected, impaired, or invalidated, and each such term and provision shall be valid and enforceable to the fullest extent permitted by law.

Complete Agreement. This Agreement constitutes the complete agreement between the parties with respect to its subject matter. This Agreement may not be modified except in a writing signed by authorized representatives of both parties.

Governing Law. This Agreement and the rating letter shall be governed by the internal laws of the State of New York. The parties agree that the state and federal courts of New York shall be the exclusive forums for any dispute arising out of this Agreement and the parties hereby consent to the personal jurisdiction of such courts.

Moody's Investors Service

99 Church Street
New York, New York 10007

March 15, 2007

Gemstone CDO VII Ltd.
c/o Deutsche Bank (Cayman) Limited
P.O. Box 1984 GT, Elizabethan Square
George Town, Grand Cayman
Cayman Islands

Gemstone CDO VII Corp.
c/o Puglisi & Associates
850 Library Avenue Suite 204
Newark, Delaware 19711

Deutsche Bank Trust Company Americas
1762 East St. Andrew Place
Santa Ana, California 92705

Re: U.S. $244,000,000 Class A-1a Floating Rate Notes Due December 2045 (the "Class A-1a Notes")
U.S. $400,000,000 Class A-1b Floating Rate Notes Due December 2045 (the "Class A-1b Notes")
U.S. $159,000,000 Class A-2 Floating Rate Notes Due December 2045 (the "Class A-2 Notes")
U.S. $96,900,000 Class B Floating Rate Notes Due December 2045 (the "Class B Notes")
U.S. $68,300,000 Class C Floating Rate Deferrable Interest Notes Due December 2045 (the "Class C Notes")
U.S. $55,100,000 Class D Floating Rate Deferrable Interest Notes Due December 2045 (the "Class D Notes")
U.S. 18,700,000 Class E Floating Rate Deferrable Interest Notes Due December 2045 (the "Class E Notes")

Ladies and Gentlemen:

At your request, Moody's Investors Service has reviewed for rating purposes the information submitted to Moody's in connection with the issuance of the above-captioned Notes. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Indenture dated as of March 15, 2007 among Gemstone CDO VII Ltd., as Issuer, Gemstone CDO VII Corp. as Co-Issuer and Deutsche Bank Trust Company Americas, as Trustee (the "Indenture").

Based upon the information submitted, Moody's has assigned the following ratings to the Notes: **"Aaa" to the Class A-1a Notes, "Aaa" to the Class A-1b Notes, "Aaa" to the Class A-2 Notes, "Aa2" to the Class B Notes","A2" to the Class C Notes, "Baa2" to the Class D Notes and "Ba1" to the Class E Notes.**

The rating assigned to the Notes addresses the ultimate cash receipt by the Noteholders of all required interest and principal payments as provided by the Notes governing documents. The ratings are based on the expected loss posed to the Notes relative to the promise of receiving the present value of such payments. The ratings are also based upon the legal structure of the transaction and the characteristics of the Underlying Assets.

Moody's will publish notice of the ratings and will monitor the ratings. The ratings are subject to reconsideration at Moody's sole discretion. The ratings are contingent upon receipt by Moody's, within 30 days of the date of this letter, of all executed documents in electronic format (e.g. Acrobat PDF).

Very truly yours,

Stephen G. Lioce
Vice President and Senior Credit Officer

Gary Lo
Senior Associate

TOTAL P.02

STATE OF NEW YORK
SUPREME COURT : COUNTY OF ERIE

M&T BANK CORPORATION
One M&T Plaza
Buffalo, New York 14203

Plaintiff,

v.

Index No. 2008007064

GEMSTONE CDO VII, LTD.
c/o Deutsche Bank (Cayman), Ltd.
P.O. Box 1984
Grand Cayman KY1-1104

SUMMONS

FILED
ACTIONS & PROCEEDINGS
JUN 16 2008
ERIE COUNTY
CLERK'S OFFICE

GEMSTONE CDO VII CORP.
c/o Donald Puglisi
850 Liberty Avenue, Suite 204
Newark, Delaware 19711

DEUTSCHE BANK SECURITIES, INC.
60 Wall Street
New York, New York 10005

DEUTSCHE BANK TRUST COMPANY AMERICAS
60 Wall Street
New York, New York 10005

DEUTSCHE BANK AG
60 Wall Street
New York, New York 10005

HBK INVESTMENTS, LP
300 Crescent Court
Dallas, Texas 75201

HBK PARTNERS II LP
300 Crescent Court
Dallas, Texas 75201

HBK MANAGEMENT LLC
300 Crescent Court
Dallas, Texas 75201

Defendants.

TO DEFENDANT(S):

YOU ARE SUMMONED to appear in this action by serving your answer to the complaint on the plaintiff's attorney within the time limits stated below.

Erie County is designated as the county where this action will be tried, because one or more of the parties to this action resides in that county. If this action is based upon a consumer credit transaction, that county is designated because one or more of the defendants resides in that county or because the transaction sued upon occurred in that county.

TIME LIMITS TO ANSWER:

(1) If this summons is served by delivery to you personally within New York State, you must answer the complaint within TWENTY (20) days after such delivery.

(2) If this summons is not served by delivery to you personally within New York State, and not served pursuant to CPLR 312-a, you must answer the complaint within THIRTY (30) days after service is complete.

(3) If this summons is served pursuant to CPLR 312-a, see accompanying STATEMENT OF SERVICE BY MAIL for time limits to answer.

IF YOU FAIL TO ANSWER THE COMPLAINT within the time stated, judgment will be entered against you for the relief demanded in the complaint.

Dated: Buffalo, New York
June 16, 2008

HODGSON RUSS LLP
Attorneys for M&T Bank Corporation

By ______________________
Robert J. Lane, Jr.
Jodyann Galvin
The Guaranty Building
140 Pearl Street, Suite 100
Buffalo, New York 14202
Telephone: (716) 856-4000

002000/09406 BFLODOCS 2312411v1

STATE OF NEW YORK
SUPREME COURT : COUNTY OF ERIE

M&T BANK CORPORATION,

Plaintiff

v.

Index No. 2008 007004

GEMSTONE CDO VII, LTD.; GEMSTONE CDO VII CORP.; DEUTSCHE BANK SECURITIES, INC.; DEUTSCHE BANK TRUST COMPANY AMERICAS; DEUTSCHE BANK AG; HBK INVESTMENTS, LP; HBK PARTNERS II LP; and HBK MANAGEMENT LLC,

Defendants.

FILED
ACTIONS & PROCEEDINGS

JUN 16 2008

ERIE COUNTY
CLERK'S OFFICE

COMPLAINT

M&T BANK CORPORATION, by its attorneys, Hodgson Russ LLP and Kornstein Veisz Wexler & Pollard, LLP, alleges for its complaint:

Parties

1. M&T Bank Corporation ("M&T") is a New York corporation with its principal office at One M&T Plaza, Buffalo, New York 14203.

2. Defendant Gemstone CDO VII, Ltd. ("Gemstone Ltd.") is a Cayman Islands limited partnership with its principal office at c/o Deutsche Bank (Cayman), Ltd., P.O. Box 1984, Grand Cayman KY1-1104. Gemstone Ltd. is the issuer of the notes sold to M&T which are the subject of this action (the "Gemstone VII notes").

3. Defendant Gemstone CDO VII Corp. ("Gemstone Corp.") is a Delaware corporation with its principal office at c/o Donald Puglisi, 850 Liberty Avenue, Suite 204,

Newark, Delaware 19711. Gemstone Corp. is the co-issuer of the Gemstone VII notes.

4. Deutsche Bank Trust Company Americas ("Deutsche Bank Trust") is a New York banking corporation with its principal office at 60 Wall Street, New York, New York. Deutsche Bank Trust acted as trustee of the trust formed to hold and administer the collateral underlying the Gemstone VII notes (the "Gemstone Trust").

5. Defendant Deutsche Bank Securities, Inc. ("DBSI") is a Delaware corporation with its principal office at 60 Wall Street, New York, New York. DBSI is a registered broker-dealer, and it was the direct seller to M&T of the Gemstone VII notes. DBSI is the owner of a Class A-1b note. The Class A-1b notes are referred to in the Gemstone VII offering circular and in the indenture for the Gemstone Trust as the "Controlling Class." The Controlling Class noteholders have rights superior to M&T, including higher priority to interest and principal and rights to determine whether the Gemstone Trust collateral is liquidated under certain circumstances.

6. Deutsche Bank AG is a German corporation with an office at 60 Wall Street, New York, New York. Deutsche Bank AG acted as counterparty on the credit default swaps which constituted $600 million of the collateral for the Gemstone VII notes.

7. HBK Investments, LP ("HBK") is a Delaware limited partnership with its principal office at 300 Crescent Court, Dallas, Texas 75201, and with an office at 350 Park Avenue, New York, New York. HBK is the collateral manager for the Gemstone VII trust. HBK is also the owner of the $18.7 million Class E note and (together with DBSI) $400 million in Class A-1b notes issued by the Gemstone Ltd. and Gemstone Corp.

8. HBK Partners II LP ("HBK Partners") is a Delaware limited partnership with its principal office at 300 Crescent Court, Dallas, Texas 75201. HBK Partners is a general partner of HBK.

9. HBK Management LLC ("HBK Management") is a Delaware limited liability company with its principal office at 300 Crescent Court, Dallas, Texas 75201. HBK Management is a general partner of HBK Partners.

Summary of this Action

10. This action seeks recovery of more than $82 million of losses suffered by M&T as a result of a fraud and other wrongful conduct by DBSI, HBK, and their affiliates. Between early 2004 and 2007, DBSI and HBK marketed several series of notes known generically as "collateralized debt obligations" ("CDOs"), primarily under the name "Gemstone," representing that these notes were safe, secure, and nearly risk-free. On February 21, 2007, DBSI sold to M&T two Gemstone VII notes, each due December 12, 2045: (1) a Class A-2 note in the amount of $42 million, which was rated AAA by Standard & Poor's ("S&P") and which paid interest at the annual rate of 1-month LIBOR plus .47% (initially 5.82%); and (2) a Class B note in the amount of $40 million, which was rated AA by S&P and paid interest at the annual rate of 1-month LIBOR plus .68% (initially 6.03%). On February 21, 2007, 30-day U.S. Treasury bills, which were essentially risk-free, paid 5.253% annual interest; 30-day commercial paper from a high-grade corporation such as General Electric paid 5.23% annual interest and 1-month LIBOR, which is generally assumed to represent AA-rated bank debt, paid 5.32% annual interest. The Gemstone VII notes purchased by M&T were marketed by defendants as providing a higher interest rate than Treasury bills or high-grade corporate bonds, with a risk level lower

than high-grade bonds and approaching the risk-free level of Treasury bills.

11. While the representation that the Gemstone VII notes were safe, secure, and nearly risk-free may or may not have been true for earlier Gemstone CDOs, it was entirely false for the Gemstone VII notes sold to M&T in February 2007. By February 2007, DBSI and HBK had dramatically reduced the underwriting standards and due diligence performed in selecting and assembling the collateral underlying the notes they marketed. This reduction in underwriting and due diligence standards was not disclosed to M&T. As a result of their reduced underwriting and due diligence standards, defendants were able to structure the Gemstone VII CDO with impaired and non-conforming collateral, directly contrary to their representations that the Gemstone VII notes were a safe, secure, and nearly risk-free investment.

12. Defendants marketed the Gemstone CDO offerings, including Gemstone VII, by emphasizing the ratings awarded to the Gemstone notes by S&P and Moody's — the two leading debt rating companies. M&T's Class A-2 note was rated AAA by S&P and Aaa by Moody's. These are the highest ratings for safety and ability to repay. M&T's Class B note was rated AA by S&P and Aa2 by Moody's. These are the second highest ratings for safety and ability to repay. Defendants knew that these ratings were misleading and inflated, because defendants had withheld from the rating agencies material information about the quality and default problems defendants were experiencing with subprime collateral under their control in late 2006 and early 2007. Upon information and belief, defendants also withheld from the rating agencies information about the extent and scope of fraud and other problems with their subprime loan-backed portfolios and that subprime originators were refusing to stand behind their contractual warranties relating to such loans. Upon information and belief, if this information

had been disclosed to the rating agencies, the notes purchased by M&T would have received lower ratings, and M&T would not have purchased them.

13. Among the other material misrepresentations made by defendants in marketing the Gemstone VII notes to M&T were:

a. The Gemstone VII notes were sold as safe, secure, and nearly risk-free investments, similar to (but safer than) high-grade corporate bonds. In fact, defendants were aware, and failed to disclose, that the collateral underlying the Gemstone VII notes was impaired and rapidly deteriorating at the time the notes were offered for sale.

b. Defendants represented that they applied stringent underwriting standards in assembling and selecting the subprime mortgage collateral underlying the Gemstone VII notes and that they performed extensive, detailed, and state-of-the-art loan level and market due diligence in assembling and selecting that collateral, utilizing proprietary analytical systems and tools. Defendants marketed these features as assuring the safety and strong performance of the Gemstone VII notes. In fact, defendants knew that their underwriting standards and due diligence efforts had declined substantially from the earlier Gemstone offerings and that, as a result, the collateral underlying the Gemstone VII notes was impaired and deteriorating.

c. Defendants represented that HBK possessed unique and extraordinary skills as a collateral manager, which ensured the high quality of the Gemstone VII notes and the strong performance of its collateral.

d. Defendants represented that the ratings assigned to the Gemstone notes by independent ratings agencies (S&P's and Moody's) were objective and reliable indicators that the Gemstone notes had the highest degree of safety. The Class A-2 note purchased by M&T was rated AAA by S&P and Aaa by Moody's. The Class B note purchased by M&T was rated AA by S&P and Aa2 by Moody's. In soliciting M&T, defendants emphasized that these ratings indicated that the notes M&T purchased were high-quality, low-risk investments and that the capacity of the issuer to meet all commitments under the notes was "extremely strong" and/or "very strong." In fact, defendants actually negotiated the structure of the Gemstone VII offering with the rating agencies with a specific view toward obtaining particular ratings for classes of notes for marketing purposes. Defendants knew that the ratings they obtained for the Gemstone VII notes were fraudulent and false, overstated the safety and security and understated the risk of the notes, and did not accurately reflect the impaired and deteriorating quality of the collateral underlying the Gemstone VII notes.

e. Defendants represented that the structure of the Gemstone VII

CDO provided a high degree of safety, due to the overcollateralization and tranching of the CDO. "Overcollateralization" means that there was more collateral than necessary to pay the senior and mezzanine-level notes. "Tranching" refers to the fact that the Gemstone VII notes were organized by level of seniority (or "tranche"). Because the claims to interest and principal of the less senior notes were subordinated to the claims of the more senior notes, any losses would be borne entirely by the less senior notes until their investment was exhausted. This structure was marketed as conferring a high-degree of safety on the more senior notes (such as the notes purchased by M&T).

14. In fact, all of these representations were false. The structure of the Gemstone VII CDO did not ensure its safety; that structure did not and could not protect it from massive losses. The ratings given the Gemstone VII notes by S&P and Moody's were not indicative of safety; defendants had misrepresented the collateral underlying the notes to the ratings agencies and the Gemstone VII notes did not objectively earn the ratings that defendants touted in their marketing. Defendants' representations that HBK had conducted extensive due diligence to eliminate problem loans was simply false; HBK was aware that there was a substantial percentage of non-conforming mortgages underlying the Gemstone VII collateral. Finally, the representations that HBK's alleged management skills conferred safety on the Gemstone VII notes was false; HBK and DBSI knowingly and intentionally included low-quality and unstable collateral in the Gemstone VII offering for the purpose of closing the offering and

earning fees.

FACTS RELEVANT TO M&T'S CLAIMS

Background of the Subprime Mortgage Market and CDOs

15. Prior to 2003, the subprime sector of the mortgage market was relatively small, consisting of only 8% of originated mortgages. In 2003, that figure rose to 18%. In 2005 and 2006, subprime mortgages consisted of 20% of all originated mortgages. By 2007, there was $1.3 trillion in outstanding subprime mortgage debt, $600 billion of which was originated in 2006.

16. Prior to 2002, subprime mortgage-backed securitizations involved the issuance of bonds backed by subprime mortgages or the sale of interests in trusts that held subprime mortgages. In 2002, it became more common for the financial services industry to package subprime mortgages into CDOs. CDOs are entities that issue debt securities (often notes) collateralized by other debt instruments (typically bonds, loans, or other financial obligations) which generate a stream of cash flows in the form of interest payments, as well as a return of principal. The cash flow from the collateral is used to repay the notes issued by the CDO. The purchase of securities issued by the CDO is essentially a purchase of a right to participate in the cash flows from the collateral portfolio owned by the CDO.

17. CDOs are distinguished from simpler mortgage-backed securities, such as bonds, by a number of features. First, CDOs typically own a large number of separate mortgage backed bonds; the Gemstone VII CDO, for example, owns approximately 105 mortgage or loan-backed bonds. CDO promoters marketed this as an advantage, claiming that the number of different bonds comprising the collateral provides "diversification," that there is little default

correlation among the bonds, and that this contributes to safety. Second, CDOs are structured into different levels (or "tranches") of risk. Investors who buy debt in the bottom tranche receive higher interest, but their interest is the first to be impaired on default. The rights of the lower-level tranches to receive interest payments are subordinate to the rights of the higher-level tranches to receive their interest payments. Investors who purchase notes from the higher tranches are paid less interest, but in return receive a higher degree of safety. In essence, the principal and interest that should be available to pay the lower tranches if the collateral performs as projected acts as "back-up" collateral for the higher tranches. This is referred to as "overcollateralization," and it acts as credit enhancement supporting the higher tranches. This structure allowed CDO issuers to sell notes that were AAA rated to investors seeking a high degree of safety and to sell notes that were rated below investment grade to investors seeking high returns.

18. While subprime mortgage originations rose dramatically from 2001 through 2005 (from $120 billion to over $625 billion), the demand for subprime mortgages as collateral for securitizations grew even more quickly. The investment banking industry had created flexible debt products that it marketed to fill the needs of institutional investors with a wide range of investment goals, from those seeking relatively high returns with moderate risk to those seeking a high degree of safety with more moderate returns. The AAA and AA rated tranches (which accounted for far more than half of the value in a typical subprime CDO offering) were marketed as alternatives to high-grade corporate bonds and other fixed-income securities, offering equal or greater safety and modestly higher returns.

19. The demand for subprime mortgage-backed bonds (both for direct sale and

to serve as collateral in CDOs) was so strong that by 2004 it was common for more than half of the collateral underlying a CDO to be made up of derivatives known as "credit default swaps," the performance of which mirrored an identified group of subprime mortgage-backed bonds (known as "Reference Obligations"). A "credit default swap" is a securities derivative under which one party sells credit insurance to another (known as the "credit default swap counterparty"). In return for a premium or stream of premium payments, the seller of the credit default swap agrees to pay the counterparty any shortfall in interest or principal payments that occurs as a result of any default in payments under the Reference Obligation. While the purchase of a credit default swap could be part of a plan to hedge the risk of default on a bond owned by the counterparty, the counterparty need not own the Reference Obligation and could be purchasing the credit protection purely as a speculative investment strategy.

20. The premiums received in return for selling credit default swaps become additional collateral that are reinvested by the CDO to generate increased cash flow to pay interest and principal pursuant to the CDO's terms for each tranche. The effect of selling credit default swaps is to create "virtual" investments in the subprime mortgage-backed bonds identified as Reference Obligations. There was a secondary motivation for utilizing credit default swaps in CDOs. It made it easier to assemble the required collateral for closing the CDO offering. For example, if 50% of the CDO collateral was credit default swaps, then the value of actual cash bonds to be purchased was reduced by half.

21. In retrospect, the widespread use of credit default swaps in place of actual cash bonds (which were in short supply) was indicative of an industry that was growing recklessly and speculatively, without proper controls. Out of the approximately $1.1 billion

raised in the Gemstone VII offering, $600 million was committed as potential security for credit default swaps.

<u>M&T's Investment Decision</u>

22. In early 2007, M&T's Treasury Department began investigating the possibility of investing in mortgage-backed CDOs. M&T contacted a number of broker-dealers and gathered information on several different CDO offerings. One of the broker-dealers was DBSI, which had a long-standing relationship with M&T. Sean Whelan, a salesman at DBSI, provided M&T with general information regarding the Gemstone VII CDO (all positive in nature).

23. The Gemstone VII CDO comprises two entities: Gemstone Ltd. (the "Issuer") and Gemstone Corp. (the "Co-Issuer"). All shares of the Issuer are owned by a Deutsche Bank Cayman Islands affiliate. All shares of the Co-Issuer are owned by the Issuer. Thus, the Issuers of the Gemstone VII notes are Deutsche Bank affiliates. The Gemstone VII notes were sold by the Issuers to DBSI for re-sale to investors like M&T. Accordingly, Mr. Whelan was selling a deal that was essentially a proprietary product formed and owned by Deutsche Bank and its affiliates.

24. In early February 2007, M&T met with HBK Investments at its 350 Park Avenue offices to discuss the Gemstone VII CDO. At that meeting or shortly afterward, M&T was provided with a copy of the preliminary offering circular and a document entitled: "Gemstone CDO VII Ltd. — Debt Investor Presentation," dated February 8, 2007. These documents, which are collectively referred to as the "Gemstone offering materials," contain numerous representations about the structure of the Gemstone VII CDO and the risk level

associated with each of its tranches.

25. M&T placed its order for $82 million in Gemstone VII notes on February 21, 2007. In deciding to invest in the Gemstone VII CDO, M&T relied on the Gemstone offering materials, the ratings of the Gemstone VII notes, and oral representations by DBSI and HBK Investments. M&T purchased a $42 million Class A-2 note (AAA rated) and a $40 million Class B note (AA rated).

26. According to S&P, a AAA rating is defined as follows:

> "An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meets its financial commitment on the obligation is extremely strong."

> S&P defines a AA rating as follows:

> "An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong."

27. S&P represents that its long-term issue credit ratings are based on: (1) likelihood of payment — capacity and willingness of the obligor to meets its financial commitment on an obligation in accordance with the terms of the obligation; (2) nature of and provisions of the obligation; and (3) protection afforded by, and relative position of, the obligation in the event of bankruptcy. S&P further represents that "issue ratings are an assessment of default risk, but may incorporate an assessment of relative seniority or ultimate recovery in the event of a default." Finally, in explaining its ratings, S&P indicates that an "issue credit rating is a current opinion of the creditworthiness of an obligor with respect to a specific

financial obligation, a specific class of financial obligations, or a specific financial program. . . . It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The opinion evaluates the obligor's capacity and willingness to meet its financial commitments as they come due, and may assess terms, such as collateral security and subordination, which could effect ultimate payment in the event of a default."

28. The AAA and AA ratings were major considerations in M&T's determination to invest in the Gemstone VII notes, because they indicated that the notes were safe, stable, and nearly risk-free investments. DBSI and HBK represented, expressly and/or impliedly, that the ratings were accurate and based on access by the rating agencies to the Gemstone VII financial information, including information about the collateral portfolio, and that all material information was provided to the rating agencies. In marketing the Gemstone VII notes based substantially on their S&P and Moody's ratings, DBSI, HBK, and the Issuers were representing that those ratings were accurate and were based on complete information.

29. This is further supported by the fact that the rating agencies were directly involved in the process of structuring the Gemstone series of CDOs. An issuer seeking an S&P or Moody's rating provides a preliminary deal structure to the ratings agencies, advising which rating it seeks to procure for each tranche. In response, the ratings agencies will provide feedback, indicating that additional credit support is (or is not) necessary to obtain the desired rating.

Representations in the
<u>Gemstone VII Offering Circular</u>

30. The Gemstone VII offering circular (the "GOC") states that the "net

proceeds from the issuance and sale of the Notes . . . will be used by the Issuer to purchase a diversified portfolio of interests in Underlying Assets having the characteristics described herein." GOC at 106. The offering circular describes the Underlying Assets as "Asset-Backed Securities" (*e.g.*, bonds) and "Synthetic Securities," consisting of credit default swaps. GOC at 109, 122. With respect to Synthetic Securities, the S&P or Moody's rating shall be the rating of the underlying Reference Obligation. GOC at 66-67. The offering circular further states that there are certain "Collateral Quality Tests" that "will be used to establish that the characteristics of the Issuer's portfolio on the Closing Date satisfy certain threshold levels." There are six Collateral Quality Tests, four of which rely upon S&P and Moody's ratings for the Underlying Assets. GOC at 132-33.

31. The offering circular also describes various "overcollateralization" tests, which measure the excess value of the collateral supporting each of the notes over the outstanding principal balance of the notes; the greater the excess, the safer the notes. M&T purchased Class A-2 Notes and Class B Notes. The Class A/B overcollaterization test requires that the Net Outstanding Underlying Asset Balance divided by the aggregate outstanding principal amount of the Class A and Class B notes be at least 117.37%. GOC at 72. As of March 31, 2008, the Class A/B overcollateralization ratio was 70.09% — over 40% below the required overcollateralization value.

32. The calculation of the "Net Outstanding Underlying Asset Balance" is reliant upon S&P and Moody's ratings for the underlying asset-backed securities or Reference Obligations. GOC at 66-67. For example, Underlying Assets with an S&P rating of B+, B, or B- are valued at 80 percent of their actual aggregate principal/notional balance. Underlying

Assets rated below B- are valued at 70 percent of their actual aggregate principal/notional balance. If the portion of Underlying Assets rated BB+, BB, or BB- exceeds 8.6 percent of the portfolio, then the aggregate principal/notional balance of such assets shall be deemed to be equal to 90 percent of the actual aggregate principal/notional balance. GOC at 67. The offering circular states that the S&P and Moody's ratings of the Class A-2 notes and Class B notes purchased by M&T would be AAA/Aaa and at least AA/Aa2, respectively. GOC at 22.

33. Thus, taken in its entirety, the offering circular makes clear that the Gemstone VII notes were marketed with an overriding emphasis on the S&P and Moody's ratings of the notes and the representations of safety and low risk conveyed by those ratings.

Representations in the Gemstone
<u>CDO Debt Investor Presentation</u>

34. The February 8, 2007 Gemstone CDO "Debt Investor Presentation" ("DIP") contains a number of material representations. Some of these are set forth below.

- HBK is an "experienced CDO manager with a ***strong alignment of economic interest with investors***." DIP at 5 (emphasis added).

- HBK represented to M&T that it selected the collateral underlying the Gemstone VII CDO in three ways: (1) loans were screened, purchased from originators, and packaged into pools that were securitized in the form of bonds by investment banks working with HBK (such as Deutsche Bank); (2) HBK purchased new issue bonds after extensive loan-level due diligence; and (3) HBK purchased existing bonds on the secondary market. DIP at 29-30.

- "HBK's investment process integrates expertise in capital markets, structural analysis, collateral and loan-level analysis, due diligence, and in-house surveillance. ***HBK is seen as not as trader, but as a vigilant investor that maximizes value through intensive analysis and surveillance***." *Id.* (emphasis added).

- "Structured products [like the Gemstone VII CDO] exhibit relatively stable performance and low default history." . . . "Structured products [like the Gemstone VII CDO] have historically priced and continue to price wider than similarly rated due to liquidity and complexity premium that can be arbitraged through buy-and-hold cash flow CDO structure." DIP at 5. ***This is a statement that CDO products like Gemstone VII deliver higher returns at lower risk.***

- Page 14 of the DIP contains a chart entitled "Breakeven Analysis." It indicates that the cashflow waterfall of the Gemstone VII CDO produces enough excess interest ***to withstand cumulative losses of $517 million (47% of the original collateral balance)*** without any impact on interest or principal payments under the M&T notes. This represents that the notes were safe and secure investments.

- "HBK's Structured Products Group is one of the leading purchasers and long-term investors in credit sensitive mortgages . . . HBK's investment model utilizes ***proprietary*** default, prepay, and severity loan level models to make investments in the residential market. . . . HBK has retained 100% of the equity from CDO transactions ***resulting in strong alignment of interest between HBK and investors***." DIP at 23 (emphasis added).

- HBK "focus[es] on [the] new issue market" and "purchases loans directly from originators." DIP at 29. "HBK analyze[s] originators for underwriting consistency and [to] monitor changes to the competitive landscape." DIP at 29.

- HBK "conduct[s] ***due diligence of underlying loan collateral*** to formulate investment assumptions," and it develops loan level models, with delinquency and default forecasts, loss severity forecasts, and prepayment forecasts. DIP at 30 (emphasis added).

- HBK conducts ***"loan level due diligence and analysis"*** (DIP at 32), and HBK "aggressively pursues exit strategies when investments underperform, ***especially where fraud is a factor***" (DIP at 31) (emphasis added). HBK "monitors collateral performance and measures it to original and subsequent default on loss assumptions." *Id.* This represents that HBK will protect noteholders against originator and mortgagor fraud.

- HBK performs detailed ongoing due diligence, monitoring, and surveillance, together with analysis of the collateral to identify potential losses and to mitigate losses, all using proprietary analytical systems. DIP at 33-37.

- HBK's "proprietary Default/Prepay and Severity MSA-level model allows for predictive power of future deal performance. . . . HBK is able to pick up on trends ***before they adversely impact the CDO***." DIP at 41 (emphasis added).

- "HBK works with dealers and originators to ***customize pools by kicking out problem loans***." DIP at 41 (emphasis added). "Because all whole loan packages and every primary deal issued in the market is analyzed, in addition to our own ***loan level surveillance systems***, HBK is able to pick up on trends before they adversely impact the CDO." DIP at 41 (emphasis added).

Oral Representations by DBSI and HBK

35. In conversations with M&T beginning in January 2007, DBSI salesman Sean Whelan touted the high quality of the Gemstone VII CDO and its management team, indicating that it was far superior to any other available CDO. Mr. Whelan also represented that HBK was an extraordinarily experienced purchaser of credit instruments, that HBK provided extremely high quality and low-risk credit management, that HBK had its own money in the Gemstone VII deal and that this protected M&T, and that the Gemstone VII collateral was very clean, *i.e.*, of high quality and safety.

36. Mr. Whelan also made the following representations to M&T:

a. In a February 6, 2007 conversation, Mr. Whelan represented that HBK does constant maintenance and surveillance on the market and makes numerous technological investments in its collateral evaluation and monitoring processes; that investing in Gemstone VII "was like a layup . . . it would've been my number 1 pick, and we're happy to be doing a deal for him."

b. In a February 7, 2007 phone call with M&T, Mr. Whelan explained the structure of Gemstone VII and said it will go extremely well.

c. In a February 13, 2007 phone call with M&T, Mr. Whelan stated that "HBK . . . wouldn't buy stuff that didn't have good interest rate cap protection" and the "underlying structures in these bonds are built to withstand" adverse conditions.

d. In a February 14, 2007 phone call with M&T, Mr. Whelan "assures" M&T that "HBK understands where the market is," and he describes the Gemstone VII deal as being "in the upper end of good assets."

e. In a February 15, 2007 phone call with M&T, Mr. Whelan described the Gemstone VII deal as having no interest rate risk and no derivative risk, and generally low risk.

f. In a February 20, 2007 phone call with M&T, Mr. Whelan states that the Gemstone VII deal has $10 million of Class B notes left to sell, but the AAA mezz level is "two times over[sold] and fully rock solid."

37. On February 21, 2007, M&T purchased $82 million of Gemstone VII notes, in reliance on Whelan's representations, the representations in the Gemstone offering materials, the AAA/AA ratings of the notes, and the other representations concerning the notes made by defendants. On March 15, 2007, the Gemstone VII offering closed and the trades pursuant to which M&T purchased its Gemstone VII notes settled.

The Facts Emerge

38. In early July 2007, only ***four months*** after the closing of the Gemstone VII CDO offering, the Gemstone VII notes were placed on negative "Credit Watch" for possible downgrade by S&P. This is strong evidence that the collateral underlying the notes was already impaired and deteriorating before M&T purchased the notes.

39. Beginning in spring 2007, the mortgage-backed bonds that serve as collateral for the Gemstone VII CDO began to suffer numerous and substantial downgrades in their S&P and Moody's ratings. This reflected the increasing default rate on the subprime mortgages underlying those bonds.

40. By July 2007, the subprime mortgage crisis was in full bloom. Housing prices had experienced substantial declines, subprime mortgage default rates were skyrocketing, the rating companies had downgraded a significant number of subprime mortgage-backed bonds and had placed a much larger number on "credit watch" for potential downgrade. Gemstone VII notes had been placed on credit watch for potential downgrade. Concerned about the deteriorating condition of the subprime market, M&T asked for a meeting with HBK.

41. On July 19, 2007, M&T met with Kevin Jenks of HBK. In the meeting, Mr. Jenks, who was HBK's senior collateral manager for Gemstone VII, provided analysis and expressed the conclusion that, while the overcollateralization cushion supporting M&T's notes was eroding, neither M&T's AAA rated note nor its AA rated note were at risk of losing principal or becoming delinquent in interest payments. Mr. Jenks also pointed out that, as the owner of the equity tranche, HBK controlled special servicing rights which allowed it to modify underlying loans, if necessary. HBK hired third-party loan reviewers, such as Clayton Holdings,

to conduct due diligence on any loan that is delinquent for 60 days or more. Mr. Jenks stated that if fraud is uncovered, HBK will force the originator to re-purchase the loan. Mr. Jenks further represented that while some subprime originators lack the financial strength to do so, many originators were still (as of July 2007) able to do so. This information was presented to HBK as proof that its Gemstone VII notes continued to be safe and secure.

42. Prior to purchasing the Gemstone VII notes, M&T was advised by DBSI that it had conducted a stress test concluding that M&T's AA rated Class B note could withstand up to a 14.5% constant default rate with a 50% severity before losing a dollar of principal.[1] Obviously, the AAA rated Class A-2 notes could withstand an even higher default level without losses. This information was presented to M&T as support for DBSI's representation that the Gemstone VII notes were safe, secure, and nearly risk-free. At the July 19, 2007 meeting, Mr. Jenks stated that a 14.5% constant default rate was far greater than projected by HBK, even as of July 2007. HBK predicted an 8% constant default rate, with a 35% severity. Mr. Jenks represented to M&T that would not come close to generating losses for the AA rated notes.

43. On September 21, 2007, Alexander Craig, M&T's Administrative Vice President and Portfolio Manager, met with the new collateral manager for the Gemstone VII CDO, Marco Lukesch. The original collateral manager, Mr. Jenks, had been fired. Upon information and belief, Mr. Jenks was fired because of the disastrous performance of the Gemstone CDOs and, in particular, the Gemstone VII CDO. At the September 21, 2007 meeting, Mr. Lukesch described HBK's business model as: buy a pool of loans, securitize it

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[1] The "constant default rate" is the percentage of underlying collateral (bonds backed by subprime mortgages) defaulting on an annual basis. "Severity" is the percentage of principal lost, on average, as a result of defaults. For example, a 35% severity indicates that 65% of the principal amount of defaulted collateral is recovered, by foreclosure and sale or otherwise.

with a Wall Street investment banker, sell the AAA through A bonds, buy the BBB bonds into a CDO, and retain the equity tranche at HBK.

44. At the same meeting, ***Mr. Lukesch disclosed for the first time that HBK had been fighting with one of its largest subprime mortgage originators, Fremont General Corp. ("Fremont"), for 9 months,*** that it had a large number of claims against Fremont and had scheduled a four-day long meeting with it for early October 2007. The disputes with Fremont related to the representations and warranties Fremont provided on loans it originated: it agreed to repurchase loans that defaulted in the first 60 days and loans made on the basis of fraudulent representations by the borrower (usually relating to the borrower's employment status, income, or intention to occupy the mortgaged premises). In essence, the basis of HBK's demands that Fremont repurchase large numbers of loans underlying the Gemstone VII CDO collateral was that these loans did not meet the standards represented to Gemstone VII investors.

45. Mr. Lukesch also stated that ***HBK had been fighting with a total of five originators from which it had purchased loans for the Gemstone CDOs, and that these disputes related to loans that defaulted from the third quarter of 2006 through December 2006.***

46. This information had previously been concealed by HBK and DBSI from M&T, and M&T could not, in the exercise of reasonable diligence, have learned it earlier. These admissions by Mr. Lukesch established that HBK knew in late 2006 — well before the sale of the Gemstone VII notes to M&T — that there were major quality and default problems with the subprime loan collateral underlying the Gemstone CDOs, including the Gemstone VII CDO. In addition, prior to M&T's purchase of the Gemstone VII notes, HBK had major disputes with its

top originators about loan quality and repurchase obligations — indicating that the originators could not be relied on to provide conforming subprime loans or to honor their repurchase obligation with respect to nonconforming loans. Thus, the Gemstone VII notes were much riskier than represented to investors.

47. This was material information that HBK failed to disclose and affirmatively concealed from M&T. Upon information and belief, DBSI, Deutsche Bank Trust, and Deutsche Bank AG were aware of this information due to their proprietary involvement in the prior Gemstone CDOs and their constant communication with HBK. DBSI, Deutsche Bank Trust, and Deutsche Bank AG also failed to disclose and concealed this information from M&T. If M&T had been aware of this information, it would not have purchased the Gemstone VII notes.

48. Upon information and belief, defendants failed to disclose and concealed from the rating agencies the quality and default problems defendants were experiencing with subprime collateral under their control in late 2006 and early 2007. Defendants also failed to disclose and concealed from the rating agencies the problems they were having with subprime originators refusing to honor their repurchase obligations. Upon information and belief, if this information had been disclosed to the rating agencies, the notes purchased by M&T would have been rated lower than AAA and AA, and M&T would not have purchased them.

49. By October 31, 2007 (less than eight months after the Gemstone VII CDO closed), over 53 bonds (of approximately 105 owned by the Gemstone VII CDO) had been downgraded; 24 were listed by the trustee as in default, as defined in the Gemstone VII offering materials.

50. On October 25, 2007, M&T had a phone call with Sean Whelan (DBSI salesman) and Richard Parkus (DBSI analyst). They were negative on the performance of and prospects for the Gemstone VII notes. Parkus indicated his belief that the rating agency loss projection models used to rate M&T's Gemstone VII notes as AAA/AA were simply wrong. He further indicated that there was much greater correlation (and therefore less risk-reducing diversification) among the subprime collateral than had been believed. He questioned whether the Gemstone VII CDO or subprime CDOs in general should have been sold at all.

51. On November 21, 2007, the Gemstone Class B notes were downgraded by S&P from AA to BBB- and the Gemstone Class A-2 notes were downgraded from AAA to AA-.

52. In December 2007, M&T reviewed the status of its investment in the Gemstone VII notes. It sought bids from specialists in an effort to establish a market value for the notes. Based on that effort, M&T wrote down the value of its Gemstone VII notes from $82 million to $1.87 million — a loss of over 95% of the notes' original purchase price in only nine months. As of April 30, 2008, M&T carried its Gemstone VII notes on its books at a value of $1.031 million.

53. On February 5, 2008, less than one year after M&T purchased its notes, the Class B notes were further downgraded to CC and the Class A-2 notes were downgraded to CCC-. An S&P rating of CC means the note "is highly vulnerable to nonpayment." An S&P rating of CCC- means the note is "currently vulnerable to nonpayment" and that "[i]n the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation." The minus sign indicates that the note is at the low end of this rating, close to the CC "highly vulnerable" category. By April 28,

2008, Moody's had downgraded the Gemstone VII Class A-2 notes (originally rated Aaa) to Ca and had downgraded the Class B notes (originally rated Aa2) to Ca.

54. As of April 30, 2008, the Gemstone VII collateral bonds had suffered 167 separate downgrades by S&P and 202 separate downgrades by Moody's. The trustee listed as in default 58 bonds with a face value of over $498 million. The April 30, 2008 trustee's report listed the "Principal Recovery" value of those bonds as $13.6 million — less than 3% of their original value.

55. The radical and rapid downgrade of M&T's notes from the highest possible safety/quality ratings to "junk" status demonstrates that the collateral supporting the notes was impaired and deteriorating prior to M&T's purchase of the notes. HBK and DBSI knew or acted recklessly in failing to know this because:

a. HBK represented that it had performed extensive loan-level due diligence on the collateral, with proprietary state-of-the-art analytical tools.

b. HBK represented that it was carefully monitoring the collateral and would take action to avoid losses by putting non-conforming loans back to originators.

c. The Gemstone offering materials represent that the collateral was owned by and would be purchased from (in part) DBSI and HBK and their affiliates.

56. On January 17, 2008, media reports were published indicating that the

New York Attorney General had reached a deal with Clayton Holdings under which Clayton agreed to cooperate with an investigation into the activities of issuers and underwriters of subprime mortgage-backed securities. Clayton Holdings was the largest provider of subprime loan due diligence services to securitizers and subprime mortgage loan purchasers. The Attorney General is investigating whether issuers and underwriters were aware that the pools of subprime mortgages underlying subprime-backed securities were impaired at the time of sale, whether the ratings assigned to subprime-backed securities were inflated, and whether issuers and underwriters withheld information from the rating agencies that would have materially changed the evaluation of these securities. DBSI was one of Clayton's two largest clients, and HBK was a client of Clayton's as well.

57. HBK advised M&T that Clayton reviewed the subprime loans underlying the Gemstone VII notes.

M&T's Claims

58. M&T's claims are based on the material misrepresentations, inaccuracies, omissions, breaches of duty, and breaches of contract by defendants in connection with structuring, marketing, and selling the Gemstone VII CDO. Some of the principal acts of wrongdoing are described below.

59. On an overall basis, the Gemstone offering materials and the DBSI and HBK sales materials and oral statements, all represented that the notes purchased by M&T were high quality, safe, secure, and nearly risk-free. This was conveyed by means of the AAA/AA ratings, the representation that up to 47% of principal could be lost without impacting the notes, the description of extensive loan-level due diligence and aggressive and innovative collateral

monitoring and management, and the description of the collateral as "diversified," among other things. It is now clear that the representations of safety, security, and low risk conveyed by the Gemstone offering materials and the associated oral statements were false.

60. By the fourth quarter of 2006, at the latest, HBK and DBSI and its affiliates were experiencing substantial problems with non-performing subprime loans that were collateral for the earlier Gemstone CDO deals. They were involved in disputes with at least five subprime mortgage originators about the originators' refusal to honor their contractual obligations to repurchase non-conforming and defaulted loans. Thus, HBK and DBSI and its affiliates had knowledge that the subprime loans purchased from the group of originators they dealt with had quality problems that were resulting in rapidly rising defaults, materially different than the statistical experience from 2003, 2004, and 2005. Yet HBK and DBSI failed to respond by appropriately modifying their default and loss projection models, their due diligence, and their collateral management and administration practices. Accordingly, prior to M&T's February 21, 2007 purchase of the Gemstone VII notes, HBK and DBSI and its affiliates knew that their default and loss projection models were wrong and that their due diligence and collateral management administration practices were inadequate to provide the safety and security that they had represented for the Class A and Class B Gemstone VII notes. None of this information was disclosed to M&T during the sales process for the Gemstone VII notes.

61. The Gemstone VII offering circular discloses that bonds for the collateral pool are purchased from DBSI (or its affiliates) and/or HBK. Upon information and belief, the subprime loans underlying the bonds sold by HBK and DBSI to Gemstone VII were the subject of large numbers of pending repurchase demands to originators. HBK and DBSI failed to

disclose this material information to M&T. This constituted an undisclosed conflict of interest and fraudulent self-dealing.

62. Clayton Holdings is the largest provider of due diligence services reviewing and evaluating mortgage loans for securitizations. Media reports have stated that Clayton began noting, and reporting to securitizers, substantial deterioration in the quality of subprime mortgages as early as the second half of 2005, with problems increasing throughout 2006. For example, the New York Times reported this in a January 27, 2008 article entitled: *Loan Reviewer Aiding Inquiry Into Big Banks.* On January 28, 2008, the Wall Street Journal published a similar article, entitled: *Due Diligence Firm to Aid New York Subprime Probe.*

63. The increasing deterioration of subprime mortgage quality was measured by the percentage of loans categorized by Clayton as "exception loans." An "exception loan" was a loan that did not meet the originator's underwriting standards. With regard to subprime loans, this frequently occurred because the required borrower documentation had not been obtained or because the borrower misrepresented his income, employment status, or intent to occupy the premises. DBSI and its affiliates were among Clayton's largest customers. HBK was also was a customer of Clayton's. Upon information and belief, in 2006, Clayton provided due diligence reports to HBK and DBSI (or its affiliates) that reflected steeply increasing levels of subprime exception loans, fraud, and defaults, and sharply deteriorating subprime loan quality and underwriting. As a result, HBK and DBSI (and its affiliates) had knowledge even before 2007 that the subprime collateral being assembled for the Gemstone VII CDO was deteriorating and impaired. This was not disclosed to M&T. If it had been, M&T would not have purchased the Gemstone VII notes.

64. HBK and DBSI and its affiliates were aware that the loss projection models used in structuring and rating the Gemstone VII CDO tranches and in making the representations set forth in the Gemstone offering materials regarding overcollateralization and credit protection were false. These loss projection models were not modified to properly take account of the deteriorating subprime mortgage market. This was material information that was not disclosed to M&T. If it had been, M&T would not have purchased the Gemstone VII notes.

65. HBK and Deutsche Bank were aware that the ratings assigned to the Gemstone VII CDO tranches and the underlying bonds were inaccurate and inflated and did not accurately represent the level of risk associated with those tranches and bonds. The rating agencies have stated publicly that they were not provided with the Clayton due diligence reports when rating subprime mortgage-backed CDOs and that they would have considered those reports material. Moody's has stated that "the completeness and veracity [of the information provided by subprime issuers to the rating agencies] was deteriorating" in 2006. *Inquiry Focuses on Withholding of Data on Loans,* New York Times, January 12, 2008; *Loan Reviewer Aiding Inquiry Into Big Banks,* New York Times, January 27, 2008.

66. The HBK/DBSI Debt Investor Presentation contains specific and positive representations about the performance of prior Gemstone deals. Because HBK and DBSI were already involved in repurchase disputes with their major originators, these representations were misleading, incomplete, and false at the time they were made.

67. The Gemstone offering materials provided to M&T (particularly, the Debt Investor Presentation) contain detailed representations regarding HBK's due diligence with regard to the collateral underlying the Gemstone VII CDO. These include representations that

HBK "builds" the bond collateral from the bottom up, assembling and evaluating the specific loans and loan pools underlying the bonds. The DIP also indicates that HBK has in place proprietary processes for review and evaluation of loans and that it "kicks back" problem loans to originators before they even enter the pool underlying the bonds purchased for the CDO collateral. Finally, the DIP indicates that HBK may purchase some of the bonds on the open market, but that it will first conduct careful due diligence with regard to the loan pools underlying those bonds. Given the fact that the Gemstone VII subprime collateral began to perform poorly almost immediately after the March 15, 2007 settlement date, it is clear that HBK did not conduct the represented due diligence or that it conducted it and found quality problems with the loan pools, but nevertheless incorporated those loans into the Gemstone VII CDO, without disclosing this to M&T.

68. The Gemstone offering materials repeatedly refer to the collateral underlying the Gemstone CDO as a "diversified portfolio of interests in asset-backed securities." *See, e.g.,* GOC at 5. This represents, among other things, that while there may be losses in individual bonds, there will be no strong correlation in losses among the various bonds in the pool. Loss correlation across the bonds in the Gemstone VII CDO turned out to be very high. It is now evident that the bonds were not truly diversified. They were not appropriately geographically diversified to reduce risk, and they all had common characteristics that made them likely to experience correlated poor performance. All of the bonds, and their underlying loans, were dependent on continued and uninterrupted home price appreciation to avoid default or underperformance. As a result, the bonds were highly correlated and were not diversified, contrary to the false representations in the Gemstone offering materials.

69. M&T learned for the first time in September 2007 that HBK (through an affiliate) owned a major portion of the Class A-1b notes (designated as the "Controlling Class" in the offering circular). M&T learned for the first time in late May 2008 that DBSI owned the balance of the Class A-1b notes. This was material information because it indicates that HBK and DBSI were not able to sell the Controlling Class A-1b notes to outside, independent investors who did not have a proprietary interest in the success of the deal. Instead, DBSI and HBK were required to intervene and purchase the Class A-1b notes themselves to "save" the deal. This information was not disclosed to M&T. If M&T was aware of this, it would not have purchased the Gemstone VII notes.

70. In addition, the Gemstone offering materials contain numerous representations that HBK's financial interests are aligned with the interests of the noteholders, because HBK purchased the equity tranche, which is the lowest rated tranche and the first to suffer loss. In fact, while HBK invested $18.7 million in the Gemstone VII equity tranche, it owned (together with DBSI) $400 million of Class A-1b notes which carry the "Controlling Class" rights and are senior to M&T's Class A-2 and Class B notes. The interests of the Class A-1b noteholders are in conflict with M&T's interests in a default or liquidation scenario because the Class A-1b noteholders have the unilateral right upon an Event of Default to direct that all of the Gemstone VII collateral be sold and that the proceeds be distributed in accordance with certain Event of Default priorities. In that circumstance, it is highly likely that M&T's Class A-2 notes would be paid very little of its outstanding principal and that the Class B note would be paid nothing. This puts the Class A-1b noteholders in conflict with the Class A-2 and Class B noteholders because its interest could be to liquidate the collateral quickly, before further losses, while the Class A-2 and Class B noteholders would prefer to hold the collateral in the

hope that the mortgage market might recover — or at least to continue sharing in interest distributions (which are cut off on liquidation). The conflict of interest of HBK and DBSI, as owners of Class A-1b "Controlling Class" notes, was not disclosed to M&T, and M&T would not have purchased the Gemstone VII notes if it had been.

71. In addition, the fees (approximately $3.1 million per year) and other compensation due to HBK in connection with the Gemstone VII CDO over the life of the CDO far exceeded the value of its equity tranche. This is another way in which HBK's interests conflicted with M&T's.

72. On April 18, 2008, Deutsche Bank Trust issued notice to Gemstone VII noteholders that an Event of Default had occurred. The Gemstone VII CDO failed the Class A-1 overcollateralization test, which provides that if the Class A-1 overcollateralization ratio (as computed pursuant to a formula in the GOC) falls below 100%, an Event of Default occurs. Thus, as of March 31, 2008, the interests of M&T and HBK were concretely adverse in a way that was concealed from M&T at the time it purchased the Gemstone VII notes.

73. Pursuant to section 10.10(b) of the Gemstone VII Indenture, the Issuers were required to obtain a Note Valuation Report from an independent accountant on an annual basis. The 2007 report was due on March 13, 2008 under the terms of section 10.10(b). The Note Valuation Report is required to include detailed information about the performance of the Gemstone VII notes and the underlying collateral. The Issuers are currently in default of their obligations to provide a Note Valuation Report by an independent accountant; the report is nearly three months overdue. This reflects that defendants continue to withhold material information from M&T.

74. Reports published by S&P and Moody's over the last nine months have revealed facts that are contrary to the HBK/DBSI claims in the DIP that rigorous loan-level due diligence was conducted and that poor quality loans were identified and eliminated from the loan pools underlying the Gemstone VII collateral.

a. Gemstone VII was placed on credit watch by S&P in early July 2007 — only ***four months*** after the deal closed. *See S&PCorrect: Global CDO Deals Exposed to Subprime RMBS Reviewed*, July 10, 2007.

b. S&P published a report questioning the "data quality" provided during the rating process by CDO issuers. S&P's analysis indicates that it was provided with inaccurate information "regarding the loan and borrower characteristics" (including FICO scores, LTV, ownership status, etc.).[2] The same report states that underwriting standards declined and misrepresentations increased "in excess of historical precedents and our initial assumptions" with respect to 2006 subprime loan originations. *S&PCorrect: 612 U.P.S. Subprime RMBS Classes Put on Watch Neg; Methodology Revisions Announced*, July 11, 2007. This supports the position that issuers were aware of the declining quality of subprime mortgages but did not disclose it to the ratings agencies.

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2 A "FICO score" is a method of rating borrower ability to pay. "LTV" is the loan to value ratio, a measure of the likelihood that the mortgage collateral may be sufficient in the event of default.

c. The same S&P report states that S&P's rating methodology for subprime CDOs was revised such that "a higher degree of correlation will be used" in evaluating risk of subprime bonds. This shows that the diversification and non-correlation assumptions underlying the Gemstone VII CDO were false.

d. S&P has reported that "almost 65% of the bonds and indexes that track subprime mortgage debt don't meet the ratings criteria in place ***when they were sold***." In addition, "of the 300 bonds and ABX indexes . . . 190 failed to meet the credit support standard" associated with their ratings and "115 of 120 securities in the BBB or BBB- rated portions of the mortgage-backed securities would have failed S&P's criteria." *S&P, Moody's Masking $200 Billion of Subprime Bond Risk* (Bloomberg, June 29, 2007). This indicates that the ratings assigned to subprime bonds and tranches of subprime CDOs were inaccurate and did not reflect the true level of risk associated with those investments.

e. Even today, the ratings associated with subprime bonds and CDOs are inflated and inaccurate. A recent Bloomberg article indicates that "all but 6 of the 80 AAA [bonds underlying the ABX index] failed an S&P test for investment-grade status, which requires credit support to be twice the percentage of troubled collateral." *Moody's, S&P Defer Cuts on AAA Subprime, Hiding Loss*

(Bloomberg, March 11, 2008). The same article identified, as an example, Deutsche Bank Bond ACE 2005-HE-7 A2D, which was rated AAA in early March 2008, even though 43% of the underlying mortgages were delinquent, 18% of its loans were in foreclosure, 15% of the properties have been seized by lenders, and about 10% had been delinquent for more than 90 days. When this bond was created, Moody's and S&P required capital support to cover a loss rate of no more than 7% for the last three loss categories combined.

f. Subprime bonds issued in 2006 and early 2007 were the "worst performing ever." *Subprime Mortgages Slipping Into Default at a Rapid Pace* (International Herald Tribune, October 8, 2007). This shows that underwriting standards were materially relaxed in 2006 without disclosure to investors and that the quality of loans underlying subprime securities substantially deteriorated during that timeframe, again without disclosure.

75. Other media reports have disclosed additional relevant information reflecting that defendants' representations relating to mortgage quality and due diligence were false.

a. Clayton Holdings, the largest subprime loan due diligence provider and a vendor for HBK and DBSI, estimates that in 2006, 30% of the loans included in securitized portfolios were "exception" loans (*i.e.*, nonconforming loans which did not meet underwriting standards often due to indicia of fraud); some securitizations contained more than 50% exception loans. *The Securitization Bubble* (National Law Journal, March 17, 2008).

b. Some investment bank securitizers entered into agreements with originators that no more than 2.5% of subprime loans offered for sale would be rejected. *Auditor: Supervisors Covered Up Risky Loans* (National Public Radio Website, May 28, 2008).

c. Between 2001 and 2006, the number of loan review contractors working for Clayton rose from 150 to 900. Clayton's revenues rose from $19 million in 2000 to $239 million in 2006. This sort of growth indicates declining quality of the due diligence reviews that were being conducted. *Sub-Prime Mortgage Watchdogs Kept on Leash* (L.A. Times, March 17, 2008). "As time passed, Clayton executives said, Wall Street firms and their investor customers accepted increasing levels of default and fraud in subprime loans as they grew to trust software designed to offset those risks by charging higher interest rates. . . ." *Id.* These increased risks were not disclosed. This is especially misleading in view of the fact that Gemstone VII was marketed by emphasizing the performance of earlier Gemstone deals, which utilized stricter underwriting standards.

d. "Early in the decade, a securities firm might have asked Clayton to review 25% to 40% of the sub-prime loans in a pool, compared with typically 10% in 2006." *Id.* "Loan buyers who kept the mortgages as an investment instead of packaging them into securities would have 50% to 100% of the loans examined." This shows that underwriting standards declined dramatically in 2006, which was not disclosed to M&T, and that the due diligence representations in the HBK/DBSI offering materials were misleading. It would also show that using the performance of the earlier Gemstone deals to market the Gemstone VII CDO was misleading and fraudulent.

e. Early in the decade, originators would not make subprime loans for more than 80% of a property's value. During 2006, loans for 100% of the home's value were common. *Id.* This decline in underwriting standards was clearly known to HBK and DBSI, but was not disclosed.

f. Adjustable Rate Mortgages: Almost all of the major subprime originators, including those used by HBK and DBSI, evaluated borrowers' "ability to pay" solely on their ability to pay the initial "teaser" rates. Many borrowers were demonstrably unable to pay at the re-set rates. This risk was not disclosed in the Gemstone offering materials. HBK's representations regarding "loan-level" due diligence indicates that it should have identified, disclosed, and mitigated any risks of this type. There are no disclosures in the Gemstone offering materials regarding the risks attendant to ARM re-sets and whether borrowers will be able to pay the higher rates. Recent media reports have forecast massive defaults in mid-2008 because of borrowers' inability to pay re-set, higher rates. If these risks had been disclosed to M&T, it would not have purchased the Gemstone VII notes.

76. If M&T had been aware of the true facts regarding the Gemstone VII notes, the underlying collateral, the due diligence and underwriting practices relating to the collateral, the ratings of the Gemstone VII notes, the dependence of the notes on continued home price appreciation, the earlier Gemstone deals, or the other matters discussed above, M&T would not have purchased the notes.

77. M&T acted with reasonable diligence in connection with its purchase of the Gemstone VII notes. A reasonably diligent investor would not have discovered defendants' misrepresentations or omissions relating to the notes.

78. M&T's damages from its investment in the Gemstone VII notes were directly caused by the very matters that defendants misrepresented, omitted, and failed to truthfully and completely disclose.

<u>FIRST CAUSE OF ACTION</u>
(Common Law Fraud)

79. Repeats the allegations in paragraphs 1 through 78.

80. As described above, the Gemstone offering materials contain numerous material misrepresentations and omissions. In addition, DBSI and HBK made numerous material oral misrepresentations and omissions to M&T in connection with the Gemstone VII notes, many of which are set forth above in paragraphs 12 and 30-36.

81. Gemstone Ltd. and Gemstone Corp. (as issuers of the Gemstone VII notes) are directly responsible and liable for these misrepresentations and omissions. DBSI, as the broker-dealer that sold the notes directly to M&T, and HBK, as the Collateral Manager, drafted the Gemstone offering materials and directly solicited M&T to purchase the notes. They are liable for their oral misrepresentations and omissions and the misrepresentations and omissions in the Gemstone offering materials. The misrepresentations and omissions by Gemstone Ltd., Gemstone Corp., DBSI, and HBK Investments were intentional and were made with knowledge of their falsity or were (at the very least) reckless.

82. M&T justifiably relied on the misrepresentations described above. The Gemstone VII CDO is an extraordinarily complex financial instrument. It would not have been possible to discover defendants' misrepresentations and omissions without extensive expertise, and unreasonable expenditure of resources to analyze the Gemstone VII CDO and the collateral, all of which M&T justifiably relied on defendants to do. Indeed, defendants solicited M&T to purchase the notes specifically on the basis of their expertise in conducting this sort of due diligence and analysis and sold the fact that investors could rely on them rather than conduct such due diligence themselves.

83. HBK Partners and HBK Management, as general partners of HBK, are liable for HBK's fraud.

84. As a result of the foregoing, M&T is entitled to judgment directing rescission of its purchase of the Gemstone VII notes and directing return to M&T of the purchase price of the notes, together with interest. M&T hereby tenders the notes to DBSI.

85. In the alternative, as a result of the foregoing, Gemstone Ltd., Gemstone Corp., DBSI, , HBK, HBK Partners, and HBK Management are liable to M&T in an amount sufficient to compensate for the damages suffered by M&T as a result of their fraud, which amount exceeds $82 million.

86. In addition, because the fraud of DBSI, Gemstone Corp., Gemstone Ltd., and HBK was intentional, willful, and malicious, M&T is entitled to an award of punitive damages in an amount exceeding $100 million.

<u>SECOND CAUSE OF ACTION</u>
(Aiding and Abetting Common Law Fraud)

87. Repeats the allegations in paragraph 1 through 86.

88. As described in paragraphs 4-5, 19-20, 23, 65, and 69 above, Deutsche Bank Trust, the trustee of the trusts which purchased and held the Gemstone VII collateral, and Deutsche Bank AG, the counterparty on the credit default swaps, provided substantial and material assistance to advance the fraud described in the first cause of action.

89. Because of their affiliation with DBSI and their close, ongoing business relationship with HBK, Deutsche Bank Trust and Deutsche Bank AG had knowledge of the fraud described in the first cause of action and intentionally assisted in its commission.

90. Deutsche Bank Trust and Deutsche Bank AG are liable to M&T for the

damage caused by their unlawful conduct, in an amount exceeding $82 million.

91. In addition, because the unlawful conduct of Deutsche Bank Trust and Deutsche Bank AG was intentional, willful, and malicious, M&T is entitled to an award of punitive damages in an amount exceeding $100 million.

THIRD CAUSE OF ACTION
(Negligent Misrepresentation)

92. Repeats the allegations in paragraphs 1 through 91.

93. Gemstone Ltd., Gemstone Corp., DBSI, and HBK were each aware that its misrepresentations and omissions would be used and relied on by M&T in determining to purchase the Gemstone VII notes.

94. Gemstone Ltd., Gemstone Corp., DBSI, and HBK intended that M&T rely on their misrepresentations and omissions in purchasing the Gemstone VII notes, and M&T did so. If M&T had been aware of the true facts regarding the Gemstone VII notes, the underlying collateral, the dependence of the notes on continued home price appreciation, and the due diligence and underwriting practices relating to the collateral, it would not have purchased the notes.

95. DBSI was the direct seller of the Gemstone VII notes to M&T. HBK, as Collateral Manager for the Gemstone Trust, owed a fiduciary duty to M&T. As issuers of the Gemstone VII notes, Gemstone Ltd. and Gemstone Corp. have a direct contractual relationship with M&T. DBSI and HBK communicated directly with M&T (on behalf of themselves and Gemstone Ltd. and Gemstone Corp.) in making the misrepresentations and omissions described above, in soliciting M&T to purchase the Gemstone VII notes in reliance on their

misrepresentations and omissions, and in procuring and consummating the sale of the Gemstone VII notes based on their misrepresentations and omissions.

96. As a result of the foregoing, M&T is entitled to judgment directing rescission of its purchase of the Gemstone VII notes and directing return to M&T of the purchase price of the notes, together with interest. M&T hereby tenders the notes.

97. In the alternative, as a result of the foregoing, Gemstone Ltd., Gemstone Corp., DBSI, and HBK are liable to M&T in an amount sufficient to compensate for the damage caused by their unlawful conduct, which amount exceeds $82 million.

98. HBK Partners and HBK Management, as general partners of HBK, are liable for its negligent misrepresentations.

FOURTH CAUSE OF ACTION
(Breach of Fiduciary Duty)

99. Repeats the allegations in paragraphs 1 through 98.

100. M&T, as an owner of two of the Gemstone VII notes, is a beneficiary of the Gemstone Trust. Deutsche Bank Trust, as trustee of the Gemstone Trust, owes a fiduciary duty to M&T.

101. HBK, as collateral manager for the Gemstone Trust, owes a fiduciary duty to the Gemstone VII noteholders, including M&T.

102. Deutsche Bank Trust and HBK breached their fiduciary duties to the Gemstone VII noteholders, including M&T, by, among other things, failing to properly monitor the collateral and mitigate losses to the Trust, and by failing to disclose known quality and

performance problems with the subprime loans underlying the collateral and thereby aiding and abetting the fraud of the primary wrongdoers identified in the first cause of action. Finally, HBK breached its fiduciary duties to M&T by making the misrepresentations and omissions referenced in the first cause of action.

103. HBK Partners and HBK Management, as general partners of HBK, are liable for HBK's breaches of fiduciary duty.

104. Deutsche Bank Trust, HBK, HBK Partners, and HBK Management are liable to M&T for the damage caused by their breaches of fiduciary duty, in an amount exceeding $82 million.

105. In addition, M&T is entitled to an accounting of all amounts received by HBK and Deutsche Bank Trust from M&T or in connection with the Gemstone VII notes, together with judgment imposing a constructive trust on all such amounts for the benefit of M&T.

106. In addition, because the breaches of fiduciary duty by Deutsche Bank Trust and HBK were intentional, willful and malicious, M&T is entitled to an award of punitive damages in an amount exceeding $100 million.

FIFTH CAUSE OF ACTION
(Aiding and Abetting Breach of Fiduciary Duty)

107. Repeats the allegations in paragraphs 1 through 106.

108. DBSI, as seller of the Gemstone VII notes, and Deutsche Bank AG, as counterparty on the credit default swaps, aided and abetted the breaches of fiduciary duty by

Deutsche Bank Trust and HBK by knowingly providing material assistance to such breaches of fiduciary duty.

109. DBSI provided that assistance by purchasing the Gemstone VII notes and offering them for sale in an unregistered offering, purportedly under SEC Rule 144A. In addition, the Gemstone offering materials (published in the name of DBSI, among others) were materially false. DBSI was aware of this and participated in making the misrepresentations and omissions contained in those offering materials.

110. Deutsche Bank AG assisted with the breaches of fiduciary duty of Deutsche Bank Trust and HBK by providing $600 million of collateral through the credit default swaps. The Reference Obligations underlying the credit default swaps were subject to the same misrepresentations and omissions regarding inflated ratings, quality and performance, exception loans, dependence on continued home price appreciation, and due diligence and underwriting, as were the cash bonds discussed above. As counterparty on the credit default swaps, Deutsche Bank AG was aware of these misrepresentations and omissions and failed to disclose them. Deutsche Bank AG was aware that its conduct provided material and substantial assistance to Deutsche Bank Trust and HBK in breaching their fiduciary duties.

111. DBSI and Deutsche Bank AG are liable to M&T for the damages caused by their unlawful conduct, in an amount exceeding $82 million.

SIXTH CAUSE OF ACTION
(Breach of Contract)

112. Repeats the allegations in paragraph 1 through 111.

113. On February 21, 2007, M&T and DBSI entered into a contract pursuant to

which M&T purchased, and DBSI sold, the Gemstone VII notes. It was a material term of that contract that the representations made orally by DBSI and HBK and set forth in writing in the Gemstone offering materials were true and correct and that all material information had been disclosed to M&T. DBSI breached its contract with M&T, and breached its implied covenant of good faith and fair dealing in connection with that contract, because the representations made in connection with the sale of the notes were false and DBSI failed to disclose material information to M&T, including without limitation the fact that the notes were a high-risk bet that housing prices in the United States would continue to rise, the fact that the collateral underlying the notes was low-quality and impaired, the fact that the due diligence and monitoring of the Gemstone VII collateral was inadequate, the fact that the loss projection and default models used in the Gemstone VII CDO were unreliable and wrong, the fact that the ratings of the notes were falsely inflated, and the fact that the tranched structure of the notes did not confer the safety benefits represented by DBSI.

114. Deutsche Bank Trust entered into a Indenture Agreement, dated as of March 15, 2007 (the "Indenture") with Gemstone Ltd. and Gemstone Corp. The Indenture Agreement provided, among other things, the terms on which Deutsche Bank Trust acted as trustee of the Gemstone VII collateral. As a Gemstone VII noteholder, M&T was a third-party beneficiary of the Indenture.

115. Under the Indenture, Deutsche Bank Trust agreed, expressly and/or impliedly, to disclose all material information to M&T and that it would exercise its rights under the Indenture and associated agreements (including without limitation the Management Agreement) to protect M&T's interests as a noteholder. Deutsche Bank Trust breached its

contractual obligations under the Indenture, because it did not remove HBK as collateral manager or require HBK to mitigate losses under the Indenture by selling collateral. In addition, HBK breached its obligations under the Indenture by failing to disclose to M&T that the ratings of the Gemstone VII collateral were inflated, the known quality and performance problems with the collateral, that the due diligence and monitoring of the Gemstone VII collateral was inadequate, that the loan loss and default projection models used in the Gemstone VII CDO were unreliable and wrong, and that the collateral was dependent on continued home price appreciation. This conduct also constituted a breach of Deutsche Bank Trust's obligation of good faith and fair dealing under the Indenture.

116. DBSI and Deutsche Bank Trust are liable to M&T for the damages caused by their breaches of contract, in an amount exceeding $82 million.

SEVENTH CAUSE OF ACTION
(General Business Law § 350)

117. Repeats the allegations in paragraphs 1 through 116.

118. The Gemstone offering materials constituted "advertising" under General Business Law § 350. The Gemstone offering materials were prepared and used to solicit investors by defendants Gemstone Ltd., Gemstone Corp., DBSI, and HBK. As discussed above, those materials were materially misleading.

119. The conduct of DBSI and HBK in issuing the Gemstone offering materials violated General Business Law § 350.

120. Gemstone Ltd., Gemstone Corp., DBSI, and HBK are liable to M&T for the damages caused by their unlawful false advertising, in an amount exceeding $82 million.

121. The conduct of Gemstone Ltd., Gemstone Corp., DBSI, and HBK in violating General Business Law § 350 was intentional willful and malicious. As a result, they are liable to M&T for punitive damages in an amount exceeding $100 million.

EIGHTH CAUSE OF ACTION
(General Business Law § 349)

122. Repeats the allegations in paragraph 1 through 121.

123. The Gemstone offering materials were materially misleading, as set forth above.

124. The sale of the Gemstone VII notes was within the scope of General Business Law § 349. It was not an individually negotiated transaction. Upon information and belief, the notes were offered to a wide variety of different purchasers on uniform terms that were not subject to negotiation.

125. The misrepresentations and material omissions in the Gemstone offering materials were likely to (and did) mislead reasonable purchasers acting reasonably under the circumstances.

126. The conduct of Gemstone Ltd., Gemstone Corp., DBSI, and HBK, in soliciting investors and offering the Gemstone VII notes through use of the Gemstone offering materials was in violation of General Business Law § 349.

127. Gemstone Ltd., Gemstone Corp., DBSI, and HBK are liable to M&T for the damages caused by their unlawful conduct, in an amount exceeding $82 million.

128. The conduct of Gemstone Ltd., Gemstone Corp., DBSI, and HBK in

violating General Business Law § 349 was intentional willful and malicious. As a result, they are liable to M&T for punitive damages in an amount exceeding $100 million.

NINTH CAUSE OF ACTION
(Rescission of Contract)

129. Repeats the allegations in paragraphs 1 through 128.

130. As a result of the material misrepresentations and omissions described above, M&T is entitled to judgment rescinding the contract of sale for the Gemstone VII notes and directing DBSI to return the purchase price for the notes, together with interest. M&T hereby tenders its Gemstone VII notes to DBSI.

TENTH CAUSE OF ACTION
(Rescission of Contract/Illegality)

131. Repeats the allegations in paragraphs 1 through 130.

132. The contract of sale pursuant to which DBSI sold the Gemstone VII notes to M&T was unlawful because it included misrepresentations and material omissions in violation of New York and federal law, including the New York Martin Act (N.Y. Gen. Bus. Law § 352-c), General Business Law § 349, General Business Law § 350, and section 17 of the Securities Act of 1933, 15 U.S.C. § 77q, and the regulations promulgated thereunder.

133. Because the contract of sale was illegal, M&T is entitled to judgment rescinding the contract of sale for the Gemstone VII notes and directing return of the purchase price for the notes, together with interest. M&T hereby tenders its Gemstone VII notes to DBSI.

ELEVENTH CAUSE OF ACTION
(Mutual Mistake)

134. Repeats the allegations in paragraphs 1 through 133.

135. M&T pleads this tenth cause of action in the alternative to its contention that DBSI intentionally defrauded it.

136. M&T entered into the contract to purchase the Gemstone VII notes based on the following mistakes of fact:

a. That the collateral underlying the Gemstone VII notes was diversified and not correlated.

b. That the Gemstone VII notes had actually and objectively satisfied the standards to be rated AAA by S&P and Aaa by Moody's.

c. That the same underwriting and due diligence standards had been applied to Gemstone VII as to the earlier Gemstone CDOs.

d. That the overcollateralization and tranched structure of the Gemstone VII CDO would protect M&T's notes from losses or declines in value.

e. That the safety and stability of the Gemstone VII was not dependent upon continuing appreciation of home prices in the United States market.

f. That the safety and stability of the Gemstone VII notes was commensurate with other debt instruments paying interest at the rate of approximately 3.37% to 3.58%.

g. That the loss and default models applied by the rating companies and by defendants to the Gemstone VII notes were reasonable, accurate, and reliable for predicting the performance of the Gemstone VII notes.

137. If DBSI was also unaware of and mistaken about any of the foregoing facts, then the contract of sale for the Gemstone notes was based upon a mutual mistake of material fact.

138. In that event, M&T is entitled to rescission of that contract and return of its purchase price for the notes, together with interest. M&T hereby tenders the Gemstone VII notes to DBSI.

TWELFTH CAUSE OF ACTION
(Unjust Enrichment)

139. Repeats the allegations in paragraphs 1 through 138.

140. As a result of their fraud and other wrongful conduct, defendants have been unjustly enriched. It would be inequitable and unjust to permit defendants to retain the proceeds of their unlawful conduct.

141. M&T is entitled to judgment directing defendants to disgorge all amounts received as a result of their fraudulent and wrongful conduct in connection with notes sold by Gemstone VII, including without limitation: the proceeds of the sales of the notes, all collateral

management fees, trustee fees, collateral administration fees, amounts received by Deutsche Bank AG as counterparty on credit default swaps, distributions of any type from Gemstone VII, commissions or sales fees, and amounts received from the Gemstone VII CDO in transactions involving the purchase of collateral.

WHEREFORE, M&T demands judgment as follows:

(1) On the first through eighth causes of action, monetary damages in an amount sufficient to compensate M&T for its losses, which amount exceed $82 million.

(2) On the first, third, ninth, tenth, and eleventh causes of action, judgment determining that the contract of sale between DBSI and M&T is rescinded, and directing DBSI to return to M&T the purchase price for the Gemstone VII notes.

(3) On the fourth cause of action, judgment directing an accounting of all amounts received by HBK and DBSI from M&T or in connection with the Gemstone VII notes, together with judgment imposing a constructive trust on all such amounts for the benefit of M&T.

(4) On the twelfth cause of action, judgment directing defendants to disgorge all amounts received as a result of their wrongful conduct in connection with the Gemstone VII CDO.

(5) On all causes of actions, an award of interest, costs and disbursements, and attorneys' fees.

(6) An award of punitive damages in an amount exceeding $100 million.

(7) Such further relief as the Court deems proper.

Date: June 16, 2008

HODGSON RUSS LLP

By______________________
Robert J. Lane, Jr.
Jodyann Galvin
Jennifer Mucha
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BFLODOCS 2276050 v1

	A	B	C	D	E	F	G	H
1								
2								
3		Gemstone VII						
4		Summary						
5								
6								
7		DB Contact	Institution	Contact Email	Contact Name	Class	Rating	Allocation
8								
9								($ mm)
10		Class A-1a						
11		R. Oswell	Standard Chartered	Victor.Lohle@uk.standardchartered.com	Victor Lohle	Class A-1a	Aaa/AAA	244
12								244
13		Class A-1b						
14			DB			Class A-1	Aaa/AAA	200
15			HBK	rwish@hbk.com	Rachel Wish	Class A-1	Aaa/AAA	200
16								400.0
17		Class A-2						
18		D. Ludlow	NIB	akakar@nibcem.com	ARJUN KAKAR	Class A-2	Aaa/AAA	30
19		M. George	IKB	uta.kubis@ikb-cam.de	Uta Kubis	Class A-2	Aaa/AAA	87
20		S. Whelan	M&T Bank	deborchard@mandtbank.com	Dave Borchad	Class A-2	Aaa/AAA	42
21								159.0
22								
23		Class B						
24		S. Whelan	M&T	deborchard@mandtbank.com	Dave Borchad	Class B	Aa2/AA	40
25		D. Ludlow	NIB	akakar@nibcem.com	ARJUN KAKAR	Class B	Aa2/AA	5
26		S Whelan	Wachovia	james.burke1@wachovia.com	James Burke	Class B	Aa2/AA	20
27			HBK			Class B	Aa2/AA	31.9
28								96.9
29								
30		Class C						
31		D. Ludlow	ACA	aregal@aca.com	Ava Regal	Class C	A2/A	10
32		S Whelan	Wachovia	james.burke1@wachovia.com	James Burke	Class C	A2/A	20
33			HBK	rwish@hbk.com	Rachel Wish	Class C	A2/A	38.3
34								68.3
35								
36		Class D						
37		P. Binks	Commerzbank	mlewis@cbkna.com	Maurice Lewis	Class D	Baa2/BBB	15
38		J. Denning	TCW	shirley.zheng@tcw.com	Shirley Zheng	Class D	Baa2/BBB	4
39			HBK			Class D	Baa2/BBB	36.1
40								55.1
41								
42		Class E						
43			HBK			Class D	Ba2/BB	18.7
44								18.7
45		Equity						
46			HBK	rwish@hbk.com	Rachel Wish			59.5
47								59.5
48								
49		Total						857.5
50								

From: Stuber, Laura (HSGAC)
Sent: Tuesday, November 23, 2010 5:25 PM
To: 'barbara.wright@wellsfargo.com'
Subject: RE: Gemstone VII Information

Yes, thanks very much.

-----Original Message-----
From: barbara.wright@wellsfargo.com [mailto:barbara.wright@wellsfargo.com]
Sent: Tuesday, November 23, 2010 4:53 PM
To: Stuber, Laura (HSGAC)
Subject: RE: Gemstone VII Information

At this point the Gemstone bonds are not anticipated to pay anything, which is why they are currently marked at $0 (i.e., their current market value) in the Longshore III trustee reports. However, the bonds did pay some interest over the years, as set forth on the attached chart. As you can see, the Class B's did pay some interest into Longshore III until recently, on a declining basis. Longshore III ha~~s not liquidated~~, which is why there are still trustee reports; Sagittarius has liquidated and the bonds were worthless at the liquidation, since the Class C's had stopped cash-flowing in 2007. Does this help?

-----Original Message-----
From: Stuber, Laura (HSGAC) [mailto:Laura_Stuber@hsgac.senate.gov]
Sent: Tuesday, November 23, 2010 2:38 PM
To: Wright, Barbara H
Subject: RE: Gemstone VII Information

Barbara,
Hi. I want to make sure I understand what you sent me. Did Longshore receive any return on its $30 million purchase of Gemstone 7? I know you said that the bonds are currently marked at zero, but I wasn't sure if that meant that the mark had changed post liquidation. Please let me know if I'm not understanding this correctly.
Thank you.

-----Original Message-----
From: barbara.wright@wellsfargo.com [mailto:barbara.wright@wellsfargo.com]
Sent: Friday, November 19, 2010 3:01 PM
To: Stuber, Laura (HSGAC)
Subject: RE: Gemstone VII Information

Hi Laura. First, I am attaching the most recent trustee's report for the Longshore III transaction which shows the Gemstone 7 bonds marked at $0. (Note that these are not Wachovia's assets (or losses), but are collateral held in a CDO.) I was also able to locate the "missing" $10 million -- SAI purchased $10 million of the Class C's for another CDO it was managing called Sagittarius. Sagittarius went into default and was liquidated and no value was received for the Gemstone 7 bonds at the time of liquidation. I hope this is helpful.

Redacted by the
Permanent Subcommittee on Investigations

Redacted By The Permanent Subcommittee on Investigations

Redacted By The Permanent Subcommittee on Investigations

$20MM GEMST 2007-7A B held by Longshore III

Period	Date	Principal	Interest
0	3/15/2007	0	0
1	6/12/2007	0	298,320
2	7/12/2007	0	0
3	8/13/2007	0	0
4	9/12/2007	0	308,711
5	10/12/2007	0	0
6	11/13/2007	0	0
7	12/12/2007	0	322,734
8	1/14/2008	0	0
9	2/12/2008	0	0
10	3/12/2008	0	293,854
11	4/14/2008	0	0
12	5/12/2008	0	0
13	6/12/2008	0	183,042
14	7/14/2008	0	0
15	8/12/2008	0	0
16	9/12/2008	0	177,164
17	10/14/2008	0	0
18	11/12/2008	0	0
19	12/12/2008	0	176,881
20	1/12/2009	0	0
21	2/12/2009	0	0
22	3/12/2009	0	138,938
23	4/14/2009	0	0
24	5/12/2009	0	0
25	6/12/2009	0	102,797
26	7/13/2009	0	0
27	8/12/2009	0	0
28	9/14/2009	0	67,403
29	10/13/2009	0	0
30	11/12/2009	0	0
31	12/14/2009	0	49,529
32	1/12/2010	0	0
33	2/12/2010	0	0
34	3/12/2010	0	46,712
35	4/12/2010	0	0
36	5/12/2010	0	0
37	6/14/2010	0	47,821
38	7/12/2010	0	0
39	8/12/2010	0	0
40	9/13/2010	0	170
41	10/12/2010	0	0

$10MM GEMST 2007-7A C held by Longshore III

Period	Date	Principal	Interest
0	3/15/2007	0	0
1	6/12/2007	0	187,974
2	7/12/2007	0	0
3	8/13/2007	0	0
4	9/12/2007	0	194,478
5	10/12/2007	0	0
6	11/13/2007	0	0
7	12/12/2007	0	0
8	1/14/2008	0	0
9	2/12/2008	0	0
10	3/12/2008	0	0
11	4/14/2008	0	0
12	5/12/2008	0	0
13	6/12/2008	0	0
14	7/14/2008	0	0
15	8/12/2008	0	0
16	9/12/2008	0	0
17	10/14/2008	0	0
18	11/12/2008	0	0
19	12/12/2008	0	0
20	1/12/2009	0	0
21	2/12/2009	0	0
22	3/12/2009	0	0
23	4/14/2009	0	0
24	5/12/2009	0	0
25	6/12/2009	0	0
26	7/13/2009	0	0
27	8/12/2009	0	0
28	9/14/2009	0	0
29	10/13/2009	0	0
30	11/12/2009	0	0
31	12/14/2009	0	0
32	1/12/2010	0	0
33	2/12/2010	0	0
34	3/12/2010	0	0
35	4/12/2010	0	0
36	5/12/2010	0	0
37	6/14/2010	0	0
38	7/12/2010	0	0
39	8/12/2010	0	0
40	9/13/2010	0	0
41	10/12/2010	0	0

$10MM GEMST 2007-7A C held by Sagittarius

Period	Date	Principal	Interest
0	3/15/2007	0	0
1	6/12/2007	0	187,974
2	7/12/2007	0	0
3	8/13/2007	0	0
4	9/12/2007	0	194,478
5	10/12/2007	0	0
6	11/13/2007	0	0
7	12/12/2007	0	0
8	1/14/2008	0	0
9	2/12/2008	0	0
10	3/12/2008	0	0
11	4/14/2008	0	0
12	5/12/2008	0	0
13	6/12/2008	0	0
14	7/14/2008	0	0
15	8/12/2008	0	0
16	9/12/2008	0	0
17	10/14/2008	0	0
18	11/12/2008	0	0
19	12/12/2008	0	0
20	1/12/2009	0	0
21	2/12/2009	0	0
22	3/12/2009	0	0
23	4/14/2009	0	0
24	5/12/2009	0	0
25	6/12/2009	0	0
26	7/13/2009	0	0
27	8/12/2009	0	0
28	9/14/2009	0	0
29	10/13/2009	0	0
30	11/12/2009	0	0
31	12/14/2009	0	0
32	1/12/2010	0	0
33	2/12/2010	0	0
34	3/12/2010	0	0
35	4/12/2010	0	0
36	5/12/2010	0	0
37	6/14/2010	0	0
38	7/12/2010	0	0
39	8/12/2010	0	0
40	9/13/2010	0	0
41	10/12/2010	0	0

From: Farber, Seth [sfarber@deweyleboeuf.com]
Sent: Tuesday, December 07, 2010 8:43 AM
To: Stuber, Laura (HSGAC)
Cc: Farber, Seth; Careiro, Vanessa (HSGAC); Petrella, Christina; Coleman, Ilona
Subject: Re: Another matter

Laura - in response to your question about the ultimate result of Commerzbank's Gemstone VII investment, the investment has been transferred to the Bank's London branch and has been written down to zero. Seth

On Nov 22, 2010, at 10:12 AM, "Stuber, Laura \(HSGAC\)" <Laura_Stuber@hsgac.senate.gov> wrote:

Thanks Seth. I will give you a call after 2:00.

From: Farber, Seth [mailto:sfarber@deweyleboeuf.com]
Sent: Saturday, November 20, 2010 3:59 PM
To: Stuber, Laura (HSGAC)
Cc: Careiro, Vanessa (HSGAC); Petrella, Christina; Coleman, Ilona
Subject: RE: Another matter

Laura - I tried you on Friday at 4 pm, as we discussed, but just got voicemail. If you'd like to follow up on Monday, my schedule is pretty clear after 2pm. Seth

---

Seth Farber

Partner

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New York, NY 10019

Direct: +1 212 259 7227

General: +1 212 259 8000

Fax: +1 212 259 6333

sfarber@dl.com

www.dl.com

greglip@bbotg To: jmcpassport@bbotg
cc:
08/23/2006 Subject: Re: Fwd: Wall Street Journal Today Wednesday August 23
11:31 AM

Message Sent: 08/23/2006 12:31:41
From: GREGLIP@BBOTG|GREG LIPPMANN|DEUTSCHE BANK SECURI|1726|328663
To: JMCPASSPORT@BBOTG|JEREMY COON|PASSPORT MANAGEMENT,| |

yes...as they r buying equity and shorting the single names..a bit deviou=
s..
----- Original Message -----
From: JEREMY COON, PASSPORT MANAGEMENT,
At: 8/23 12:27:13

and this chicago fund is rather bearish on housing yes?.....
----- Original Message -----
From: GREG LIPPMANN, DEUTSCHE BANK SECURI
At: 8/23 12:24:20

chicago based hedge fund that is buying tons of cdo equity and shorting t=
he
single names...will send u a siiarl trade idea (thought we had discussed =
before)
----- Original Message -----
From: JEREMY COON, PASSPORT MANAGEMENT,
At: 8/23 11:34:58

what is magnetar?
----- Original Message -----
From: GREG LIPPMANN, DEUTSCHE BANK SECURI
At: 8/23 11:34:12

i do indeed when magnetar gets full which is soon it will be off to the r=
aces..
----- Original Message -----
From: JEREMY COON, PASSPORT MANAGEMENT,
At: 8/23 11:32:46

sounds good....we are waiting for some new European funds to come in and =
then
plan on doing some more CDS with you.....u think we have a chance at crac=
king
the infernal CDO bid this fall and actually trading on fundamentals and
widening?
----- Original Message -----
From: GREG LIPPMANN, DEUTSCHE BANK SECURI
At: 8/23 11:30:27

lets make a plan closer to the date
----- Original Message -----
From: JEREMY COON, PASSPORT MANAGEMENT,
At: 8/23 11:28:15

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1496

cool....hope to see ya down there
----- Original Message -----
From: GREG LIPPMANN, DEUTSCHE BANK SECURI
At: 8/23 11:25:22

absolutely...
----- Original Message -----
From: JEREMY COON, PASSPORT MANAGEMENT,
At: 8/23 11:21:53

are you attending the ABS East Nov 5-8?
----- Original Message -----
From: GREG LIPPMANN, DEUTSCHE BANK SECURI
At: 8/23 11:10:41

----- Original Message -----
From: Greg Lippmann <greg.lippmann@db.com>
At: 8/23 11:09:55

August 23, 2006

After the Boom
Housing Slump Proves Painful
For Some Owners and Builders
'Hard Landing' on the Coasts
Jolts Those Who Must Sell;
Ms. Guth Tries an Auction
'We're Preparing for the Worst'

By JAMES R. HAGERTY and MICHAEL CORKERY
August 23, 2006; Page A1
HERNDON, Va. -- For years, real-estate brokers and home builders promised=

that the soaring property market eventually would glide to a soft landing=

.

These optimists predicted that home prices, which had more than doubled i=
n
parts of the country between 2000 and 2005, would continue to rise, but a=
t
a more normal pace of 5% or 6% a year.
It isn't working out that way. The rapid deterioration of the market over=

the past 12 months has caught many homeowners and builders off guard. Som=
e
are being forced to cut prices far below what their homes could have
fetched a year ago. It's too early to say how hard the landing will be,
but at a minimum it will be bumpy for many people who need to sell homes.=

And the economy as a whole, buoyed in recent years by the housing frenzy,=

could suffer.
The pain that homeowners and home builders are now feeling follows a
raging national house party. As Americans soured on the stock market afte=
r
the tech bubble burst in 2000, they poured money into real estate, spurre=
d
on by the lowest interest rates in four decades and looser lending
standards. Surging demand created home shortages in California, Florida
and the Northeast. Over the five years ending Dec. 31, average U.S. home
=

prices jumped by 58%, according to a federal housing index.
But mortgage rates began rising and surging inventories of homes for sale=

finally caught up with demand. Though economists had been predicting a
slowdown in housing for years, many homeowners and builders were surprise=
d
by how fast the market changed. "It's just like somebody flipped a
switch," says Lynn Gardner, a real-estate auctioneer who works in Norther=
n
Virginia.
"It would be difficult to characterize the position of home builders as
other than in a hard landing," says Robert Toll, chief executive of luxur=
y
home builder Toll Brothers Inc., which reported yesterday that net income=

fell 19% in the third quarter ended July 31. (See related article2.)
In his 40 years as a home builder, Mr. Toll says, he has never seen a
slump unfold like the current one. "I've never seen a downturn in housing=

without a downturn in employment or... some macroeconomic nasty condition=

that took housing down along with other elements of the economy," he says=
.
"This time, you've got low unemployment, you've got job creation, you've
=

got a stable stock market and relatively low interest rates."
Joan Guth is one homeowner who was taken by surprise. Last September, she=

put her stately five-bedroom home in Herndon, Va., on the market for abou=
t
$1.1 million. She was confident she would get something near that price,
=

and planned to use the proceeds to buy a retirement home in Florida. But
=

her home in the Washington suburbs attracted few serious lookers, and in
=

March, she cut her asking price to $899,900. Still there were no takers.
=

Finally, on the advice of her broker, she called in an auction firm, beginning a process that would eventually reveal to her just how weak the=

Northern Virginia market had become.
In much of the country, property markets began cooling rapidly in the second half of last year. Home builders were still turning out houses at =
a
rapid clip, and the surge of new and previously occupied homes on the market convinced buyers there was no need to hurry. Over the past year, the number of previously occupied homes listed for sale nationwide has risen nearly 40%. In some metropolitan areas, including Orlando and Phoenix, the supply has quadrupled.
Investors who during the boom had been snapping up properties from the outskirts of Phoenix to the slums of Baltimore began dumping them on the
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market, hoping to get out with a profit before it was too late.
The resulting slump, thus far, is being felt mainly on the East and West
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coasts and in Florida, where home prices had soared beyond the average working family's ability to pay. In California's San Diego County, the median home-sale price was $487,000 in July, down 1.8% from a year earlier, according to DataQuick Information Systems, a research firm in San Diego. Prices in the Northern Virginia counties of Fairfax and Arlington and in nearby towns, near Washington, averaged $537,731 in July=
,
down 3.9% from a year earlier, according to the Northern Virginia Association of Realtors.

Joan Guth, outside the Herndon, Va., home she agreed to sell earlier this=

month.

In some other parts of the country, notably Texas and the Seattle area, local housing markets remain robust. Texas' low housing costs are attracting new residents and investors, while Seattle's strong job market=

and shortage of homes have kept prices rising.
Nationwide, the median sale price of previously occupied homes in June wa=
s
0.9% higher than it was a year earlier, the smallest year-to-year increas=

e
since May 1995, according to the National Association of Realtors, a trad=
e
group. Over the next few months, the median price may decline from
year-earlier periods, a spokesman for the association says, something tha=
t
hasn't happened since February 1993.
The market may be weaker than the Realtors' widely followed monthly
reports suggest. The group's data don't reflect the latest transactions.
=

Its report on July home sales, for instance, due today, will mainly
reflect sales that were agreed upon in May or June and closed in July.
Moreover, when the market turns down, many home sellers initially let
their homes sit instead of cutting prices enough to entice buyers.
Allen Sinai, chief economist at Decision Economics Inc., a New York
research firm, contends that housing is poised for something "harder than=

a soft landing but softer than a hard landing." The weaker market will
hurt the economy by eliminating jobs in construction and other
housing-related fields and by reducing the ability of consumers to financ=
e
spending by borrowing against their home equity. Mr. Sinai predicts these=

factors could shave as much as a percentage point off economic growth ove=
r
the next year or so. Taking that into account, he expects the economy to
=

grow at a relatively sluggish annual rate of 2.5% to 2.75% in 2007,
compared with 2.5% in this year's second quarter and 5.6% in the first
quarter.
In a speech yesterday, Michael Moskow, president of the Federal Reserve
Bank of Chicago, noted: "While we factor a housing slowdown into our
outlook, there is some evidence -- such as higher rates of cancellation i=
n
home-building contracts -- that the slowdown could be more extensive."
With fewer consumers applying for home loans, some big mortgage lenders
are already retrenching. Countrywide Financial Corp. last month announced=

plans to reduce costs by $500 million. Earlier this year, Washington
Mutual Inc. eliminated 2,500 jobs at loan-processing centers.
Builders, who were optimistic about prospects until a few months ago, are=

cutting back too. KB Home, a big home builder based in Los Angeles, has
eliminated 7% of its work force, or 440 jobs. In July, U.S. home builders=

started construction at an annual rate of 1.45 million single-family
homes, down 20% from the January peak.
Last August, when Horsham, Pa.-based Toll Brothers reported that its
quarterly profit had doubled, Mr. Toll boasted: "We've got the supply, an=
d
the market has got the demand. So it's a match made in heaven." Since
then, Toll has cuts its guidance four times on the number of homes it

expects to close on, and its share price has fallen by more than 45%.
Yesterday, the company said orders for new homes in the third quarter wer=
e
down 48% from a year earlier.
Mr. Toll blames a "drop in confidence" among prospective home buyers, who=

he says are worried about "the direction of America" and the situation in=

Iraq. The retreat of speculators who were buying and "flipping" homes als=
o
hurt the market, he says. Such speculative buyers, who Mr. Toll estimates=

accounted for about 10% of demand one year ago, are now sellers.
Even so, Mr. Toll contends that new household formation, immigration, job=

creation and rising affluence are currently producing a pent-up demand fo=
r
housing. Once Americans believe that home prices have bottomed, he argues=
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they will rush back into the market, although he is unwilling to predict
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when that will happen.
At D.R. Horton Inc., the nation's largest home builder by units built per=

year, executives said late last year they were confident that quarterly
earnings would continue to increase even during a housing-market slump. I=
n
July, Horton reported a 21% decline in net income for the third quarter
ended June 30, the first quarter in 28 years in which it didn't report
year-over-year profit growth. Horton's chief executive, Donald Tomnitz,
said the surge in home prices had priced many people out of the market.
"Every time we've gone into a downturn in the home-building industry,
they've always been longer and deeper than we've all imagined," Mr.
Tomnitz told analysts in a July 20 conference call. "So we're preparing
for the worst, and we think this one will be longer and deeper than just
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the last six months."
For some homeowners who bought as the market was peaking last year, the
downturn is already creating a financial pinch.
In April 2005, Jennifer Bloom paid about $229,000 for a condominium in
Yarmouth Port on Massachusetts's Cape Cod, where her son planned to live.=

After his plans changed, Ms. Bloom, a software specialist for a computer
=

company, decided early this year to sell the condo. She initially listed
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it at $229,000, and then gradually shaved the price to $199,000 as the
market weakened. Earlier this month, she gave up on finding a buyer at a
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price she could bear to accept. Instead, she is renting out the condo for=

$1,000 a month, which she says is more than $200 below her monthly costs
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for mortgage payments, insurance, taxes and other items. She says she intends to hold off on selling it until the market improves.
The slump has been particularly harsh in Northern Virginia, where in recent years, large home builders have turned open fields and wooded lots=

into new subdivisions. Inventories of unsold homes here have risen 147% over the past year, compared to a 40% increase nationally.
Would-be sellers such as Tahir Javed, a 36-year-old management consultant=
,
are growing frustrated. One year ago, Mr. Javed decided to move up from his town house in Ashburn, Va. He signed a contract to buy for $983,000 a=

four-bedroom brick colonial that a developer planned to build in nearby Leesburg. He put down a $60,000 deposit and planned to move into the new
=

house in October 2006.
In May, Mr. Javed put his town house on the market for $499,900, which he=

says is far above the $212,000 he paid in 1999, but in line with asking prices for similar homes in the neighborhood. He hasn't been able to find=

a buyer, and the balance he owes on his new house -- about $920,000 -- is=

due in about six weeks.
Mr. Javed says he asked the builder for a price break, but the answer was=

no. He's considering cutting the asking price for his town house to slightly under $470,000, and if that doesn't work, he may try to find a renter. He had planned to use the money from selling the town house as a
=

20% down payment on what he owes on his new home, and to borrow the other=

80%. Now he may need a bigger loan, which could carry a higher interest rate, he says. "That is the painful part," he says.
Ms. Guth, whose home in Herndon, Va., had failed to attract a buyer after=

months on the market, eventually turned to Tranzon Fox, an auction firm based in Burke, Va. Ms. Guth had based her initial $1.1 million asking price on a 2005 appraisal of her home, which now appeared far off the mark. She and her family decided they would accept the highest bid of at
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least $675,000.
Kristin Eddy, a 35-year-old pediatric occupational therapist living in a
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town home in Reston, Va., had noticed Ms. Guth's dark-green turreted home=

with its wraparound verandas while riding her bike along a nearby trail.
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"I've had my eye on that house for a long time -- as a dream," Ms. Eddy says. When it first went on the market, it was far beyond her price range=

Then she noticed the sign announcing the auction.
On the morning of Aug. 5, the auctioneer, Stephen Karbelk, set up loudspeakers on Ms. Guth's side lawn. Ms. Guth handed bottles of chilled
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water to the several dozen bidders and curious neighbors who showed up. "=
I
have a whole stomach full of butterflies," Ms. Guth said.
Ms. Eddy figured her chances of winning were near zero. When the auction
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began, it became clear that there were only two serious bidders. Although=

Mr. Karbelk tried to stir excitement, the bidding petered out within minutes. Ms. Eddy was the high bidder, at $475,000.
Looking stricken, Ms. Guth and one of her sons huddled with their broker
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for a few minutes. Then they told the auctioneer they wouldn't accept the=

bid, which fell below the stipulated minimum that hadn't been revealed to=

bidders. The auction was over.
Ms. Guth said she would move and leave the house empty until she could sell it at a reasonable price. Late that afternoon, Ms. Eddy raised her offer to $525,000. The Guths wavered for two days before agreeing to accept about $530,000. Ms. Eddy is getting a home with five bedrooms, fou=
r
full bathrooms, a half-acre lot and a three-car garage for about what som=
e
people had been paying until recently for town houses in the area.
Ms. Guth has revised her retirement plan. The disappointing auction resul=
t
made it difficult for her to afford the kind of home she wanted in Florida. She has decided to buy a home in South Hill, a rural area of south-central Virginia where home prices are cheaper than they are in either Florida or the Washington suburbs. She thinks she can find a home
=

there for $175,000 or less.
Write to James R. Hagerty at bob.hagerty@wsj.com3 and Michael Corkery at
=

michael.corkery@wsj.com4

Please see www.db.com for full research report.

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embedded0.html OrgSmtpMsg.eml

greglip@bbotg To: wdowd@bbotg
cc:
Subject:

08/31/2006
01:27 PM

Message Sent: 08/31/2006 13:27:41
From: GREGLIP@BBOTG|GREG LIPPMANN|DEUTSCHE BANK SECURI|1726|328663
To: WDOWD@BBOTG|WARREN DOWD|DEUTSCHE BANK SECURI|1726|14580

can u do a call with chris james at partner funds at 12:30 est
today?
Reply:
YES
Reply:
quick question- he asked me a follow up on email. wants to
know how magnetar distorted the market...
Reply:
EASY BUT LENGTHY ANSWWER GET HIM ON THE PHONE AND CALL ME..

OrgSmtpMsg.eml

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1496

Michael Raynes@DBEMEA

10/10/2005 11:53 AM

To: Greg Lippmann/NewYork/DBNA/DeuBa@DBAmericas
cc:
Subject: Pricing of 2 important ABS CDOs

FYI - We priced 2 important ABS CDOs on Friday with pnl of $14mm total and more importantly, firmly established 2 new business lines for the CDO Group:

- The $1billion START 2005-B trade was backed by a static pool of CDS on mezzanine RMBS for Paulson Advisors ($4 bln risk arb hedge fund). Paulson retained the bottom 6% of the trade and we sold the rest of the capital structure. Paulson, who came to us with the strong desire to short the US housing market, wrote CDS on underlying ABS (over 100 names) to DB and DB intermediated them into the deal. Deal team was headed by Michael Lamont who was supported by Rick Kim and Ilinca Bogza on structuring and marketing, respectively .Greg Lippmann also played a critical role in deal execution. Stephanie Ruhle from sales was critical in originating the opportunity.

- We also priced an innovative cash flow ABS CDO for State Street last week (called Diogenes)- this is the first true relative value strategy in the CDO market, long $400mm mezzanine RMBS and short $300mm CDS on RMBS related corporates (homebuilders, banks w high mortgage focuses, monolines, etc). Strategy exploits the very large differential between secured and unsecured in this space (L+190 long BBB pool and 40 bps protection cost on BBB+ shorts). We are out with a similar strategy now for TCW, long ABS short corporate with the shorts more index focused. In addition we are about to execute an engagement letter with TCW for a separate CDO with a strategy long BB RMBS and short BBB RMBS on the same deals. As with the START trade, Lamont played a critical role spearheading the deal from origination to pricing.

GREGLIP@bloomberg.net

12/14/2006 06:26 AM

ToSABHTAR.LNDB@bloomberg.net
cc
bcc
SubjectRe: Four lists for tomorrow 12/14 - Summary

=====Begin Message=====
Message#: 61358
Message Sent: 12/14/2006 06:26:32
From: GREGLIP@bloomberg.net|GREG LIPPMANN|DEUTSCHE BANK SECURI|1726|328663
To: SABHTAR.LNDB@bloomberg.net|TARANJIT SABHARWAL|DEUTSCHE BANK SECURI|1726|328663
Subject: Re: Four lists for tomorrow 12/14 - Summary

Agreed. Start is crap you should short because I bet we'll have to. Buyback cash ones next year.

Sent From Bloomberg Mobile MSG

---- Original Message ----
From: TARANJIT SABHARWAL, DEUTSCHE BANK SECURI <sabhtar.lndb@bloomberg.net>
At: 12/13/2006 23:04

yes Greg will be completely passing on the cash TABS equity and the high-grade OWIC..... there are some START single-A on the protection BWIC as well, so will try and get out of our cash longs if we get a decent level - dont particularly like those despite the spreads.

----- Original Message -----
From: GREG LIPPMANN, DEUTSCHE BANK SECURI
At: 12/13 22:59:55

Let's pass on tabs anf get some more cds done.

Sent From Bloomberg Mobile MSG

---- Original Message ----
From: TARANJIT SABHARWAL, DEUTSCHE BANK SECURI <sabhtar.lndb@bloomberg.net>
At: 12/13/2006 21:48

We have one cash BWIC, two BWICs for protection and one OWIC for protection tomorrow, 12/14/06.

List 1 - Cash BWIC - Due 11:00 AM EST
Bid for Equity tranche of Mezz ABS CDO due on Thursday, December 14th at 11am EST. Reserve levels apply.

Security Name	CUSIP	MM	Manager	Vintage
TABS 2005-2A SUB	87337LAF1	8	Tricadia	6/05

List 2 - CDS BWIC - Due 11:00 AM EST
Bids on protection on A and BBB tranches of Mezz ABS CDO due on Thursday, December 14th at 11am EST. $15MM per name. Prefer Variable Cap/No Implied Writedown. Will consider Fixed Cap/Implied Writedown. Reserve levels apply.

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1509

Security Name	CUSIP	M/S/F	Cpn	Manager	Vintage
GEMST 05-2A C	36867VAE7	A2/A/-	+115	HBK	5/05
GEMST 05-3A C	36868AAJ1	A2/A/-	+150	HBK	7/05
START 05-AA C	85768PAC1	A2/A/-	+150	static	6/05
START 05-BA C	85768QAE5	Aa3/AA-/-	+120	static	10/05
ACCDO 4A C1	00388FAC2	Baa2/BBB/-	+285	RWT	4/04
ACCDO 7A C	00388YAC1	A2/A/-	+118	RWT	3/05
DUKEF 04-7A 4A	264403AD8	Baa2/BBB/-	+320	Duke	8/04
GEMST 05-2A D	36867VAF4	A3/A-/-	+158	HBK	5/05
GEMST 05-3A D	36868AAL6	Baa2/BBB/-	+265	HBK	7/05
START 05-AA D	85768PAD9	Baa2/BBB/-	+300	static	6/05
START 05-BA D	85768QAF2	A3/A-/-	+240	static	10/05
START 05-CA E	85768TAH2	Baa2/BBB/-	+450	static	1/06
BWIC 06-1A D	11161RAG7	Baa2/BBB/-	+325	Peloton	5/06
ACABS 04-1A C1	000809AD5	Baa2/BBB/BBB+	+325	ACA	5/04

List 3 - CDS BWIC - Due 11:30 AM EST
Bids for protection on A tranche of ABS CDO due on Thursday, December 14th at 11:30am EST. Size is $10MM. Variable Cap/No Implied Writedown or Fixed Cap/Implied Writedown. Reserve levels apply.

Security Name	CUSIP	M/S/F	Cpn	Manager	Vintage	Type
ACABS 2005-2A A3	00082NAE0	A3/A-/-	+145	ACA	8/05	Mezz
ACABS 2006-1A A3L	00082WAD2	A2/A/-	+155	ACA	4/06	Mezz
ACABS 2006-2A A3L	00389PAD7	A2/A/NR	+150	ACA	11/06	Mezz
CAIRH 2006-2A C	12777AAD5	A2/A/-	+120	Cairn	9/06	HG
CAIRH I-A C	127763AD2	Aa3/A/-	+150	Cairn	8/05	HG
CRNMZ 2006-1A 5	12776YAD4	A2/A/-	+120	Cairn	9/06	Mezz
CRNMZ 2006-2A C	12777CAE9	A2/A/-	+135	Cairn	11/06	Mezz
DHCDO 2005-1A C	26702TAD4	A2/A/-	+175	TCW	12/05	Mezz
GRAND 2005-1A C	38521PAE4	A2/A/-	+155	TCW	12/05	HG
GRAND 2006-2A C	38521TAL0	A3/A-/-	+140	TCW	10/06	HG
IXCBO 2005-1A A3L	46602PAD1	A2/A/-	+175	IXIS	12/05	Mezz
MRCY 2005-2A C	589368AG4	A2/A/-	+150	Fund America	12/05	HG
MRCY 2006-3A C	589372AD3	A2/A/-	+140	Fund America	5/06	HG
NEPTN 2004-1A A3L	640699AD6	A2/A/-	+180	Fund America	1/05	Mezz
NEPTN 2005-2A C	64069RAD6	A2/A/A	+147	Fund America	7/05	Mezz
NEPTN 2006-3A B	64069PAJ7	A2/A/-	+180	Fund America	3/06	Mezz
PAMP 2006-1A C	697728AD5	A2/A/-	+140	Vertical	10/06	HG
SCF 7A C	83743YAE3	A2/A/A	+140	TCW	5/05	Mezz
SCF 8A C	83743LAJ0	A2/A/-	+150	TCW	1/06	Mezz
TOPG 2005-1A B	89053XAE6	A3/A-/-	+170	MWAM	1/06	Mezz
TOPG 2006-2A B	89054BAE3	A2/A/-	+145	MWAM	12/06	Mezz
TOURM 2006-2A D	89155WAE5	A2/A/-	+155	Blackrock	3/06	Mezz
VERT 2005-1A C	92534EAD3	A2/A/-	+145	Vertical	6/05	Mezz
VERT 2006-1A A3	925345AE0	A2/A/A	+165	Vertical	4/06	Mezz
VERT 2006-2A A3	925338AD7	A2/A/A	+145	Vertical	6/06	Mezz

List 4 - CDS OWIC - Due 1:00 PM EST
Offers for protection on AA tranche of Hi Grade ABS CDO due Thursday, December 14th at 1pm EST. Size is $15MM each. Fixed Cap/Implied Writedown. Reserve levels apply.

Security Name	CUSIP	M/S/F	Cpn	Manager	Vintage
ALTS 2006-3A B	02149YAD5	Aa2/AA/-	+52	Aladdin	9/06
BKLYN 2006-1A A2	114238AC2	Aa2/AA/-	+50	Deutsche AM	11/06
BROD 2006-2A B	112018AE6	Aa2/AA/-	+50	Seneca	9/06
CAIRH 2006-2A B	12777AAC7	Aa2/AA/-	+48	Cairn	9/06
CTIUS 2006-2A B	17310JAB3	Aa2/AA/-	+50	Aladdin	12/06

G2FIN 2006-2A B	36243GAD7	Aa1/AA/-	+49	Wharton AM	11/06
IPSW 2006-1A B	46265BAG3	Aa2/AA/AA	+53	MFS	6/06
ISTAN 2006-1A B	46521UAE6	Aa2/AA/-	+51	ST AM	11/06
JPTR 2006-4A B	48206BAD8	Aa2/AA/-	+55	Maxim	6/06
KENT 2006-3A B	49056BAJ4	Aa2/AA/-	+51	Declaration	10/06
KLROS 2006-4A B	49858BAG0	Aa2/AA/-	+52	Strategos	12/06
MCKIN 2006-3A B1	58162QAC8	Aa2/AA/-	+52	Vertical	11/06
NASS 2006-1A B	63155PAD7	Aa2/AA/-	+52	Princeton Ad	12/06
RDGW 2006-1A A4	766167AE0	Aa2/AA/-	+47	CS Alt Cap	7/06
ROCKV 2006-1A B	77413PAE3	Aa2/AA/-	+50	Petra	10/06
SIXAV 2006-1A B	830087AG7	Aa2/AA/-	+60	Security Benefit	10/06
TAZ 2006-1A B	878046AE1	Aa2/AA/-	+55	Terwin	6/06
WADS 2006-1A B	930313AD3	Aa2/AA/-	+46	Hartford	9/06

=====End Message=====

RESPONSES TO QUESTIONS FOR THE RECORD
Goldman Sachs

LLOYD C. BLANKFEIN
Chairman and Chief Executive Officer
(PSI_QFR_GS0002)

DAVID A. VINIAR
Executive Vice President and
Chief Financial Officer
(PSI_QFR_GS0443)

CRAIG W. BRODERICK
Chief Risk Officer
(PSI_QFR_GS0446)

DANIEL L. SPARKS
Former Partner
Head of Mortgage Department
(PSI_QFR_GS0452)

MICHAEL J. SWENSON
Managing Director
Structured Products Group Trading
(PSI_QFR_GS0474)

JOSHUA S. BIRNBAUM
Former Managing Director
Structured Products Group Trading
(PSI_QFR_GS0498)

FABRICE P. TOURRE
Executive Director
Structured Products Group Trading
(PSI_QFR_GS0531)

☆ ☆ ☆

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations

to

LLOYD C. BLANKFEIN
Chairman and Chief Executive Officer
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

SUPPLEMENTAL QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations
to
LLOYD C. BLANKFEIN
Chairman and Chief Executive Officer
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

Please provide answers to the following questions by June 15, 2010:

1. Provide the following information regarding each of the following transactions (each of which is hereinafter referred to in this question as a "Transaction" or, collectively, "the Transactions"):

   Anderson Mezzanine Funding 2007-1;
   Camber 7;
   Fort Denison Funding;
   Hudson Mezzanine Funding 2006-1;
   Hudson Mezzanine Funding 2006-2;
   Point Pleasant Funding 2007-1; and
   Timberwolf I.

   (a) Provide a list of all assets in each Transaction at the closing date of the Transaction. For each listed asset:

      (i) State whether each asset is a cash or synthetic asset.

      (ii) Specify its original face value in dollars.

      (iii) For each cash asset, identify by name the party from whom it was purchased and the date of purchase.

      (iv) For each synthetic asset: identify each referenced asset; identify by name the counter party facing the Transaction; and the nature and date of any swap or offsetting or back to back transaction entered into by the counter party with respect to such referenced asset.

(v) State whether and, if so describe, any asset that was added to or removed from each Transaction after the closing date, the source of any such asset, the purchase or sales price for any such asset, and how any such price was determined.

(b) For each Transaction:

(i) Describe in detail Goldman Sachs' ("Goldman") role in the Transaction, including whether it served as a placement agent; participated in the selection of assets or referenced assets prior to or after the closing date of the Transaction; hired a collateral manager or other agent for the Transaction; contributed, purchased, or warehoused any assets; participated in obtaining a credit rating for the Transaction; participated in the selection of any counter party for the Transaction; entered into any credit default swap or short position or acted as a counter party with respect to the Transaction or assets related to the Transaction; sold any securities related to the Transaction; or oversaw the liquidation, unwinding, closure or completion of the Transaction.

(ii) Describe the capital structure and credit ratings obtained for each Transaction, including any change in the credit ratings over time.

(iii) Identify by name and address each purchaser of each security issued in connection with the Transaction, including the name, price, size, and total notional value of each type of security purchased; the date each security was purchased; the Goldman sales representative responsible for the sale of each security; and the Gross Credits ("GCs") paid to any sales representative for the sale of each security.

(iv) Indicate how many and the nature of any securities that were retained or purchased by Goldman from the Transaction; if those securities were sold or otherwise disposed of within 12 months of the inception of the security, the number of securities sold or disposed of, the sales price or cost of disposition, and to whom they were sold or how they were otherwise disposed of; and identify any securities that were sold to investors and repurchased by Goldman.

(v) Indicate the net revenues or losses sustained by Goldman from the Transaction, combining all sales, transfers, credit defaults, short positions, and other activities undertaken by Goldman in connection with the Transaction from its inception to the present. Explain how the net revenue or loss figure was derived, and its key components.

(vi) Identify by name and address any investor who has complained to Goldman in writing about its investment in one or more of the Transactions.

(c) State if and when any Transaction was liquidated.

(d) In any Transaction, if bonds were purchased to collateralize synthetic assets, identify the bond by name, the value of the bond, the Transaction for which it was purchased, and the party from which the bond was purchased.

(e) For each Transaction, provide copies of any offering circular or memorandum, mortgage capital committee memo, pitch book or marketing flip book or similar materials regarding the structuring or sale of interests (including securities) in the Transaction. It is not necessary to provide duplicates of the same material, but provide the identity of all persons who received such material.

(f) If Goldman entered into a credit default swap ("CDS") referencing any portion of any Transaction or any asset related to the transaction, provide the notional value of the CDS, the assets referenced in the CDS, the date entered, the name of the counter party, and the ultimate disposition of the CDS, including whether it was cancelled, unwound, or paid.

If some of the requested documents have already been provided to the Subcommittee, you may respond to the question by providing the Bates numbers of those documents.

2. Provide the following information regarding the sale of securities in each of the following transactions (each of which is hereinafter referred to in this question as a "Transaction" or, collectively, "the Transactions"):

Abacus 2007-AC1;
Anderson Mezzanine Funding 2007-1;
Camber 7;
Fort Denison Funding;
Hudson Mezzanine Funding 2006-1;
Hudson Mezzanine Funding 2006-2;
Point Pleasant Funding 2007-1; and
Timberwolf I.

(a) Who was the issuer of any securities; what was the issuer's relationship to Goldman; who established the issuer; and who requested the establishment of the issuer?

(b) In the sale of any securities, how and by what means did Goldman bring the specific securities to the attention of a client or potential investor? Identify each client or potential investor to whom Goldman presented any of the Transactions, describe each communication with that client, and state the substance of each communication. (In lieu of stating the substance of a communication, you may provide a copy of the communication.)

(c) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether Goldman held or planned to hold short positions with respect to assets referenced in the Transaction being considered by any potential investor?

(d) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether Goldman held or planned to hold a net short position with respect to RMBS related assets?

(e) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether it had taken steps or planned to use the offering to reduce its own inventory of RMBS or CDO securities or other holdings?

(f) Did Goldman conduct a suitability analysis in connection with soliciting clients or potential investors to purchase securities issued in any of the Transactions? If so, describe the suitability analysis conducted for each investor that purchased these securities. If Goldman retained a written record that reflects that such a analysis was conducted for any of these Transactions, provide a copy.

3. (a) In what capacity did Goldman act for Paulson & Co. (together with any of its affiliates, "Paulson") with respect to the Abacus 2007-AC1 transaction or a Credit Default Swap transaction that referenced any or all of the same entities or securities that were referenced in the Abacus 2007-AC1 transaction? Describe in detail Goldman's relationship to Paulson with respect to those transactions, its obligations to Paulson, the nature and amount of any fees or compensation received by Goldman from Paulson relating to those transactions, and whether Goldman advised investors or potential investors in Abacus 2007-AC1 of the existence and nature of its relationship with Paulson.

(b) If Goldman advised investors or potential investors of the nature or existence of the Paulson relationship, identify who so advised investors or potential investors, the date on which that person so advised investors or potential investors, the identity of the investors or potential investors so advised, the manner (i.e. verbal or in writing) in which the person was advised, and the substance of the communication (and, if in writing, provide a copy of the communication).

4. For 2006 and 2007, provide the total dollar value of the residential mortgages that Goldman asked mortgage originators to repurchase due to a breach of representations or warranties related to fraudulent loan origination or underwriting.

(a) What percentage of Goldman's repurchase requests were successful?

(b) How much money did Goldman collect from its repurchase requests?

(c) Identify the five mortgage originators to which Goldman directed the most repurchase requests and the total value of the requests made to each of those five.

(d) Identify the total dollar amount of repurchase requests that Goldman directed to:

(i) Washington Mutual;

(ii) Fremont; and

(iii) New Century.

5. What was the total dollar value of RMBS or CDO-related credit default swap (CDS) protection that Goldman obtained from AIG or an AIG subsidiary or affiliate (hereafter "AIG") from January 1, 2004 to the present?

(a) Specify each transaction in which Goldman purchased CDS protection from AIG, including the date, type and notional amount of CDS protection obtained, the referenced assets or entities, whether the protection was purchased for RMBS, CDO or other securities, and the Goldman business unit or desk involved.

(b) For each such transaction, describe the current status of the CDS protection obtained from AIG, including any settlement or final disposition of the protection and the total dollar amount received by Goldman.

6. Did Goldman enter into any arrangement by which Goldman was the ultimate beneficiary of RMBS or CDO-related CDS protection that had been issued by AIG to a third party intermediary? If so, provide the following information:

(a) the name of the third party intermediary;

(b) the relationship between Goldman and the third party intermediary;

(c) the dates and nature of the transactions through which CDS protection was obtained from AIG by the third party intermediary, with Goldman as the ultimate beneficiary;

(d) whether AIG was aware of the arrangement between Goldman and the third party intermediary;

(e) the aggregate notional amount of the CDS protection obtained from AIG;

(f) the total amount of premiums paid by the third party intermediary;

(g) the consideration paid by Goldman to the third party intermediary in connection with the CDS protection; and

(h) the dates and dollar amounts of any recovery on the protection obtained by Goldman from AIG through a third party intermediary.

7. Did Goldman play any role in suggesting, encouraging, or prompting any other individual or entity to make collateral calls on CDS protection written by AIG related to RMBS or CDO securities? If so, describe in detail.

8. Did Goldman obtain CDS protection against credit events involving AIG, Bear Stearns, Fremont, Lehman Brothers, Long Beach Mortgage, Merrill Lynch, National City Corp., New Century, or Washington Mutual? If so, for each such financial firm during the period from January 1, 2006 through December 31, 2008, provide the following information:

   (a) the dates when the CDS protection was obtained and the nature of the protection;

   (b) the counter parties involved;

   (c) the total aggregate notional amount of the CDS protection obtained;

   (d) the total amount of premiums paid by Goldman for such protection; and

   (e) the total dollar amount of any recovery obtained by Goldman in connection with the CDS protection.

9. From January 1, 2006 through December 31, 2008, did Goldman obtain any insurance or other protection from a credit event involving AIG through any means other than a CDS transaction? If so, explain in detail.

10. Is there any instance from January 1, 2006 to the present, with respect to the settlement of disputes related to CDS protection for RMBS or CDO securities, in which Goldman obtained less than 100 cents on the dollar on the total notional amount of CDS protection it had purchased? If so, specify each such instance, including the name and type of the referenced assets, the name of the counter party, the notional amount of CDS protection purchased by Goldman, the type and amount of any collateral posted by the counterparty and the dates on which the collateral was posted, and the aggregate total dollar amount obtained by Goldman from the counter party in final settlement of Goldman's CDS protection claims.

11. With respect to AIG, Bear Stearns, Fremont, Lehman Brothers, Long Beach Mortgage, Merrill Lynch, National City Corp., New Century, and Washington Mutual, provide the following information for the years 2007 and 2008:

   (a) A detailed chronology of Goldman's firm-wide proprietary trading (including trading for itself or its own accounts) in equity securities for each of the above companies, including the date, purchase price, and number of shares involved in each transaction; whether the transaction involved a purchase or sale; whether the transaction resulted a long or short position for Goldman; and the net position of Goldman following each transaction.

(b) A detailed chronology of Goldman's firm-wide proprietary trading (including trading for itself or its own accounts) in options or futures contracts for each of the above companies, including the date, purchase price, and number of options involved in each transaction; whether the transaction involved a purchase or sale of a put or call option; whether the option was exercised, the exercise price and date, whether the transaction resulted a long or short position for Goldman; and the net position for Goldman following each transaction.

(c) The same chronologies as requested in (a) and (b) above for the Asset Backed Securities (ABS) trading desk alone.

12. (a) Did Goldman have any written procedures or policies with regard to the ABS desk's using funds from a firm trading account to make speculative or proprietary trades in equity securities or options or futures contracts such as those listed above? If so, provide a copy of those procedures or policies.

(b) Was it a departure from Goldman's policies or procedures for the ABS trading desk to have used a firm trading account to engage in speculative or proprietary trades in the equity securities or options or futures contracts listed above?

(c) Did the ABS trading desk seek or obtain a waiver of Goldman's policies or procedures to trade these securities? If so, provide the date of the waiver, the persons who requested the waiver, the person who made the final decision to grant the waiver, and a copy of the waiver and the application or request to obtain it.

13. During 2008, did any representative, employee, officer, agent, or attorney acting on behalf of Goldman contact or communicate with any federal agency, including the Federal Reserve or the Securities and Exchange Commission (SEC), to discuss any limitation on the short selling of Goldman shares or the shares of any other financial institution? If so, provide a detailed chronology describing those contacts, including the date of each contact, who initiated it, the participants involved, whether it was made by telephone or in person, and the substance of the discussion.

14. Describe how and when Goldman learned of the limitations that the SEC implemented in 2008, on the short selling of the shares of certain financial institutions.

15. Provide any document possessed by, generated by, or provided to Jonathan Egol related to obtaining a credit rating related to any Abacus transaction by any credit rating agency, including any correspondence, emails, memoranda, or other analysis or exchanges of information.

16. Describe in detail your understanding of Goldman's legal duties of disclosure, pursuant to securities laws and regulations, including rules prescribed by the SEC or FINRA, to purchasers of securities when Goldman acts in any of the following capacities: (a) market maker; (b) underwriter; (b) placement agent; (d) broker (when making a solicitation or recommendation of a security); or (e) a dealer. Include your definition of a "market maker."

17. (a) Does the fact that an investor or a potential investor with whom Goldman is transacting business is an "accredited" investor, a "qualified institutional buyer" or a "qualified purchaser" (as those terms are used in the U.S. federal securities laws) affect the duties and obligations of Goldman when acting in any of the capacities described in Question 16? If so, describe how any of Goldman's duties when acting in any of these capacities are affected by the status of the investor or potential investor.

(b) Does Goldman have a duty to conduct a suitability analysis when making a recommendation to any of the types of investors listed in question 17(a)? If so, describe the nature and extent of the analysis to be conducted.

(c) Does Goldman owe a duty to disclose any adverse interest that it may have when recommending a security to any of the types of investors listed in question 17(a)?

18. (a) Is Goldman aware of the 2004 Guidelines set forth by the United States Sentencing Commission (the "Guidelines") establishing the elements of an effective ethics and compliance program?

(b) What, if anything, has Goldman done to address the standards for ethics and compliance programs as set forth in the Guidelines? In particular, provide copies of educational materials or presentations given or presented to the Goldman Board of Directors, Goldman executives, and Goldman employees in general with respect to ethics and compliance during the period 2004 to the present.

✧ ✧ ✧

Responses of Mr. Lloyd Blankfein to the
Supplemental Questions for the Record of the Permanent Subcommittee on Investigations

As Chairman and Chief Executive Officer, I do not directly manage the areas of The Goldman Sachs Group, Inc. ("Goldman Sachs" or the "Firm") that contain information relevant to the Permanent Subcommittee on Investigations' (the "Subcommittee") Questions, and therefore do not know much of the information requested in these questions from the Subcommittee. Where I do have personal knowledge, I have provided responses. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

Questions from Chairman Levin

1. Provide the following information regarding each of the following transactions (each of which is hereinafter referred to in this question as a "Transaction" or, collectively, "the Transactions"):

Anderson Mezzanine Funding 2007-1;
Camber 7;
Fort Denison Funding;
Hudson Mezzanine Funding 2006-1;
Hudson Mezzanine Funding 2006-2;
Point Pleasant Funding 2007-1; and
Timberwolf I.

(a) Provide a list of all assets in each Transaction at the closing date of the Transaction. For each listed asset:

(i) State whether each asset is a cash or synthetic asset.

(ii) Specify its original face value in dollars.

(iii) For each cash asset, identify by name the party from whom it was purchased and the date of purchase,

(iv) For each synthetic asset: identify each referenced asset; identify by name the counter party facing the Transaction; and the nature and date of any swap or offsetting or back to back transaction entered into by the counter party with respect to such referenced asset.

(v) **State whether and, if so describe, any asset that was added to or removed from each Transaction after the closing date, the source of any such asset, the purchase or sales price for any such asset, and how any such price was determined.**

Although I recently learned some general information about certain of the Transactions, I do not know the detailed information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

(b) For each Transaction:

(i) **Describe in detail Goldman Sachs' ("Goldman") role in the Transaction, including whether it served as a placement agent; participated in the selection of assets or referenced assets prior to or after the closing date of the Transaction; hired a collateral manager or other agent for the Transaction; contributed, purchased, or warehoused any assets; participated in obtaining a credit rating for the Transaction; participated in the selection of any counter party for the Transaction; entered into any credit default swap or short position or acted as a counter party with respect to the Transaction or assets related to the Transaction; sold any securities related to the Transaction; or oversaw the liquidation, unwinding, closure or completion of the Transaction.**

(ii) **Describe the capital structure and credit ratings obtained for each Transaction, including any change in the credit ratings over time.**

(iii) **Identify by name and address each purchaser of each security issued in connection with the Transaction, including the name, price, size, and total notional value of each type of security purchased; the date each security was purchased; the Goldman sales representative responsible for the sale of each security; and the Gross Credits ("GCs") paid to any sales representative for the sale of each security.**

(iv) **Indicate how many and the nature of any securities that were retained or purchased by Goldman from the Transaction; if those securities were sold or otherwise disposed of within 12 months of the inception of the security, the number of securities sold or disposed of, the sales price or cost of disposition, and to whom they were sold or how they were otherwise disposed of; and identify any securities that were sold to investors and repurchased by Goldman.**

(v) **Indicate the net revenues or losses sustained by Goldman from the Transaction, combining all sales, transfers, credit defaults, short positions, and other activities undertaken by Goldman in connection with the**

Transaction from its inception to the present. Explain how the net revenue or loss figure was derived, and its key components.

(vi) Identify by name and address any investor who has complained to Goldman in writing about its investment in one or more of the Transactions.

Although I recently learned some general information about certain of the Transactions, I do not know the detailed information requested in this Question for the reasons explained above. I am aware of a civil action by the Basis Yield Alpha Fund (Master) regarding Timberwolf I, Ltd.

In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

(c) State if and when any Transaction was liquidated.

I do not know whether any Transaction was liquidated for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

(d) In any Transaction, if bonds were purchased to collateralize synthetic assets, identify the bond by name, the value of the bond, the Transaction for which it was purchased, and the party from which the bond was purchased.

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

(e) For each Transaction, provide copies of any offering circular or memorandum, mortgage capital committee memo, pitch book or marketing flip book or similar materials regarding the structuring or sale of interests (including securities) in the Transaction. It is not necessary to provide duplicates of the same material, but provide the identity of all persons who received such material.

I do not have personal custody of the documents requested in this Question, but I have directed others at Goldman Sachs to gather the requested materials.

(f) If Goldman entered into a credit default swap ("CDS") referencing any portion of any Transaction or any asset related to the transaction, provide the notional value of the CDS, the assets referenced in the CDS, the date entered, the name of the counter party, and the ultimate disposition of the CDS, including whether it was cancelled, unwound, or paid.

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

2. **Provide the following information regarding the sale of securities in each of the following transactions (each of which is hereinafter referred to in this question as a "Transaction" or, collectively, "the Transactions"): Abacus 2007-AC1; Anderson Mezzanine Funding 2007-1; Camber 7; Fort Denison Funding; Hudson Mezzanine Funding 2006-1; Hudson Mezzanine Funding 2006-2; Point Pleasant Funding 2007-1; and Timberwolf I.**

   (a) Who was the issuer of any securities; what was the issuer's relationship to Goldman; who established the issuer; and who requested the establishment of the issuer?

   (b) In the sale of any securities, how and by what means did Goldman bring the specific securities to the attention of a client or potential investor? Identify each client or potential investor to whom Goldman presented any of the Transactions, describe each communication with that client, and state the substance of each communication. (In lieu of stating the substance of a communication, you may provide a copy of the communication.)

   (c) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether Goldman held or planned to hold short positions with respect to assets referenced in the Transaction being considered by any potential investor?

   (d) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether Goldman held or planned to hold a net short position with respect to RMBS related assets?

   (e) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether it had taken steps or planned to use the offering to reduce its own inventory of RMBS or CDO securities or other holdings?

   (f) Did Goldman conduct a suitability analysis in connection with soliciting clients or potential investors to purchase securities issued in any of the Transactions? If so, describe the suitability analysis conducted for each investor that purchased these securities. If Goldman retained a written record that reflects that such a analysis was conducted for any of these Transactions, provide a copy.

Although I recently learned some general information about certain of the Transactions, I do not know the detailed information requested by this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

3. **(a) In what capacity did Goldman act for Paulson & Co. (together with any of its affiliates, "Paulson") with respect to the Abacus 2007-AC1 transaction or a Credit**

Default Swap transaction that referenced any or all of the same entities or securities that were referenced in the Abacus 2007-AC1 transaction? Describe in detail Goldman's relationship to Paulson with respect to those transactions, its obligations to Paulson, the nature and amount of any fees or compensation received by Goldman from Paulson relating to those transactions, and whether Goldman advised investors or potential investors in Abacus 2007-AC1 of the existence and nature of its relationship with Paulson.

(b) If Goldman advised investors or potential investors of the nature or existence of the Paulson relationship, identify who so advised investors or potential investors, the date on which that person so advised investors or potential investors, the identity of the investors or potential investors so advised, the manner (i.e. verbal or in writing) in which the person was advised, and the substance of the communication (and, if in writing, provide a copy of the communication).

I have some general knowledge about the ABACUS 2007-AC1 transaction, but, in order to provide a complete response, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

4. For 2006 and 2007, provide the total dollar value of the residential mortgages that Goldman asked mortgage originators to repurchase due to a breach of representations or warranties related to fraudulent loan origination or underwriting.

(a) What percentage of Goldman's repurchase requests were successful?

(b) How much money did Goldman collect from its repurchase requests?

(c) Identify the five mortgage originators to which Goldman directed the most repurchase requests and the total value of the requests made to each of those five.

(d) Identify the total dollar amount of repurchase requests that Goldman directed to:

(i) Washington Mutual;

(ii) Fremont; and

(iii) New Century.

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

5. What was the total dollar value of RMBS or CDO-related credit default swap (CDS) protection that Goldman obtained from AIG or an AIG subsidiary or affiliate (hereafter "AIG") from January 1, 2004 to the present?

(a) Specify each transaction in which Goldman purchased CDS protection from AIG, including the date, type and notional amount of CDS protection obtained, the referenced assets or entities, whether the protection was purchased for RMBS, CDO or other securities, and the Goldman business unit or desk involved.

(b) For each such transaction, describe the current status of the CDS protection obtained from AIG, including any settlement or final disposition of the protection and the total dollar amount received by Goldman.

Although I am aware that Goldman Sachs purchased credit default swap protection from AIG affiliates relating to securities referencing residential mortgages, I do not know the detailed information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

6. Did Goldman enter into any arrangement by which Goldman was the ultimate beneficiary of RMBS or CDO-related CDS protection that had been issued by AIG to a third party intermediary? If so, provide the following information:

(a) the name of the third party intermediary;

(b) the relationship between Goldman and the third party intermediary;

(c) the dates and nature of the transactions through which CDS protection was obtained from AIG by the third party intermediary, with Goldman as the ultimate beneficiary;

(d) whether AIG was aware of the arrangement between Goldman and the third party intermediary;

(e) the aggregate notional amount of the CDS protection obtained from AIG;

(f) the total amount of premiums paid by the third party intermediary;

(g) the consideration paid by Goldman to the third party intermediary in connection with the CDS protection; and

(h) the dates and dollar amounts of any recovery on the protection obtained by Goldman from AIG through a third party intermediary.

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

7. **Did Goldman play any role in suggesting, encouraging, or prompting any other individual or entity to make collateral calls on CDS protection written by AIG related to RMBS or CDO securities? If so, describe in detail.**

I am not aware of Goldman Sachs playing any such role.

8. **Did Goldman obtain CDS protection against credit events involving AIG, Bear Stearns, Fremont, Lehman Brothers, Long Beach Mortgage, Merrill Lynch, National City Corp., New Century, or Washington Mutual? If so, for each such financial firm during the period from January 1, 2006 through December 31, 2008, provide the following information:**

   (a) the dates when the CDS protection was obtained and the nature of the protection;

   (b) the counter parties involved;

   (c) the total aggregate notional amount of the CDS protection obtained;

   (d) the total amount of premiums paid by Goldman for such protection; and

   (e) the total dollar amount of any recovery obtained by Goldman in connection with the CDS protection.

I am aware that the Firm purchased CDS protection against credit events involving AIG. I do not know, however, what CDS protection, if any, the Firm may have purchased with regard to the other entities listed in this Question. Therefore, I cannot provide a more detailed response for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

9. **From January 1, 2006 through December 31, 2008, did Goldman obtain any insurance or other protection from a credit event involving AIG through any means other than a CDS transaction? If so, explain in detail.**

I am not aware whether the Firm obtained that protection through any means other than CDS. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

10. **Is there any instance from January 1, 2006 to the present, with respect to the settlement of disputes related to CDS protection for RMBS or CDO securities, in which Goldman obtained less than 100 cents on the dollar on the total notional amount of CDS protection it had purchased? If so, specify each such instance, including the name and type of the referenced assets, the name of the counter party, the notional amount of CDS protection purchased by Goldman, the type and amount of any collateral posted by the counterparty and the dates on which the collateral was posted, and the aggregate**

total dollar amount obtained by Goldman from the counter party in final settlement of Goldman's CDS protection claims.

I do not know of any instance in which Goldman Sachs received less than the amount it was contractually due under a CDS referencing mortgage-backed securities. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

11. **With respect to AIG, Bear Stearns, Fremont, Lehman Brothers, Long Beach Mortgage, Merrill Lynch, National City Corp., New Century, and Washington Mutual, provide the following information for the years 2007 and 2008:**

(a) **A detailed chronology of Goldman's firm-wide proprietary trading (including trading for itself or its own accounts) in equity securities for each of the above companies, including the date, purchase price, and number of shares involved in each transaction; whether the transaction involved a purchase or sale; whether the transaction resulted a long or short position for Goldman; and the net position of Goldman following each transaction.**

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

(b) **A detailed chronology of Goldman's firm-wide proprietary trading (including trading for itself or its own accounts) in options or futures contracts for each of the above companies, including the date, purchase price, and number of options involved in each transaction; whether the transaction involved a purchase or sale of a put or call option; whether the option was exercised, the exercise price and date, whether the transaction resulted a long or short position for Goldman; and the net position for Goldman following each transaction.**

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

(c) **The same chronologies as requested in (a) and (b) above for the Asset Backed Securities (ABS) trading desk alone.**

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

12. (a) **Did Goldman have any written procedures or policies with regard to the ABS desk's using funds from a firm trading account to make speculative or proprietary trades**

in equity securities or options or futures contracts such as those listed above? If so, provide a copy of those procedures or policies.

(b) Was it a departure from Goldman's policies or procedures for the ABS trading desk to have used a firm trading account to engage in speculative or proprietary trades in the equity securities or options or futures contracts listed above?

(c) Did the ABS trading desk seek or obtain a waiver of Goldman's policies or procedures to trade these securities? If so, provide the date of the waiver, the persons who requested the waiver, the person who made the final decision to grant the waiver, and a copy of the waiver and the application or request to obtain it.

I generally am aware of risk limits placed on market making desks, which typically limit positions that such desks can put on, as well as policies and procedures requiring approval of increases in such risk limits, and temporary exceptions to account for over-limit risk caused by a number of factors, including increased market volatility. But I do not know the detailed information requested in the Question.

In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

13. During 2008, did any representative, employee, officer, agent, or attorney acting on behalf of Goldman contact or communicate with any federal agency, including the Federal Reserve or the Securities and Exchange Commission (SEC), to discuss any limitation on the short selling of Goldman shares or the shares of any other financial institution? If so, provide a detailed chronology describing those contacts, including the date of each contact, who initiated it, the participants involved, whether it was made by telephone or in person, and the substance of the discussion.

I recall speaking with SEC Chairman Christopher Cox telephonically on two occasions. There may have been others, but I cannot recall. I do not recall the dates. I believe that Chairman Cox initiated the first call and I am not sure about the second. As I explained in my meeting with the Subcommittee staff, I recall that Chairman Cox asked my opinion, and that I initially indicated that I was not in favor of such limitations. At the time, other firms were complaining publicly about shorts. But I recall being negative about halting shorts because banning shorts could have an adverse effect on the markets in terms of the ability to price securities. I recall, however, that I subsequently changed my view because the situation seemed extreme and the concentrated piling on of shorts might be distorting the market.

Goldman Sachs employs thousands of professionals, but I am not aware of relevant communications that other Goldman Sachs employees may have had.

14. Describe how and when Goldman learned of the limitations that the SEC implemented in 2008, on the short selling of the shares of certain financial institutions.

I am not aware of anyone at Goldman Sachs having learned of these limitations prior to the SEC's public announcement of them.

15. Provide any document possessed by, generated by, or provided to Jonathan Egol related to obtaining a credit rating related to any Abacus transaction by any credit rating agency, including any correspondence, emails, memoranda, or other analysis or exchanges of information.

I do not have personal custody of the documents requested in this Question, but I have directed others at Goldman Sachs to gather the requested materials.

16. Describe in detail your understanding of Goldman's legal duties of disclosure, pursuant to securities laws and regulations, including rules prescribed by the SEC or FINRA, to purchasers of securities when Goldman acts in any of the following capacities: (a) market maker; (b) underwriter; (b) placement agent; (d) broker (when making a solicitation or recommendation of a security); or (e) a dealer. Include your definition of a "market maker."

I understand that Goldman Sachs must comply with the applicable duties of disclosure arising under the federal securities laws, including rules prescribed by the SEC and FINRA. I am aware of an underwriter's obligation to disclose the material facts relating to the securities offered. Otherwise, I have no detailed understanding of the specific legal duties of disclosure in each of the capacities referenced above.

A market maker is a financial intermediary that stands ready, willing and able to buy and sell financial instruments at the initiation of clients. This business is client-driven, and Goldman Sachs strives to provide a fair price to its clients.

Should the Subcommittee desire a more detailed legal analysis of the federal securities laws, regulations and rules, I will direct others at Goldman Sachs to provide one.

17. (a) Does the fact that an investor or a potential investor with whom Goldman is transacting business is an "accredited" investor, a "qualified institutional buyer" or a "qualified purchaser" (as those terms are used in the U.S. federal securities laws) affect the duties and obligations of Goldman when acting in any of the capacities described in Question 16? If so, describe how any of Goldman's duties when acting in any of these capacities are affected by the status of the investor or potential investor.

I believe that, for any investor, Goldman Sachs has a duty to ensure that what it says is truthful. In my view, a sophisticated investor may generally be shown more sophisticated potential transactions that may not be suitable for less sophisticated investors. I also understand that suitability and disclosure duties under the federal securities laws vary depending on the types of investors to whom a transaction is marketed and the manner in which it is marketed.

Should the Subcommittee desire a more detailed legal analysis of the federal securities laws, regulations and rules, I will direct others at Goldman Sachs to provide one.

(b) Does Goldman have a duty to conduct a suitability analysis when making a recommendation to any of the types of investors listed in question 17(a)? If so, describe the nature and extent of the analysis to be conducted.

I believe that Goldman Sachs has implemented policies and procedures reasonably designed to ensure that the Firm meets its suitability obligations when it recommends a security to a client, and that those obligations can vary depending on the nature of the client—for example, institutional clients in contrast to individual clients. I note, however, that Goldman Sachs does not necessarily "recommend" the transactions it presents to investors.

I understand that investors who transacted with Goldman Sachs in CDOs in 2007, as in prior years, were primarily large, global financial institutions, insurance companies and hedge funds. It is my understanding that these investors generally had significant resources, had relationships with multiple securities dealers and access to extensive information and research flow, performed their own analysis of the data and formed their own views about market trends.

Should the Subcommittee desire a more detailed legal analysis of the federal securities laws, regulations and rules, I will direct others at Goldman Sachs to provide one.

(c) Does Goldman owe a duty to disclose any adverse interest that it may have when recommending a security to any of the types of investors listed in question 17(a)?

I am not sure what is meant by the term "adverse interest." Goldman Sachs may have a duty to disclose certain potential conflicts present in a securities transaction, but this will depend on the facts and circumstances—for example, where Goldman Sachs has a duty to disclose material information and the conflict is material in the context of all the relevant information. In addition, Goldman Sachs does not necessarily "recommend" the securities that it sells to investors.

Should the Subcommittee desire a more detailed legal analysis of the federal securities laws, regulations and rules, I will direct others at Goldman Sachs to provide one.

18. (a) Is Goldman aware of the 2004 Guidelines set forth by the United States Sentencing Commission (the "Guidelines") establishing the elements of an effective ethics and compliance program?

I am not aware of the specific 2004 Guidelines set forth by the United States Sentencing Commission, although I know that others within Goldman Sachs are aware of the 2004 Guidelines. I also know that Goldman Sachs maintains a robust compliance and ethics program.

(b) What, if anything, has Goldman done to address the standards for ethics and compliance programs as set forth in the Guidelines? In particular, provide copies of educational materials or presentations given or presented to the Goldman Board of Directors, Goldman executives, and Goldman employees in general with respect to ethics and compliance during the period 2004 to the present.

Goldman Sachs devotes considerable resources to ethics and compliance. I have directed others at Goldman Sachs to gather the additional detailed information requested in this Question.

Questions from Senator McCaskill

1. **How many partners of Goldman Sachs had investments with Paulson & Co. at the time the Abacus AC-1 transaction was completed?**

I do not know the information requested in this Question, but Goldman Sachs does generally track certain types of direct outside investments by its employees. In an effort to provide a more complete response, however, I have directed others at Goldman Sachs to provide this information on a schedule to be arranged with the Subcommittee staff.

2. **How large was the short position that Goldman Sachs sold to Paulson & Co. as a part of the Abacus AC-1 transaction in relation to all short positions sold to other clients through synthetic and hybrid CDO issuances in 2006 and 2007? Please express this as a percentage.**

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

3. **Of clients to whom Goldman sold short positions from synthetic CDOs, as in the Abacus AC-1 transaction, how many employed former directors or employees of Goldman Sachs?**

I do not know the information requested in this Question, nor do I believe that the Firm has this information.

4. **Did any Goldman employees see their total compensation decline as a result of the ultimate poor performance of the mortgage backed securities and collateralized debt obligations that the firm issued in 2006 and 2007?**

Goldman Sachs' compensation structure is based on the Firm's overall performance, the performance of the specific business in which the employee works and the personal performance of the employee. Increases or decreases in compensation, therefore, are based on a number of factors. I do not know the specifics of compensation paid to employees who worked in the Mortgage Department for the reasons explained above.

In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

5. **Please provide the context for the email in exhibit 77, in which a Goldman employee reviewed pool of mortgages originated by New Century. Were these loans subsequently packaged into securities? If so, how much of the pool discussed in exhibit 77 was "put back," to use the phrase from the analyst writing the document?**

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

6. **Did Goldman Sachs perform a review similar to that found in Exhibit 77 of the pools of mortgages from which the Long Beach Mortgage Loan Trust 2006-A (LBMLT-A) residential mortgage backed securities were created? If so, please produce those reviews to the committee. How many loans showed evidence of potential fraud, noncompliance, foreclosure, or other risk factors? How many problem loans ended up in the pools for LBMLT-A that were then sold to investors? How were weaknesses in the pools disclosed to investors?**

I do not know the information requested in this Question for the reasons explained above. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to gather the requested information, which will be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

7. **How many customers contacted Goldman Sachs asking to take a short position with respect to housing related assets after your firm decided to make a concerted effort to "reduce risk" which reducing your net long position with respect to the housing market? To how many customers did you sell short positions? How many customers were turned away? Do you feel that your need to "reduce risk," prevented your firm, in its role as market maker, from serving customers who wanted to purchase short positions?**

I do not know the information requested in this Question for the reasons explained above. Additionally, I do not know if information on the number of customers that were "turned away" is kept by the Firm.

I do not believe that our decision to "reduce risk" prevented the Firm from serving its customers as a market maker. Although the prices that we quoted to buyers and sellers varied with market levels, I believe that, as a general matter, Goldman Sachs continued to transact in mortgage-related products in response to client demand.

In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to determine whether the requested information is kept by the Firm.

8. **Of the customers to whom you did sell short positions how many were companies that had hired former Goldman employees or with whom Goldman employees had investments?**

I do not know the information requested in this Question, nor do I know if all of it is kept by the Firm. As indicated above, Goldman Sachs does generally track certain types of direct outside investments by its employees. In an effort to provide a more complete response, however, I have instructed others within Goldman Sachs to determine whether the Firm keeps this information so that it may be included in a subsequent response on a schedule to be arranged with the Subcommittee staff.

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations
to
LLOYD C. BLANKFEIN
Chairman and Chief Executive Officer
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS: THE ROLE OF INVESTMENT BANKS
April 27, 2010

1.Provide the following information regarding each of the following transactions (each of which is hereinafter referred to in this question as a "Transaction" or, collectively, "the Transactions"):

Anderson Mezzanine Funding 2007-1;
Camber 7;
Fort Denison Funding;
Hudson Mezzanine Funding 2006-1;
Hudson Mezzanine Funding 2006-2;
Point Pleasant Funding 2007-1; and
Timberwolf I.

(a) Provide a list of all assets in each Transaction at the closing date of the Transaction. For each listed asset:

(i) State whether each asset is a cash or synthetic asset.

Goldman Sachs encloses a spreadsheet, which sets forth certain information on the cash and synthetic assets for the specified transactions (bearing production numbers GS MBS0000027961) [See Appendix 1]. For each Transaction, the spreadsheet sets forth each referenced asset, whether it is cash or synthetic, the current face amount, the closing date, the asset source, the counterparty facing the transaction, and the warehouse period.

(ii) Specify its original face value in dollars.

Goldman Sachs encloses a spreadsheet, which sets forth certain information on the cash and synthetic assets for the specified transactions (bearing production numbers GS MBS0000027961) [See Appendix 1]. For each Transaction, the spreadsheet sets forth each referenced asset, whether it is cash or synthetic, the current face amount, the closing date, the asset source, the counterparty facing the transaction, and the warehouse period.

(iii) For each cash asset, identify by name the party from whom it was purchased and the date of purchase.

Goldman Sachs encloses a spreadsheet, which sets forth certain information on the cash and synthetic assets for the specified transactions (bearing production numbers GS MBS0000027961) [See Appendix 1]. For each Transaction, the spreadsheet sets forth each referenced asset, whether it is cash or synthetic, the current face amount, the closing date, the asset source, the counterparty facing the transaction, and the warehouse period.

(iv) For each synthetic asset: identify each referenced asset; identify by name the counter party facing the Transaction; and the nature and date of any swap or offsetting or back to back transaction entered into by the counter party with respect to such referenced asset.

Goldman Sachs encloses a spreadsheet, which sets forth certain information on the cash and synthetic assets for the specified transactions (bearing production numbers GS MBS0000027961). For each Transaction, the spreadsheet sets forth each referenced asset, whether it is cash or synthetic, the current face amount, the closing date, the asset source, the counterparty facing the transaction, and the warehouse period.

(v) State whether and, if so describe, any asset that was added to or removed from each Transaction after the closing date, the source of any such asset, the purchase or sales price for any such asset, and how any such price was determined.

Goldman Sachs encloses the trustee reports (bearing production numbers GS MBS 0000027986 - 35792,35879 - 35952 and 35958 - 36047) for the respective Transactions. These reports describe the assets that were added or removed from the respective Transactions after the closing date. The relevant pages in the reports are identified in the chart below: [Corresponding documents retained in the files of the Subcommittee]

Transaction	Trustee Report Page
Anderson Mezzanine Funding 2007-1	GS MBS 000028003, 28053, 28180, 28246, 28339, 28388, 28415, 28476, 28631, 28679, 28775, 28822, 28871, 29022, 29221, 29316, 29468, 29613 and 29664
Camber 7	GS MBS 0000029713 – 29714, 30164 and 30963
Fort Denison Funding	No assets were added or removed after closing
Hudson Mezzanine Funding 2006-1	GS MBS 0000031247 – 31256, 31353 – 31362, 32770 – 32772, 32983 – 32984 and 33079
Hudson Mezzanine Funding 2006-2	GS MBS 0000033184 – 33185, 33292, 33917, 33975, 34034, 34152, 34207, 34260, 34313 – 34314, 34363, 34411, 34460, 34506, 34552, 34597, 34642, 34686, 34730, 34773, 34816, 34859, 34902, 34945, 34988 and 35977
Point Pleasant Funding 2007-1	GS MBS 0000035032, 35144, 35203 – 35204 and 35265 – 35267
Timberwolf 1	GS MBS 0000035658 – 35659

(b) For each Transaction:

(i) Describe in detail Goldman Sachs' ("Goldman") role in the Transaction, including whether it served as a placement agent; participated in the selection of assets or referenced assets prior to or after the closing date of the Transaction; hired a collateral manager or other agent for the Transaction; contributed, purchased, or warehoused any assets; participated in obtaining a credit rating for the Transaction; participated in the selection of any counter party for the Transaction; entered into any credit default swap or short position or acted as a counter party with respect to the Transaction or assets related to the Transaction; sold any securities related to the Transaction; or oversaw the liquidation, unwinding, closure or completion of the Transaction.

The offering circulars for the transactions, which we believe have been provided, outline the roles that Goldman had on these seven transactions.

- Placement agent: For each Transaction other than the Point Pleasant transaction, Goldman Sachs or an affiliate served as a placement agent. IXIS Corporate &

Investment Bank served as the initial placement agent in the Point Pleasant transaction.

- Participated in the selection of assets prior to or after the closing date of the Transaction: Generally, Goldman Sachs—like other parties to the transaction—participated in the selection of assets or referenced assets because the Firm bore significant risks with respect to those assets both during the warehouse period and to the extent that it retained any positions after closing.

- Contributed, purchased, or warehoused any assets: For all seven transactions, we would have had involvement in each of these aspects

- Participated in obtaining a credit rating for the Transaction: Goldman Sachs would be involved in obtaining a credit rating for these transactions from one of the more nationally recognized credit rating agencies

- Participated in the selection of any counter party for the Transaction: Goldman Sachs would be involved in selecting counterparties for the transaction both the asset and liability side of the CDO

- Entered into any credit default swap or short position or acted as a counter party with respect to the Transaction or assets related to the Transaction – Goldman Sachs was the protection buyer from the synthetic CDOs included in the transactions (Fort Denison was entirely a cash deal.), with the exception of Point Pleasant where IXIS Corporate & Investment Bank purchased protection from the transaction. Additionally, Goldman Sachs retained and purchased in the secondary market financial instruments issued by these transactions.

- Sold any securities related to the Transaction: Goldman Sachs sold securities into the transaction to the extent the reference portfolio included cash instruments. Additionally, Goldman Sachs sold the financial instruments issued by the transaction both upon initial underwriting as well as in conjunction with making secondary markets.

- Oversaw the liquidation, unwinding, closure or completion of the Transaction: Goldman Sachs initially acted as the liquidation agent for Hudson Mezzanine Funding 2006-1, Hudson Mezzanine Funding 2006-2 and Anderson Mezzanine Funding 2007-1. Goldman Sachs later assigned that role to The TCW Group, Inc. ("TCW") for Hudson Mezzanine Funding 2006-2 and Anderson Mezzanine Funding 2007-1 and did not liquidate any assets before the assignment. For Hudson Mezzanine Funding 2006-1, Goldman Sachs attempted to assign its role as liquidation agent to TCW, but Morgan Stanley (which was the super senior swap counterparty) exercised its right of refusal. Accordingly, Goldman Sachs remained the liquidation agent and liquidated assets in accordance with the transaction documents (that is, the Firm solicited: (i) quotations as part of its determination of the credit default swap termination payments, and (ii) bids for the cash assets through a competitive bidding process). In its role as swap counterparty, Goldman Sachs also participated in the final liquidation of Timberwolf I by soliciting quotations as part of it determination of the credit default swap termination payments.

(ii) Describe the capital structure and credit ratings obtained for each Transaction, including any change in the credit ratings over time.

Two spreadsheets from Mr. Blankfein accompany this question (Parts A [See Appendix 2] and B [See Appendix 3]).

(iii)Identify by name and address each purchaser of each security issued in connection with the Transaction, including the name, price, size, and total notional value of each type of security purchased; the date each security was purchased; the Goldman sales representative responsible for the sale of each security; and the Gross Credits ("GCs") paid to any sales representative for the sale of each security.

Goldman Sachs previously produced to the Subcommittee a spreadsheet (bearing production numbers GS MBS 0000018045 – 18052) [See Appendix 4] providing the name, price, size, total notional value of each type of security purchased and the date each security was purchased. Goldman Sachs now encloses a spreadsheet (bearing production number GS MBS0000038669) [See Appendix 4] providing information on the Goldman Sachs sales representatives responsible for sales of securities in the Transactions and the gross sales credits allocated to those representatives in recognition of the sales.

(iv) Indicate how many and the nature of any securities that were retained or purchased by Goldman from the Transaction; if those securities were sold or otherwise disposed of within 12 months of the inception of the security, the number of securities sold or disposed of, the sales price or cost of disposition, and to whom they were sold or how they were otherwise disposed of; and identify any securities that were sold to investors and repurchased by Goldman.

Provided in a spreadsheet. [See Appendices 4 and 5]

(v) Indicate the net revenues or losses sustained by Goldman from the Transaction, combining all sales, transfers, credit defaults, short positions, and other activities undertaken by Goldman in connection with the Transaction from its inception to the present. Explain how

the net revenue or loss figure was derived, and its key components.

In response to this Question, Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 0000038766) [See Appendix 6] providing net revenues for the Transactions. The first grouping of Transactions were executed as part of the firm's CDO franchise acting as warehouse provider, underwriter and investor. Separately, the two Hudson Mezzanine transactions were initiated by Goldman Sachs principally as an efficient method to reduce long ABX exposure, which was amassed from making markets for clients wanting to purchase protection on the ABX index.

The spreadhseet provides deal level information, issued liabilities and details the net revenues earned/incurred on the deal. The key components were:

- *Deal underwriting fees* – fees earned for underwriting the transaction.
- *Protection purchase* – gains earned from purchasing protection from the CDO. For purchases of protection from the CDOs, Goldman Sachs has excluded protection purchases for which the firm acted to intermediate between the CDO issuer and clients who had purchased protection during the warehouse period. In addition, for the Hudson Mezzanine 2006-1 and 2006-2 transactions, Goldman Sachs has offset gains on the protection purchased from the CDO issuer against losses on the ABX long positions that the transaction was intended to hedge.
- *Collateral Securities* – losses incurred resulting from price decline of the securities which collateralize the protection purchases from the CDOs. The collateral securities consisted primarily of alt a and subprime bonds and other mortgage and asset backed securities. The majority of these losses have already been realized as securities were liquidated on credit events.
- *Retained Inventory* – losses incurred on bonds retained from the CDO.
- *Deal specific hedges* – net revenues arising from hedges to retained bonds wherein Goldman Sachs purchased protection on specific bonds issued by the CDO.

(vi) **Identify by name and address any investor who has complained to Goldman in writing about its investment in one or more of the Transactions.**

Goldman Sachs is not presently aware of any such written complaints other than those made by: (i) Basis Yield Alpha Fund (Master) ("Basis") regarding Timberwolf I; and (ii) [redacted] regarding Point Pleasant 2007-1. The addresses for Basis and [redacted] are provided in the chart below:

Entity	Address
Basis Yield Alpha Fund (Master)	Walker House 87 Mary Street Georgetown, Grand Cayman Cayman Islands. KY 1-9002 British West Indies
[redacted]	[redacted]

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Goldman Sachs notes that as the performance of the subprime mortgage market declined in mid-2007 and continuing thereafter, various investors have engaged in discussions with the firm related to such issues as market valuations and liquidation of collateral. We have assumed that your question is directed to customer complaints about the fundamental investment itself, and not to such other matters.

(c) State if and when any Transaction was liquidated.

Transaction	Liquidation	Date of Final Distribution
Anderson Mezzanine Funding 2007-1	Not Liquidated	N/A
Camber 7	Not Liquidated	N/A
Fort Denison Funding	Liquidated	October 6, 2008
Hudson Mezzanine Funding 2006-1	Liquidated	May 28, 2009
Hudson Mezzanine Funding 2006-2	Not Liquidated	N/A
Point Pleasant Funding 2007-1	Not Liquidated	N/A
Timberwolf I	Liquidated	October 16, 2008

(d) In any Transaction, if bonds were purchased to collateralize synthetic assets, identify the bond by name, the value of the bond, the Transaction for which it was purchased, and the party from which the bond was purchased.

Addressed in a spreadsheet from Mr. Blankfein. [See Appendix 9]

(e) For each Transaction, provide copies of any offering circular or memorandum, mortgage capital committee memo, pitch book or marketing flip book or similar materials regarding the structuring or sale of interests

(including securities) in the Transaction. It is not necessary to provide duplicates of the same material, but provide the identity of all persons who received such material.

In further response to Questions 1(e) and 2(b), Goldman Sachs encloses: (i) a copy of its policies and procedures governing the distribution of sales correspondence (bearing production numbers GS MBS 0000035799 – 35821) [See Appendix 7]; and (ii) a spreadsheet (bearing production number GS MBS 0000038771) [See Appendix 8] identifying potential investors to whom the Syndicate desk marketed the Transactions. Goldman Sachs notes that in general the firm marketed CDOs solely to qualified purchasers within the meaning of Securities and Exchange Commission Rule 144A, and that the firm's salespeople discussed securities via phone or e-mail with clients or potential clients known to have an interest in the particular products in which they dealt. Marketing materials were often transmitted, upon request, to interested clients or potential clients via email.
Hard copies were sent via U.S. Mail or Federal Express. Goldman Sachs is compiling information responsive to these Questions concerning ABACUS 2007-AC1 and will produce that information to the Subcommittee.

These materials previously were produced to the Subcommittee staff. As an initial response, Goldman Sachs encloses a spreadsheet listing these materials by production number (bearing production numbers GS MBS 0000027963) [See Appendix 6].

(f) **If Goldman entered into a credit default swap ("CDS") referencing any portion of any Transaction or any asset related to the transaction, provide the notional value of the CDS, the assets referenced in the CDS, the date entered, the name of the counter party, and the ultimate disposition of the CDS, including whether it was cancelled, unwound, or paid.**

Provided in a spreadsheet. [See Appendix 5]

If some of the requested documents have already been provided to the Subcommittee, you may respond to the question by providing the Bates numbers of those documents.

2. **Provide the following information regarding the sale of securities in each of the following transactions (each of which is hereinafter referred to in this question as a "Transaction" or, collectively, "the Transactions"):**

Abacus 2007-AC1;

Anderson Mezzanine Funding 2007-1;

Camber 7;

Fort Denison Funding;

Hudson Mezzanine Funding 2006-1;

Hudson Mezzanine Funding 2006-2;

Point Pleasant Funding 2007-1; and

Timberwolf I.

(a) Who was the issuer of any securities; what was the issuer's relationship to Goldman; who established the issuer; and who requested the establishment of the issuer?

The issuers of securities for each of the Transactions were special purpose vehicles ("SPVs") created for the purpose of the Transaction. In each instance, the SPVs were established by or at the request of a Goldman Sachs affiliate. These SPVs were as follows:

Transaction	Special Purpose Vehicles
Abacus 2007-AC1	ABACUS 2007-AC1, Ltd.; ABACUS 2007-AC1, Inc.
Anderson Mezzanine Funding 2007-1	Anderson Mezzanine Funding 2007-1, Ltd.; Anderson Mezzanine Funding 2007-1, Corp.
Camber 7	Camber 7 Plc; Camber 7 Corp.
Fort Denison Funding	Fort Denison Funding, Ltd.; Fort Denison Funding, Corp.
Hudson Mezzanine Funding 2006-1	Hudson Mezzanine Funding 2006-1, Ltd.; Hudson Mezzanine Funding 2006-1, Corp.
Hudson Mezzanine Funding 2006-2	Hudson Mezzanine Funding 2006-2, Ltd.; Hudson Mezzanine Funding 2006-2, Corp.
Point Pleasant Funding 2007-1	Point Pleasant Funding 2007-1, Ltd.; Point Pleasant Funding 2007-1, Corp.
Timberwolf I	Timberwolf I, Ltd.; Timberwolf I (Delaware) Corp.

(b) In the sale of any securities, how and by what means did Goldman bring the specific securities to the attention of a client or potential investor? Identify each client or potential investor to whom Goldman presented any of the Transactions, describe each communication with that client, and state the substance of each communication. (In lieu of stating the substance of a communication, you may provide a copy of the communication.)

In further response to Questions 1(e) and 2(b), Goldman Sachs encloses: (i) a copy of its policies and procedures governing the distribution of sales correspondence (bearing production numbers GS MBS 0000035799 – 35821) [See Appendix 7]; and (ii) a spreadsheet (bearing production number GS MBS 0000038771) [See Appendix 8] identifying potential investors to whom the Syndicate desk marketed the Transactions. Goldman Sachs notes that in general the firm marketed CDOs solely to qualified purchasers within the meaning of Securities and Exchange Commission Rule 144A, and that the firm's salespeople discussed securities via phone or e-mail with clients or potential clients known to have an interest in the particular products in which they dealt. Marketing materials were often transmitted, upon request, to interested clients or potential clients via email.

Hard copies were sent via U.S. Mail or Federal Express.

The requested materials for ABACUS 2007-AC1 were previously produced to the Subcommittee staff. The following chart sets forth the production numbers of the requested materials [See Appendix 6].

As discussed with the Subcommittee staff, Goldman Sachs also encloses a CDROM containing e-mail (bearing production numbers GS-MBS-E-021019055 – 21020015)[Retained in the files of the Subcommittee] from October 1, 2006 through December 31, 2007 reflecting communications concerning potential investors to whom Goldman Sachs marketed ABACUS 2007-AC1.[1] Goldman Sachs notes that in general the firm marketed CDOs solely to qualified purchasers within the meaning of Securities and Exchange Commission Rule 144A, and that the firm's salespeople discussedsecurities via phone or e-mail with clients or potential clients known to have an interest in the particular products in which they dealt. Marketing materials were often transmitted, uponrequest, to interested clients or potential clients via e-mail. Hard copies were sent via U.S. Mail or Federal Express.

Goldman Sachs also notes that it previously produced to the Subcommittee a spreadsheet (bearing production number GS MBS 0000038771) [See Appendix 8] listing investors to whom Anderson Mezzanine Funding 2007-1, Camber 7, Fort Denison Funding, Hudson Mezzanine Funding 2006-1, Hudson Mezzanine Funding 2006-2, Point Pleasant Funding 2007-1 and Timberwolf I were marketed.

(c) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether Goldman held or planned to hold short positions with respect to assets referenced in the Transaction being considered by any potential investor?

In all of the Transactions, the offering circular expressly disclosed the identity of the protection buyer with respect to all of the synthetic assets held by the Transaction and noted that the protection buyer could hedge some or all of its exposure in the future. In all of the Transactions except for the Point Pleasant transaction, the sole protection buyer was a Goldman Sachs affiliate. For example, the offering circular for the Hudson Mezzanine Funding 2006-1 transaction stated:

> It is expected that Goldman Sachs International [a Goldman Sachs affiliate] will act as the sole Credit Protection Buyer with respect to the Credit Default Swap, which . . . may create certain conflicts of interest.
>
> The Credit Protection Buyer and its affiliates (i) may deal in any Reference Obligation, . . . and (iii) may act . . . as if the Credit Default Swap and the Notes did not exist and without regard to whether any such action might have an adverse affect on such Reference Obligation, the Issuer, the Holders of the Secured Notes, the Senior Swap Counterparty or the Holders of the Income Notes.
>
> [I]t is expected that one or more affiliates of the Initial Purchaser [Goldman Sachs] will also act as counterparty with respect to all of the CDS Transactions.

(*See* GS MBS-E-001550191 – 1550378 at 1550241 and 1550250.) [See Appendix 6]

(d) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether Goldman held or planned to hold a net short position with respect to RMBS related assets?

The offering circulars for the Transactions expressly disclosed that Goldman Sachs and its affiliates might have certain conflicts of interest with respect to the Transactions and their underlying assets. For example, the offering circular for the Hudson Mezzanine Funding 2006-2 transaction stated:

The Credit Protection Buyer. [Goldman Sachs] will be the initial Credit Protection Buyer. The following briefly summarizes some potential and actual conflicts of interests related to the Credit Protection Buyer, but the following isn't intended to be an exhaustive list of all such conflicts.

[Goldman Sachs] and/or its affiliates may be in possession of information in relation to a Reference Entity or otherwise that is or may be material in the context of the Notes and may or may not be publicly available to Holders. None of [Goldman Sachs] or any of its affiliates has any obligation to disclose to Holders any such information.

[Goldman Sachs] and/or any of its affiliates may invest and/or deal, for their own respective accounts for which they have investment discretion, in securities or in other interests in the Reference Entities, in obligations of the Reference Entities or in the obligors in respect of any Reference Obligations or Collateral Securities (the "Investments") or in credit default swaps (whether as protection buyer or seller), total return swaps or other instruments enabling credit and/or other risks to be traded that are linked to one or more Investments. Such investments, credit derivatives and/or instruments may have the same or different terms from any of the credit derivatives referred to in the terms of the Notes. In addition, [Goldman Sachs] and/or any of its affiliates may invest and/or deal, for their own respective accounts or for accounts for which they have investment discretion, in securities (or make loans or have other rights) that are senior to, or have interests different from or adverse to, any of the Investments and may act as adviser to, may be lenders to, and may have other ongoing relationships with, the issuers or obligors of Investments and obligations of any Reference Entities. [Goldman Sachs] may at certain times be simultaneously seeking to purchase or sell investments and/or protection under credit derivatives or other instruments enabling and/or other risks to be traded for any entity for which it serves as manager in the future.

(*See* GS MBS-E-000808574 – 808747, at 808627.) [See Appendix 6]

(e) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether it had taken steps or planned to use the offering to reduce its own inventory of RMBS or CDO securities or other holdings?

Please see Goldman Sachs' response to Request 2(d) posed to Mr. Blankfein.

(f) Did Goldman conduct a suitability analysis in connection with soliciting clients or potential investors to purchase securities issued in any of the Transactions? If so, describe the suitability analysis conducted for each investor that purchased these securities. If Goldman retained a written record that reflects that such a analysis was conducted for any of these

Transactions, provide a copy.

Pursuant to Goldman Sachs' "Know Your Customer: Suitability and Authority" policy (the "KYC Suitability Policy"),[1] and reinforced by a policy specific to asset-backed securities ("ABS"), Goldman Sachs conducted a suitability analysis in connection with efforts to sell the securities issued in the Transactions.[2]

The KYC Suitability Policy, which is consistent with the rules and guidance of US self-regulatory organizations, provides that the firm fulfills its "customer-specific suitability" obligation for an "institutional customer" when the firm has a reasonable belief that the institutional customer has and exercises an independent capability to evaluate investment risk. Under that Policy, the firm complies with its suitability obligations by focusing its selling efforts, and ultimately selling the securities issued in the Transactions, to institutional investors that the firm reasonably believed met these standards. Under Goldman Sachs' supervisory framework, that suitability determination was at the time the responsibility of the sales person under the supervision of his/her manager, who was tasked with regularly reviewing sales activity for potential suitability considerations. Likewise, Legal staff and Compliance officers also are available for consultation during the selling effort.

The Transaction purchasers mainly comprised institutions that were heavily involved in investments and financial markets, either as the core or as an integral part of their businesses. Specifically, the Transaction purchasers were primarily substantial hedge funds or other asset managers; global banks or other banks experienced with mortgage or other credit related securities or derivatives; insurance companies; global investment banks; and brokerdealers These types of investors reasonably were expected, directly or through professional managers, to have the knowledge and experience in the financial markets and with nonconventional products, as well as the financial resources to make investments that carried the potential for both high return and high risk. Given the nature of the Transaction purchasers, it was reasonable for the firm to conclude that they were institutional investors that were able to—and did—independently evaluate the investment risk of the Transactions.

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[1]Copy of the policy (dated March 31, 2005 and bearing production numbers GS MBS 0000037351 –37359) was produced with Goldman Sachs' response to Question 17 posed to Mr. Blankfein. [See Appendix 21]

[2]The ABS-specific policy, the *Mortgage and Other Asset-Backed Security Policy*, dated January 13, 2006, focuses on disclosure requirements, among other items, for ABS transactions, and also contains a section reiterating the "know your counterparty" requirement with the specific reminder that "because derivative mortgage products and other asset-backed securities often are very complex and may entail significant risk, care should be taken in considering whether such investments are suitable for a counterparty given such counterparty's background, objectives and investment restrictions."

The firm confirmed the investment capacity and independence of the Transactions Purchasers, and hence the suitability of its sales efforts, in the "Notice to Investors" contained in the Offering Circular for each Transaction, under which the Transaction Purchasers were deemed to have represented and agreed that:

> In connection with the purchase of the Notes: (i) none of the Issuers, the Initial Purchaser, the Liquidation Agent, the Trustee, the Agents, the Administrator or the Share Trustee (as defined herein) is acting as a fiduciary or financial or investment adviser for the purchaser; (ii) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuers, the Initial Purchaser, the Liquidation Agent, the Trustee, the Agents, the Administrator or the Share Trustee other than in this Offering Circular for such Notes and any representations expressly set forth in a written agreement with such party; (iii) none of the Issuers, the Initial Purchaser, the Liquidation Agent, the Trustee, the Agents, the Collateral Put Provider, the Credit Protection Buyer, the Senior Swap Counterparty, the Administrator or the Share Trustee has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, results, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Notes; (iv) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture and Fiscal Agency Agreement) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by Issuers, the Initial Purchaser, the Liquidation Agent, the Trustee, the Agents, the Collateral Put Provider, the Credit Protection Buyer, the Senior Swap Counterparty, the Administrator or the Share Trustee; (v) the purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Notes with a full understanding of all of the risks thereof (economic and otherwise), and is capable of assuming and willing to assume (financially and otherwise) those risks; and (vi) the purchaser is a sophisticated investor.

See, *e.g.*, GS MBS-E-001550197 and 1550199-1550200 (Offering Circular for Hudson Mezzanine Funding 2006-1)[See Appendix 6].[3]

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[3]The KYC Suitability Policy provides that "[s]ales and trading personnel ... should consider, in consultation with their managers, whether to document [suitability] determinations in special or unusual circumstances." Given the firm's knowledge of the Transaction Purchasers at the time, there were no "special or unusual circumstances" that would have suggested the need for suitability documentation under the KYC Suitability Policy. Accordingly, other than the confirmation provided by the offering documents discussed above (which did serve to confirm the suitability of the investors), the firm is not aware of any formal suitability documentation relating to the Transactions.

Goldman Sachs also notes that responsibility for reviewing and approving CDO securitizations in 2006 and 2007 was vested in the Firmwide Capital Committee ("FWCC"), which in certain periods further delegated authority for some mortgage transactions to the Mortgage Capital Committee ("MCC") due to the high volume of transactions requiring approval. Transaction teams provided these committees with formal memos summarizing the transactions and key considerations and risks. These memos were reviewed and decisions reached at the FWCC or MCC.[4] In reviewing transactions, the FWCC and its sub-committees considered whether the product was appropriate for Goldman Sachs to sell as a general matter; as indicated above, client-specific suitability was considered at the desk level.

3. (a) **In what capacity did Goldman act for Paulson & Co. (together with any of its affiliates, "Paulson") with respect to the Abacus 2007-AC1 transaction or a Credit Default Swap transaction that referenced any or all of the same entities or securities that were referenced in the Abacus 2007-AC1 transaction? Describe in detail Goldman's relationship to Paulson with respect to those transactions, its obligations to Paulson, the nature and amount of any fees or compensation received by Goldman from Paulson relating to those transactions, and whether Goldman advised investors or potential investors in Abacus 2007-AC1 of the existence and nature of its relationship with Paulson.**

Goldman Sachs, as market maker, was facilitating a trade for Paulson to purchase protection on a portfolio of Baa2-rated RMBS from the 2006 vintage. Goldman Sachs earned approximately $15 million, which was the difference between the price at which Goldman Sachs purchased the protection from the ABACUS 2007-AC1 SPV and the price at which it sold the protection to Paulson. A detailed description of the ABACUS 2007-AC1 transaction is set forth in the Mortgage Capital Committee Memorandum regarding the ABACUS 2007-AC1 transaction and Goldman Sachs' Wells Submissions to the Securities and Exchange Commission, which are enclosed herewith (bearing production numbers GS MBS-E-005974542 – 5974549 [See Appendix 14]; GS MBS 0000024769 – 24815 [See Appendix 10], 24817 – 24837 [See Appendices 12 and 13] [See also Appendix 11]).

(b) **If Goldman advised investors or potential investors of the nature or existence of the Paulson relationship, identify who so advised investors or potential**

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[4]Goldman Sachs has located and produced to the Subcommittee MCC memos for six of the eight Transactions (*see* GS MBS 0000027963 (providing production numbers for the MCC memos)). The firm has been unable to locate records to indicate that Hudson Mezzanine 2006-01 and 2006-02 were subject to such approval. Some evidence suggests that the Hudson Mezzanine 2006-01 transaction was approved through an informal meeting, likely conducted by telephone conference.

investors, the date on which that person so advised investors or potential investors, the identity of the investors or potential investors so advised, the manner (i.e. verbal or in writing) in which the person was advised, and the substance of the communication (and, if in writing, provide a copy of the communication).

As a broker-dealer, Goldman Sachs has a duty to keep information concerning its clients' trades and positions confidential. As disclosed in the ABACUS 2007-AC1 offering circular, Goldman Sachs was the original protection buyer for the ABACUS 2007-AC1 transaction but could enter into offsetting hedging transactions to convey to other parties the credit protection it purchased via CDSs with the ABACUS 2007-AC1 SPV. As a general matter, Goldman Sachs did not disclose to potential investors the identity of Goldman Sachs' potential counterparty client(s). Goldman Sachs notes that, as reflected in a document released by the Subcommittee during the April 27, 2010 hearing, ACA knew of Paulson's involvement and, in a meeting notice dated January 8, 2007, described Paulson as being a potential equity investor.

4. **For 2006 and 2007, provide the total dollar value of the residential mortgages that Goldman asked mortgage originators to repurchase due to a breach of representations or warranties related to fraudulent loan origination or underwriting.**

(a) What percentage of Goldman's repurchase requests were successful?

For whole loans owned by Goldman Sachs or a Goldman Sachs affiliate that were not securitized, the firm made $40,364,719 in repurchase claims for breaches of representations and warranties. The firm recovered $17,459,894 on those claims (which represented 43.3% of those claims). In addition, with respect to loans in securitizations underwritten by Goldman Sachs, the firm made $474,846,676 in repurchase claims for breaches of representations and warranties. The firm recovered $81,933,778 on those claims (which represented 17.3% of those claims). Goldman Sachs notes that it does not maintain information on whether repurchase claims for breaches of representations and warranties were related to fraudulent loan origination or underwriting; accordingly, these balances reflect the amounts recovered on all claims for breaches of representations and warranties.

Further, it is important to understand that once Goldman Sachs deposits loans into a securitization trust, the trustee owns the loans and has the legal authority to decide on steps to take with respect to the loans, and oversees the servicer's management of the loans. Although Goldman Sachs on occasion made repurchase claims on the trustee's behalf, any recovery benefited the trust (and thus the holders of securities) and not Goldman Sachs.

(b) How much money did Goldman collect from its repurchase requests?

For whole loans owned by Goldman Sachs or a Goldman Sachs affiliate that were not securitized, the firm made $40,364,719 in repurchase claims for breaches of representations and warranties. The firm recovered $17,459,894 on those claims (which represented 43.3% of those claims). In addition, with respect to loans in securitizations underwritten by Goldman Sachs, the firm made $474,846,676 in repurchase claims for breaches of representations and warranties. The firm recovered $81,933,778 on those claims (which represented 17.3% of those claims). Goldman Sachs notes that it does not maintain information on whether repurchase claims for breaches of representations and warranties were related to fraudulent loan origination or underwriting; accordingly, these balances reflect the amounts recovered on all claims for breaches of representations and warranties.
Further, it is important to understand that once Goldman Sachs deposits loans into a securitization trust, the trustee owns the loans and has the legal authority to decide on steps to take with respect to the loans, and oversees the servicer's management of the loans. Although Goldman Sachs on occasion made repurchase claims on the trustee's behalf, any recovery benefited the trust (and thus the holders of securities) and not Goldman Sachs.

(c) Identify the five mortgage originators to which Goldman directed the most repurchase requests and the total value of the requests made to each of those five.

For whole loans owned by Goldman Sachs or a Goldman Sachs affiliate that were not securitized, the five mortgage originators to which Goldman Sachs directed the most repurchase requests were: PHH Mortgage ($13,188,153); Fremont ($9,918,074); National City ($4,800,000); Aames ($2,848,243); and Greenpoint ($1,726,400).
With respect to loans in securitizations underwritten by Goldman Sachs, the five mortgage originators to which Goldman Sachs directed the most repurchase requests were: First Franklin ($97,834,791); New Century ($66,920,582); Fremont ($46,231,372); Greenpoint ($43,816,050); and Long Beach ($33,809,847).

(d) Identify the total dollar amount of repurchase requests that Goldman directed to:

(i) Washington Mutual;

(ii) Fremont; and

(iii)New Century.

Goldman Sachs directed $33,809,847 in repurchase requests to Washington Mutual for loans in securitizations. Goldman Sachs directed $46,231,327 in repurchase requests to Fremont for loans in securitizations and $9,918,074 for whole loans. Goldman Sachs directed $66,920,582 to New Century for loans in securitizations. [See also follow-up questions]

5. **What was the total dollar value of RMBS or CDO-related credit default swap (CDS) protection that Goldman obtained from AIG or an AIG subsidiary or affiliate (hereafter "AIG") from January 1, 2004 to the present?**

   (a) **Specify each transaction in which Goldman purchased CDS protection from AIG, including the date, type and notional amount of CDS protection obtained, the referenced assets or entities, whether the protection was purchased for RMBS, CDO or other securities, and the Goldman business unit or desk involved.**

   (b) **For each such transaction, describe the current status of the CDS protection obtained from AIG, including any settlement or final disposition of the protection and the total dollar amount received by Goldman.**

Goldman Sachs encloses a list of credit derivative swap protection purchased from AIG Financial Products by Goldman Sachs International ("GSI") and Goldman Sachs Capital Markets on super senior CDO and CMBS underliers (bearing production numbers GS FCIC 000000543 – 44) [See Appendix 15]. We have highlighted the super senior CDO positions that were terminated as a part of the Maiden Lane III transaction; all other trades remained open beyond December 2008.

6. **Did Goldman enter into any arrangement by which Goldman was the ultimate beneficiary of RMBS or CDO-related CDS protection that had been issued by AIG to a third party intermediary? If so, provide the following information:**

   (a) **the name of the third party intermediary;**

   (b) **the relationship between Goldman and the third party intermediary;**

   (c) **the dates and nature of the transactions through which CDS protection was obtained from AIG by the third party intermediary, with Goldman as the ultimate beneficiary;**

   (d) **whether AIG was aware of the arrangement between Goldman and the third party intermediary;**

   (e) **the aggregate notional amount of the CDS protection obtained from AIG;**

   (f) **the total amount of premiums paid by the third party intermediary;**

   (g) **the consideration paid by Goldman to the third party intermediary in connection with the CDS protection; and**

(h) **the dates and dollar amounts of any recovery on the protection obtained by Goldman from AIG through a third party intermediary.**

Goldman Sachs is unaware of any instance in which the firm was the "ultimate beneficiary" of RMBS or CDO-related credit default swap protection that had been issued by AIG to a third party. Although it is possible that a counterparty with whom Goldman Sachs entered into a swap later transferred its interest to another party, Goldman Sachs would be unable to track such a transfer.

7. **Did Goldman play any role in suggesting, encouraging, or prompting any other individual or entity to make collateral calls on CDS protection written by AIG related to RMBS or CDO securities? If so, describe in detail.**

Goldman Sachs did not play any role in suggesting, encouraging, or prompting any other individual or entity to make collateral calls on CDS protection written by AIG related to RMBS or CDO securities.

8. **Did Goldman obtain CDS protection against credit events involving AIG, Bear Stearns, Fremont, Lehman Brothers, Long Beach Mortgage, Merrill Lynch, National City Corp., New Century, or Washington Mutual? If so, for each such financial firm during the period from January 1, 2006 through December 31, 2008, provide the following information:**

(a) **the dates when the CDS protection was obtained and the nature of the protection;**

(b) **the counter parties involved;**

(c) **the total aggregate notional amount of the CDS protection obtained;**

(d) **the total amount of premiums paid by Goldman for such protection; and**

(e) **the total dollar amount of any recovery obtained by Goldman in connection with the CDS protection.**

Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 0000037361)[Retained in the files of the Subcommittee], which sets forth the requested information on CDS protection that Goldman Sachs obtained against credit events involving the firms listed above. Goldman Sachs notes that it did not buy or sell protection on Long Beach or New Century.

9. **From January 1, 2006 through December 31, 2008, did Goldman obtain any insurance or other protection from a credit event involving AIG through any means other than a CDS transaction? If so, explain in detail.**

Consistent with its policies and procedures, Goldman Sachs utilizes various tools to hedge counterparty exposure. Specifically to protect against a default of AIG, Goldman Sachs used credit default swaps as the primary means of hedging. At certain times, however, Goldman Sachs also purchased or sold short AIG unsecured bonds, subordinated debt and equity (*i.e.*, common stock) in order to efficiently hedge the firm's exposure to AIG. These additional hedges were particularly relevant when large movements in our exposure to AIG occurred (primarily due to market movements on the underlying derivatives or resolution of existing valuation differences). In these situations the liquidity within the credit default swap market on AIG was inadequate to efficiently hedge the movement in the exposure. At times, unsecured bonds, subordinated debt and equity can be traded more quickly and less expensively then purchasing and selling protection on credit default swaps. Enclosed is a spreadsheet (bearing production number GS MBS 0000038789) [See Appendix 16] providing information on credit default swaps, cash bonds and equity positions purchased and sold by Goldman Sachs as hedges against credit events involving AIG.

10. **Is there any instance from January 1, 2006 to the present, with respect to the settlement of disputes related to CDS protection for RMBS or CDO securities, in which Goldman obtained less than 100 cents on the dollar on the total notional amount of CDS protection it had purchased? If so, specify each such instance, including the name and type of the referenced assets, the name of the counter party, the notional amount of CDS protection purchased by Goldman, the type and amount of any collateral posted by the counterparty and the dates on which the collateral was posted, and the aggregate total dollar amount obtained by Goldman from the counter party in final settlement of Goldman's CDS protection claims.**

As discussed with the Subcommittee staff on June 14, 2010, Goldman Sachs is interpreting this Question to request information on instances in which the Firm accepted CDS termination payments from financially sound counterparties in an amount that was less than what the Firm believed that it was contractually entitled to receive. Goldman Sachs does not believe that any such instance existed.

Goldman Sachs notes, however, that the Firm had multiple CDS trades referencing CDO bonds with Deutsche Bank in which Goldman Sachs believes that the credit event terms were incorrectly defined in the confirmations and were not consistent with the definition of those terms as agreed to by the parties at the time of the trade. For these trades, Goldman Sachs believed that an "implied writedown" credit event applied to the trades, while Deutsche Bank believed that such a credit event was inapplicable. In accordance with the terms of the confirmations, Deutsche Bank refused to pay Goldman Sachs for multiple "implied writedowns" for which Goldman Sachs attempted to claim CDS protection payments. Ultimately, the trades were terminated, and Goldman Sachs and Deutsche Bank agreed to a termination price lower than was 89.36% of the notional amount of the trades. Had Deutsche Bank agreed with Goldman Sachs that there was a documentation error and that an "implied writedown" credit event applied, Goldman

Sachs would have received more in its protection payments (or as termination payments) than it ultimately did. In total, Goldman Sachs was paid $171,000,000 to terminate $191,363,845 in notional amount of trades. Information concerning these trades (bearing production numbers GS MBS 0000035796) [See Appendix 17] is enclosed herewith.

11. With respect to AIG, Bear Stearns, Fremont, Lehman Brothers, Long Beach Mortgage, Merrill Lynch, National City Corp., New Century, and Washington Mutual, provide the following information for the years 2007 and 2008:

(a) A detailed chronology of Goldman's firm-wide proprietary trading (including trading for itself or its own accounts) in equity securities for each of the above companies, including the date, purchase price, and number of shares involved in each transaction; whether the transaction involved a purchase or sale; whether the transaction resulted a long or short position for Goldman; and the net position of Goldman following each transaction.

As discussed with the Subcommittee staff in several conference calls, Goldman Sachs is a market maker in securities issued by the companies listed above. As such, Goldman Sachs enters into a large volume of principal transactions on a daily basis on behalf of the firm's clients. During 2007 and 2008, Goldman Sachs entered into several million transactions (buys and sells) in the equity securities of these companies with gross proceeds in excess of $100 billion. To help summarize the net effect of these market making transactions, Goldman Sachs encloses a schedule (bearing production number GS MBS 0000038857) [See Appendix 18], which reflects the net common stock position in each of these companies held in each firm inventory account that was included in the firm's balance sheet for each fiscal month-end during 2007 and 2008. This schedule does not include exposure from other financial instruments issued by these companies (*i.e.*, convertibles and unsecured bonds) or exposure from derivatives transacted directly with these companies or referencing these companies as underliers and as such is not a risk report.

(b) A detailed chronology of Goldman's firm-wide proprietary trading (including trading for itself or its own accounts) in options or futures contracts for each of the above companies, including the date, purchase price, and number of options involved in each transaction; whether the transaction involved a purchase or sale of a put or call option; whether the option was exercised, the exercise price and date, whether the transaction resulted a long or short position for Goldman; and the net position for Goldman following each transaction.

As discussed with the Subcommittee staff, Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 0000038753) [See Appendix 19], which provides a summary for each quarter of Financial Years 2007 and 2008 of common equity and option trades concerning AIG, Bear Stearns, Fremont, Lehman Brothers, Merrill Lynch, National City Corp. and Washington Mutual by businesses within Goldman Sachs that the firm has identified as "proprietary trading business units." Goldman Sachs also notes that Long Beach Mortgage was a wholly owned subsidiary of Washington Mutual and that there were no common equity or option trades concerning New Century by any Goldman Sachs "proprietary trading business unit" during Financial Years 2007 and 2008.

(c) **The same chronologies as requested in (a) and (b) above for the Asset Backed Securities (ABS) trading desk alone.**

The Asset-Backed Securities trading desk did not engage in "proprietary" trading during the period 2007 through 2008. Although the Asset-Backed Securities trading desk did regularly commit the Firm's capital, it principally did so to facilitate client transactions as a market maker, to hedge positions obtained in connection with its role as a market maker, or to hedge positions held in Goldman Sachs' mortgage department.

As discussed with the Subcommittee staff on June 14, 2010, Goldman Sachs encloses a spreadsheet (bearing production numbers GS MBS 0000035797)[Retained in the files of the Subcommittee] listing trades by the Asset-Backed Securities Trading desk in equity securities (including options & futures) for the requested financial institutions. Goldman Sachs notes, however, that Long Beach Mortgage Company was a subsidiary of Washington Mutual, Inc., and its securities could not separately be traded.

12. (a) **Did Goldman have any written procedures or policies with regard to the ABS desk's using funds from a firm trading account to make speculative or proprietary trades in equity securities or options or futures contracts such as those listed above? If so, provide a copy of those procedures or policies.**

Yes. Enclosed is a document (bearing production numbers GS MBS 0000038674 –38677) [See Appendix 20] describing Goldman Sachs' "Policy for Approving Non-Core Trading Products and Trading Flow Changes," which provides the procedures that franchise traders (including the ABS desk) must adhere to in advance of trading products outside of their primary markets. This policy allows a franchise trading desk, with appropriate approvals, to transact in products not core to its business.

(b) **Was it a departure from Goldman's policies or procedures for the ABS trading desk to have used a firm trading account to engage in speculative or proprietary trades in the equity securities or options or futures contracts listed above?**

No. Pursuant to Goldman Sachs' "Policy for Approving Non-Core Trading Products and Trading Flow Changes," the ABS desk sought, and received, approval from Bill McMahon and Don Mullen (the Divisional Risk Manager and the appropriate Operating Committee member, respectively) to use equities and equity derivatives as part of its hedging strategy for the mortgage market. Goldman Sachs notes that the ABS desk did not engage in speculative or proprietary trading. Rather, the ABS desk used trades in equity securities, options and futures to hedge its existing positions. Goldman Sachs further notes that Josh Birnbaum participated in training classes on equity trading and equity derivatives, conducted by the firm's Compliance Department in the summer and fall of 2006.

(c) **Did the ABS trading desk seek or obtain a waiver of Goldman's policies or procedures to trade these securities? If so, provide the date of the waiver, the persons who requested the waiver, the person who made the final decision to grant the waiver, and a copy of the waiver and the application or request to obtain it.**

As explained above, the ABS desk followed the procedures outlined by the "Policy for Approving Non-Core Trading Products and Trading Flow Changes" and accordingly obtained the appropriate waiver.

13. **During 2008, did any representative, employee, officer, agent, or attorney acting on behalf of Goldman contact or communicate with any federal agency, including the Federal Reserve or the Securities and Exchange Commission (SEC), to discuss any limitation on the short selling of Goldman shares or the shares of any other financial institution? If so, provide a detailed chronology describing those contacts, including the date of each contact, who initiated it, the participants involved, whether it was made by telephone or in person, and the substance of the discussion.**

Please see Mr. Blankfein's response to this Question.

14. **Describe how and when Goldman learned of the limitations that the SEC implemented in 2008, on the short selling of the shares of certain financial institutions.**

Please see Mr. Blankfein's response to this Question.

15. **Provide any document possessed by, generated by, or provided to Jonathan Egol related to obtaining a credit rating related to any Abacus transaction by any credit rating agency, including any correspondence, emails, memoranda, or other analysis or exchanges of information.**

[Retained in the files of the Subcommittee]

16. **Describe in detail your understanding of Goldman's legal duties of disclosure, pursuant to securities laws and regulations, including rules prescribed by the SEC or FINRA, to purchasers of securities when Goldman acts in any of the following capacities: (a) market maker; (b) underwriter; (b) placement agent; (d) broker (when making a solicitation or recommendation of a security); or (e) a dealer.**

Include your definition of a "market maker."

Goldman Sachs' duties of disclosure generally can be thought of as falling under two distinct legal and regulatory regimes: one that governs its duties when acting as a broker-dealer and one that governs its duties when underwriting and marketing new-issue securities.

With regard to the firm's role as market maker, broker or dealer, these capacities all fall within the scope of Goldman Sachs' broker-dealer activities. Goldman, Sachs & Co. is registered with the SEC as a broker-dealer under Section 15(a) of the Securities Exchange Act of 1934 and maintains membership in the Financial Industry Regulatory Authority ("FINRA") and various securities exchanges. In general, a broker-dealer's duties to a customer that wishes to effect securities transactions in a non-discretionary account are limited to the duties of diligence and competence in executing the customer's trade orders on a transaction-by-transaction basis. This duty is often called a duty of best execution, and has been the subject of extensive interpretation and some rule-making by the SEC and FINRA. This duty applies with respect to all securities transactions, whether solicited or unsolicited, effected by a broker-dealer for its customers.

Special obligations apply to Goldman Sachs when it acts for a discretionary account. In such a case, Goldman Sachs must comply with any client guidelines and must enter into transactions consistent with the client's investment objectives. In exercising discretion, Goldman Sachs is typically subject to the duty to act in the best interests of the client and not that of Goldman Sachs and to disclose all conflicts of interest.

We understand the term "market maker" to mean a broker-dealer that stands ready to make an offer to buy or sell a given security whenever a seller or a buyer enters the market. A market maker connects buyers and sellers—and thereby provides critical liquidity—through its willingness and ability to commit its own capital in taking the other side of transactions that its customers wish to execute. While the transactions executed by a market maker are often initiated by a customer looking to make a specific purchase or sale, a market maker may also frequently propose transactions to its customers, based on their previously expressed investment interests or needs. As such, when Goldman Sachs acts as a market maker, it is simply engaging in a particular type of broker-dealer activity, and its basic duties are the same as those described above.

FINRA and exchange rules impose special obligations on exchange-based and over-the-counter market makers of equity securities to provide liquidity. These rules, among other things, require the market maker to maintain a two-way market and regulate when market makers can cease to provide quotations.

The firm's role as an underwriter or placement agent differs from that of a broker-dealer.[5] As described above, a broker-dealer is primarily engaged in the business of assisting clients in executing transactions. This business is client-driven, and Goldman Sachs strives to provide a fair price to its clients.

In contrast, an underwriter or placement agent is involved with the issuer in marketing and selling offerings of securities to investors. In this context, the federal securities laws effectively impose a "gatekeeper" role on Goldman Sachs: as an underwriter or placement agent the firm is expected to assist the issuer in providing an offering document to investors that discloses material information relevant to the offering,[6] and absent a showing that the firm conducted an appropriate review (so-called "due diligence") regarding the securities being offered, the firm is potentially liable to investors for any losses resulting from any material misstatements or omissions in the offering document. The same disclosure obligations do not apply to a broker-dealer (whether acting in a market making capacity or otherwise) because a broker-dealer must execute countless transactions in order to meet the demands of clients and other parties. If a broker-dealer were required to perform extensive due diligence on each security in which it was asked to execute a transaction, and to update disclosures every time it bought or sold securities, real-time, market makers could not function and liquid markets could not exist.

17. (a) **Does the fact that an investor or a potential investor with whom Goldman is transacting business is an "accredited" investor, a "qualified institutional buyer" or a "qualified purchaser" (as those terms are used in the U.S. federal securities laws) affect the duties and obligations of Goldman when acting in any of the capacities described in Question 16? If so, describe how any of Goldman's duties when acting in any of these capacities are affected by the status of the investor or potential investor.**

(b) **Does Goldman have a duty to conduct a suitability analysis when making a recommendation to any of the types of investors listed in question 17(a)? If**

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[5]As a technical matter, a firm generally may not act as an underwriter or placement agent of securities in the United States without registering as a broker-dealer with the SEC as described above. For convenience, however, when we refer to the activities of a brokerdealer in this response, we mean the activities of a market maker, broker or dealer as described above and not those of an underwriter or placement agent, even though the latter activities may also require registration as a broker-dealer with the SEC.

[6]The type and amount of disclosure is likely to vary depending on the nature of the offering. An SEC-registered public offering, for example, is subject to specific, detailed disclosure requirements of the SEC. In contrast, an offering exempt from registration is subject to a more general requirement that any disclosure made must not be materially false or misleading.

so, describe the nature and extent of the analysis to be conducted.

In general, the legal duties that Goldman Sachs owes when engaging in a securities transaction with a customer depend on the particular services the firm provides and the nature of its interaction with the customer, taking into account, in particular, the nature and sophistication of the customer, the customer's reasonable expectations with regard to the firm's services and the compensation arrangement between the Firm and the customer.

When a broker-dealer "recommends"[7] a securities transaction to a customer, the broker-dealer has a duty to determine that the transaction is suitable for the customer. This suitability duty requires the broker-dealer to determine, in the first instance, that the transaction is suitable for at least some investors. This is sometimes called "general suitability" or the "due diligence" duty, and it applies independently of any particular customer's interests.[8] Additionally, the broker-dealer must also determine that the recommended transaction is suitable for the particular customer, based on those facts, if any, disclosed by the customer as to his security holdings, financial situation, and needs or objectives. This duty, which is sometimes called "customer specific suitability," in turn gives rise to a related duty to "know the customer."[9] In this respect, the firm believes that, before entering into any securities transaction, its sales and trading personnel have an obligation to exercise due diligence to learn the essential facts regarding the customer and the customer's orders and accounts and to ensure that the customer has provided sufficient evidence of its authority to enter into a transaction. Under Goldman Sachs' policies and applicable regulations (enclosed bearing production numbers GS MBS 0000037351 – 37359) [See Appendix 21] employees are required to be prepared to explain the basis for their suitability determinations and must consider, in consultation with their managers, whether to document such determinations in special or unusual

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[7]Whether a broker-dealer makes a "recommendation" to a customer depends on the nature and context of the firm's communications with the customer. According to FINRA, a critical factor to consider is whether a particular communication, given its content, context and manner of presentation, reasonably would be viewed as a "call to action" or a suggestion that the customer engage in a securities transaction. *See* NASD Notice to Members 01-03 (Online Suitability) (April 2001).

[8]According to FINRA, the broker-dealer must implicitly represent to the customer that a reasonable investigation has been made and that its recommendation rests on the conclusions based on that investigation. *See* FINRA Notice to Members 10-22 (April 2010); FINRA Notice to Member 09-25 (May 2009).

[9]The specific suitability and related know-your-customer duties have been codified by FINRA in Conduct Rule (NASD) 2310.

circumstances. Managers are also required to regularly review sales activity for potential suitability concerns.

Significantly, however, FINRA has provided an important exception to the customer specific suitability duty with regard to institutional customers.[10] Broadly speaking, a broker-dealer may satisfy its customer specific suitability duty owed to an institutional customer if the broker-dealer reasonably determines, based on the relevant facts and circumstances, that the institutional customer (i) is capable of evaluating the risk associated with the recommended transaction independently of the broker-dealer and (ii) is in fact exercising independent judgment in evaluating the recommendation (*i.e.*, is not relying on the broker-dealer to determine customer specific suitability). As a practical matter, this exception means that a broker-dealer need not determine whether a particular transaction is suitable for an institutional customer in light of its particular circumstances, as long as the firm has a reasonable basis to believe that the customer has sufficient expertise and resources to make its own evaluation and is in fact doing so (*e.g.*, in light of regular past practice). This exception does not relieve a broker-dealer of its general suitability duty to an institutional customer.

Goldman Sachs further notes that, in August 2008, the firm introduced suitability committees responsible for the administration of the Due Diligence and Approval Guidelines for Structured and Strategic Trades, which governs all structured trades (including CDOs) done with non-market professionals—whether primary or secondary transactions. In addition, Goldman Sachs has already implemented most of the March 2009 recommendations of the Counterparty Risk Management Policy Group requiring firms to make reasonable efforts to determine that investors possess the following: (I) capability to understand risk and return; (ii) capability or access to the capability to price and run stress tests; (iii) governance procedures, internal controls and technology; (iv) financial resources sufficient to withstand potential losses; and (v) authorization to invest in high risk complex financial instruments.

(c) Does Goldman owe a duty to disclose any adverse interest that it may have when recommending a security to any of the types of investors listed in question 17(a)?

Although Goldman Sachs does not believe that the federal securities laws require a general disclosure of "adverse interests," the firm notes that where relevant the offering circulars for the Transactions expressly disclosed that the protection buyer with respect to all of the synthetic assets held by the Transaction would be a Goldman Sachs affiliate, and noted that the protection buyer could hedge some or all of its exposure in the future. For example, the offering circulars for Hudson Mezzanine Funding 2006-1, Hudson

[10] *See* FINRA Interpretation IM 2310-3 (Suitability Obligations to Institutional Customers).

Mezzanine Funding 2006-2 and Anderson Mezzanine Funding 2007-1 stated:

> It is expected that Goldman Sachs International [a Goldman Sachs affiliate] will act as the sole Credit Protection Buyer with respect to the Credit Default Swap, which . . . may create certain conflicts of interest.
>
> The Credit Protection Buyer and its affiliates (i) may deal in any Reference Obligation, . . . and (iii) may act . . . as if the Credit Default Swap and the Notes did not exist and without regard to whether any such action might have an adverse affect on such Reference Obligation, the Issuer, the Holders of the Secured Notes, the Senior Swap Counterparty or the Holders of the Income Notes.
>
> [I]t is expected that one or more affiliates of the Initial Purchaser [Goldman Sachs] will also act as counterparty with respect to all of the CDS Transactions.

(*See* GS MBS-E-001550241,1550250, 808621, 808630, 854578 – 854579 and 854588.) Similar language appeared in the Camber 7 and Timberwolf I offering circulars. (*See* GS MBS-E-000814255, 814269, 673714 – 673715 and 673729.) The Point Pleasant offering circular provided a similar disclosure for IXIS Corporate & Investment Bank, which was the protection buyer for that transaction. (*See* GS MBS-E-000638970 – 638971 and 638979.) There was no such disclosure for Fort Denison Funding, which was a cash CDO.

18. (a) **Is Goldman aware of the 2004 Guidelines set forth by the United States Sentencing Commission (the "Guidelines") establishing the elements of an effective ethics and compliance program?**

(b) **What, if anything, has Goldman done to address the standards for ethics and compliance programs as set forth in the Guidelines? In particular, provide copies of educational materials or presentations given or presented to the Goldman Board of Directors, Goldman executives, and Goldman employees in general with respect to ethics and compliance during the period 2004 to the present.**

Goldman Sachs is aware of the amendments to the Sentencing Commission Guidelines, effective November 1, 2004 (the "2004 Guidelines"), establishing the elements of an effective ethics and compliance program. During the period 2004 to the present (the "relevant period"), the firm has had and continues to have a robust and far-reaching compliance program to address the standards set by the 2004 Guidelines, to educate and report to its Board, executives and employees concerning the compliance program, and to involve those stakeholders in the program's execution. Highlights of how the firm's compliance program addresses the 2004 Guidelines follow. Further, as discussed with the Subcommittee staff, enclosed is list (bearing production number GS MBS 0000038749 – 38750 [See Appendix 22] (providing the relevant Appendices cited in this response)) of relevant documents from 2004 through 2009 concerning how the firm's compliance program addresses the 2004 Guidelines. As discussed with the Subcommittee staff, Goldman Sachs will subsequently produce any of the documents listed in the Appendices that are requested by the Subcommittee.

I. Board of Directors

A. Compliance Presentations to the Board

In September 2005, the Compliance Department made a presentation to Goldman Sachs' Board of Directors (the "Board") entitled "Amendments to the U.S. Sentencing Guidelines for Organizations - Goldman Sachs' Compliance Program." This presentation explicitly addresses how the firm's compliance program meets the 2004 Guidelines requirements to: "(1) exercise due diligence to prevent and detect criminal conduct; and (2) otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law." *See* 2004 Guidelines § 8B2.1. The Board presentation highlights the key elements of the firm's compliance program and tracks those elements to the 2004 Guidelines.

Apart from this Board presentation, the Compliance Department has made anumber of other presentations regarding the firm's compliance program to the Board or the Board's Audit Committee.[11] *See* Appendix A. As set forth in the 2004 Guidelines presentations and these other Compliance presentations, the key elements of the firm's compliance program are:

Risk Assessments to identify compliance and reputational risks of particular business activities and to help drive the nature, scope and frequency of compliance surveillance, monitoring and testing.
Surveillance and Other Monitoring of processes and transactions to detect breaches and identify changes in the risk profile.
Testing of the Compliance Control Framework to assess and validate assumptions about the efficacy of controls, principally by the firm's Internal Audit Department and the Compliance Testing Group.[12]
Training and Communication of the rules and the firm's compliance policies and procedures to the Board, senior management and supervisors, other employees and other stakeholders.
Independence and Empowerment of the Compliance Function. In

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[11]The January 2009 presentation to the Board, "Compliance with CRMPG III Recommendations and Other Key Industry and Regulatory Reports," may be of particular interest.

[12]The Board's Audit Committee has a standing agenda item for Internal Audit presentations. Internal Audit also has a standing closed session with the Board's external directors.

2004 the firm created a Compliance Department that is separate and independent from the Legal Department, hiring a Global Head of Compliance who reports directly to the firm's Chairman/CEO and President/COO, and making him a member of the Firmwide Management Committee, the firm's highest management governing body.[13] The firm's Compliance headcount has increased by approximately 40% during the relevant period, from 399 in October 2004 (*see* November 2004 Board presentation) to its current level of 558.

B. Sarbanes-Oxley Presentations to the Board

In addition to the Compliance Department presentations to the Board or Board Audit Committee referred to above, the Board and its committees engage in governance activities related to the Sarbanes-Oxley Act of 2002, as follows:

(1) Annual review by the Board's Corporate Governance Committee, and re-approval by the Board, of the Code of Business Conduct and Ethics, originally adopted by the Board in February 2003.

(2) Annual review by the Board's Audit Committee, and re-approval by the Board, of the Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns, originally adopted by the Board as of February 2003 and June 2003. *See* Appendix B.

II. High-level Employees: Business Practices Committee

In 2003, as indicated in the 2005 Board presentation on the 2004 Guidelines, Goldman Sachs established a firmwide Business Practices Committee ("BPC"), which "assists senior management in its oversight of compliance and operational risks and related reputational concerns, seeks to ensure the consistency of the firm's polices, practices and procedures with the firm's business principles, and makes recommendations on ways to mitigate potential risks." *See* Appendix C.

The BPC, which generally meets monthly and reports to the Firmwide Management Committee (the firm's highest management governing body), is made up of

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[13]From 2004, the Global Compliance Head has been Alan Cohen, a prominent former federal prosecutor and private sector lawyer specializing in litigation and governmental investigations in the securities industry and other corporate areas. All Compliance officers report directly or indirectly to Mr. Cohen, and none reports to the business.

senior leaders of the firm's revenue producing and control divisions. *See* Appendix C. More specifically, under its charter, the BPC:

- Reviews business practices that could pose significant compliance and operational risks and related reputational concerns;
- Identifies and oversees key business practices initiatives and reviews related communications and training programs;
- Reviews internal and external incidents having significant reputational or operational impact;
- Reviews regulatory issues and significant trends;
- Establishes standards and reviews and approves policies and procedures implemented in accordance with the firm's business principles;
- Addresses issues raised by the Global Compliance Division and Internal Audit Division.

In addition, each revenue-producing division and each of the firm's non-US regions (Europe, Middle East and Africa, Asia Ex-Japan, and Japan) has its own Business Practices Committee that performs functions similar to the firmwide BPC for those respective divisions or regions.

III. Employees Generally

As indicated in the Board presentation on the 2004 Guidelines and in other Compliance presentations to the Board or Board committees, the firm has an extensive program of communication and training on its compliance policies, procedures and other controls across the firm at all levels, as well as processes that create incentives for compliance with those controls and mete out discipline for substantial compliance breaches.

- **New hires.** On their first day, new hires attend a concentrated "Day One Training" training program in the key compliance policies and controls, including components on handling material non-public information and requirements of the anti-money laundering ("AML") laws. In addition, employees are required to disclose their investment accounts, private investments and outside activities, if any. These disclosures, which must be updated with new information as circumstances change, are logged in a database and are used to enhance the firm's surveillances and monitoring for inappropriate trading or business activity. *See* Appendix D.

- **Ongoing training of employees.**
  - The firm develops training programs from time to time that employees generally are required to complete. These programs are focused on compliance and reputational issues, particularly in the context of using the firm's communications tools, and the prevention and detection of criminal conduct by educating staff on the requirements of the anti-money laundering ("AML") laws program.

    - Throughout the relevant period (2004-present), recent hires, including temporary staff (but with the exception of certain service employees for whom the training would not be relevant), have been required to complete AML online training and a related assessment within a short period after joining the firm. An "AML Refresher" course was rolled out in 2005-06 for employees who had been hired prior to that time. *See* Appendix D
    - In addition, recent hires complete modules that review the firm's policies and procedures governing the proper use of communications tools such as e-mail, voice mail, wireless devices and the Internet, with a focus on protection of confidential information. *See* Appendix D
    - The firm's AML program, as discussed in Board presentations by Compliance referenced in Appendix A, employs various surveillances of trading and money movements to prevent and detect criminal activity, and to assist the firm in complying with its legal obligations to report suspicious activity. In 2008, the AML group rolled out a required global training program across key areas of the firm in live classroom training sessions on "Raising Suspicious Activity Awareness." This program has targeted the firm's Compliance, Legal, Internal Audit, Operations, Private Wealth Management, Asset Management and Investment Banking/Merchant Banking, and Securities Divisions and included a session for the firm's Management Committee. Training sessions have been tailored to each of the business areas and focus on the "red flags" that might indicate potential money-laundering or fraud. *See* Appendix D.
  - Firmwide training is supplemented with extensive training and communications efforts customized to the needs of individual divisions, departments, groups and regions. These efforts include training designed to meet regulatory obligations as well as to reinforce the firm's compliance controls. Annual training in the revenue-producing divisions includes AML and suspicious activity components.
- **Leaders, Supervisors and Other Managers.**
  - As set forth in the Board presentation on the 2004 Guidelines, in 2004-05, the firm's then Chairman Hank Paulson conducted "The Chairman's Forum on Leadership and Accountability," at which he discussed the importance of compliance, ethical behavior and management accountability in a series of meetings with groups of the firm's managing directors ("MDs") across the globe (nearly 2,000 people).
  - Following the MD sessions, the program was adapted for the firm's vice president population, which included nearly 8,000 people. The Leadership and Accountability for Vice Presidents program began in 2005 and was completed in 2007. The program was run by senior MDs and members of the firm's Management Committee.

- In 2007, the firm's Chairman, Lloyd Blankfein, began a second iteration of the program for MDs, "The Chairman's Forum on Clients: Advancing our Franchise," which focused on the critical importance of, and challenges associated with, client relationships. During three-hour sessions, which consisted of 30 sessions in six cities conducted globally, MD participants reviewed and discussed video and written case studies depicting situations that posed potential ethical, compliance and business issues. The case studies stressed the importance of clear communication, humility and integrity.
- In 2008, the "Chairman's Forum on Clients: Advancing Our Franchise" was introduced to the firm's vice president population. Content of the program, which comprised 66 sessions globally, was tailored based on individuals' business unit functions, and firmwide sessions were held in smaller offices globally. As in the MD program, content focused on the strategic importance of our client franchise as well as key principles for client relationships.
- In 2005, in response to new rules promulgated by the US securities self-regulatory organizations, the firm instituted a CEO Certification process related to compliance policies, procedures and internal controls for its broker-dealer businesses in the US. The CEO Certification, which is discussed in several of the Board presentations by Compliance referenced in Appendix A, is supported by an extensive process whereby business supervisors in the revenue-producing divisions and compliance officers complete quarterly or monthly certifications or checklists affirming and evidencing the discharge of their oversight responsibilities.[14] These supervisory processes not only are an important part of the firm's compliance oversight and monitoring structure, but also serve as a way to remind supervisors of their responsibilities on an ongoing basis.

- **Compliance incentives and disciplinary process.** The firm's annual performance review process includes a criterion specifically devoted to knowledge of and compliance with applicable rules, policies and procedures. *See* Appendix D. In addition, as noted in the Board presentation on the 2004 Guidelines, the compliance-related disciplinary framework is overseen by a subcommittee of the firm's BPC; the process also involves Legal, Compliance, Employee Relations and business supervisors.

✧ ✧ ✧

[14] The supervisory checklist process has been rolled out globally for the Securities Division.

GOLDMAN SACHS/LLOYD BLANKFEIN RESPONSES TO ADDITIONAL SUPPLEMENTAL QUESTIONS FOR THE RECORDS

<u>Confidential Treatment Requested by Goldman Sachs</u>

LB 1(b)(i): IXIS Corporate Investment Bank served as the initial placement agent in the Point Pleasant transaction. Please explain why IXIS served the role instead of Goldman, and what, if any, placement role Goldman served in the transaction.

IXIS Corporate & Investment Bank ("IXIS") served as the "Initial Placement Agent" for the Point Pleasant transaction and offered the notes to investors in France, Luxembourg, Switzerland and Belgium. Goldman, Sachs & Co. ("Goldman Sachs") served as the "Initial Purchaser" of the notes and offered the notes to investors in other jurisdictions. Goldman Sachs served as the primary placement agent, with IXIS serving as the placement agent for the specified countries.

Supplemental Response Received From Goldman Sachs

<u>**Confidential Treatment Requested by Goldman Sachs**</u>

LB 16 – Does Goldman have a formalized due diligence review process for securities being offered? If so, please provide copies of the reviews for the transactions listed in LB 1 and LB 2.

Goldman Sachs employs a variety of due diligence processes in connection with the offering of securities for which it serves as underwriter. These processes vary based on numerous factors, including: (1) the type of security being issued; (2) the nature of the issuer and its business; (3) Goldman Sachs' familiarity with the issuer and its affiliates; and (4) the jurisdictions in which the securities are to be offered.

In the case of the transactions listed in LB 1 and LB 2, Goldman Sachs performed due diligence on both the underlying assets and, where applicable, the collateral managers involved in the transactions. Goldman Sachs examined the credit quality of the assets to be included in the transaction. Where proposed assets were unfamiliar to the team working on a specific deal, the Firm examined a wide variety of relevant materials, including available performance data, offering documents, marketing materials, trustee reports and Bloomberg and Intex data.

Additionally, nationally-recognized accounting firms reviewed the collateral and offering documents for the transactions and provided "agreed upon procedures letters" attesting to the accuracy of certain characteristics of the transactions, including the overcollateralization ratios and the asset type and rating of the underlying assets or reference obligations. These letters were produced to you on September 24, 2010, and bear production numbers GS MBS-E-021818546 – 21818598, 21820485 – 21820547, 21822176 – 21822225, 21823468 – 21823508, 21825024 – 21825069, 21826772 – 21826818 and 21828279 – 21828347.

For transactions involving collateral managers, those managers generally were required to complete due diligence questionnaires concerning numerous factors, including: (1) their management and ownership structure; (2) their assets and transactions under management; (3) litigation and disputes in which they have been involved; and (4) assets or positions that might give rise to potential conflicts of interest with the CDO investors. Copies of questionnaires that we have been able to locate are enclosed herewith bearing production numbers GS MBS 0000004769 – 4770 and 87077 – 87083.

Supplemental Response Received From

Goldman Sachs

Redacted By The Permanent Subcommittee on Investigations

LB 4: Please provide further explanation of the trustee's ownership of loans in a securitization trust. Under what circumstances would Goldman make repurchase requests on the trustee's behalf? Did Goldman have a financial interest in the securities on which it made repurchase requests on behalf of the trustee? Please explain why 43% of claims on non-securitized loans were recovered while 17% of claims on securitized loans were recovered?

Goldman Sachs Mortgage Company ("GSMC") purchased residential mortgage loans at arm's length from third-party originators in secondary market transactions. GSMC then pooled and conveyed those loans, through a depositor, to a securitization trust. The trustee for the securitization trust held the loans (including the rights and obligations associated with the loans) for the benefit of the investors who purchased securities that were issued by the trust.

Goldman Sachs reviewed the loans purchased by GSMC for potential breaches of representations and warranties. When Goldman Sachs identified loans owned by the firm ("whole loans") for which there were claims of breaches of representations and warranties, Goldman Sachs pursued those claims directly with the loan originator. When Goldman Sachs identified loans in securitizations for which there were claims for breaches of representations and warranties, Goldman Sachs notified the loan originator and the trustee for the securitization trust of the claims. In these instances, the trustee had the authority and responsibility to decide what steps to take with respect to the claims. At times, Goldman Sachs, on behalf of the trustee and solely for the benefit of the trust, also approached loan originators to raise claims on securitized loans, although the trustee continued to retain the authority and responsibility to pursue any such claims. In all instances, any recovery made on claims for securitized loans benefited the trust (and thus the holders of securities) and not Goldman Sachs.

As Goldman Sachs explained in its prior response to this Question (bearing production number GS MBS 0000037369), the firm recovered $17,459,894 on claims made for whole loans (which represented 43.3% of the whole loan claims the firm made). Goldman Sachs recovered $81,933,778 on claims made for securitized loans (which represented 17.3% of the securitized loan claims made by the firm for the trusts' benefit). This discrepancy is largely attributable to the approximately $9 million recovered from whole loan repurchase claims that Goldman Sachs made related to 17 large balance loans originated by PHH Mortgage. If those 17 loans are excluded, then Goldman Sachs recovered approximately 20% of the whole loan claims the firm made.

Supplemental Response Received From Goldman Sachs

Confidential Treatment Requested by Goldman Sachs

Supplemental Request to Provide:

- Records of any instance that Goldman Sachs accessed the Federal Reserve Bank's discount window.

Since becoming a bank holding company, Goldman Sachs has had access to funding through the Federal Reserve Bank discount window. Goldman Sachs has, however, only used this access in order to test that all the necessary policies, procedures and operational capabilities required to access this funding were in place. The first such test was conducted on October 1, 2008. At that time, Goldman Sachs borrowed $2,500,000.00 in exchange for collateral pledged of $3,424,657.53. It returned the entire amount borrowed the next day. During 2009 and 2010, similar tests were conducted.

Supplemental Response Received From Goldman Sachs

Confidential Treatment Requested by Goldman Sachs

Supplemental Request to Provide:

- Records (presumably minutes, notes or other memoranda) of board meetings prior to September 21, 2008, during which participants possibly converting Goldman Sachs into a bank holding company.

Goldman Sachs encloses a presentation made to the Board of Directors in June 2008 (bearing production numbers GS MBS 0000038868-38939) in which the Board discussed the possibility of converting to bank holding company in the context of its overall business strategy, as well as minutes of the meeting reflecting the presentation (bearing production numbers GS MBS 0000038862-38867). Goldman Sachs notes that while the firm has reviewed at senior levels, in the context of its overall business strategy, the possibility of becoming a bank holding company for at least a decade, dating back to the period after passage of the Financial Services Modernization Act in 1999, to the extent any of those discussions occurred at the Board level, the firm has not identified any minutes or presentations reflecting such discussions. Goldman Sachs also notes that over the years the Board did examine, as part of the Board's annual strategy review, the attractiveness of potential transactions that would have resulted in the firm becoming a bank or bank holding company, including merging with or acquiring a commercial bank. Goldman Sachs encloses, by way of example, a copy of one such presentation to the Board in June 2003 (bearing production numbers GS MBS 0000038944-38983).

Supplemental Response Received From Goldman Sachs

Goshorn, Daniel (HSGAC)

From: Fredman, Sheara [Fin] [Sheara
Sent: Friday, August 20, 2010 10:07 AM
To: 'daniel_goshorn@hsgac.senate.gov'
Cc: Smith, Sarah [Fin]; Lee, Brian-J (FI Controllers) [Fin]; Simpson, Michael [Fin]; Fredman, Sheara [Fin]; Broeckel, Janet [Legal]; Michaels, Susan [Fin]
Subject: Response to PSI

Follow Up Flag: Follow up
Flag Status: Completed

Dan –

In response to an email received from Bob Roach on August 10, 2010, we are providing the wire transfer numbers in conjunction with our testing of the Federal Reserve Bank discount window. As we described in our response sent on July 14, 2010, we only used this access to test that all the necessary policies, procedures and operational capabilities required to access this funding were in place. The small amounts borrowed were returned in their entirety the next day.

Borrow Date	Return Date	Collateral Pledged	Amount Borrowed	Reference Number
10/1/2008	10/2/2008	3,424,657.53	$ 2,500,000.00	F0582750120001
10/23/2008	10/24/2008	5,759,492.57	$ 5,000,000.00	F058297007O601
9/9/2009	9/10/2009	366,246,381.87	$ 1,000,000.00	240121272053940100519
1/11/2010	1/12/2010	294,094,297.18	$ 1,000,000.00	240101006002010011100
3/18/2010	3/19/2010	268,451,699.00	$ 1,000,000.00	240101004023310031800

Please note the following:

The information requested by the Subcommittee includes confidential internal documents and proprietary business records that Goldman Sachs does not make available to the general public. Goldman Sachs is producing these documents pursuant to Senate Rule XXVI and formally requests that these materials be treated as confidential business records. Accordingly, should you wish to publicly release any of these documents, Goldman Sachs respectfully requests reasonable notice of your intent to do so and the opportunity to object to such a release.

Goldman Sachs used various technology and manual resources to generate some of the documents for production to you in response to your Requests. While Goldman Sachs believes that these documents are reasonably accurate, we cannot make an absolute representation that it is complete or that there are not some inadvertent errors in the preparation of the spreadsheet. We will provide further updates or corrections if we discover missing information or errors.

Please confirm receipt.

Thanks,

Sheara

Goldman, Sachs & Co.
200 West Street | New York, New York 10282
Tel: (212) 357-3579
e-mail: sheara.fredman@gs.com

Sheara Fredman
Managing Director
Finance Division

Goldman Sachs

Supplemental Response Received From
Goldman Sachs

Goldman Sachs

Presentation to the Board of Directors
Strategy Discussion Materials

June 22, 2003

Goldman Sachs

Table of Contents

I. Overview of GS Strategy

Goldman Sachs

Current Strategy

▬ = Redacted by the Permanent Subcommittee on Investigations

Business

- Three core businesses
- Advisor of choice to:
  - Leading corporations and governments
  - Major institutional investors and wealthy individuals
- Leading participant in global financial markets

Financial

- Provide superior returns to shareholders – [redacted]
- [redacted] growth over the cycle

Goldman Sachs

Track Record of Success

- Successful track record of largely organic growth
- Premier global franchise in investment banking and securities
  - Leading market share across core businesses
  - Global footprint largely in place
- Emerging profitability of asset management business
- Strong financial performance, even at trough of cycle
- Leading destination for intellectual capital
- Positively differentiated reputation, despite difficult regulatory environment
- GS franchise continues to command a premium multiple

Goldman Sachs

Vision for the Future

- Pre-eminent global provider of advisory and risk management services to institutions, governments and high net worth individuals
  - Advisor of choice with strongest senior decision maker relationships
  - Leading participant in each of the most important global markets
  - Premier principal business with best-in-class risk management skills
- Recognized destination for top intellectual talent
- Leader in market innovation and new product development
- Top-tier financial performer as measured by return on equity, earnings growth and total return to shareholders
- Unparalleled reputation for commitment to quality and integrity with culture of teamwork and client service
- True meritocracy for all employees with a diverse workforce at all levels of seniority

Goldman Sachs

Current Challenges

- Relative scale in a consolidating market and currently increased capital intensity of core businesses
  - Continued pressure to extend credit
  - Impact on traditional agency business
  - Emergence of Citigroup
- Ability to achieve [redacted] target in a low growth, low interest rate environment
- Greater reliance on trading activities
  - Unpredictability / volatility
  - Potential for missteps
- Ability to develop or acquire significant, additional uncorrelated earnings streams
- Safeguarding reputation in environment of reduced business and greater scrutiny
- Optimizing global footprint
- Improving underperforming areas (e.g. private wealth management)

▬ = Redacted by the Permanent Subcommittee on Investigations

Goldman Sachs

II. Update on Environment and GS Performance

Goldman Sachs

Economic Outlook

	United States		Euroland		Japan	
	2003	2004	2003	2004	2003	2004
Real GDP Growth	2.2%	2.5%	0.7%	2.6%	1.3%	0.2%
Change in Consumer Prices	2.2	1.2	1.9	1.3	(0.2)	(0.1)
Short-Term Interest Rates[a]	1.0	1.1	1.7	3.3	0.1	0.1
10-Year Bond Yields[a]	4.1	4.2	4.2	5.2	0.6	0.8

(a) As of year-end.

Goldman Sachs

Pre-Tax Profit by Division
($ millions)

	2000		2001		2002		1H 2003	
	$	Percent of Total[a]	$	Percent of Total[a]	$	Percent of Total[a]	$	Percent of Total[a]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
FICC	1,034	19	2,187	56	2,871	72	2,757	74
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]		[redacted]		[redacted]		[redacted]	

(a) Percent of total divisional pre-tax earnings. Excludes unallocated charges.
(b) [redacted]

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Goldman Sachs

Overview of Key Businesses

	2002 Pre-Tax Profit		
	Value ($mm)	% of Total	2002 Competitive Metric
[redacted]	[redacted]	[redacted]	■ [redacted]
Currencies	[redacted]	[redacted]	■ [redacted]
Global Securities Serv.	[redacted]	[redacted]	■ [redacted]
Mortgage Backed	539	17	■ #4 lead manager of CMBSs ■ #3 lead manager of CMOs
Mergers	[redacted]	[redacted]	■ [redacted]
Global Credit	[redacted]	[redacted]	■ [redacted]
US Shares	[redacted]	[redacted]	■ [redacted]
Equity Derivatives	[redacted]	[redacted]	■ [redacted]
Commodities	[redacted]	[redacted]	■ [redacted]
Real Estate PIA	182	6	■ Second largest real estate fund complex with $2.5bn in AUM

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Goldman Sachs

[redacted]

	[redacted]		[redacted]		[redacted]		[redacted]	
	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]		[redacted]		[redacted]		[redacted]	

[redacted] = Redacted by the Permanent Subcommittee on Investigations

[redacted]

Goldman Sachs

Employees by Division

	2001		2002		1H 2003	
	Number	Year-on-Year Change	Number	Year-on-Year Change	Number	Year-on-Year Change
IBD	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Merchant Bank	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
FICC	2,441	2	2,380	(2)	2,301	(3)
Equities	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
IMD	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Investment Research	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Federation[a]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Total Firm	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

▬ = Redacted by the Permanent Subcommittee on Investigations

(a) **Includes Technology, Operations & Administration, Finance, HCM, Risk, Legal, Compliance & MCD and Executive Administration.**

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Goldman Sachs

Fixed Income, Currency and Commodities

- Current market environment has provided outstanding opportunities for the FICC franchise
  - Downward trending rates
  - High degree of volatility, particularly in commodities and currencies
  - Significant growth in underlying markets
- Breadth and diversity of business model enabled FICC to fully capitalize on market opportunity
  - Both the customer business and proprietary trading have performed at record levels
  - All major products (interest rates, credit, mortgages, currency and commodities) have contributed strong results
- GS has outperformed, but the performance of virtually all our competitors has been strong
- Product innovation has contributed meaningfully
- Increased profitability has come with increased risk

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Goldman Sachs

III. Overview of the Competitive Landscape

Redacted By The Permanent Subcommittee on Investigations

Goldman Sachs

IV. Strategic Alternatives

Goldman Sachs

Overview of Strategic Alternatives

- Continue to pursue our current business model with our existing underlying business lines
- Seek to identify and develop, through organic growth or acquisition, significant new lines of business closely related to, but distinct from, current businesses
- Pursue transformational transaction to achieve potential benefits of combining with significantly larger institution

Goldman Sachs

Capitalizing on Opportunities

People, brand and relationships capturing emerging opportunities

Fixed Income, Currency & Commodities

Exotics (1993)
Distressed Loans (1994)
ASSG (1997)
Credit Derivatives (1998)
Electricity Trading / Joint Venture (2001)

Equities

[redacted]

Investment Banking / Merchant Bank

[redacted]

Investment Management

[redacted]

▬ = Redacted by the Permanent Subcommittee on Investigations

Goldman Sachs

New Business Development / Acquisition

Rationale

- Develop significant, additional uncorrelated earnings streams
- Capitalize on large adjacent revenue pools
- Leverage core risk management skills and client relationships
- Satisfy client demand for capital commitment and risk transfer
- Achieve synergies with existing businesses

Challenges

- Tolerance for increased balance sheet liquidity risk and managing risk through diversification
- New business activities may be volatile and may not reduce GS risk profile
- Not enough change relative to transformational transaction
- GS needs to be disciplined, investing in businesses and withdrawing capital opportunistically as market conditions warrant
  - — Non-opportunistic market participants suffer from sub-par ROEs
- Short-term dilution and financial risk of organic growth
- Acquisition of someone else's legacy issues
- Cultural dynamics

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MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF THE GOLDMAN SACHS GROUP, INC.

A meeting of the Board of Directors of The Goldman Sachs Group, Inc., a Delaware corporation (the "Corporation"), was held at the Hotel Astoria, St. Petersburg, Russia on June 28, 2008 at 9:45 a.m., St. Petersburg time, recessing at approximately 11:45 a.m., St. Petersburg time, reconvening at approximately 1:15 p.m., St. Petersburg time, recessing for the day at approximately 2:15 p.m., St. Petersburg time, and reconvening on June 29, 2008 at 9:00 a.m., St. Petersburg time. There were present for all or a portion of the meeting Lloyd C. Blankfein, Gary D. Cohn, Jon Winkelreid, John H. Bryan, Claes Dahlbäck, Stephen Friedman, William W. George, Rajat K. Gupta, James A. Johnson, Lois D. Juliber, Edward M. Liddy, Lakshmi N. Mittal (after his appointment as Director at the meeting) and Ruth J. Simmons, being all of the Directors and constituting a quorum.

Also in attendance at the request of the Board of Directors for all or a portion of the meeting were J. Michael Evans, Michael S. Sherwood, John F. W. Rogers, Gregory K. Palm, David A. Viniar and Timothy J. O'Neill; and Alexander C. Dibelius, David A. Schwimmer, Christopher M. Barter and Edward K. Eisler (each for the Goldman Sachs in Russia presentation only).

Mr. Blankfein chaired the meeting and Mr. Rogers acted as Secretary of the meeting.

Mr. Blankfein called the meeting to order with each of the Directors (excluding Mr. Mittal) and Messrs. Rogers and Palm in attendance. [redacted]

[redacted]

[redacted]

On motion duly made and seconded, the following resolutions were unanimously adopted:

Redacted By The Permanent Subcommittee on Investigations

The Board reconvened its meeting at approximately 1:15 p.m., St. Petersburg time, on June 28, 2008.

Mr. Blankfein called the meeting to order and presented his oral CEO report. A discussion followed.

The Board then adjourned the meeting until the following day.

* * *

The Board reconvened its meeting at 9:00 a.m., St. Petersburg time, on June 29, 2008.

Mr. Blankfein called the meeting to order with each of the Directors and Messrs. Evans, Sherwood, Rogers, Palm, Viniar and O'Neill in attendance. Mr. O'Neill was asked to lead a strategy review, materials for which were distributed to the Directors in advance of the meeting. A discussion followed.

Mr. Blankfein then asked the Directors to give consideration to the draft minutes of the meetings of the Board held on April 9-10, 2008, copies of which had been distributed to the Directors in advance of the meeting. On motion duly made and seconded, the draft minutes were unanimously approved as presented.

Messrs. Liddy, Johnson and Bryan then indicated that oral reports regarding the meetings of the Audit, Compensation and Corporate Governance and Nominating Committees held earlier were unnecessary considering all Directors had been present at such meetings.

Mr. Rogers then addressed the approval of certain Board and committee meeting dates, material for which had been distributed to the Directors in advance of the meeting. A discussion followed.

Mr. Palm next gave an update on regulatory and legal matters. Mr. Palm directed the Board's attention to the materials that had been distributed in advance of the meeting. A discussion followed.

Mr. Palm then discussed the approval of removals from and an appointment to offices of the Corporation, material for which had been distributed to the Directors in advance of the meeting. A brief discussion followed.

On motion duly made and seconded, the following resolutions were unanimously adopted:

Approval of Board and Committee Meeting Dates

RESOLVED, that meetings of this Board of Directors and the Committees of the Board originally scheduled to take place on Thursday, March 26, 2009 & Friday, March 27, 2009 shall take place on Tuesday, April 7, 2009 & Wednesday, April 8, 2009.

RESOLVED, that regular meetings of this Board of Directors and the Committees of the Board shall take place on the following dates:

Thursday, January 21, 2010 & Friday, January 22, 2010

Thursday, April 1, 2010 & Friday, April 2, 2010

Thursday, June 17, 2010 - Monday, June 21, 2010

Thursday, September 30, 2010 & Friday, October 1, 2010

Thursday, November 18, 2010 & Friday, November 19, 2010

RESOLVED, that the specific times and locations of the foregoing meetings and of any additional meetings of the Board or of Committees of the Board shall be set forth in a notice to the Directors from the Chairman of the Board, Chief Executive Officer or a President, or, in the case of a Committee meeting, any of the foregoing persons or the Committee Chair, in each case with such notice to be provided a reasonable time prior to the meeting.

<u>**Approval of Removals from and Appointment to Offices of the Corporation**</u>

[redacted]

[redacted]

There being no further business, upon motion duly made, seconded and unanimously adopted, the meeting thereupon was adjourned.

Supplemental Response Received From
Goldman Sachs

Goldman Sachs

Strategy Review

Presentation to the Board of Directors of The Goldman Sachs Group, Inc.

June 2008

Board of Directors

Presentation at a Glance

Executive Summary

Board of Directors

Executive Summary

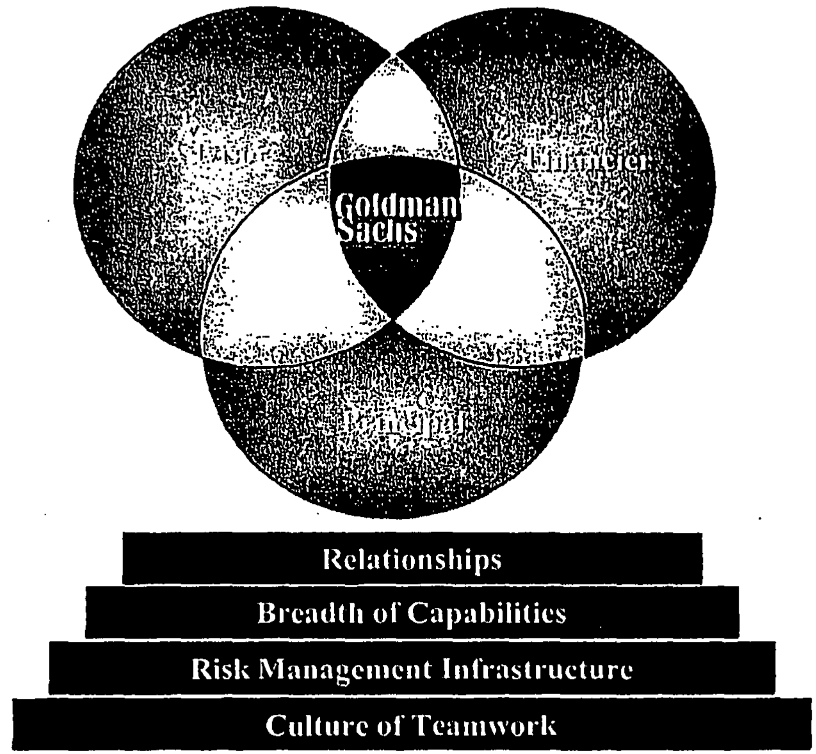
- What is GS' strategy?
  - GS' strategy remains consistent: to integrate advice and capital via a business model that brings together GS' three roles as advisor, financier and principal
  - GS' strong financial performance on a stand-alone basis and relative to its peers illustrates the validity of this strategy
- What are the key elements of GS' strategy?
  - This is a growth strategy; GS believes global wealth, markets and opportunities are growing and the firm's share of these can be realized through:
    - Global expansion – new markets offer opportunities to replicate GS' business model and drive growth as clients become increasingly global
    - Diversification of the firm's business portfolio
    - Size – GS must have a sizeable presence across its existing businesses to satisfy client demands for sophisticated multi-product solutions, in particular as its roles as financier and principal require the commitment of additional capital
    - People – A significant human capital investment is required outside the U.S., with particular emphasis on business leadership, control functions and risk management
- As GS executes on its strategy, it faces issues with respect to liquidity, potential new regulation by the Federal Reserve and funding asset growth. These issues are addressed by posing and answering the following questions
  - Does GS need to be a commercial bank? No, the firm's conservative liquidity management programs and the potential support of the Fed will adequately protect it from a Bear Steams-like collapse
  - How are commercial banks regulated? All activities of commercial banks, not just banking activities, are regulated and restricted. Commercial banks are also subject to limitations on leverage, capital requirements and comprehensive ongoing examinations
  - What are the benefits of being a commercial bank? The primary benefit of being a commercial bank is the commercial bank's ability to finance its businesses with deposits insured by the federal government at a cost that is often lower than capital markets funding
  - Does GS need bank deposits as a funding source? Continued growth in the size of GS' balance sheet may require diversified adjunct sources of funding. Deposits are a potential source of additional funding
  - Can GS use bank deposits to fund its core businesses? GS' ability to use deposits to fund its businesses is constrained by regulatory requirements regarding asset quality, lending to affiliates and local lending
  - What deposits does GS currently have? GS has two deposit taking banks: one located in Utah with deposits of approximately $22bn and one located in Ireland with approximately $7bn in deposits. These deposit balances were built largely by sweeping PWM brokerage account free cash balances
  - Can GS grow its deposit base organically? GS' deposit base is projected [redacted]
  - Should GS grow its bank deposits by acquiring a commercial bank? Commercial banking is an operationally intense, low ROE business. GS' current business model has yielded stronger results than JPMorgan Chase, the best-in-class commercial bank, in terms of ROE, price-to-book valuation and stock price performance. Commercial banking appears to be unattractive as a large scale strategic initiative

Update on GS Strategy – Integrating Advice and Capital

Board of Directors

Update on GS Strategy – Integrating Advice and Capital

- GS plays three roles in the global capital markets:
  - — Financial advisor
  - — Market intermediary or financier
  - — Capital provider or principal
- GS remains fully committed to this business model
- The keys to GS' success continue to be:
  - — An unparalleled network of global relationships
  - — A unique breadth of capabilities
  - — A best-in-class risk management infrastructure
  - — A culture of teamwork
- The firm's strategic focus today is to increase the firm's absolute revenue opportunity by extending this business model in existing markets (grow larger) and export the business model to new markets (become more global)

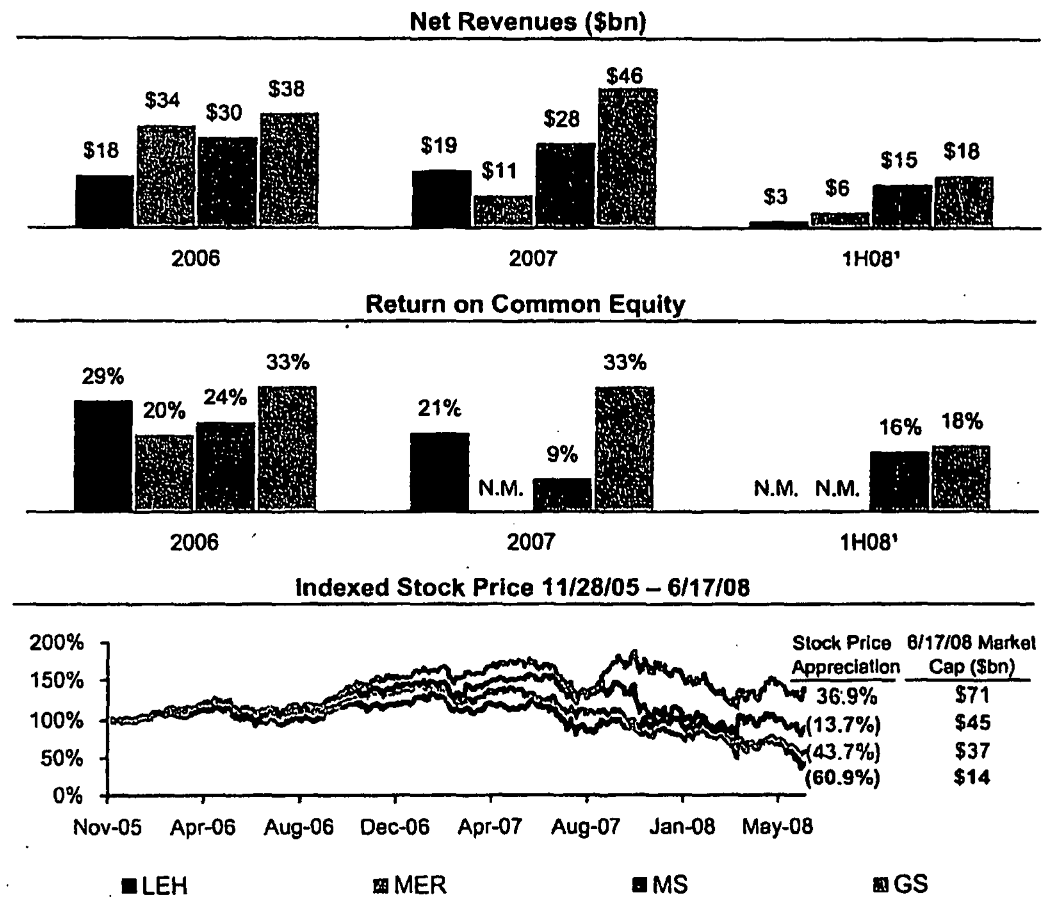


Board of Directors

Update on GS Strategy – Integrating Advice and Capital

Strong Recent Performance

- Our competitors, through imitation, and the public equity markets, through value accretion, have affirmed the validity of GS' strategic model
- During 2006 and 2007, GS outperformed its broker / dealer competitors in terms of net revenues and return on common equity
- The firm's overall pace of growth is not driven by the success of any individual business, but rather by the cumulative impact of many strategic initiatives
- While certain of the firm's businesses have entered a period of cyclical slowing in 2008, GS' clients continue to place a premium on the firm's advice and commitment in more difficult times



[1] *Merrill Lynch figures assume 2Q 2008 net revenues are identical those generated in 1Q 2008.*

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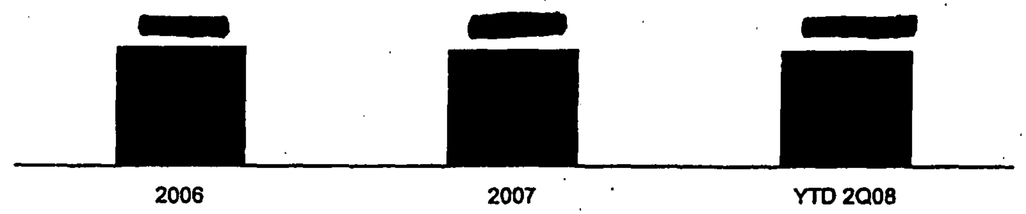
Update on GS Strategy – Integrating Advice and Capital

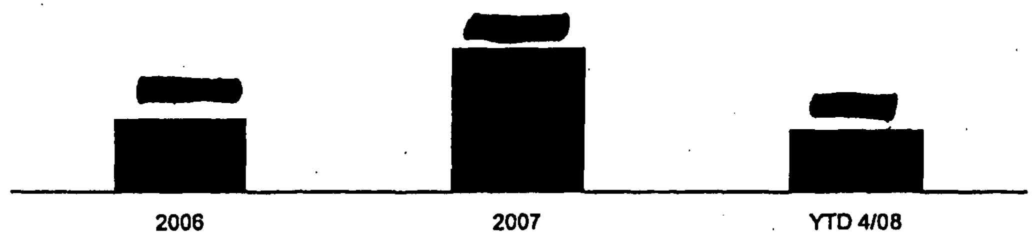
Link between Financing, Advisory, and Principalling Remains Strong

- GS has strengthened the connection between the firm's financing, advisory and principalling activities over the last two years
- Of the [redacted] deals GS completed during 2007 and 2008 YTD, financing was provided by GS on [redacted]
- [redacted]
- IBD bankers have played a meaningful role [redacted] opportunities for GS principalling groups (PIA, SSG, and GSPS) over the last 3 years, accounting for nearly [redacted]
- Fees received from PIA / REPIA portfolio companies aggregated to nearly [redacted]
- As with principalling, there is risk associated with financing (e.g., providing leverage for portfolio companies)

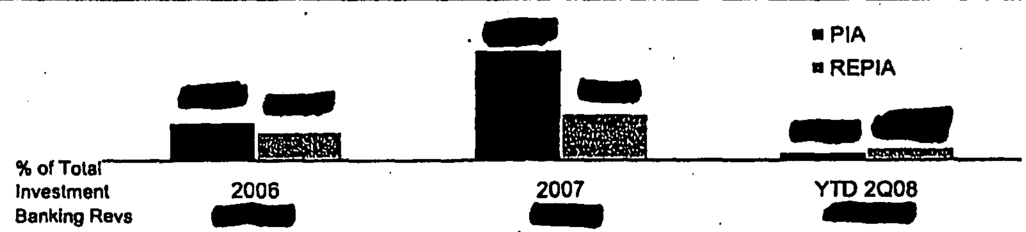
Advisory Revenue Linked to Financings as a Percentage of Total Advisory Revenue



GS Equity Invested in Principal Opportunities with Meaningful IBD Involvement ($mm)[1]



PIA / REPIA Portfolio Company Fees Paid to Agency Franchise ($mm)



[1] Includes PIA, SSG, GSPS and FICC investments.

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Key Elements of GS Strategy

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Key Elements of GS Strategy: Diversified Business Portfolio

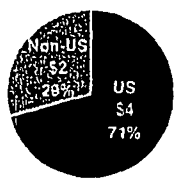
- Certain of GS' competitors, including Bear Stearns, had significant exposure to the poorly-performing mortgages business
  - In Bear Stearns' case, this exposure was further enhanced by its failure to diversify its business portfolio. Bear Stearns did not have a strong competitive position in its various businesses
- Bear Stearns also was not geographically diversified. 71% of Bear's revenues in 2007 were derived from the U.S., as compared with 51% of GS' revenues
- Lehman Brothers is more geographically diversified than Bear Stearns, but its competitive position across its businesses is also not as strong as GS' position
- GS diversifies across businesses and geographies to protect the franchise from volatility in individual businesses and geographies

2007 Global Rankings (with Market Share where Available)

	Bear Stearns	Lehman Brothers	Goldman Sachs
IBD			
M&A Advisory	> #25	#9 / 17.3%	#1 / 32.0%
MBD			
Funds Raised to Date[1]	> #50	#25 / 1.5%	#2 / 6.1%
Securities			
Non-Agency Mortgage-Backed Securities Issuance	#5 / 5.4%	#2 / 7.0%	#12 / 3.0%
Prime Brokerage[2]	#6	#9	#2
Equity Trading[2]	#5	#7	#1
Debt Trading[3]	> #20	#12 / 1.62%	#1 / 7.09%
IMD			
Assets Under Management[4]	#100	#34	#13

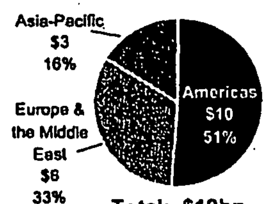
2007 Net Revenues ($bn)

Bear Stearns



Total: $6bn

Lehman Brothers



Total: $19bn

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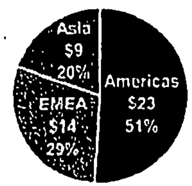

Total: $46bn

[1] *Capital raised over the last five years by PIA only. Market share expressed as percentage of the top 50 private equity managers.*
[2] *Alpha Magazine ranking.*
[3] *Euromoney Poll, Nov 2007. Includes, among other products, inv. grade corporates, asset-backed, cover bonds, high yield corps, CDS inv. grades, other high yield, AAA-rated, govs and supranationals.*
[4] *Source: Institutional Investor Survey (July 2007). Data as of December 31, 2006.*

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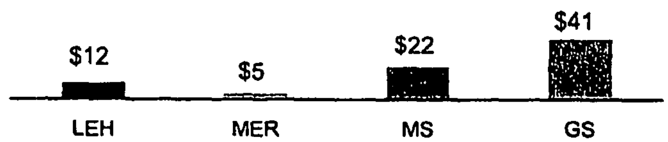
Key Elements of GS Strategy: The Importance of Size

- GS must maintain a sizeable presence across existing businesses to satisfy client demands for sophisticated multi-product solutions
- The firm's financing and principalling activities, which also drive its advisory revenues, require GS to commit an increasing amount of its capital to risk positions
- By achieving significant absolute scale and maintaining diversification across its businesses, the firm is less susceptible to firmwide crises resulting from abnormally poor performance in individual risk positions or businesses
- GS is now the largest independent broker / dealer measured by market capitalization

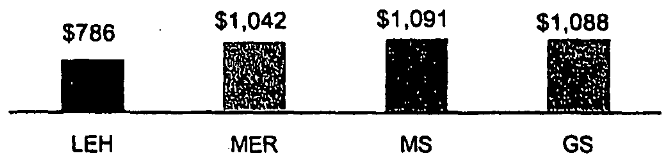
2Q 2008 LTM Net Revenues ($bn)[1]



Net Revenue CAGR

	'99 - 2Q '08	'06 - 2Q '08
LEH	22.3 %	(24.5)%
MER	(7.7)%	(79.8)%
MS[2]	5.0 %	(17.5)%
GS	15.7 %	5.5 %

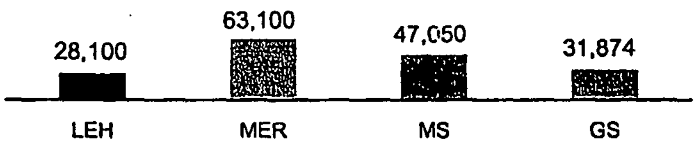
1Q 2008 Total Assets ($bn)



Total Assets CAGR

	'99 - 1Q '08	'06 - 1Q '08
LEH	23.3 %	42.8 %
MER	15.0 %	18.7 %
MS[2]	14.9 %	(2.2)%
GS	20.8 %	32.3 %

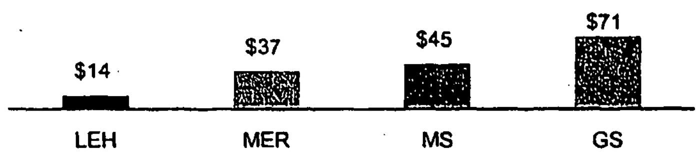
1Q 2008 Total Headcount



Total Headcount CAGR

	'99 - 1Q '08	'06 - 1Q '08
LEH	17.2 %	6.6 %
MER	(0.8)%	9.7 %
MS[2]	1.5 %	7.2 %
GS	9.3 %	16.0 %

Market Capitalization as of June 17, 2008 ($bn)



Ann. Stock Price Apprec.

	5/99 - 6/08	'06 - 6/08
LEH	7.3 %	(30.4)%
MER	(0.8)%	(20.4)%
MS[2]	4.2 %	6.2 %
GS	10.8 %	13.4 %

[1] *Merrill Lynch figures based on 1Q08 results.*
[2] *Morgan Stanley CAGRs adjusted for Discover spin-off. Assumes 13,769 of MS' employees in 1999 related to Discover based on assumed constant net revenues per employee through 2005. MS annualized stock price appreciation includes performance of Discover post spin-off.*

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Issues to Consider

Does GS Need to Be a Commercial Bank?

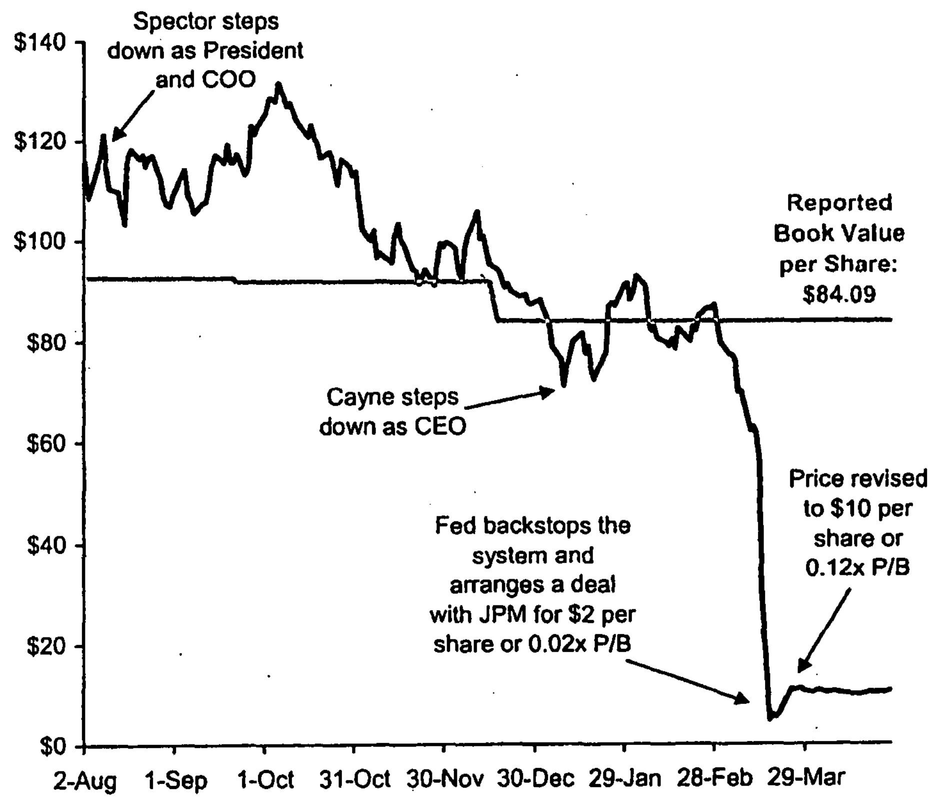
Board of Directors

Does GS Need to Be a Commercial Bank?

Recent Events

- Bear Stearns' collapse has exposed the liquidity risks faced by investment banks
- Bear's capital position was strong immediately prior to the collapse
  - — The SEC emphasized that Bear was well capitalized with a 13.5% total capital ratio (total capital as a % of risk-weighted assets)
- Bear faced a classic run on the bank, as its counterparties and creditors became concerned that it could not access sufficient liquidity to meet its cash obligations
- Lehman Brothers has recently been the subject of similar liquidity rumors

Bear Stearns Stock Price



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Does GS Need to Be a Commercial Bank?

Investment Banks' Access to the Discount Window

- On March 17, 2008, in connection with the crisis at Bear Stearns, the Fed, for the first time since the Great Depression, provided liquidity to investment banks through the Primary Dealer Credit Facility ("PDCF")
- The PDCF has successfully reduced investor nervousness about liquidity issues at investment banks
- The PDCF allows investment banks to borrow cash against eligible collateral which includes:
  - US Treasuries
  - Federal agency debt
  - Federal agency residential mortgage pass-throughs
  - Investment-grade corporate securities
  - Municipal securities
  - Mortgage-backed securities
  - Asset-backed securities for which a price is available
- The PDCF was originally intended to be open until September 2008
  - Permanent access by investment banks to the discount window would require a statutory amendment

Section 13(3) of the Federal Reserve Act (12 U.S.C. § 343)

> ***In unusual and exigent circumstances, the Board of Governors of the Federal Reserve System... may authorize any Federal reserve bank... to [open the discount window] for any individual, partnership, or corporation [if they are] unable to secure adequate credit accommodations from other banking institutions.***

Federal Reserve Board of Governors press release dated March 16, 2008

> ***The Federal Reserve Board voted unanimously to authorize the Federal Reserve Bank of New York to create a lending facility to improve the ability of primary dealers to provide financing to participants in securitization markets. This facility will be available for business on Monday, March 17. It will be in place for at least six months and may be extended as conditions warrant.***

Board of Directors

Does GS Need to Be a Commercial Bank?

- To prevent the type of liquidity crises faced by Bear Stearns and Lehman Brothers, GS has in place a comprehensive set of liquidity and funding policies that are intended to maintain significant flexibility to address both GS-specific and broader market events, including:
  - Excess liquidity: GS maintains substantial excess liquidity [redacted]
  - Asset-liability management: GS maintains funding sources that are sufficiently long-term to withstand a stressed environment without relying on asset sales
  - Conservative liability structure: GS accesses funding across a diverse range of markets, products and counterparties
  - Crisis planning: [redacted]
- The Federal Reserve's willingness to intervene in the Bear Stearns crisis, along with its establishment of the PDCF, have signaled to the market that it will not allow important players in the financial system to fail
  - This implicit support will likely continue beyond the closing of the PDCF
- Even if GS endured a period of underperformance relative to competitors, the firm believes that its conservative liquidity pre-funding strategy and the potential support of the Federal Reserve will adequately protect GS from a Bear Stearns-like collapse
- While GS does not need to be a commercial bank, it may still find certain aspects of commercial banking attractive. To make that determination, the following questions must be asked:
  - How are commercial banks regulated?
  - What are the benefits of being a commercial bank?
  - Does GS need bank deposits as a funding source?
  - Can GS use bank deposits to fund its core businesses?
  - What bank deposits does GS currently have?
  - Can GS grow its deposit base organically?
  - Should GS grow its deposit base by acquiring a commercial bank?

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How Are Commercial Banks Regulated?

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How Are Commercial Banks Regulated?

Different Regulatory Regimes for Commercial Banks and Investment Banks

- The collapse of Bear Stearns and the provision by the Fed of liquidity to investment banks through the PDCF has raised the issue of whether the Federal Reserve will impose some form of regulation on GS and other investment banks
- In the U.S., commercial banks and investment banks are governed by different regulators and subject to different rules and restrictions
  - — The Federal Reserve ("Fed") is the principal regulator for the nation's commercial banks
  - — The SEC is the principal regulator for the nation's investment banks
- The only GS activities that are regulated by banking regulators are its banking activities
- A commercial bank's banking activities are regulated by the Federal Reserve and its non-banking activities are regulated by the Federal Reserve and the SEC
  - — The Federal Reserve's regulations restrict the commercial banks ability to engage in these non-banking activities

GS Group

- **"Banking" Activities**
  - GS Bank USA
- **"Financial" Activities**
  - FICC
  - Equities
  - IBD
  - IMD
  - GSS
  - Insurance
- **"Merchant Banking" Activities**
  - PIA
  - REPIA
  - SSG
  - GSPS
  - GSIP
  - Liberty Harbor
  - PSI
  - Prop Debt Desks
  - Archon
- **"Commodities" Activities**
  - Commodities Trading
  - AssetCo

Board of Directors

How Are Commercial Banks Regulated?

Different Regulatory Regimes for Commercial Banks and Investment Banks (Cont'd)

- There are a number of differences between the regulations imposed on commercial banks by the Federal Reserve and those imposed on investment banks by the SEC
- The most meaningful differences from GS' perspective are the Fed's imposition of consolidated leverage requirements, limitations on non-banking activities and comprehensive ongoing examinations
- While commercial banks are regulated in ways investment banks are not, commercial banks have several critical advantages generally not available to investment banks
  - Commercial banks have permanent access to the discount window as a means of funding their core businesses
  - Commercial banks also have access to significant funding via federally insured bank deposits

	SEC (Investment Banks)	Federal Reserve (Commercial Banks)
Capital requirements	✓	✓
Leverage requirements	✗	✓
Activities limitations	✗	✓
Comprehensive ongoing examinations	✗	✓
Fair value accounting treatment[1]	✓	✗
Permanent access to discount window as a means of funding core businesses	✗	✓
Significant funding via insured bank deposits	✗	✓

[1] *While commercial banks account for some assets using fair value accounting, the majority of their assets are accounted for under the held to maturity and available for sale treatments.*

▬ = Redacted by the Permanent Subcommittee on Investigations

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How Are Commercial Banks Regulated?

Capital Requirements

- Both the Federal Reserve and the SEC impose capital requirements on their regulated firms
- For these regulatory purposes, a firm's primary qualifying capital is classified as Tier 1 capital
- Tier 1 capital is similar in concept to tangible equity capital and includes common equity, preferred stock and certain hybrid instruments
  - Any goodwill on the firm's balance sheet is deducted from these sources of funding when calculating Tier 1 capital
  - Tier 1 capital is considered the most reliable portion of financial capital for purposes of protecting creditors against losses

[redacted]

[1] *Includes $182,051mm of unsecured borrowings and $25,922 of secured borrowings.*
[2] *Includes $2,750mm of trust preferred securities and $$2,250mm of Automatic Preferred Enhanced Capital Securities (APEX).*

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How Are Commercial Banks Regulated?

Capital Requirements (Cont'd)

- Tier 1 capital levels are compared to the firm's total risk-weighted assets ("RWA") for purposes of assessing capital adequacy
- The firm's total RWA are calculated by applying risk-weightings to each asset on the balance sheet (and certain off-balance sheet obligations) based on the perceived credit risk, market risk and operational risk of each asset
  - The SEC requires investment banks to calculate RWA and capital ratios using the Basel II framework. The Fed currently follows the Basel I framework, but is in the process of transitioning to Basel II
- To be considered "well capitalized", the Fed requires commercial banks and each of their depository subsidiaries to maintain Tier 1 capital equal to 6% of RWA
- While the SEC does not require investment banks to meet these levels, GS has maintained its Tier 1 capital levels above the Fed's well capitalized threshold since it began calculating these ratios in 2004

[redacted]

[1] *The Federal Reserve's regulatory minimum Tier 1 capital ratio threshold for commercial banks is 4%. As a matter of policy, the Fed requires commercial banks to meet the "well capitalized" requirement of 6%.*

▬ = Redacted by the Permanent Subcommittee on Investigations

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How Are Commercial Banks Regulated?

Leverage Requirement

- Unlike the SEC, the Federal Reserve imposes a consolidated leverage requirement on commercial banks. This requirement is unique among the world's major central banks / bank regulators
- For purposes of calculating the Fed's leverage ratio, Tier 1 capital is compared to the firm's average total assets
  - The Fed's leverage ratio ignores the risk of the firm's underlying instruments and securities (a firm could be levered 10x to U.S. Treasuries and 3x to CDOs)
- To be considered "well capitalized", the Fed requires commercial banks to maintain Tier 1 capital equal to 4-5% of average total assets
- GS has historically maintained a Tier 1 capital / total assets ratio below the Fed's comfort level
  - If commercial banks valued their loan portfolios using the fair value methodology, which is the accounting methodology used by GS, a large number of banks that are currently classified as "well-capitalized" would fail to meet the threshold, as fair value writedowns to the banks' assets would reduce equity and Tier 1 capital and, therefore, result in lower ratios

[redacted]

[1] *The Federal Reserve's regulatory minimum leverage ratio threshold for commercial banks is 3 – 4%. As a matter of policy, the Fed requires commercial banks to meet the "well capitalized" requirement of 4 – 5%.*

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How Are Commercial Banks Regulated?

Activities Limitations

- The BHCA generally prohibits bank holding companies ("BHCs") and entities they directly or indirectly "control" (very broadly defined) globally from engaging in any activities other than banking. BHCs and entities they control must obtain prior Fed approval to acquire greater than 5% of any class of voting securities of another bank (for investment banks and other non-BHCs, the threshold is 10%)
- BHCs that are "well capitalized" and deemed to be "well managed" by the Fed can elect to be treated as Financial Holding Companies ("FHCs"), allowing them to engage in a broader range of activities than those permitted for non-FHC BHCs. All investments of 5%+ and all non-banking activities must qualify for one of three permissions: permitted financial activities, merchant banking or commodities

Permitted Financial Activities	■ FHCs may engage in or invest in entities that engage predominately (> 85% of assets / revenues) in non-banking financial activities including: providing financial or investment advisory services; dealing, underwriting and market making; merchant banking; fund administration; insurance; and other activities deemed to be incidental or complementary to financial activities, which do not pose a "substantial risk to the safety and soundness of depository institutions" ■ All non-permitted activities must be discontinued within 2 years of acquisition / investment
Merchant Banking Exemption	■ FHCs and entities they directly or indirectly control may own interests greater than 5% in aggregate in non-financial businesses (i.e., < 85% of assets / revenues) subject to the following restrictions: — Investment may not be held for more than 10 years — The FHC may not be engaged in the "routine management or operation" of the business, such as an employee of the FHC serving as an employee of the business, an employee of the business reporting directly to an employee of the FHC (other than as a board member) or via covenants or contracts with the business restricting the business's day-to-day operations ■ Exemption does not apply to entities engaged predominately (> 85% assets / revenues) in permitted financial activities
Commodities Exemptions	■ FHCs are generally permitted, if Fed permission is obtained, to hold only physical commodities authorized by the CFTC for trading, and only with aggregate value up to 5% of the FHC's Tier 1 capital ■ A special exemption would likely permit GS to own commodities assets not otherwise approved for FHCs (potentially including investments in commodity-focused operating entities such as power plants) with aggregate value up to 5% of its total assets ■ At 1Q08, GS held CFTC-authorized physical inventory equal to 3.5% of total Tier 1 capital and total commodities assets (including authorized inventory, non-authorized inventory and investments in operating entities) equal to 0.5% of total assets
Compliance Responsibility	■ The FHC will be responsible for regulatory and compliance breaches at any controlled entity, including potentially where the FHC is relying on the merchant banking exemption, even if the FHC does not in fact have the ability to exercise any practical control over the problematic activities ■ Any financial business deemed to be controlled by an FHC becomes subject to the Fed's onerous regulatory and compliance oversight, activities limitations and prohibitions on acquiring more than 5% of any class of a bank's shares — These limitations could make GS a less attractive bidder / investor compared to its non-BHC competitors in situations where GS would acquire control; a limited ability to obtain veto rights and board seats may make certain investments unattractive to GS

How Are Commercial Banks Regulated?

Comprehensive Ongoing Examinations

- The Federal Reserve's supervision of a BHC is generally extensive and comprehensive
  - The BHC's depository subsidiaries continue to be supervised by their primary federal and state regulators (e.g., FDIC, OCC, OTS), but the Fed also has examination authority
  - In the case of large banks, 50 – 70 Fed staff are on the bank's premises at all times
- Bank regulators rate each of the depository subsidiaries of the BHC along 6 core measures: the CAMELS[1]
  - Capital adequacy
  - Asset quality
  - Management quality
  - Earnings
  - Liquidity
  - Sensitivity to market risk
- Failure to receive strong ratings in the CAMELS examination may cause the Federal Reserve to impose restrictions on the BHC's non-banking activities, and eventually may lead it to take control of the BHC's depository subsidiaries
- The Federal Reserve generally closely examines only those BHC controlled entities that are not already regulated by respected regulators
  - Registered broker / dealers, state regulated insurance entities, registered investment advisors, FDIC-regulated ILCs and foreign bank subsidiaries are likely to be less closely scrutinized by the Fed
- Investment banks regulated by the SEC are examined annually, with approximately 25 SEC staff on premises for several months
  - SEC examiners review investment banks' market, credit and other risks closely throughout the year

[1] *GS Bank USA is rated using the same criteria; however, low marks at GS Bank USA do not result in the imposition by the Fed of restrictions on GS' other activities.*

Board of Directors

How Are Commercial Banks Regulated?

Accounting

- SEC-regulated investment banks, including GS, record and mark substantially all of their balance sheet assets to fair value with unrealized gains and losses included in net income
- Fed-regulated commercial banks hold a significant portion of their assets, including their loan portfolios, at the principal amount outstanding net of loss reserves, regardless of the fair market value of those loans
  - Loss reserves are intended to reflect impairment to a loan's future cash flows, whereas fair value is intended to reflect current market value
- Given current market valuations, the GAAP carrying value of many commercial banks' asset portfolios and shareholders' equity are likely overstated relative to fair market value

GS 2Q 2008 Balance Sheet ($mm)

Cash and cash equivalents	[redacted]	All recorded at fair value
Segregated cash and securities	[redacted]	
Receivables from brokers, dealers and clearing orgs	[redacted]	
Receivables from customers and counterparties	[redacted]	
Securities borrowed	[redacted]	
Financial instruments purchased under agreement to resell	[redacted]	
Financial instruments owned	[redacted]	
Other assets	[redacted]	
Total Assets	[redacted]	

JPM 1Q 2008 Balance Sheet ($mm)

Cash and due from banks	[redacted]	
Deposits with banks	[redacted]	
Federal funds sold and securities purch. under resale agmts.	[redacted]	
Securities borrowed	[redacted]	
Loans, net of allowance for loan losses	[redacted]	Recorded at principal amount, net of loss reserves
Debt and equity instruments	[redacted]	
Derivative receivables	[redacted]	
Available for sale securities	[redacted]	Recorded at fair value, but marks are taken through Accumulated Other Comprehensive Income, rather than net earnings
Accrued interest and accounts receivable	[redacted]	
Other assets	[redacted]	
Total assets	[redacted]	

[redacted] = Redacted by the Permanent Subcommittee on Investigations

What Are the Benefits of Being a Commercial Bank?

Board of Directors

What Are the Benefits of Being a Commercial Bank?

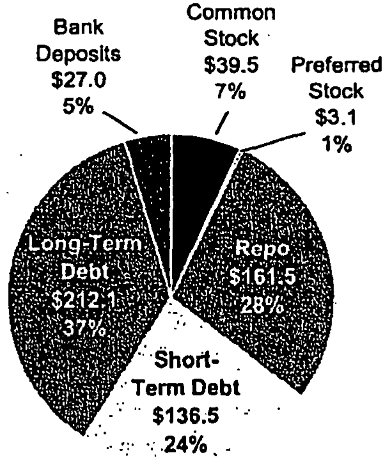
Funding with Insured Deposits

- Commercial banks, such as JPMorgan, finance many of their businesses with customer deposits
  - — The ability of commercial banks to gather deposits is dependent on various government-backed guarantees, including insurance from the FDIC and permanent access to the Federal Reserve's discount window
- Investment banks such as Goldman Sachs finance their activities almost entirely in the capital markets and have not historically received any direct guarantees from the federal government

1Q 2008 Sources of Financial Funding ($bn)

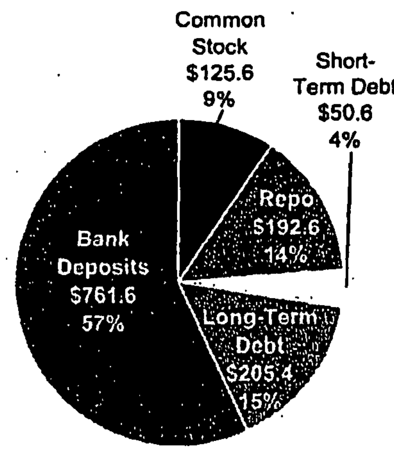
Goldman Sachs

Total Financial Funding: $580bn



JPMorgan Chase (Consolidated)

Total Financial Funding: $1,336bn



What Are the Benefits of Being a Commercial Bank?

Cost Savings of Funding via Deposits

- The ability to source significant insured bank deposit liabilities would not only increase GS' overall funding capacity but could also provide a lower weighted average cost of funding for certain assets
- The firm's financial inventory is currently funded with a combination of secured liabilities (largely repo), unsecured debt and equity
  - Secured liabilities are used only to the level GS expects would be available in a liquidity crisis (term repo can be used to a higher level than overnight repo)
  - Amount of equity funding is determined by the firm's economic capital model and the SEC's CSE requirements
  - Remainder of asset value is funded with unsecured debt
- GS could lower its cost of funding by replacing some portion of its secured and unsecured debt with bank deposit liabilities
  - The amount and type of inventory that could be funded with bank deposit liabilities will be limited by a number of regulatory and other constraints
- In the illustrative example below, the after-tax cost of funding is reduced by [redacted] when funded primarily with bank deposit liabilities vs. the firm's current capital markets funding

Funded in Capital Markets		Funded with Bank Deposits	
Assets		**Assets**	
Residential Prime Mortgage Whole Loans	[redacted]	Residential Prime Mortgage Whole Loans	[redacted]
Liquid Assets (i.e., CP, Treasuries, Agencies)	[redacted]	Liquid Assets (i.e., CP, Treasuries, Agencies)	[redacted]
Total Assets	[redacted]	**Total Assets**	[redacted]
Funding[1]		**Funding[2]**	
Secured Money Markets Funding (FF+11bps; 2.11%)[3]	[redacted]	Bank Deposits (FF-15bps; 1.85%)	[redacted]
		Bank Regulatory Capital ($5.0bn total)	
Long-Term Debt (4.58% all-in)[4]	[redacted]	Funded with GS Long-Term Debt (4.58% all-in)[4]	[redacted]
Equity (assumes 20.0% required ROE)	[redacted]	Funded with GS Equity (assumes 20.0% required ROE)	[redacted]
Total Funding	[redacted]	**Total Funding**	[redacted]
WACC (31.0% tax rate)	[redacted]	WACC (31.0% tax rate)	[redacted]

[1] Equity requirement based on the mortgages and money markets (proxy for liquid assets) departments' 1Q2008 CSE allocation and 1Q2008 LTM average assets. Residential prime mortgage whole loans are funded, on average, with [redacted]. Liquid assets generally are funded with [redacted].

[2] Consolidated CSE equity requirement assumed to be unchanged from capital markets scenario. Difference between total bank regulatory capital requirement [redacted]) and assumed consolidated CSE equity requirement is assumed to be funded at the GS level by unsecured long-term debt. Remaining funding is sourced via bank deposits.

[3] Secured funding spread over Fed Funds is assume [redacted] residential mortgage whole loans and [redacted] for liquid assets.

[4] One-year new issue rate used for long-term debt to minimize the impact on the analysis caused by benchmark rate mismatch between bank deposits (Fed Funds) and long-term debt (term swap rate).

Does GS Need Bank Deposits as a Funding Source?

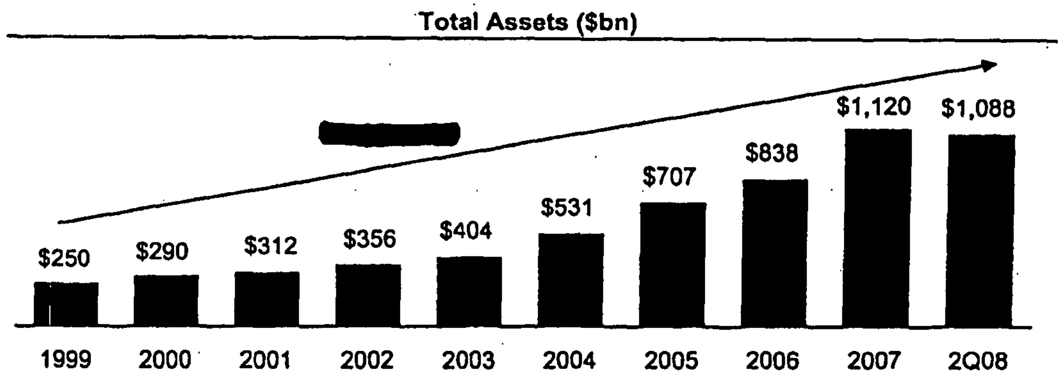
▬ = Redacted by the Permanent Subcommittee on Investigations

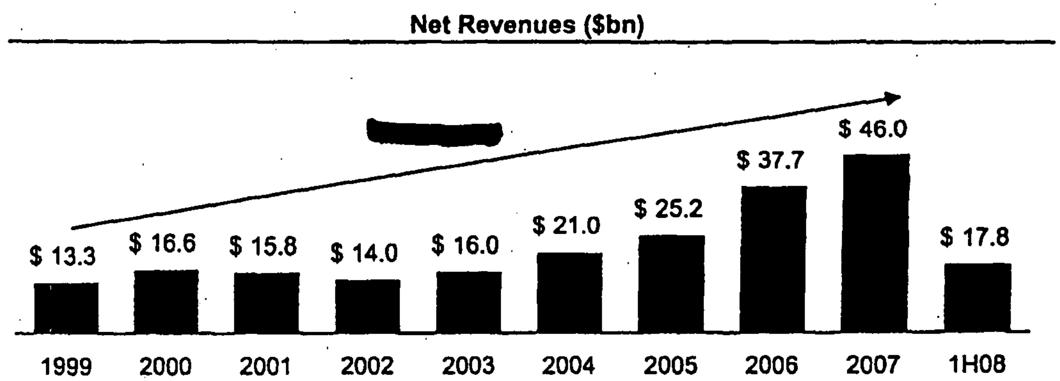
Board of Directors

Does GS Need Bank Deposits as a Funding Source?

GS Balance Sheet Continues to Grow

- Since becoming a publicly listed company, GS' balance sheet has grown rapidly
  - [redacted]
- During that same time, net revenues grew [redacted]
- The firm's net revenue performance has been [redacted]
- GS must continue to grow its balance sheet to maintain a sizeable presence across existing businesses while also expanding geographically
  - In addition, GS is increasingly called upon to commit its own capital to client and principal transactions
- As the balance sheet grows, the firm must source additional funding for that asset growth





Board of Directors

Does GS Need Bank Deposits as a Funding Source?

GS Balance Sheet Continues to Grow (Cont'd)

- Financial inventory is funded with secured liabilities (largely repo), unsecured debt and equity
- Other revenue-generating assets are financed largely with payables and offsetting short positions
- The Global Core Excess is financed with unsecured debt and equity

2Q 2008 GS Balance Sheet ($mm)

Assets		Liabilities and Equity	
Funding Requirement	**Amount**	**Funding Source**	**Amount**
FICC	[redacted]	Common Equity	[redacted]
Equities	[redacted]	Preferred Stock	[redacted]
Long Matched Book	[redacted]	Repo Funding	[redacted]
Global Core Excess	[redacted]	Short-Term Borrowings	[redacted]
GSS	[redacted]	Bank Deposits	[redacted]
IMD	[redacted]	Long-Term Borrowings[1]	[redacted]
Merchant Banking	[redacted]	**Total Financial Funding**	[redacted]
Other	[redacted]	Payables	[redacted]
Total Assets	[redacted]	Open Short Positions	[redacted]
		Other Liabilities	[redacted]
		Total Liabilities and Equity	[redacted]

▬ = Redacted by the Permanent Subcommittee on Investigations

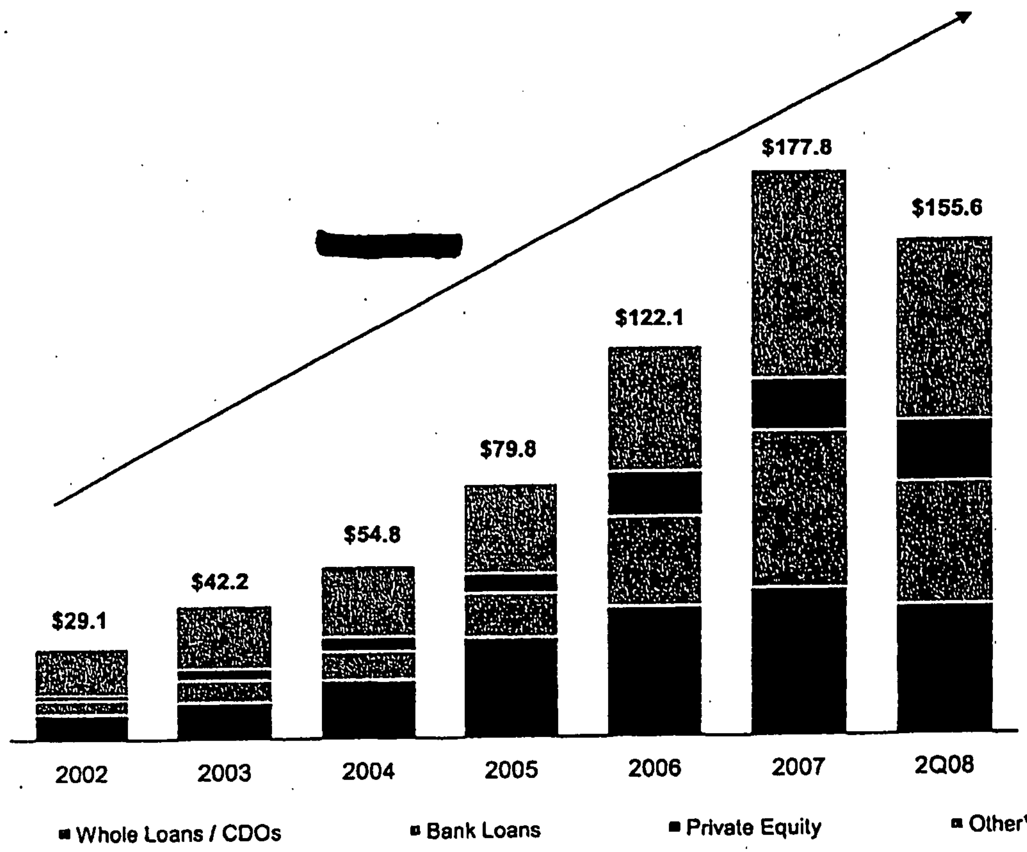
[1] *Includes $182,051mm of unsecured borrowings and $25,922 of secured borrowings.*

▬ = Redacted by the Permanent Subcommittee on Investigations

Does GS Need Bank Deposits as a Funding Source?

Growth in More Difficult-to-Finance Assets ($ in billions)

- In recent years, an increasing share of GS' earnings have been generated by capital intensive businesses
- Certain more difficult to finance asset classes such as whole loans, bank loans and private equity have grown at a faster pace than the rest of the balance sheet
  - [redacted]
- Secured funding markets for these more difficult to finance assets are less deep and reliable than for other assets, resulting in relatively high stressed funding haircuts that must be funded with long-term debt and equity



[1] Includes restricted equity, high yield debt, emerging markets securities, goodwill, PP&E and other assets.

Board of Directors

Does GS Need Bank Deposits as a Funding Source?

GS More Difficult to Finance Assets

- GS' inventory of more difficult to finance assets includes
  - Loan assets such as mortgage and other asset-backed loans and securities and bank loans
  - Certain traded securities such as high-yield securities, emerging market debt securities and emerging market equity securities
  - Large equity positions such as ICBC ordinary shares and SMFG convertible preferred stock
  - Other illiquid investments such as private equity and real estate fund investments, other restricted public equity securities and other investments in funds
- [redacted]
- [redacted]

2Q 2008 Firmwide More Difficult to Finance Inventory ($mm)[2]

Mortgage and other asset-backed loans and securities	[redacted]
Bank loans	[redacted]
High-yield securities	[redacted]
Emerging market debt securities	[redacted]
Private equity and real estate fund investments	[redacted]
Emerging market equity securities	[redacted]
ICBC ordinary shares	[redacted]
SMFG convertible preferred stock	[redacted]
Other restricted public equity securities	[redacted]
Other investments in funds	[redacted]

2Q08 GS Total Assets[1] | **2Q08 GS More Difficult to Finance Assets[1]**

[redacted]

■ Redacted by the Permanent Subcommittee on Investigations

[1] *Geographic split based on legal domicile of GS Group entity in which assets are currently held.*
[2] *Represents entire inventory for each broad asset class, including portion that can be funded in secured markets.*

Goldman Sachs

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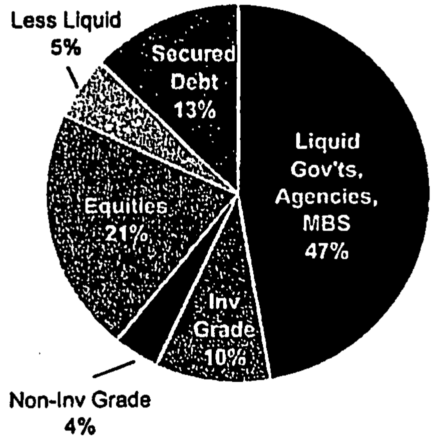
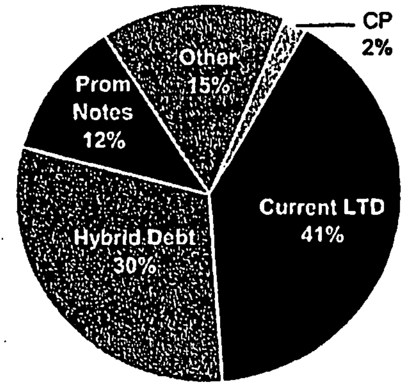
Does GS Need Bank Deposits as a Funding Source?

Principal Funding Sources: 2Q2008

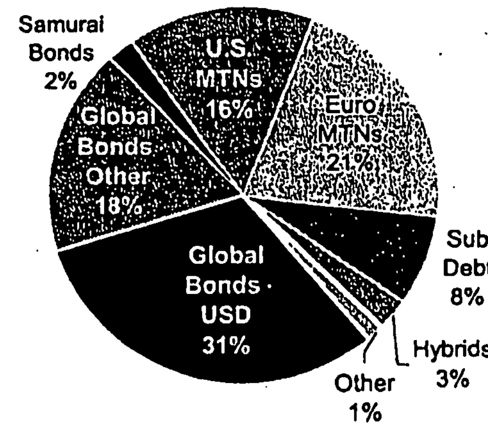
Repo / Secured Financing: [redacted]



Unsecured Short-Term Debt: [redacted]



Unsecured Long-Term Debt: [redacted]



Ratings (Short-Term)	Moody's	S&P	Fitch
Ratings	P-1	A-1+	F1+

Ratings (Long-Term)	Moody's	S&P	Fitch
Ratings	Aa3	AA- (neg)	AA-

Characteristics (Repo / Secured Financing)

- Relatively stable and low cost funding source
- Focus on terming out repo arrangements
- Focus on counterparty diversity; GS deals with 1,000+ repo counterparties worldwide [redacted]
- GS is exposed to rollover risk, haircut adjustments and margin calls

Characteristics (Unsecured Short-Term Debt)

- Emphasize use of promissory notes to increase stability in short-term funding
- Investor concentration limits in place; approximately [redacted]
- GS is exposed to rollover risk

Characteristics (Unsecured Long-Term Debt)

- Weighted average life is ~8 years
- [redacted]
- Significant focus on diversifying investor base
- [redacted]

■ = Redacted by the Permanent Subcommittee on Investigations

Board of Directors

Does GS Need Bank Deposits as a Funding Source?

Long-Term Unsecured Debt

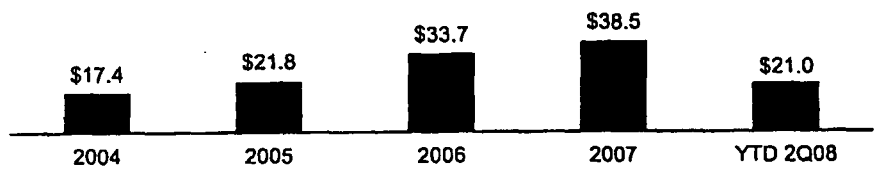
- As GS' balance sheet has grown, the firm has become increasingly reliant on funding its financial inventory with unsecured long-term borrowings

- While there are no present concerns, there may be times when general market conditions, GS specific events or leverage constraints limit the amount of long-term unsecured funding that GS can access in the capital markets
  - GS is currently the 17th largest issuer of outstanding long-term debt globally

Ranking of Long-Term Debt Issuers by Amount Outstanding ($bn)[1]

1	GE	$ 380.2
2	Landesbank Baden-Wuerttemberg	378.3
3	Commerzbank AG	329.2
4	Deutsche Bank AG	295.1
5	HSBC Holdings PLC	269.8
6	Citigroup Inc	258.7
7	Dexia SA	256.6
8	Banco Santander SA	252.1
9	Merrill Lynch & Co Inc	238.4
10	JPMorgan Chase & Co	222.0
11	HBOS PLC	209.8
12	Credit Agricole SA	204.9
13	Bank of America Corp	199.6
14	Morgan Stanley	193.9
15	Barclays PLC	185.7
16	Groupe Caisses d'Epargne	183.7
17	Goldman Sachs Group Inc	182.1
18	Rabobank	173.2
19	BNP Paribas SA	171.8
20	Hypo Real Estate Holding AG	156.9

GS Unsecured Long-Term Debt Issuance ($bn)



[1] *Source: Bloomberg. As of May 30, 2008.*

Can GS Use Bank Deposits to Fund Its Core Businesses?

Board of Directors

Can GS Use Bank Deposits to Fund Its Core Businesses?

Regulatory Constraints will Limit GS' Ability to Use Deposits to Fund Its Core Businesses

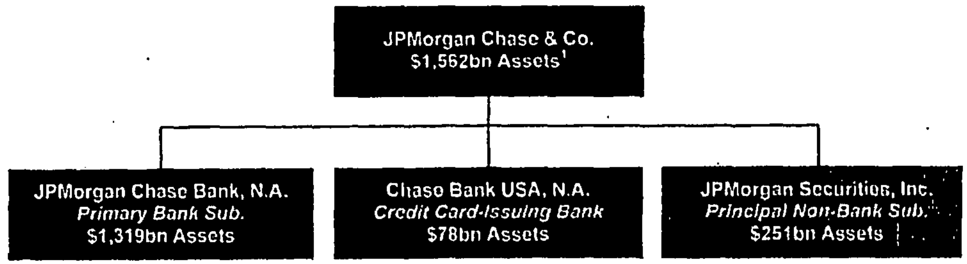
- Under certain circumstances, a bank may be able to fund GS businesses by lending to GS or by owning GS assets directly in the bank
  - While each approach is subject to a number of constraints that impacts the relative attractiveness of bank deposit liabilities vs. traditional funding sources, restrictions on affiliate transactions would make it difficult for a U.S. bank to fund GS assets in any meaningful size unless those assets were originated by, moved into or otherwise owned by the bank
- A number of constraints limit a U.S. bank's ability to own the assets that are most attractive to GS from a funding perspective

Legal Lending Limits	■ A U.S. bank cannot lend more than 15% of its total capital to any one borrower; non-U.S. jurisdictions may have similar restrictions
Affiliate Restrictions	■ U.S. banking regulations prohibit a bank's transactions with any one affiliate from representing more than 10% of its capital and transactions with all of its affiliates in the aggregate from representing more than 20% of its capital; similar restrictions may exist in certain non-U.S. jurisdictions ■ The Federal Reserve's broad definition of affiliate will limit the bank's ability to lend to companies in which a Goldman Sachs entity is an investor
Asset Quality	■ The Fed, like most banking regulators, examines each bank's asset portfolio for safety and soundness from a depositor's perspective. Diversification by issuer, geography and product is also required ■ The Fed generally limits a bank's holdings of non-investment grade assets; the amount of permitted non-investment grade assets will vary by bank, but outside counsel has advised that 10% is a reasonable assumption for a bank that receives high examination marks from the Fed in other areas — Banks generally would not be permitted to purchase non-performing loans, though banks may hold originated loans that becoming non-performing
Prohibition on Owning Certain Asset Classes	■ U.S. banks are prohibited from owning equities, unless received upon restructuring of a loan or foreclosure of a loan secured by equity, and from owning most physically-settled equity derivatives ■ Similar restrictions apply to a bank's ability to hold real estate and commodity assets
Restriction on Market Making	■ U.S. banks cannot make markets in securities, including both equity and fixed income products, making it inefficient to move certain GS asset portfolios into a bank
Local Lending	■ We have been advised that the Fed is unlikely to approve an acquisition strategy that greatly diminishes a U.S. target bank's local lending activities; these assets often represent over 80% of a traditional regional bank's asset portfolio and 50 – 75% of the largest national banks' asset portfolios ■ GS could seek approval from the Fed of a business plan that envisions transitioning the existing retail bank to a wholesale bank model, thereby reducing local lending requirements
Increased Regulatory Oversight	■ Bank regulators such as the Fed are generally more intrusive than the SEC and GS' other current regulators ■ Banks are often required to file more detailed disclosure forms, thereby providing competitors with greater insight into GS businesses conducted within a bank
Moving Assets	■ Moving existing GS assets / businesses into a bank will likely require regulatory approval

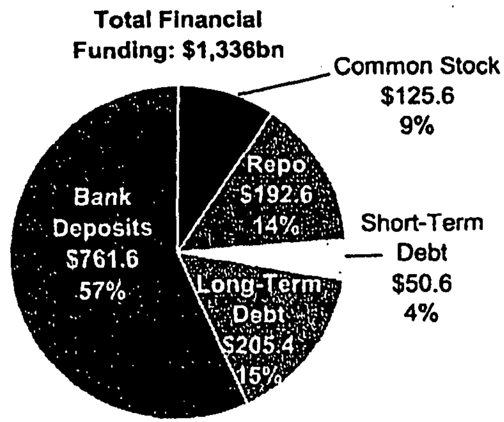
Can GS Use Bank Deposits to Fund Its Core Businesses?

JPMorgan Chase Uses Bank Deposits to Fund a Portion of its Investment Banking Businesses

- The diagram to the right is a simplified organizational chart of JPMorgan's two primary bank subsidiaries and primary non-bank subsidiary
- JPMorgan discloses that its Investment Banking business segment had $701bn average assets in 2007, implying that a substantive portion of investment bank balance sheet is at the main bank subsidiary because the non-bank sub only had approximately $250bn in assets
- JPMorgan Chase Bank, N.A.'s call reports contain significant line items that indicate a substantive portion of the investment banking business is conducted in the bank
  - — $8.0bn trading revenue
    - – Compared to $11.6bn trading revenue disclosed for the investment bank segment in the 10K
  - — $3.7bn investment banking, advisory and underwriting fees and commissions
    - – Compared to $6.6bn investment banking fees for advisory and underwriting services disclosed for the investment bank segment in the 10K
- JPMorgan Chase Bank, N.A. is a counterparty to GS on a variety of credit, rate, currency and commodity products



JP Morgan 1Q08 Financial Funding ($bn)



[1] *As of December 31, 2007. Certain assets of subsidiaries are eliminated in consolidation.*

What Bank Deposits Does GS Currently Have?

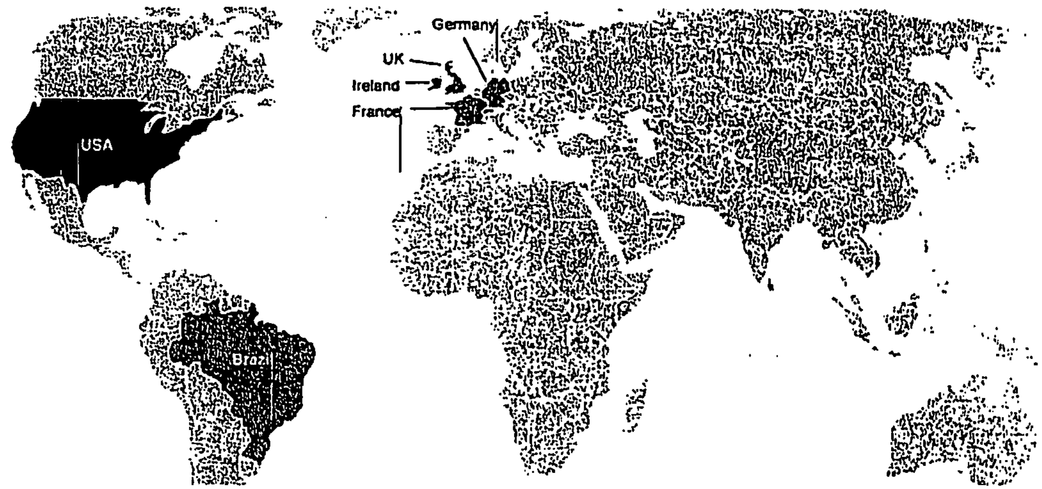
Goldman Sachs

Board of Directors

What Bank Deposits Does GS Currently Have?

Geographic Location of GS Bank Licenses

- GS currently holds 11 bank licenses worldwide
  - One or more licenses held in each of the United States (3), Ireland (2), Switzerland, United Kingdom, France, Germany (2) and Brazil[1]
- Of these banks, 2 are active deposit taking institutions that are funding some portion of the firm's business
  - GS Bank USA (Utah)
  - GS Bank Europe (Ireland)
- Remainder of bank licenses are used primarily to facilitate firm and customer securities businesses



Country	Bank Regulator	Fin. Services Regulator	Capital Ratios	Leverage Ratios
U.S.	Federal Reserve	SEC	Yes	Total leverage[2]
U.K.	FSA	FSA	Yes	None
Ireland	FSRA	FSRA	Yes	None
France	CECEI	CECEI / AMF[3]	Yes	None
Germany	BaFin / Bundesbank	BaFin	Yes	None
Brazil	Banco Central do Brasil / CMN	Banco Central do Brasil / CMN / Securities Com.	Yes	None
Switzerland	FINMA / SFBC[4]	FINMA	Yes	None

[1] *GS International Bank (United Kingdom) has a branch in South Korea. GS holds three licenses in the United States (GS Bank USA, GS Trust Company NA, and GS Trust Company of Delaware), two in Germany (Goldman Sachs & Co. oHG and Delmora Bank GMBH) and two in Ireland (GS Bank Europe and GS Private Bank Ltd.). GS Trust Company NA and GS Trust Company of Delaware perform trust and estate fiduciary functions not currently performed by GS Bank USA. Delmora Bank license was acquired by ESSG as part of a distressed portfolio investment and is now used in connection with a servicing platform. GS is in the process of surrendering the GS Private Bank Ltd. license.*

[2] *U.S. leverage ratio test applies only to bank entities unless the bank's holding company is regulated by the Federal Reserve as a Bank Holding Company.*

[3] *Regulates asset managers only.*

[4] *The current Swiss bank regulator, SFBC, will be merged into FINMA, the newly created comprehensive financial supervisor, on January 1, 2009.*

Board of Directors

What Bank Deposits Does GS Currently Have?

GS Bank USA

- GS Bank USA was established in July 2004 and is headquartered in Salt Lake City, Utah
  - Active operations began in 2006
- Chartered as a Utah Industrial Loan Corporation ("ILC")
  - Prohibited from taking commercial demand deposits
  - Restrictions on its ability to branch in states other than Utah
- Regulated by the FDIC and Utah Department of Financial Institutions ("DFI"), not the Federal Reserve
- Approx. $22.4bn in customer deposits
  - $21.0bn overnight deposits
  - $1.3bn brokered CDs
- Long term credit rating of Aa3 (Moody's)
- Offers cash management products for PWM clients, such as overnight deposits in the form of Money Market Demand Accounts ("MMDA") and Negotiable Order of Withdrawals ("NOW") and a full suite of payment services
  - Deposit balances built by sweeping PWM brokerage account free cash
- Sells CDs through third-party broker network
- While GS Bank USA is one of the larger U.S. banks, its balance sheet is small when compared to GS

Balance Sheet ($mm)

	05/08
Assets	
Liquidity portfolio	[redacted]
Investment securities, owned at fair value	[redacted]
Private bank loans, net	[redacted]
Warehouse loans, net unearned income	[redacted]
Variable funding notes	[redacted]
Mortgage loans	[redacted]
Premium finance loans	[redacted]
Corporate loans	[redacted]
Litton assets	[redacted]
Other assets	[redacted]
Total assets	[redacted]
Liabilities and Equity	
Deposits	[redacted]
Other liabilities and accrued expenses	[redacted]
Total liabilities	[redacted]
Common stock	[redacted]
Retained earnings (accumulated deficit)	[redacted]
Total equity	[redacted]
Total liabilities and equity	[redacted]

Income Statement ($mm)

	FY2007[1]	YTD 05/08[1]
Revenues		
Liquidity portfolio	[redacted]	[redacted]
Investment portfolio	[redacted]	[redacted]
Private bank lending	[redacted]	[redacted]
Warehouse lending	[redacted]	[redacted]
Variable funding notes	[redacted]	[redacted]
Mortgages	[redacted]	[redacted]
Premium Finance	[redacted]	[redacted]
Corporate loans	[redacted]	[redacted]
Total Interest Income	[redacted]	[redacted]
Interest Expense	[redacted]	[redacted]
Net Interest Income	[redacted]	[redacted]
Investment portfolio	[redacted]	[redacted]
Warehouse lending	[redacted]	[redacted]
Variable funding notes	[redacted]	[redacted]
Mortgages	[redacted]	[redacted]
Private bank	[redacted]	[redacted]
Premium Finance	[redacted]	[redacted]
Corporate loans	[redacted]	[redacted]
Time Deposits	[redacted]	[redacted]
Litton Fee Income	[redacted]	[redacted]
Non-Interest Income/(Loss)	[redacted]	[redacted]
Expenses		
Provision for loan losses	[redacted]	[redacted]
Total Operating Expenses	[redacted]	[redacted]
Pretax Income (Loss)	[redacted]	[redacted]
Provision For Income Taxes	[redacted]	[redacted]
Net Income (Loss)	[redacted]	[redacted]

[1] *Calculated using GS Group's fiscal calendar.*

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Board of Directors

What Bank Deposits Does GS Currently Have?

GS Bank USA

- GS Bank USA is the 47th largest US bank based on size of customer deposit base
- GS Bank USA has been able to achieve this scale with few employees (30) and no branch network
  - — Leverages PWM client relationships and infrastructure, thereby allowing GS to avoid the operational complexity, high cost structure and regulatory burdens (including the BHCA) typically associated with commercial banking

Top US Banks by Deposits as of March 31, 2008 ($mm)

Rank	Institution	Deposits	Branches	Market Cap[1]
1	JPMorgan Chase Bank, National Association	$806,319	3,188	$133,776
2	Bank of America, National Association	792,879	6,142	130,199
3	Citibank, National Association	786,392	1,081	104,060
4	Wachovia Bank, National Association	453,878	3,370	37,059
5	Wells Fargo Bank, National Association	355,015	3,395	83,887
6	Washington Mutual Bank	184,059	2,231	6,549
7	U.S. Bank National Association	143,101	2,621	53,383
8	HSBC Bank USA, National Association	123,635	475	n/a
9	SunTrust Bank	118,618	1,791	14,258
10	State Street Bank and Trust Company	107,340	2	28,766
11	National City Bank	101,268	1,556	3,635
12	The Bank of New York	94,013	48	46,450
13	Regions Bank	91,297	1,963	8,845
14	Branch Banking and Trust Company	87,824	1,500	14,371
15	PNC Bank, National Association	80,573	1,221	20,108
16	RBS Citizens, National Association	73,985	1,656	24,172
17	Capital One, National Association	69,453	731	16,460
18	Keybank National Association	66,274	999	5,531
19	ING Bank, fsb	64,951	1	n/a
20	Countrywide Bank, FSB	64,234	770[2]	2,794
47	Goldman Sachs Bank USA	22,811	1	n/a
51	IndyMac Bank, F.S.B.	18,518	33	138

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Source: FDIC Database
[1] Market capitalization as of June 17, 2008.
[2] Countrywide Bank FSB maintains only 2 branches, but obtains retail deposits through 194 of Countrywide Home Loan's financial centers and offers other financial services from the company's 770 total locations.

Goldman Sachs

Board of Directors

What Bank Deposits Does GS Currently Have?

GS Bank USA's Cash Capital Treatment Limits its Ability to Fund GS' Long-Term Assets

- [redacted] are FDIC insured (insurance is capped at $100,000 per depositor)
- For "cash capital" calculation purposes, [redacted], as a result, only this "sticky" portion of GS Bank USA's deposit liabilities is used to fund GS long-term assets
- [redacted] they can only be used to fund short-term assets
- Because brokered CDs are generally offered to retail depositors in sizes less than $100,000, nearly all deposits qualify for FDIC insurance and are considered "sticky." As a result, GS currently assigns brokered CDs a 100% cash capital valuation
- Bank regulatory capital (equity) and select other liabilities also receive a 100% cash capital valuation

2Q08 Sources of Cash Capital ($bn)

Source	Cash Capital Valuation	Amount
Core Deposits	[redacted]	[redacted]
Brokered CDs	[redacted]	[redacted]
Bank Regulatory Capital	[redacted]	[redacted]
Other Liabilities (23A Affiliate Collateral)	[redacted]	[redacted]
Total Sources of Cash Capital		[redacted]
Excess Cash Capital		[redacted]

2Q08 Uses of Cash Capital ($bn)

Use	Amount
PWM Loans	[redacted]
Corporate Loans	[redacted]
Mortgages	[redacted]
Other Loans	[redacted]
Liquidity Pre-Funding for Unfunded Commitments	[redacted]
Litton Net Assets	[redacted]
Other Assets / Cash at FRB	[redacted]
Reconciliation to Target LT Funding	[redacted]
Total Required Cash Capital	[redacted]

▬ = Redacted by the Permanent Subcommittee on Investigations

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What Bank Deposits Does GS Currently Have?

GS Irish Bank

- GS has established a deposit-taking bank in Ireland, GS Bank Europe, plc ("GSBE" or "GS Irish Bank")
- GS Irish Bank has accumulated over [redacted] of total deposits as of May 2008 [redacted]
- Regulated by the Irish Financial Services Regulatory Authority
  - Deposits up to €20,000 are insured
- The regulatory framework in Ireland allows GS Irish Bank to use a significant portion of its deposits to fund GS businesses
  - No Irish regulatory limitations on transactions with affiliates [redacted]
  - GS Irish Bank can lend up to 25% of its capital on an unsecured basis to a single client; no limit on collateralized loans
  - GS Irish Bank has outstanding repo lines of [redacted] with GSI and GSCP, respectively
  - GS Irish Bank has no regulatory minimum total leverage ratio
- As is the case with GS Bank USA, the portion of GS Irish Bank's deposits that can be used to fund the firm's long-term assets is limited by the cash capital valuation of those deposits [redacted]
  - A large portion of the remaining "non-sticky" assets are used to fund the firm via reverse repos with GSI and GSCP
- GS Irish Bank is subject to concentration limits on depositors: One entity cannot account for more than 15% of total deposits, and top 10 depositors cannot exceed 25% of total deposits
- GS Irish Bank receives favorable tax treatment in both Ireland and the United States
  - U.S. tax benefit would fall away if GS Irish Bank engaged in US trade or business
  - In certain circumstances without the tax advantage, GS Irish Bank could pay taxes in both Ireland and the U.S., resulting in a effective worldwide tax rate of up to 60%

2Q08 Balance Sheet ($mm)

Assets	
Cash and cash equivalents	[redacted]
Cash & securities segregated	
GSI & GSCP reverse repo	
Other assets	
Total assets	
Liabilities and Equity	
Short term borrowings from affiliates	[redacted]
Securities sold under repo	
Deposits payable to PWM clients	
Payable to affiliates[1]	
Other liabilities	
Total liabilities	
Total equity	
Total liabilities and equity	

[redacted] = Redacted by the Permanent Subcommittee on Investigations

[1] *Represents client cash deposited by other GS entities.*

Can GS Grow Its Deposit Base Organically?

Can GS Grow Its Deposit Base Organically?

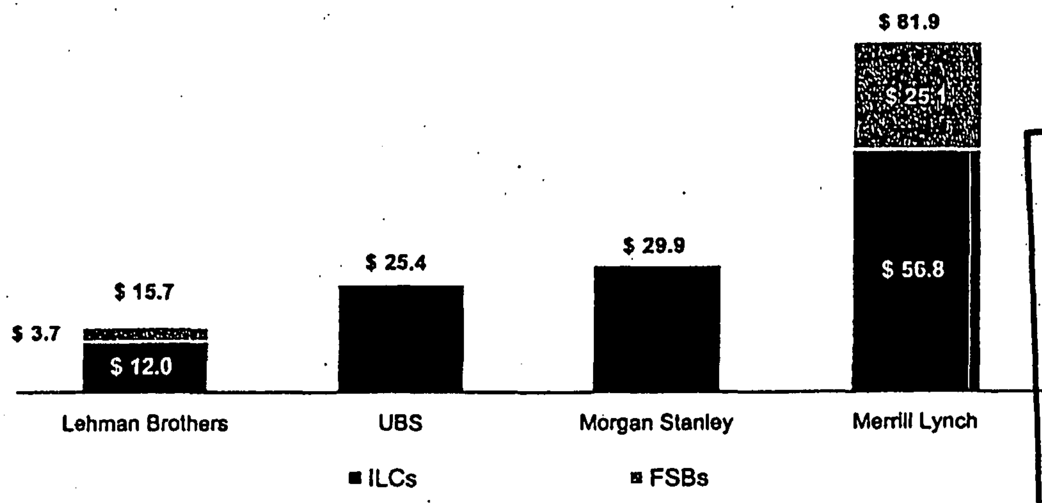
GS Bank USA Organic Growth

- GS Bank USA deposits are expected [redacted] to approximately [redacted] billion by 2010
  - [redacted]
  - The portion of these deposits that can be used to fund GS' long-term assets will be limited by the cash capital valuation of the deposits [redacted]
- Assuming yields normalize to more attractive levels over the next year, GS Bank USA expects to issue up to [redacted] of brokered CDs by year-end 2010
  - GS Bank USA does not face a regulatory cap on its ability to issue brokered CDs, but GS might assign a lower cash capital value to the funding if issuance was increased significantly
- Several of GS' competitors have their own ILCs and "grandfathered" thrifts (which do not subject these competitors to BHCA regulations), with deposit bases ranging from $15.7bn to $81.9bn

GS Bank USA Organic Growth Projections ($bn)

	2Q08A	2008	2009	2010
Bank Deposits	[redacted]	[redacted]	[redacted]	[redacted]
% of PWM Client Cash				
Brokered CDs				
Total Cash Capital Funding Created[1]				

Competitor Bank Deposits as of March 31, 2008 ($bn)



■ = Redacted by the Permanent Subcommittee on Investigations

[1] *Assumes 30% cash capital value for bank deposits and 100% cash capital value for brokered CDs. Excludes cash capital funding created by bank regulatory capital (equity) and other liabilities.*

Can GS Grow Its Deposit Base Organically?

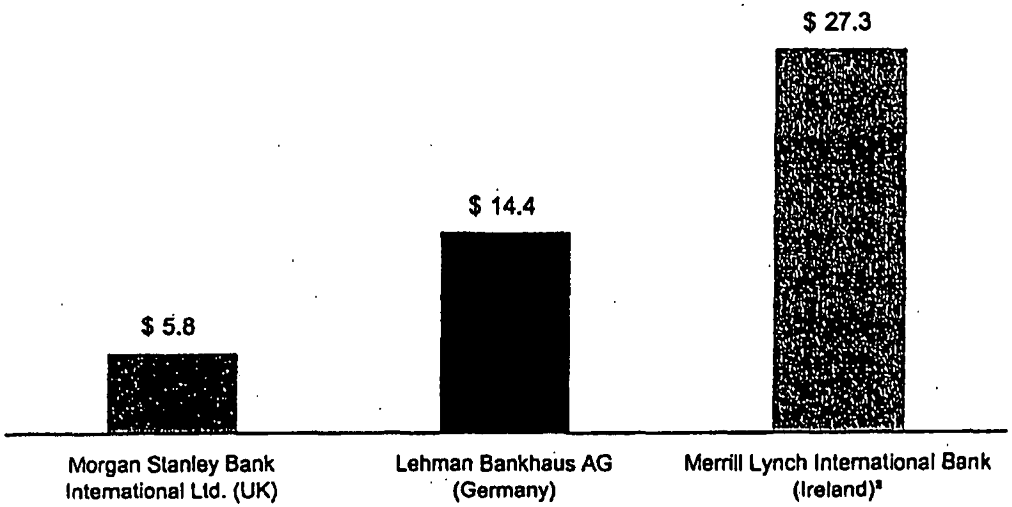
GS Irish Bank Organic Growth

- [redacted]
- GS Irish Bank's deposits [redacted]
  - The portion of these deposits that can be used to fund GS' long-term assets will be limited by the cash capital valuation of the deposits [redacted]
- Several of GS' competitors have their own European banks, with deposit bases ranging from [redacted]

GS Irish Bank Organic Growth Projections ($bn)

	2008	2009	2010
Bank Deposits	[redacted]	[redacted]	[redacted]
PWM Client Cash Deposited[1]			
Total Cash Capital Funding Created			

Competitor Foreign Bank Deposits as of March 31, 2008 ($bn)



▬ = Redacted by the Permanent Subcommittee on Investigations

[1] *The remainder of GS Irish Bank's deposits is sourced from affiliate deposits.*
[2] *Also includes deposits from Merrill Lynch International Bank's Swiss subsidiary.*

Should GS Grow Its Bank Deposits by Acquiring a Commercial Bank?

Goldman Sachs

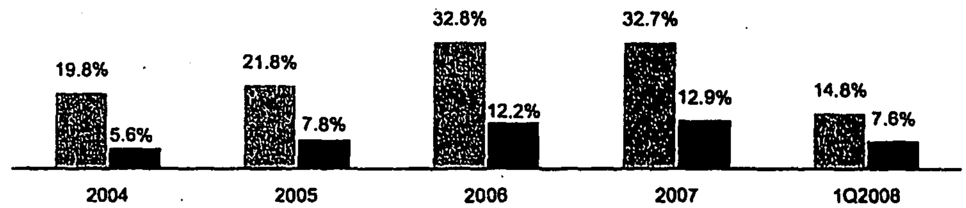
Board of Directors

Should GS Grow Its Bank Deposits by Acquiring a Commercial Bank?

Commercial Banking Appears to be Unattractive as a Large Scale Strategic Initiative

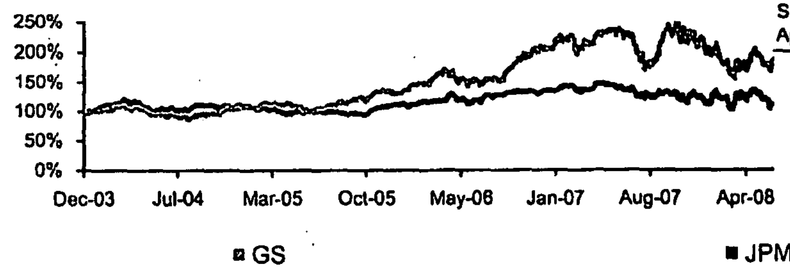
- Commercial banking is an operationally intense, low ROE business
- GS' current business model has yielded stronger results than the best-in-class commercial bank, JPMorgan Chase, in terms of ROE, price-to-book valuation and stock price performance
- Acquiring or building a large U.S. commercial bank would subject GS to direct regulation by the Fed as a BHC, including capital requirements, activities limitations and comprehensive Fed examination
  - Could have a negative impact on a number of GS' existing businesses (particularly the principal investing businesses)
  - May be avoided through certain ILC or foreign bank acquisitions
- Because commercial banking appears to be unattractive as a large scale strategic initiative, any acquisition must be fully justified by the benefits associated with bank deposits as an additional source of funding for GS

Return on Common Equity



Period-End Price-to-Book Multiple

Indexed Stock Price as of June 17, 2008



Stock Price Appreciation	6/17/08 Market Cap ($bn)
84.1 %	$71
9.5 %	$134

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GS MBS 0000038922

PSI_QFR_GS0174

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Goldman Sachs

Board of Directors

Should GS Grow Its Bank Deposits by Acquiring a Commercial Bank?

Economics of a Commercial Bank Acquisition

- For an acquisition to be economically attractive, GS must be able to justify any premium paid above the fair value of the target's equity
  - Given the large discrepancy in today's market environment between the fair value of bank asset portfolios and the reserves the banks have taken against their portfolios, many banks' reported GAAP assets and equity are overvalued relative to GS' estimate of fair market value
- The primary benefit that may justify GS paying a premium to fair market value when acquiring a bank is the funding benefit associated with bank deposit liabilities
- [redacted]
- If the target bank's capital ratios after write-downs are below desired levels, GS may need to raise additional capital. The cost of this additional capital raise will be dilutive to GS on an ROE and EPS basis and will reduce the acquisition premium that could be justified

[redacted]

Goldman Sachs

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Should GS Grow Its Bank Deposits by Acquiring a Commercial Bank?

Distressed Commercial Bank Acquisition

- While the funding benefits associated with bank deposit liabilities are meaningful to GS, it is unlikely that those benefits would justify paying the premium to a target bank's current market cap (and therefore a significant premium to the true fair market value of its equity) that would be required to complete a market-based acquisition
- GS likely would only be interested in acquiring a large U.S. commercial bank and its deposit liabilities in certain circumstances:
  - Extremely attractive purchase price in a distressed situation, such as just prior to or in FDIC receivership
  - In the context of a distressed situation, GS may be able to negotiate with the Federal Reserve to ease some of the restrictions of the BHCA

Recent Distressed Acquisitions ($mm)

Date	Target Bank	Assets	Deposits Acquired	Deposits Acquiror
Failed Banks				
5/08	First Integrity Bank	$55	$50	First International Bank and Trust
5/08	ANB Financial	2,100	213	Pulaski Bank and Trust Company
3/08	Hume Bank	19	13	Security Bank
1/08	Douglass National Bank	59	54	Liberty Bank and Trust Company
10/07	Miami Valley Bank	87	62	Citizens Bank Company
9/07	NetBank	2,500	1,500	ING Direct
2/07	Metropolitan Savings	16	12	Allegheny Valley Bank
Near-Failed Banks				
4/08	Fremont General	$6,048	$5,600	CapitalSource

Board of Directors

Should GS Grow Its Bank Deposits by Acquiring a Commercial Bank?

Potential Foreign Targets

- If structured properly, an acquisition of a foreign commercial bank could allow GS to fund some portion of its non-U.S. assets without subjecting GS to the Bank Holding Company Act
  - [redacted]
- Any acquisition of a non-U.S. commercial bank would be subject to the valuation considerations previously discussed
- Practical considerations limit the number of attractive potential non-U.S. commercial bank acquisition targets
- 37 of the top 40 non-US commercial banks are already regulated by the US as Bank Holding Companies[5]. GS would therefore need to restructure those banks' operations upon acquisition to avoid becoming a BHC itself
- Several otherwise attractive jurisdictions, including China, India and Canada, explicitly prohibit foreign companies from owning domestic banks
- Other countries, such as Switzerland, France, Italy and Spain may deny regulatory approval for a foreign acquisition of a prominent domestic bank
  - The banking industry in these countries is highly concentrated, so regulators may be hesitant to allow a significant portion of the nation's banking system to be controlled by foreigners
- Most attractive countries may be the UK, Japan, certain continental European countries, Mexico and Brazil

Select Large Non-US Banks[1] ($mm)

Rank	Name	Primary Country	Deposits[2]	Market Cap[3]
1	[redacted]	UK	[redacted]	[redacted]
2	[redacted]	Japan	[redacted]	[redacted]
3	[redacted]	UK	[redacted]	[redacted]
4	[redacted]	Japan	[redacted]	[redacted]
5	[redacted]	Japan	[redacted]	[redacted]
6	[redacted]	Germany	[redacted]	[redacted]
7	[redacted]	UK	[redacted]	[redacted]
8	[redacted]	UK	[redacted]	[redacted]
9	[redacted]	Spain	[redacted]	[redacted]
10	[redacted]	Japan	[redacted]	[redacted]
11	[redacted]	UK	[redacted]	[redacted]
12	[redacted]	Netherlands	[redacted]	[redacted]
13	[redacted]	Sweden	[redacted]	[redacted]
14	[redacted]	Belgium	[redacted]	[redacted]
15	[redacted]	Germany	[redacted]	[redacted]
16	[redacted]	Belgium	[redacted]	[redacted]
17	[redacted]	Australia	[redacted]	[redacted]
18	[redacted]	Australia	[redacted]	[redacted]
19	[redacted]	UK / Asia	[redacted]	[redacted]
20	[redacted]	Australia	[redacted]	[redacted]
21	[redacted]	Australia	[redacted]	[redacted]
22	[redacted]	Germany	[redacted]	[redacted]
23	[redacted]	Germany	[redacted]	[redacted]
24	[redacted]	Denmark	[redacted]	[redacted]
25	[redacted]	South Korea	[redacted]	[redacted]
26	[redacted]	Austria	[redacted]	[redacted]

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[1] Excludes banks primarily domiciled in China, India, Canada, Switzerland, France, Italy and Spain.
[2] Deposits figures represent most recent available data.
[3] Market capitalization as of June 17, 2008.
[4] Does not include deposits recently acquired in ABN Amro transaction.
[5] Among top 40 largest non-US banks by deposits, only Credit Agricole (France), Bank of China (China), and Bank of Nova Scotia (Canada) are not BHCs. Credit Agricole and Bank of China currently have BHC applications pending.

What Other Opportunities Exist to Leverage GS' Strong Competitive Position?

What Other Opportunities Exist to Leverage GS' Strong Competitive Position?

- [redacted]

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D61 — D65

GS MBS 0000038928 — GS MBS 0000038932

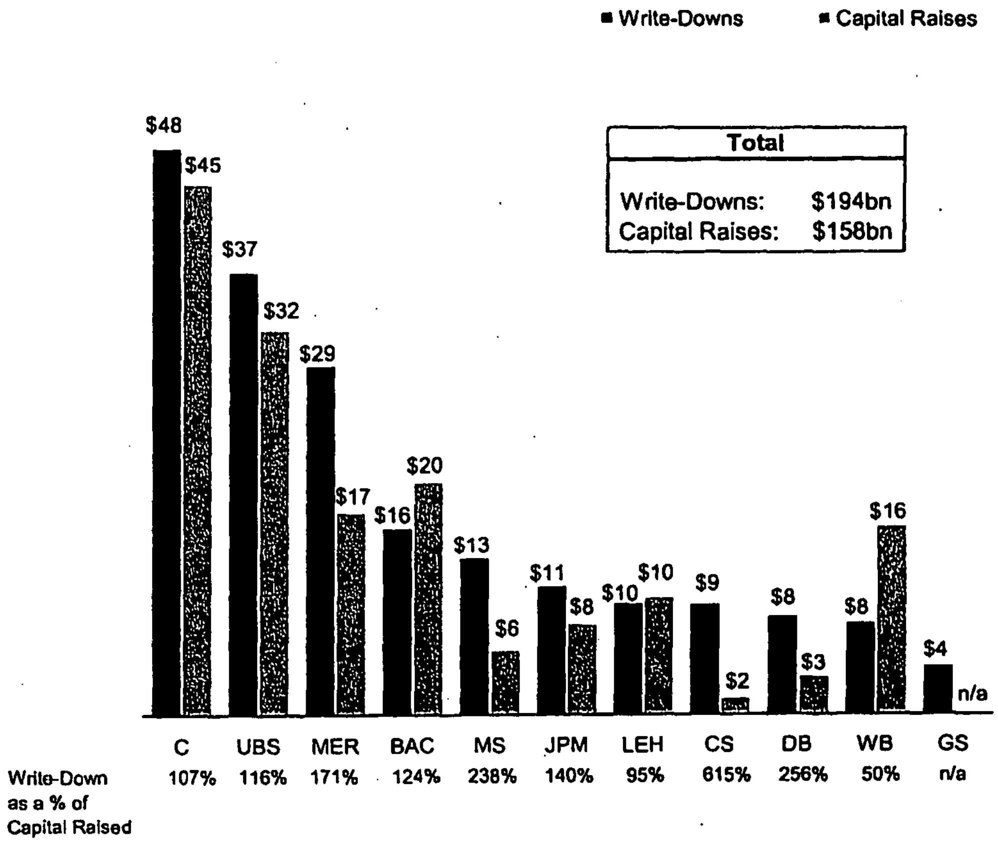
PSI_QFR_GS0180 — PSI_QFR_GS0184

Board of Directors

What Other Opportunities Exist to Leverage GS' Strong Competitive Position?

Capital Write-Downs and Raises 2007 – 2008 YTD ($ in billions)

- Many of GS' competitors have taken significant write-downs in the past year
- With the exception of GS, all major investment and commercial banks that have taken write-downs have subsequently raised additional capital
- These additional capital raises have largely been dilutive to existing shareholders
- GS has chosen not to raise equity capital in this depressed pricing environment



Key Takeaways

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Key Takeaways

- GS remains committed to its existing growth strategy and business model
- GS will continue to execute on this business model in the BRICs and, potentially, in the "Next 11"
- Successful implementation of the GS growth strategy will require global expansion, diversification of GS' business portfolio and continued growth of the GS balance sheet
- Capitalizing on international growth opportunities will require an increasing percentage of GS employees to be based outside the U.S.
- GS does not need to be a commercial bank; the firm's conservative liquidity management programs and the potential support of the Fed will adequately protect us from a Bear Stearns-like collapse
- All activities of commercial banks, not just banking activities, are regulated and restricted. Commercial banks are also subject to limitations on leverage, capital requirements and comprehensive ongoing examinations
- The primary benefit of being a commercial bank is the commercial bank's ability to finance its businesses with deposits insured by the federal government at a cost that is often lower than capital markets funding
- Continued growth in the size of GS' balance sheet may require diversified adjunct sources of funding. Deposits are a potential source of additional funding
- GS' ability to use deposits to fund its businesses is constrained by regulatory requirements regarding asset quality, lending to affiliates and local lending
- GS has two deposit taking branches, one located in Utah with deposits of approximately $22bn and one located in Ireland with approximately $7bn in deposits. These deposit balances were built by sweeping PWM brokerage account free cash balances [redacted]
- Commercial banking is an operationally intense, low ROE business. GS' current business model has yielded stronger results than JPMorgan Chase, the best-in-class commercial bank in terms of ROE, price-to-book valuation and stock price performance

Board of Directors

Appendix

Goldman Sachs

Board of Directors

JPMorgan Chase Bank, NA

Balance Sheet as of March 31, 2008 ($ in millions)

Assets	
Real Estate:	
Construction and Land Development	$6,751
Total 1 - 4 Family Residential[1]	156,937
Multifamily Residential	717
Nonfarm Nonresidential Property	13,770
Unclassified	2,083
Total Real Estate	180,258
Non-Real Estate:	
Credit Cards	$25,228
Commercial and Industrial	137,354
Consumer - Margin Loans	9,769
Agricultural Production	530
Loans to Depository Institutions	18,429
Other Consumer Loans & Revolving Credit Plans	53,668
Leases - Commercial and Consumer	2,562
Other	59,149
Total Non-Real Estate	306,689
Total Loans and Leases	$486,947
Allowance for Loan Losses	9,484
Net Loans and Leases	477,463
Securities	
US Treasuries & US Govt Agency Obligation	$342
MBS - Issued / Guaranteed by FNMA/FHLMC/GNMA	75,990
MBS - Other	4,967
Other	12,956
Securities	94,255
Trading Assets	
US Treasury Securities in Domestic Offices	$11,652
US Govt Agencies in Domestic Offices	742
MBS in Domestic Offices - Issued / Guaranteed by FNMA/FHLMC/GNMA	5,289
MBS in Domestic Offices - Other	1,267
Derivatives with Positive Fair Value	90,800
Other	270,498
Trading Assets	380,248
Goodwill	25,807
Other Assets[2]	429,795
Total Assets	$1,407,568

Liabilities & Equity	
Deposits	
Domestic Deposits	
NOW	$13,029
Demand Deposits	51,985
Total Transaction	65,014
BDA and Savings	$287,031
Time Deposits < $100k	27,020
Time Deposits ≥ $100k	108,870
Total Non-Transaction	422,921
Total Domestic Deposits	487,935
Foreign Deposits	
Individual Accounts	$230,100
Institutional Accounts	88,284
Total Foreign Deposits	318,384
Total Deposits	806,319
Other Borrowings & Liabilities	
Fed Funds	$28,083
Repurchase Agreements	150,819
Derivatives with Negative Fair Value	77,877
Liability for Short Positions	60,289
Other Borrowed Money	81,707
Other Liabilities	85,683
Total Other Borrowings & Liabilities	484,458
Total Liabilities	1,270,777
Minority Investment	1,297
Capital	
Subordinated Debt	26,620
Preferred Stock	-
Common Equity	108,874
Total Capital	135,494
Total Liabilities and Capital	$1,407,568

[1] *Includes home equity lines of credit in the amount of $68bn.*
[2] *Other assets includes cash, Fed funds sold and securities purchased under agreements to resell, fixed assets, REO, intangible assets, accrued interest receivable, interest only strips receivables, equity securities that do not have readily determinable fair value, life insurance assets and other unidentified assets.*

Appendix D70

Goldman Sachs

Board of Directors

Potential GS Bank USA Acquisition Targets

- An acquisition of deposits into GS Bank USA should be structured so as to preserve the bank's exemption from the Bank Holding Company Act
- The consequences of becoming subject to the Bank Holding Company Act, described in detail in the section "How Are Commercial Banks Regulated?", are material to GS Group
- In order for an ILC to avoid becoming subject to the Bank Holding Company Act, it must generally refrain from establishing deposit-taking branches outside of its home state; an acquisition that resulted in GS Bank USA owning deposit-taking branches outside of Utah would potentially cause GS to become a Bank Holding Company unless those branches were shut down
- GS could grow deposits and avoid becoming a Bank Holding Company by acquiring an existing ILC, either inside of outside of Utah
  - Most sizeable ILCs, however, are owned by competitors of GS, such as Merrill Lynch and Morgan Stanley, and these ILCs often are strategic to these competitors (i.e. fund certain business, such as mortgages, or provide services to brokerage customers)
  - The other sizeable ILCs are owned by auto manufacturers and are strategic to these auto manufacturers as they provide financing for customers
  - A non-Utah ILC would be organized as a sister company of GS Bank USA, resulting in potential inefficiencies (e.g., inability to combine capital bases for purposes of calculating 15% legal lending limits)
- GS could also grow deposits by acquiring the assets and liabilities of an internet bank
  - Internet banks do not require physical branches to maintain their deposit balances
  - Three potential targets: [redacted]

All ILCs as of March 31, 2008 ($mm)

Rank	Institution	Deposits	Rank	Institution	Deposits
1	[redacted]	[redacted]	29	[redacted]	[redacted]
2	[redacted]	[redacted]	30	[redacted]	[redacted]
3	[redacted]	[redacted]	31	[redacted]	[redacted]
4	[redacted]	[redacted]	32	[redacted]	[redacted]
5	[redacted]	[redacted]	33	[redacted]	[redacted]
6	[redacted]	[redacted]	34	[redacted]	[redacted]
7	[redacted]	[redacted]	35	[redacted]	[redacted]
8	[redacted]	[redacted]	36	[redacted]	[redacted]
9	[redacted]	[redacted]	37	[redacted]	[redacted]
10	[redacted]	[redacted]	38	[redacted]	[redacted]
11	[redacted]	[redacted]	39	[redacted]	[redacted]
12	[redacted]	[redacted]	40	[redacted]	[redacted]
13	[redacted]	[redacted]	41	[redacted]	[redacted]
14	[redacted]	[redacted]	42	[redacted]	[redacted]
15	[redacted]	[redacted]	43	[redacted]	[redacted]
16	[redacted]	[redacted]	44	[redacted]	[redacted]
17	[redacted]	[redacted]	45	[redacted]	[redacted]
18	[redacted]	[redacted]	46	[redacted]	[redacted]
19	[redacted]	[redacted]	47	[redacted]	[redacted]
20	[redacted]	[redacted]	48	[redacted]	[redacted]
21	[redacted]	[redacted]	49	[redacted]	[redacted]
22	[redacted]	[redacted]	50	[redacted]	[redacted]
23	[redacted]	[redacted]	51	[redacted]	[redacted]
24	[redacted]	[redacted]	52	[redacted]	[redacted]
25	[redacted]	[redacted]	53	[redacted]	[redacted]
26	[redacted]	[redacted]	54	[redacted]	[redacted]
27	[redacted]	[redacted]	55	[redacted]	[redacted]
28	[redacted]	[redacted]			

Total ILC Deposits [redacted]

ILC Deposits as % of Total US Deposits [redacted]

Internet Banks as of March 31, 2008 ($mm)

[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

■ = Redacted by the Permanent Subcommittee on Investigations

Appendix D71

GS MBS 0000038938

Confidential Treatment Requested by Goldman Sachs

PSI_QFR_GS0190

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D72

ATTACHMENT 1

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

Redacted By The Permanent Subcommittee on Investigations

LB 1(a)(ii)&(iii): Please provide the purchase or trade date for each asset and its original face value.

In response to the Staff's follow-up question, Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 0000087069) providing (i) the original face value and (ii) the purchase or trade date, for each asset referenced in GS MBS 0000027961.

Supplemental Response Received From
Goldman Sachs

Supplemental Response Received From Goldman Sachs

CDO Asset Details
PSI Request LB-1a

CDO Deal	Cusip	Intex Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
ANDMF071	004375FE8	ACCT0601	Accredited Mortgage Loan Trust 2006-1 (ACCR 2006-1 M8)	004375FE8	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	00441PY3	ACE05HE4	ACE Securities Corp 2005-HE4 (ACE 2005-HE4 M9)	00441PY3	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	004421VC4	ACE06NC1	Ace Securities Corp 2006-NC1 (ACE 2006-NC1 M9)	004421VC4	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	004478AP9	ACE06HE4	ACE Securities Corp 2006-HE4 (ACE 2006-HE4 M9)	004478AP9	10/16/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	00442PAP8	ACE06OP1	ACE Securities Corp 2006-OP1 (ACE 2006-OP1 M9)	00442PAP8	10/18/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	03072SM85	AMQ05R08	Ameriquest Mortgage Securities Inc 2005-R8 (AMSI 2005-R8 M9)	03072SM85	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	03072SYE2	AMQ05R10	Ameriquest Mortgage Securities Inc 2005-R10 (AMSI 2005-R10 M9)	03072SYE2	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	03072SVE3	AMQ05R11	Ameriquest Mortgage Securities Inc 2005-R11 (AMSI 2005-R11 M9)	03072SVE3	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	040104TB0	ARS05W04	Argent Securities Inc 2005-W4 (ARSI 2005-W4 M9)	040104TB0	11/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	04541GCH8	ABSH05H2	Asset Backed Securities Corp Home Equity 2005-HE2 (ABSHE 2005-HE2 M7)	04541GCH8	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	04541GWQ1	ABSH06H2	Asset Backed Securities Corp Home Equity 2006-HE2 (ABSHE 2006-HE2 M9)	04541GWQ1	11/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	126670LW6	CWHE0514	Countrywide Asset-Backed Certificates 2005-14 (CWL 2005-14 M9)	126670LW6	11/22/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	126670NH4	CWHE05B5	Countrywide Asset-Backed Certificates 2005-BC5 (CWL 2005-BC5 B)	126670NH4	10/11/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	126670UD8	CWHE0601	Countrywide Asset-Backed Certificates 2006-1 (CWL 2006-1 MV9)	126670UD8	11/08/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	144531BK5	CMLT05N1	Carrington Mortgage Loan Trust 2005-NC1 (CARR 2005-NC1 M9)	144531BK5	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	144531FD0	CMLT06N1	Carrington Mortgage Loan Trust 2006-NC1 (CARR 2006-NC1 M9)	144531FD0	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	14453FAN9	CMLT06N2	Carrington Mortgage Loan Trust 2006-NC2 (CARR 2006-NC2 M9)	14453FAN9	10/11/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	17285AN8	CTM06NC1	Citigroup Mortgage Loan Trust Inc 2006-NC1 (CMLTI 2006-NC1 M9)	17285AN8	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	17307GSS8	CTM05OP3	Citigroup Mortgage Loan Trust Inc 2005-OPT3 (CMLTI 2005-OPT3 M9)	17307GSS8	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	22237JAP2	CWHE05B2	Countrywide Asset-Backed Certificates 2005-BC3 (CWL 2005-BC3 M9)	22237JAP2	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	31659EAM0	FMIC0502	Fieldstone Mortgage Investment Corp 2005-2 (FMIC 2005-2 M9)	31659EAM0	12/22/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	35729QAN8	FRNE05B	Fremont Home Loan Trust 2005-B (FHLT 2005-B M9)	35729QAN8	10/06/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	35729TAP7	FRNE05D	Fremont Home Loan Trust 2005-D (FHLT 2005-D M9)	35729TAP7	10/18/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	36245AP6	GSA06N2	GSAMP Trust 2006-NC2 (GSAMP 2006-NC2 M9)	36245AP6	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	40430HDN5	HSA06OP1	HSI Asset Securitization Corp Trust 2006-OPT1 (HASC 2006-OPT1 M9)	40430HDN5	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	40430HEN7	HSA06OP2	HSI Asset Securitization Corporation Trust 2006-OPT2 (HASC 2006-OPT2 M9)	40430HEN7	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	40430HFA1	HSA06NC1	HSI Asset Securitization Corp Trust 2006-NC1 (HASC 2006-NC1 M9)	40430HFA1	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	437097AP3	HEAT0508	Home Equity Asset Trust 2005-8 (HEAT 2005-8 M9)	437097AP3	11/28/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	48802WAN4	DRS06H2	DRS Real Estate Capital Trust 2006-HE2 (DRS 2006-HE2 B3)	48802WAN4	11/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	46628LGQ7	JPA06HE1	JP Morgan Mortgage Acquisition Corp 2006-HE1 (JPMAC 2006-HE1 M9)	46628LGQ7	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	46626LJZ4	JPA06NC1	JP Morgan Mortgage Acquisition Corp 2006-NC1 (JPMAC 2006-NC1 M9)	46626LJZ4	10/11/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	46629BB4	JPA06CW2	JP Morgan Mortgage Acquisition Corp 2006-CW2 (JPMAC 2006-CW2 MV9)	46629BB4	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	46629FAN0	JPA06NC2	JP Morgan Mortgage Acquisition Corp 2006-NC2 (JPMAC 2006-NC2 M9)	46629FAN0	10/11/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	57643LMX1	MABS05N2	Mastr Asset Backed Securities Trust 2005-NC2 (MABS 2005-NC2 M9)	57643LMX1	10/11/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	57643FAS6	MABS06AM2	Mastr Asset Backed Securities Trust 2006-AM2 (MABS 2006-AM2 M9)	57643FAS6	11/08/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	59020USH3	MLHE06H1	Merrill Lynch Mortgage Investors Inc 2006-HE1 (MLMI 2006-HE1 B2A)	59020USH3	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	59021AAN0	MLHE06F1	Merrill Lynch Mortgage Investors Inc 2006-FM1 (MLMI 2006-FM1 B2)	59021AAN0	11/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	59023AAN8	MLHE06M1	Merrill Lynch Mortgage Investors Trust 2006-MLN1 (MLMI 2006-MLN1 B2)	59023AAN8	12/28/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	61744CKW5	MSAB05H1	Morgan Stanley ABS Capital I 2005-HE1 (MSAC 2005-HE1 B3)	61744CKW5	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	61744CMS2	MSAB05N1	Morgan Stanley ABS Capital I 2005-NC1 (MSAC 2005-NC1 B3)	61744CMS2	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	61744CNK9	MSAB05H2	Morgan Stanley ABS Capital I 2005-HE2 (MSAC 2005-HE2 B3)	61744CNK9	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	61744CPQ3	MSAB05N2	Morgan Stanley ABS Capital I 2005-NC2 (MSAC 2005-NC2 B3)	61744CPQ3	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	61744CUZ7	MSAB05H5	Morgan Stanley ABS Capital I 2005-HE5 (MSAC 2005-HE5 B3)	61744CUZ7	11/22/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	61744CWE2	MSAB05H8	Morgan Stanley ABS Capital I 2005-HE8 (MSAC 2005-HE8 B3)	61744CWE2	10/18/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	61744CYK9	MSAB06N1	Morgan Stanley ABS Capital I 2006-NC1 (MSAC 2006-NC1 B3)	61744CYK9	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	64352VKU8	NCC05001	New Century Home Equity Loan Trust 2005-1 (NCHET 2005-1 M9)	64352VKU8	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	64352VLA7	NCC05002	New Century Home Equity Loan Trust 2005-2 (NCHET 2005-2 M9)	64352VLA7	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	64352VLS8	NCC05003	New Century Home Equity Loan Trust 2005-3 (NCHET 2005-3 M9)	64352VLS8	10/02/2006	8,000,000	6,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	64352VNE3	NCC05004	New Century Home Equity Loan Trust 2005-4 (NCHET 2005-4 M9)	64352VNE3	10/03/2006	8,000,000	5,000,000	Y	20-Mar-07	Sep 06 - Mar 07		Goldman Sachs
ANDMF071	64352VRE9	NCC06001	New Century Home Equity Loan Trust 2006-1 (NCHET 2006-1 M9)	64352VRE9	11/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	64360TAM7	NCC06002	New Century Home Equity Loan Trust 2006-2 (NCHET 2006-2 M9)	64360TAM7	11/08/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	65106AAW3	NWCS0601	Newcastle Mortgage Securities Trust 2006-1 (NCMT 2006-1 M9)	65106AAW3	10/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	65536MAN7	NMHE06H2	Nomura Home Equity Loan Inc 2006-HE2 (NHELI 2006-HE2 M9)	65536MAN7	10/11/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	76112BL24	RFC05EF8	Residential Asset Mortgage Products Inc 2005-EFC8 (RAMP 2005-EFC8 M9)	76112BL24	10/02/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	81378EAH7	SABR06F3	Securitized Asset Backed Receivables LLC Trust 2006-FR3 (SABR 2006-FR3 B2)	81378EAH7	10/06/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	83611MEE4	SVHE05O1	Soundview Home Equity Loan Trust 2005-OO1 (SVHE 2005-OO1 M9)	83611MEE4	11/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	83611MMT2	SVHE06O2	Soundview Home Equity Loan Trust 2006-OPT2 (SVHE 2006-OPT2 M7)	83611MMT2	10/11/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	86360PAR8	SAS06NC1	Structured Asset Securities Corp 2006-NC1 (SASC 2006-NC1 M9)	86360PAR8	11/03/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	86361KAM9	SAIL06B3	Structured Asset Investment Loan Trust 2006-BNC3 (SAIL 2006-BNC3 M7)	86361KAM9	11/08/2006	9,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
ANDMF071	92534FAE8	VERTV061	Vertical Virgo Ltd 2006-1 (VRGO 2006-1A B1)	92534FAE8	10/02/2006	10,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
ANDMF071	93934JAN4	WMAB06H2	Washington Mutual Asset-Backed Certificates 2006-HE2 (WMABS 2006-HE2 M9)	93934JAN4	10/06/2006	8,000,000	8,000,000	Y	20-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
CAMBER7	00075QAN2	ABF06OP1	ABFC 2006-OPT1 M9 CDS - LIBOR + 2.11% 09/25/2036	00075QAN2	02/08/2007	7,500,000	7,500,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	00252FDB4	AMIT0504	AMIT 2005-4 M9 CDS - LIBOR + 2.35% 10/25/2035	00252FDB4	01/29/2007	10,000,000	10,000,000	Y	28-Feb-07	Jul 06 - Feb 07		Goldman Sachs
CAMBER7	00441QAP4	ACE06CW1	ACE 2006-CW1 M9 CDS - LIBOR + 2.0% 07/25/2036	00441QAP4	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07		Goldman Sachs
CAMBER7	00441QAP4	ACE06CW1	ACE 2006-CW1 M9 CDS - LIBOR + 2.0% 07/25/2036	00441QAP4	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07		Goldman Sachs
CAMBER7	004421ULS	ACE05HE7	ACE 2005-HE7 M9 CDS - LIBOR + 2.3% 11/25/2035	004421ULS	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07		Goldman Sachs
CAMBER7	004421VB6	ACE06NC1	ACE 2006-NC1 M9 CDS - LIBOR + 1.3% 12/25/2035	004421VB6	12/14/2006	3,000,000	3,000,000	Y	28-Feb-07	Jul 06 - Feb 07		Goldman Sachs
CAMBER7	004421VC4	ACE06NC1	Ace Securities Corp 2006-NC1 (ACE 2006-NC1 M9)	004421VC4	07/21/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07		Goldman Sachs
CAMBER7	03072ST94	AMQ05R10	AMSI 2005-R10 M9 CDS - LIBOR + 1.02% 12/25/2035	03072ST94	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07		Goldman Sachs
CAMBER7	03072SVE5	AMQ05R11	Ameriquest Mortgage Securities Inc 2005-R11 (AMSI 2005-R11 M9)	03072SVE5	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	03072SVE5	AMQ05R11	Ameriquest Mortgage Securities Inc 2005-R11 (AMSI 2005-R11 M9)	03072SVE5	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	040104NL1	ARS05W02	Argent Securities Inc 2005-W2 (ARSI 2005-W2 M9)	040104NL1	08/02/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	040104RQ6	ARS06W01	Argent Securities Inc 2006-W1 (ARSI 2006-W1 M9)	040104RQ6	07/21/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	04541GCH8	ABSH05H2	Asset Backed Securities Corp Home Equity 2005-HE2 (ABSHE 2005-HE2 M7)	04541GCH8	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07		Goldman Sachs

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CDO Asset Details
PSI Request LB-1a

CDO Deal	Cusip	Intex Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
CAMBER7	04541GRC8	ABSH05H3	ABSHE 2005-HE3 M9 CDS - LIBOR + 3.0% 04/25/2035	04541GRC8	01/29/2007	7,800,000	7,800,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	04541GVT6	ABSH06H1	ABSHE 2006-HE1 M8 CDS - LIBOR + 1.1% 01/25/2036	04541GVT6	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	04541GWG1	ABSH06H2	Asset Backed Securities Corp Home Equity 2006-HE2 (ABSHE 2006-HE2 M8)	04541GWG1	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	04541GXL1	ABSH06H3	ABSHE 2006-HE3 M8 CDS - LIBOR + 3.00% 03/25/2036	04541GXL1	12/14/2006	8,000,000	8,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	04544PAP4	ABSH06H5	ABSHE 2006-HE5 M9 CDS - LIBOR + 2.17% 07/25/2036-r1	04544PAP4	12/14/2006	3,000,000	3,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	04544PAP4	ABSH06H5	ABSHE 2006-HE5 M9 CDS - LIBOR + 2.17% 07/25/2036-r1	04544PAP4	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	07387BCC0	BSHE05A2	Bear Stearns Asset Backed Securities Inc 2005-AQ2 (BSABS 2005-AQ2 M5)	07387BCC0	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	07387BCV8	BSH05H11	BSABS 2005-HE11 M8 CDS - LIBOR + 2.3% 11/25/2035	07387BCV8	07/27/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	07387BSJ3	BSHE05E1	BSABS 2005-EC1 M7 CDS - LIBOR + 1.0% 11/25/2035	07387BSJ3	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	07387BWV3	BSHE06H1	BSABS 2006-HE1 1M7 CDS - LIBOR + 1.35% 12/25/2035	07387BWV3	11/08/2006	10,000,000	10,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	073879RE0	BSHE05H2	BSABS 2005-HE2 M8 CDS - LIBOR + 2.2% 02/25/2035	073879RE0	07/24/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	073879TY4	BSHE05H4	BSABS 2005-HE4 M8 CDS - LIBOR + 2.3% 04/25/2035	073879TY4	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	073879YC6	BSHE05H6	Bear Stearns Asset Backed Securities Inc 2005-HE6 (BSABS 2005-HE6 M5)	073879YC6	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	07387UBE0	BSHE06P1	BSABS 2006-PC1 M8 CDS - LIBOR + 2.2% 12/25/2035-r1	07387UBE0	08/13/2006	3,800,000	3,800,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	07387UBE0	BSHE06P1	BSABS 2006-PC1 M8 CDS - LIBOR + 2.2% 12/25/2035-r1	07387UBE0	10/30/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	07387UDZ1	BSHE06E2	BSABS 2006-EC2 M8 CDS - LIBOR + 2.35% 02/25/2036	07387UDZ1	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	07387UJA0	BSHE06H3	Bear Stearns Asset Backed Securities Inc 2006-HE3 (BSABS 2006-HE3 M8)	07387UJA0	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	126670LW6	CWHE0514	Countrywide Asset-Backed Certificates 2005-14 (CWL 2005-14 M8)	126670LW6	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	126670MD6	CWHE0515	CWL 2005-15 M8 CDS - LIBOR + 1.3% 04/25/2036	126670MD6	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	126670NN4	CWHE05B5	Countrywide Asset-Backed Certificates 2005-BC5 (CWL 2005-BC5 B)	126670NN4	11/08/2006	10,000,000	10,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	126673SK4	CWHE0506	CWL 2005-6 M8 CDS - LIBOR + 1.15% 12/25/2035	126673SK4	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	126673SL2	CWHE0506	CWL 2005-6 B CDS - LIBOR + 1.8% 12/25/2035	126673SL2	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	126673TG1	CWHE05B4	CWL 2005-BC4 M8 CDS - LIBOR + 0.83% 08/25/2035	126673TG1	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	126673YE3	CWHE05B1	Countrywide Asset-Backed Certificates 2005-BC1 (CWL 2005-BC1 B)	126673YE3	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	14432BAM8	CMLT06N3	CARR 2006-NC3 M8 - LIBOR + 0.97% 08/25/2036	14432BAM8	08/07/2006	1,850,000	1,850,000	N	28-Feb-07	Jul 06 - Feb 07	[redacted]	Not Applicable
CAMBER7	144531BH2	CMLT05N1	CARR 2005-NC1 M7 CDS - LIBOR + 1.0% 02/25/2035	144531BH2	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	144531CB4	CMLT05N2	Carrington Mortgage Loan Trust 2005-NC2 (CARR 2005-NC2 M8)	144531CB4	11/27/2006	3,000,000	3,000,000	N	28-Feb-07	Jul 06 - Feb 07	[redacted]	Not Applicable
CAMBER7	144531DW7	CMLT05N5	CARR 2005-NC5 M8 CDS - LIBOR + 2.11% 10/25/2035	144531DW7	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	144531FF2	CMLT06N1	CARR 2006-NC1 M8 CDS - LIBOR + 1.2% 01/25/2036	144531FF2	12/14/2006	3,000,000	3,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	144531FG0	CMLT06N1	Carrington Mortgage Loan Trust 2006-NC1 (CARR 2006-NC1 M9)	144531FG0	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	14453EAM4	CMLT06R1	CARR 2006-RFC1 M8 CDS - LIBOR + 1.4% 08/25/2036	14453EAM4	12/14/2006	8,000,000	8,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	14453FAN8	CMLT06N2	Carrington Mortgage Loan Trust 2006-NC2 (CARR 2006-NC2 M8)	14453FAN8	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	14986PAP8	CBS06C6	CBASS 2006-CB6 B1 CDS - LIBOR + 1.9% 07/25/2036	14986PAP8	02/02/2007	7,800,000	7,800,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	157187AC8	CETUS061	CETUS 2006-1A B CDS - LIBOR + 1.43% 10/18/2046	157187AC8	08/23/2006	8,000,000	8,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	15719MAC5	CETUS063	CETUS 2006-3A B CDS - LIBOR + 1.4% 12/20/2046	15719MAC5	08/29/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	172983AN6	CTM06NC1	Citigroup Mortgage Loan Trust Inc 2006-NC1 (CMLTI 2006-NC1 M8)	172983AN6	08/18/2006	4,000,000	4,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	219655AH0	CORO8	Crona 2007-1A B - LIBOR + 2.6% 05/06/2047		39141	10050000	10050000	N	39141	Jul 06 - Feb 07	[redacted]	Not Applicable
CAMBER7	26441NAD3	DUKE10	Duke Funding Ltd 2006-10 (DUKEF 2006-10A A3)	26441NAD3	08/18/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	30247DAP8	FFM06F13	FFML 2006-FF13 M8 CDS - LIBOR + 3.35% 10/25/2036	30247DAP8	02/02/2007	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	31561EAN5	FFML06F6	FFML 2006-FF6 M8 CDS - LIBOR + 3.5% 04/25/2036	31561EAN5	12/14/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	31659EAM0	FMIC0602	Fieldstone Mortgage Investment Corp 2006-2 (FMIC 2006-2 M8)	31659EAM0	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	32027GAN4	FFML06F8	FFML 2006-FF8 M8 CDS - LIBOR + 1.70% 07/25/2036	32027GAN4	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	362334BH6	FFML06F3	FFML 2006-FF3 M9 CDS - LIBOR + 2.10% 02/25/2036	362334BH6	12/11/2006	8,000,000	8,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	362334GC2	FFML06F4	FFML 2006-FF4 M9 CDS - LIBOR + 1.85% 02/25/2036	362334GC2	12/11/2006	3,000,000	3,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	362334GJ7	FFML06F4	First Franklin Mortgage Loan Asset Backed Certificates 2006-FF4 (FFML 2006-FF4 B1)	362334GJ7	12/11/2006	8,000,000	8,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	362334LV4	GSA06HE2	GSAMP 2006-HE2 B3 CDS - LIBOR + 1.9% 03/25/2046	362334LV4	12/14/2006	8,000,000	8,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	362341KK4	GSA05HE4	GSAMP Trust 2005-HE4 (GSAMP 2005-HE4 B2)	362341KK4	07/24/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	362341KL2	GSA05HE4	GSAMP 2005-HE4 B3 CDS - LIBOR + 2.1% 08/25/2035	362341KL2	12/09/2006	3,000,000	3,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	36242DZA4	GSA05NC1	GSAMP 2005-NC1 B3 CDS - LIBOR + 1.10% 02/25/2035	36242DZA4	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	36243AAP6	GSA06HE4	GSAMP 2006-HE4 M8 CDS - LIBOR + 1.55% 06/25/2036	36243AAP6	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	36244KAP0	GSA06HE3	GSAMP TRUST 2006-HE3 (GSAMP 2006-HE3 M8)	36244KAP0	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	437084QQ4	HEAT0506	Home Equity Asset Trust 2005-6 (HEAT 2005-6 M8)	437084QQ4	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	437084QQ4	HEAT0506	Home Equity Asset Trust 2005-6 (HEAT 2005-6 M8)	437084QQ4	07/24/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	437084RF5	HEAT0506	HEAT 2005-6 M8 CDS - LIBOR + 1.2% 04/25/2036	437084RF5	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	437084RF5	HEAT0506	HEAT 2005-6 M8 CDS - LIBOR + 1.2% 04/25/2036	437084RF5	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	437084SE7	HEAT0601	HEAT 2006-1 M8 CDS - LIBOR + 1.35% 04/25/2036	437084SE7	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	46625SAN6	JPA06HE2	JPMAC 2006-HE2 M8 CDS - LIBOR + 1.08% 07/25/2036	46625SAN6	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	46625SAP1	JPA06HE2	JPMAC 2006-HE2 M9 CDS - LIBOR + 1.8% 07/25/2036	46625SAP1	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	46626LAN0	JPMA05O1	JPMAC 2005-OPT1 M8 CDS - LIBOR + 2.05% 08/25/2035	46626LAN0	02/05/2007	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	46626LGP9	JPA06HE1	JPMAC 2006-HE1 M8 CDS - LIBOR + 1.02% 01/25/2036	46626LGP9	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	46626LGQ7	JPA06HE1	JP Morgan Mortgage Acquisition Corp 2006-HE1 (JPMAC 2006-HE1 M9)	46626LGQ7	08/15/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	46628MAP1	JPA06CW1	JPMAC 2006-CW1 M8 CDS - LIBOR + 1.16% 05/25/2036	46628MAP1	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	46628MAP1	JPA06CW1	JPMAC 2006-CW1 M8 CDS - LIBOR + 1.16% 05/25/2036	46628MAP1	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	46629BBB4	JPA06CW2	JP Morgan Mortgage Acquisition Corp 2006-CW2 (JPMAC 2006-CW2 MV9)	46629BBB4	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	46629QBF2	JPA06CH2	JPMAC 2006-CH2 MV9 CDS - LIBOR + 2.05% 10/25/2036	46629QBF2	02/02/2007	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	53015TAE8	LIBER3	LBRTS 2007-3A 4 - LIBOR + 1.75% 04/09/2047		02/28/2007	5,000,000	5,000,000	N	28-Feb-07	Jul 06 - Feb 07	[redacted]	Not Applicable
CAMBER7	53015TAG3	LIBER3	LBRTS 2007-3A 6 - LIBOR + 2.75% 04/09/2047		02/28/2007	5,000,000	5,000,000	N	28-Feb-07	Jul 06 - Feb 07	[redacted]	Not Applicable
CAMBER7	542514KG8	LBML0501	Long Beach Mortgage Loan Trust 2005-1 (LBMLT 2005-1 M8)	542514KG8	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	542514NK6	LBML05W2	Long Beach Mortgage Loan Trust 2005-WL2 (LBMLT 2005-WL2 M7)	542514NK6	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	542514NK6	LBML05W2	Long Beach Mortgage Loan Trust 2005-WL2 (LBMLT 2005-WL2 M7)	542514NK6	08/13/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	542514RE6	LBML06W1	LBMLT 2006-WL1 M8 CDS - LIBOR + 2.42% 01/25/2036	542514RE6	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	54251MAN4	LBML0504	Long Beach Mortgage Loan Trust 2005-4 (LBMLT 2005-4 M8)	54251MAN4	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	55902B882	MAG20606	MAGNF 2006-6A CU - LIBOR + 1.65% 11/25/2044	55902B882	08/22/2006	5,000,000	5,000,000	N	28-Feb-07	Jul 06 - Feb 07	[redacted]	Not Applicable

▬ = Redacted by the Permanent Subcommittee on Investigations

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CDO Asset Details
PSI Request LB-1a

CDO Deal	Cusip	Intex Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
CAMBER7	57643LMY9	MABS05NC2	MABS 2005-NC2 M8 CDS - LIBOR + 2.5% 11/25/2035	57643LMY9	12/08/2006	10,000,000	10,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	59001FC22	MMLT0502	MMLT 2005-3 M8 CDS - LIBOR + 2.2% 11/25/2035	59001FC22	07/21/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	59020UDQ6	MLHE06H1	Merrill Lynch Mortgage Investors 2006-HE1 (MLMI 2006-HE1 B3A)	59020UDQ6	08/22/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	59020UDQ6	MLHE06H1	Merrill Lynch Mortgage Investors 2006-HE1 (MLMI 2006-HE1 B3A)	59020UDQ6	12/14/2006	3,000,000	3,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	59020UQ98	MLHE05A1	MLMI 2005-AR1 B3 CDS - LIBOR + 2.15% 08/25/2036	59020UQ98	10/30/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	59020UQ98	MLHE05A1	MLMI 2005-AR1 B3 CDS - LIBOR + 2.15% 08/25/2036	59020UQ98	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	59020URB3	MLHE05W1	MLMI 2005-WMC1 B3	59020URB3	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	59020URU1	MLHE05N1	Merrill Lynch Mortgage Investors Inc 2005-NC1 (MLMI 2005-NC1 B3)	59020URU1	08/09/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	59020UWR2	MLHE05W2	Merrill Lynch Mortgage Investors, Inc 2005-WMC2 (MLMI 2005-WMC2 B3)	59020UWR2	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	590236AG1	MLHE06H4	MLMI 2006-HE4 B3 CDS - LIBOR + 1.23% 07/25/2037	590236AG1	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	61744CMT0	MSAB05N1	Morgan Stanley ABS Capital I 2005-NC1 (MSAC 2005-NC1 B3)	61744CMT0	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	61744CN25	MSAB05W2	MSAC 2005-WMC2 B3 CDS - LIBOR + 3.2% 02/25/2035	61744CN25	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	61744CRY4	MSAB05W5	MSAC 2005-WMC5 B2 CDS - LIBOR + 1.08% 06/25/2035	61744CRY4	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	61744CWU6	MSAB05H7	MSAC 2005-HE7 B3 CDS - LIBOR + 1.9% 11/25/2035	61744CWU6	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	61744CXG6	MSHE0601	MSHEL 2006-1 B3 CDS - LIBOR + 2.07% 12/25/2035	61744CXG6	02/08/2007	7,000,000	7,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	61744CYK6	MSAB06N1	Morgan Stanley ABS Capital I 2006-NC1 (MSAC 2006-NC1 B3)	61744CYK6	02/08/2007	7,000,000	7,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	61744CYK6	MSAB06N1	Morgan Stanley ABS Capital I 2006-NC1 (MSAC 2006-NC1 B3)	61744CYK6	08/15/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	61744CYX8	MSHE0602	MSHEL 2006-2 B2 CDS - LIBOR + 1.29% 02/25/2036	61744CYX8	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	61744CZM1	MSAB06N3	Morgan Stanley Capital I 2006-NC3 (MSAC 2006-NC3 B2)	61744CZM1	08/21/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	617451EA3	MSAB06H1	MSAC 2006-HE1 B3 CDS - LIBOR + 1.43% 01/25/2036	617451EA3	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	61749QAN2	MSHE0603	MSHEL 2006-3 B3 CDS - LIBOR + 2.0% 04/25/2036	61749QAN2	08/17/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	64352VNB3	NCC05004	New Century Home Equity Loan Trust 2005-4 (NCHET 2005-4 M8)	64352VNB3	11/01/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	64352VNB3	NCC05004	New Century Home Equity Loan Trust 2005-4 (NCHET 2005-4 M8)	64352VNB3	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	64352VPG0	NCC0500C	New Century Home Equity Loan Trust 2005-C (NCHET 2005-C M8)	64352VPG0	11/08/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	66988FX9	OOHE0601	OOMLT 2006-1 M9 CDS - LIBOR + 2.3% 01/25/2036		03/23/2007	6,000,000	6,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	72289AD6	PINEMT	Pine Mountain 2005-A G	72289AD6	08/17/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76405AM7	RFC05KS9	Residential Asset Securities Corp 2005-KS9 (RASC 2005-KS9 M9)	76405AM7	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76406EAM3	RFC06KS4	RASC 2006-KS4 M8 CDS - LIBOR + 1.05% 06/25/2036	76406EAM3	08/17/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	75406WAM3	RFC06KS8	RASC 2006-KS8 M8 CDS - LIBOR + 1.17% 08/25/2036	75406WAM3	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	75406WAM3	RFC06KS8	RASC 2006-KS8 M8 CDS - LIBOR + 1.17% 08/25/2036	75406WAM3	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76110W3F1	RFC05KS7	RASC 2005-KS7 M8 CDS - LIBOR + 2.4% 08/25/2035	76110W3F1	11/08/2006	10,000,000	10,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	761124X3	RFC05NC3	RAMP 2005-NC3 M8 CDS - LIBOR + 2.16% 08/25/2036	761124X3	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	761128DV9	RFC05EF4	RAMP 2005-EFC4 M9 CDS - LIBOR + 3.7% 08/25/2035	761128DV9	03/01/2007	6,000,000	6,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76112BL24	RFC05EF6	Residential Asset Mortgage Products Inc 2005-EFC6 (RAMP 2005-EFC6 M8)	76112BL24	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76112BVX5	RFC05EF2	RAMP 2005-EFC2 M9 CDS - LIBOR + 1.82% 07/25/2035	76112BVX5	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76112BWN6	RFC05RZ2	RAMP 2005-RZ2 M7 CDS - LIBOR + 0.86% 05/25/2035	76112BWN6	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76112BZB9	RFC05EF3	RAMP 2005-EFC3 M9 CDS - LIBOR + 3.55% 08/25/2035	76112BZB9	03/01/2007	6,000,000	6,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76112BZB9	RFC05EF3	RAMP 2005-EFC3 M9 CDS - LIBOR + 3.55% 08/25/2035		03/01/2007	(6,000,000)	(6,000,000)	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76112BZB9	RFC05EF3	RAMP 2005-EFC3 M9 CDS - LIBOR + 3.55% 08/25/2035		03/01/2007	6,000,000	6,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	76113ABT7	RFC06K83	RASC 2006-KS3 M8 CDS - LIBOR + 1.15% 04/25/2036	76113ABT7	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	78514RAL8	CMLT05N4	Carrington Mortgage Loan Trust 2005-NC4 (CARR 2005-NC4 M8)	78514RAL8	11/27/2006	1,000,000	1,000,000	N	28-Feb-07	Jul 06 - Feb 07	[redacted]	Not Applicable
CAMBER7	805564SK8	SAST0502	SAST 2005-2 B2	805564SK8	08/22/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	805564SK8	SAST0502	SAST 2005-2 B2	805564SK8	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	805564SZ5	SAST0503	SAST 2005-3 B2 CDS - LIBOR + 1.05% 11/25/2035	805564SZ5	07/31/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	805564TA8	SAST0503	SAST 2005-3 B3 CDS - LIBOR + 1.85% 11/25/2035	805564TA8	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	805564T60	SAST0504	SAST 2005-4 B3 CDS - LIBOR + 2.25% 11/25/2037	805564T60	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	80556UAM5	SAST0601	SAST 2006-1 B2 CDS - LIBOR + 1.07% 03/25/2036	80556UAM5	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	80556UAM5	SAST0601	SAST 2006-1 B2 CDS - LIBOR + 1.07% 03/25/2036	80556UAM5	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	81375WGL4	SABR05H1	SABR 2005-HE1 B3 CDS - LIBOR + 2.0% 10/25/2035	81375WGL4	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	81379WJN7	SABR06O1	SABR 2006-OP1 B2 CDS - LIBOR + 1.04% 10/25/2035	81379WJN7	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	81379WJP2	SABR06O1	Securitized Asset Backed Receivables LLC Trust 2006-OP1 (SABR 2006-OP1 B3)	81379WJP2	07/21/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	83611MEE4	SVHE05O1	Soundview Home Equity Loan Trust 2005-OO1 (SVHE 2005-OO1 M8)	83611MEE4	11/02/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	83611MEF1	SVHE05O1	SVHE 2005-OO1 M9 CDS - LIBOR + 2.81% 08/25/2035	83611MEF1	08/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	83611MEY0	SVHE0502	Soundview Home Equity Loan Trust 2005-2 (SVHE 2005-2 M9)	83611MEY0	08/13/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	83611MFV5	SVHE0503	Soundview Home Equity Loan Trust 2005-3 (SVHE 2005-3 M9)	83611MFV5	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	83611MKN7	SVHE0504	SVHE 2005-4 M9 CDS - LIBOR + 2.05% 03/25/2036	83611MKN7	12/08/2006	10,000,000	10,000,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	83611MMQ0	SVHE06O1	Soundview Home Equity Loan Trust 2006-OPT1 (SVHE 2006-OPT1 M8)	83611MMQ0	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	83612CAN9	SVHE06O3	Soundview Home Equity Loan Trust 2006-OPT3 (SVHE 2006-OPT3 M8)	83612CAN9	07/21/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	83612JAM6	SVHE06E1	Soundview Home Equity Loan Trust 2006-EQ1 (SVHE 2006-EQ1 M8)	83612JAM6	12/14/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	84751PEW5	SURF0501	Specialty Underwriting & Residential Finance 2005-BC1 (SURF 2005-BC1 B2)	84751PEW5	08/22/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	84751WAN4	SURF0603	SURF 2006-BC3 B2 CDS - LIBOR + 0.86% 08/25/2037	84751WAN4	08/18/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	86358BK2	SAS05WM1	SASC 2005-WMC1 M4 CDS - LIBOR + 1.05% 01/25/2035	86358BK2	07/20/2006	6,250,000	6,250,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	86358BL0	SAS05WM1	SASC 2005-WMC1 M5 CDS - LIBOR + 2.05% 01/25/2035	86358BL0	10/30/2006	5,000,000	5,000,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
CAMBER7	86359BZ78	SAS05NC1	SASC 2005-NC1 M7 CDS - LIBOR + 1.84% 02/25/2035	86359BZ78	11/28/2006	7,500,000	7,500,000	Y	28-Feb-07	Jul 06 - Feb 07	Goldman Sachs	Goldman Sachs
CAMBER7	92925CFC1	WMAB06H1	WMABS 2006-HE1 M9 CDS - LIBOR + 3.75% 04/25/2036	92925CFC1	02/08/2007	7,500,000	7,500,000	Y	28-Feb-07	Jul 06 - Feb 07	[redacted]	Goldman Sachs
FTDEN	00075QAM4	ABF06OP1	Asset Backed Funding Certificates 2006-OPT1 (ABFC 2006-OPT1 M8)	00075QAM4	08/07/2006	1,445,000	1,445,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	00388PAE5	ACAAB062	ACA ABS Ltd 2006-2A (ACABS 2006-2A B1L)	00388PAE5	11/17/2006	5,000,000	4,898,334	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	00441TAN3	ACE06HE3	ACE Securities Corp 2006-HE3 (ACE 2006-HE3 M8)	00441TAN3	08/14/2006	3,000,000	3,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	004421ZD6	ACE06HE2	Ace Securities Corp 2006-HE2 (ACE 2006-HE2 M8)	004421ZD6	04/18/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	00442VAN7	ACE06AS3	Ace Securities Corp 2006-ASP3 (ACE 2006-ASP3 M8)	00442VAN7	08/24/2006	3,000,000	3,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	007022AE8	ADIR052	Adirondack 2005-2 Ltd. (ADIROC 2005-2 D)	007022AE8	11/22/2005	5,000,000	4,782,710	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	00838CAG7	ARLE062	Arlie CLO 2006-2A (ARLE 2006-2A C)	00838CAG7	12/11/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	02149RAH1	ALTUS1	Altius I Funding, Ltd. 2005-1A (ALTS 2005-1A D)	02149RAH1	10/17/2005	4,500,000	4,096,872	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable

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CDO Asset Details
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CDO Deal	Cusip	Intex Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
FTDEN	02148YAF0	ALTIUS3	Altius Funding Ltd 2006-3A (ALTS 2006-3A D)	02148YAF0	08/08/2006	5,000,000	4,960,535	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	03072SY25	AMQ06R01	Ameriquest Mortgage Securities Inc 2006-R1 (AMSI 2006-R1 M7)	03072SY25	07/31/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	040104QW4	ARS05W05	Argent Securities Inc 2005-W5 (ARSI 2005-W5 M7)	040104QW4	01/06/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	040104TR2	ARS06W04	Argent Securities Inc 2006-W4 (ARSI 2006-W4 M8)	040104TR2	04/19/2006	10,054,000	10,054,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	04010HAG7	ARES10	Ares X CLO Ltd (ARESX 2005-1A D1)	04010HAG7	10/17/2005	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	04541GVT6	ABSHE06H1	ABSHE 2006-HE1 M8 CDS - LIBOR + 1.1% 01/25/2036	04541GVT6	03/03/2006	9,222,000	9,222,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	04544QAP4	ABSHE06H4	Asset Backed Securities Corp Home Equity 2006-HE4 (ABSHE 2006-HE4 M7)	04544QAP4	04/25/2006	2,000,000	2,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	05874QAF3	BALLY062	Ballyrock CDO Ltd 2006-2A (BALLY 2006-2A D)	05874QAF3	11/03/2006	4,000,000	4,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	07387NAJ8	BSHE06A3	Bear Stearns Asset Backed Securities, Inc 2006-AC3 (BSABS 2006-AC3 B2)	07387NAJ8	04/27/2006	8,384,000	7,210,804	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	07387UHZ7	BSHE06H3	Bear Stearns Asset Backed Securities Inc 2006-HE3 (BSABS 2006-HE3 M8)	07387UHZ7	03/08/2006	3,835,000	3,835,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	07388AAM8	BSHE06H4	Bear Stearns Asset Backed Securities, Inc 2006-HE4 (BSABS 2006-HE4 M8)	07388AAM8	04/17/2006	6,910,000	6,910,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	07388HAZ2	BSHE06H7	Bear Stearns Asset Backed Securities Inc 2006-HE7 (BSABS 2006-HE7 2M8)	07388HAZ2	08/03/2006	3,000,000	3,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	11161RAG7	BROWK	Broadwick Funding, Ltd. 2006-1 (BWIC 2006-1A D)	11161RAG7	04/12/2006	5,000,000	3,825,984	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	11201BAG1	BROD2	Broderick CDO Ltd 2006-2A (BROD 2006-2A D)	11201BAG1	08/27/2006	5,000,000	4,870,935	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	11836WAD8	BUCK06	Buckingham CDO Ltd. 2006-3A (BUCK 2006-3A E)	11836WAD8	08/02/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	126670SX7	CWHE0601	Countrywide Asset-Backed Certificates 2006-BC1 (CWL 2006-BC1 M8)	126670SX7	01/17/2006	1,750,000	1,750,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	126670VD7	CWHE0602	Countrywide Asset-Backed Certificates 2006-2 (CWL 2006-2 M8)	126670VD7	02/03/2006	5,775,000	5,775,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	126670YR3	CWHE0606	Countrywide Asset-Backed Certificates 2006-6 (CWL 2006-6 M8)	126670YR3	03/08/2006	2,750,000	2,750,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	126673NY4	CWHE0412	Countrywide Asset-Backed Certificates 2004-12 (CWL 2004-12 MV8)	126673NY4	11/09/2005	6,000,000	6,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	126673R81	CWHE0504	Countrywide Asset-Backed Certificates 2005-4 (CWL 2005-4 MV8)	126673R81	11/16/2005	7,100,000	7,100,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	128777AL3	CALD1	Caldecott CDO Ltd 2006-1A (CLDCT 2006-1A D)	128777AL3	12/15/2006	5,000,000	4,989,072	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	13189BAF3	CAMBER3	Camber (CAMBR 3A D)	13189BAF3	10/17/2005	4,500,000	4,500,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	21844AAE9	COOLF	Coolidge Funding, Ltd. (COOL 2005-1A D)	21844AAE9	10/17/2005	6,525,000	5,872,329	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	239155AC8	DAVSQ5	Davis Square Funding, Ltd. 2005-5A (DVSQ 2005-5A D)	239155AC8	10/17/2005	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	239155AD6	DAVSQ5	Davis Square Funding, Ltd. 2005-5A (DVSQ 2005-5A E)	239155AD6	10/17/2005	5,000,000	4,081,170	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	29109BAE6	EMERPL	Emerson Place CLO Ltd 2006-1A (EMRSN 2006-1A D)	29109BAE6	11/03/2006	2,000,000	2,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	32027EAQ4	FFML06F8	First Franklin Mortgage Loan Asset Backed Certificates 2006-FF8 (FFML 2006-FF8 M8)	32027EAQ4	04/28/2006	4,706,000	4,706,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	34987YAF4	FORTIU2	Fortius Funding Ltd 2006-2A (FORTS 2006-2A D)	34987YAF4	12/18/2006	6,000,000	6,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	34958CAE4	FORTIU1	Fortius Funding Ltd 2006-1A (FORTS 2006-1A D)	34958CAE4	02/08/2006	8,000,000	7,876,867	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	35055PAE4	FOUGR	Founders Grove CLO, LTD. (FGCLO 2006-1A D)	35055PAE4	03/22/2006	4,600,000	4,600,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	35729TAN2	FRHE06C	Fremont Home Loan Trust 2006-C (FHLT 2006-C M8)	35729TAN2	08/25/2006	2,000,000	2,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	362341HF9	FFML05FA	First Franklin Mortgage Loan Asset Backed Certificates 2005-FFA (FFML 2005-FFA M3)	362341HF9	11/17/2005	2,000,000	2,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	362341HG7	FFML05FA	First Franklin Mtg Loan Asset Backed Certificates 2005-FFA (FFML 2005-FFA M4)	362341HG7	11/17/2005	4,813,000	4,813,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	362341HH5	FFML05FA	First Franklin MTG Loan Asset Backed Certificates 2005-FFA B1 (FFML 2005-FFA B1)	362341HH5	11/17/2005	2,053,000	2,053,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	362341HJ1	FFML05FA	First Franklin Mtg Loan Asset Backed Certificates 2005-FFA (FFML 2005-FFA B2)	362341HJ1	11/17/2005	1,108,000	1,108,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	362437AN5	GSA06HE5	GSAMP 2006-HE5 (GSAMP 2006-HE5 M8)	362437AN5	08/18/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	36243BAM3	GSA06HE4	GSAMP Trust 2006-HE4 (GSAMP 2006-HE4 M7)	36243BAM3	06/02/2006	8,000,000	8,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	36243BAN1	GSA06HE4	GSamp Trust 2006-HE4 (GSAMP 2006-HE4 M8)	36243BAN1	06/02/2006	8,000,000	8,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	36293XAH0	GSTFN	G Street Finance Ltd. 2005-1A (GSFIN 2005-1A D)	36293XAH0	11/22/2005	5,000,000	4,722,463	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	38521TAN8	GRDAV2	Grand Avenue CDO Ltd 2006-2A (GRAND 2006-2A D)	38521TAN8	08/29/2006	4,000,000	4,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	39807BAE5	GREYW1	Greywolf CLO Ltd 2007-1A (GWOLF 2007-1A D)	39807BAE5	12/11/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	40166RAD6	GUGG051	Guggenheim Structured Real Estate Funding Ltd. 2005-1A (GUGH 2005-1A D)	40166RAD6	10/17/2005	6,900,000	2,147,831	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	40166RAE4	GUGG051	Guggenheim Structured Real Estate Funding Ltd. 2005-1A (GUGH 2005-1A E)	40166RAE4	10/17/2005	4,400,000	1,369,504	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	41163TAF0	HARCH2	Harch CLO Ltd 2005-2A (HARCH 2005-2A D)	41163TAF0	12/22/2006	4,000,000	4,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	431136AG8	HIGHR1	Highridge ABS CDO Ltd 2007-1A (HRIDG 2007-1A E)	431136AG8	01/11/2007	5,000,000	4,874,827	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	43365JAA4	HITS031	High Income Trust Securities (HITS 2003-1A A)	43365JAA4	10/17/2005	2,100,000	1,101,729	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	442431AE0	HOUTB061	Hout Bay 2006-1 Ltd. (HOUT 2006-1A D)	442431AE0	03/30/2006	5,000,000	4,987,647	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	44379PAE5	HUDSHG61	Hudson High Grade Funding Ltd 2006-1A (HUDHG 2006-1A D)	44379PAE5	09/28/2006	5,000,000	4,820,701	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	44386QAF1	HUDSMZ62	Hudson Mezzanine 2006-2 Ltd. (HUDMZ 2006-2A D)	44386QAF1	02/02/2007	4,789,836	4,726,764	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	45254NRS8	IMHE0508	Impac CMB Trust 2005-8 (IMM 2005-8 1B)	45254NRS8	11/22/2005	3,835,000	2,636,632	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	45254TTA2	ISC05002	Impac Secured Assets Corporation 2005-2 (IMSA 2005-2 M8)	45254TTA2	12/20/2005	4,945,000	4,945,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	45660BLJ8	INMC06B	Indymac Residential Asset Backed Trust 2006-B (INABS 2006-B M8)	45660BLJ8	03/08/2006	2,450,000	2,450,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	45660LP84	INX05A27	Indymac Index Mortgage Loan Trust 2005-AR27 (INDX 2005-AR27 B2)	45660LP84	12/01/2005	5,000,000	4,872,811	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	46602UAM0	IXIS06H3	IXIS Real Estate Capital Trust 2006-HE3 (IXIS 2006-HE3 B2)	46602UAM0	08/23/2006	3,000,000	3,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	46602WAM6	IXIS06H2	IXIS Real Estate Capital Trust 2006-HE2 (IXIS 2006-HE2 B2)	46602WAM6	08/14/2006	6,000,000	6,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	52902WAG4	LEXCAP2	Lexington Capital Funding, Ltd. (LEXN 2006-1A E)	52902WAG4	06/28/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	53958PAE4	LOCHS	Lochsong Ltd 2006-1A (LOCH 2006-1A D)	53958PAE4	09/08/2006	6,000,000	7,986,126	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	542514TE4	LBML06W3	Long Beach Mortgage Loan Trust 2006-WL3 (LBMLT 2006-WL3 M8)	542514TE4	03/07/2006	10,000,000	10,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	543173AK3	LONGST1	Longstreet CDO, Ltd. 2006-1A (LSTRT 2006-1A E)	543173AK3	08/29/2006	4,000,000	4,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	54347UAD4	LOOMSL1	Loomis Sayles Ltd. 2006-1A (LOOM 2006-1A D)	54347UAD4	10/06/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	57644UAF0	MABS06H2	Mastr Asset Backed Securities Trust 2006-HE2 (MABS 2006-HE2 M8)	57644UAF0	05/08/2006	2,940,000	2,940,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	578325AB2	MAYFL1	Mayflower CDO I, Ltd. 2006-1 (MAYF 2006-1A B1L)	578325AB2	08/01/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	59020UAH3	MLHE06W1	Merrill Lynch Mortgage Investors Inc 2006-WMC1 (MLMI 2006-WMC1 B2A)	59020UAH3	02/07/2006	1,853,000	1,853,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	59021BAP2	MLHE06R2	Merrill Lynch Mortgage Investors, Inc 2006-RM2 (MLMI 2006-RM2 B2)	59021BAP2	05/22/2006	7,000,000	7,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	59022QAN2	MLHE06H5	Merrill Lynch Mortgage Investors Trust 2006-HE5 (MLMI 2006-HE5 B2)	59022QAN2	08/11/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	61744CVR4	MSHE0504	Morgan Stanley Home Equity Loans 2005-4 (MSHEL 2005-4 B2)	61744CVR4	03/07/2006	5,250,000	5,250,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	61748BAM8	MSAB06H4	Morgan Stanley ABS Capital I 2006-HE4 (MSAC 2006-HE4 B2)	61748BAM8	05/15/2006	10,000,000	10,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	61748QAM4	MSHE0603	Morgan Stanley Home Equity Loans 2006-3 (MSHEL 2006-3 B2)	61748QAM4	04/28/2006	7,187,000	7,187,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	61749KAP8	MSAB06W2	Morgan Stanley ABS Capital I 2006-WMC2 (MSAC 2006-WMC2 B2)	61749KAP8	05/25/2006	6,000,000	6,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	61749NAN7	MSAB06H3	Morgan Stanley ABS Capital I 2006-HE3 (MSAC 2006-HE3 B2)	61749NAN7	08/23/2006	4,000,000	4,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	61749QAM2	MSIX0601	Morgan Stanley IXIS Real Estate Capital Trust 2006-1 (MSIX 2006-1 B1)	61749QAM2	08/25/2006	4,000,000	4,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	66988AAM0	NFHE0601	Novastar Home Equity Loan 2006-1 (NHEL 2006-1 M7)	66988AAM0	04/20/2006	6,375,000	6,375,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	67073NAF7	NYLFL051	NYLIM Flatiron CLO Ltd/Cayman Island (NYLIM 2005-1A D)	67073NAF7	10/17/2005	2,900,000	2,900,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable

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CDO Asset Details
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CDO Deal	Cusip	Intex Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
FTDEN	68403CAN4	OOHE2002	Option One Mortgage Loan Trust 2006-3 (OOMLT 2006-3 M8)	68403CAN4	08/23/2006	2,000,000	2,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	68619PAB0	ORIPT2	Orient Point CDO II, Ltd. 2006-1 (ORPT 2006-1A E)	68619PAB0	10/16/2006	4,000,000	4,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	697728AE3	PAMPI	Pampelonne CDO, Ltd. 2006-1A (PAMP 2006-1A D)	697728AE3	08/28/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	Barclays Capital	Not Applicable
FTDEN	74733AAE7	PYXS01	Pyxis ABS CDO 2006-1 Ltd. (PYXS 2006-1A D)	74733AAE7	09/29/2006	5,000,000	4,790,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	74919PAD4	RFCOSSP2	RAAC Series (RAAC 2006-SP2 M4)	74919PAD4	08/01/2006	4,135,000	4,135,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	75156UAL1	RFCORZ2	Residential Asset Mortgage Products Inc. 2006-RZ2 (RAMP 2006-RZ2 M8)	75156UAL1	04/24/2006	1,125,000	1,125,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	75405KAL2	RFCOEMX1	Residential Asset Securities Corporation 2006-EMX1 (RASC 2006-EMX1 M8)	75405KAL2	01/12/2006	1,800,000	1,800,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	75406BAM3	RFCOKS4	RASC 2006-KS4 M8 CDS - LIBOR + 1.20% 05/25/2036	75406BAM3	05/25/2006	3,000,000	3,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	76112BOC7	RFCORS5	Residential Asset Mortgage Products, Inc. 2005-RS5 (RAMP 2005-RS5 M7)	76112BOC7	11/09/2005	4,750,000	4,750,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	76112BZR4	RFCORS8	Residential Asset Mortgage Products Inc 2005-RS8 (RAMP 2005-RS8 M8)	76112BZR4	03/13/2006	4,323,000	4,323,000	N	14-Feb-07	Oct 05 - Feb 07	GSC Partners	Not Applicable
FTDEN	784208AN0	SGMS06F2	SG Mortgage Securities Trust 2006-FRE2 (SGMS 2006-FRE2 M8)	784208AN0	07/07/2006	5,814,000	5,814,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	81375WHT8	CSSORC01	Credit-Based Asset Servicing and Securitization 2006-CB1 (CBASS 2006-CB1 B2)	81375WHT8	03/07/2006	4,000,000	4,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	81375WJ?7	SABROPO1	SABR 2006-OP1 B2 CDS - LIBOR + 1.04% 10/25/2035	81375WJ?7	01/20/2006	2,000,000	2,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	81376YAK7	SABROFH1	Securitized Asset Backed Receivables 2006-HE1 (SABR 2006-HE1 B2)	81376YAK7	09/17/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	83588WAQ2	SORINO	Sorin Real Estate CDO II Ltd. 2006-1 (SORIN 2006-1A C-FL)	83588WAQ2	03/21/2006	5,875,000	5,875,000	N	14-Feb-07	Oct 05 - Feb 07	GSC Partners	Not Applicable
FTDEN	83611MPR3	SVHE06O3	Soundview Home Equity Loan Trust 2006-OPT3 (SVHE 2006-OPT3 M7)	83611MPR3	04/13/2006	8,000,000	8,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	83612CAN9	SVHE06O5	Soundview Home Equity Loan Trust 2006-OPT5 (SVHE 2006-OPT5 M8)	83612CAN9	05/24/2006	7,200,000	7,200,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	84751PKL2	SURF06B1	Specialty Underwriting & Residential Finance 2006-BC1 (SURF 2006-BC1 B2A)	84751PKL2	02/07/2006	7,000,000	7,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	84751XAM4	SURF06A3	Specialty Underwriting & Residential Finance 2006-BC4 (SURF 2006-AB3 B2)	84751XAM4	09/13/2006	1,950,000	1,950,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	85234AAJ5	STACK02	Stack 2006-2A (STAK 2006-2A F)	85234AAJ5	12/22/2006	7,000,000	7,500,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	86359YAR3	SASO6BC1	Structured Asset Securities Corp 2006-BC1 (SASC 2006-BC1 M8)	86359YAR3	08/24/2006	8,000,000	8,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	88158TAF0	TWMO6HO3	Terwin Mortgage Trust 2006-6HGA (TMTS 2006-6HGA M3)	88158TAF0	07/28/2006	4,800,000	4,800,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	928244AP1	VICFAL	Victoria Falls CLO Ltd (VFALL 2005-1A D)	928244AP1	10/17/2006	6,000,000	6,000,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	930312AB8	WADEW	Westwood CDO, Ltd. 2006-1A (WADE 2006-1A D)	930312AB8	08/11/2006	5,000,000	5,000,000	N	14-Feb-07	Oct 05 - Feb 07	[redacted]	Not Applicable
FTDEN	949820AF9	WFAC0002	Wells Fargo Alternative Loan Trust 2005-2 (WFALT 2005-2 B1)	949820AF9	10/12/2006	1,724,000	1,724,000	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
FTDEN	953184AA7	WCOAST1	West Coast Funding, Ltd. (WETSC 2006-1A C)	953184AA7	07/03/2006	4,800,000	4,874,758	N	14-Feb-07	Oct 05 - Feb 07	Goldman Sachs	Not Applicable
HUDSMO01	[illegible]	[illegible]	ACE 2006-[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Ace Securities Corp 2006-HE1 (ACE 2006-HE1 M8)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	ACE 2006-HE1 M8 CDS - LIBOR + [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	ACE 2006-NC1 M9 CDS - LIBOR + [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Ace Securities Corp 2006-NC1 (ACE 2006-NC1 M9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	ACE 2006-ASP3 - M7 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Ameriquest Mortgage Securities Inc [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Ameriquest Mortgage Securities Inc 2005-R8 (AMSI 2005-R8 [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Ameriquest Mortgage Securities Inc 2005-R11 (AMSI 2005-R11 [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Ameriquest Mortgage Securities Inc 2005-R11 (AMSI 2005-R11 [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Argent Securities Inc [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	ARSI 2006-W[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Argent Securities Inc [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Argent Securities Inc 2006-W1 (ARSI 2006-W1 [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	ABSHE 2006-HE3 [illegible] CDS - LIBOR + [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Asset Backed Securities Corp Home Equity 2006-HE6 (ABSHE 2006-HE6 [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	CWL 2006-8 - M8 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Countrywide Asset-Backed Certificates [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	ABSHE 2006-HE5 - M8 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Bear Stearns Asset Backed Securities [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	BSABS 2005-HE11 M8 CDS - LIBOR + [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	BSABS 2005-EC1 - M9 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	BSABS 2005-FR1 M8 CDS - LIBOR + [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Bear Stearns Asset Backed Securities [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Bear Stearns Asset Backed Securities [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	CBASS 2006-CB4 - B3 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	CWL 2006-10 - [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Countrywide Asset-Backed Certificates 2005-BC5 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Countrywide Asset-Backed Certificates 2005-BC5 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	BOR 2006-[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	AMIT 2006-[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	CARR 2006-NC1 M8 CDS - LIBOR + [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Carrington Mortgage Loan Trust 2006-NC1 (CARR 2006-NC1 [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	CARR 2006-RFC1 M8 CDS - LIBOR + [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Carrington Mortgage Loan Trust 2006-NC2 (CARR 2006-NC2 [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Citigroup Mortgage Loan Trust, Inc. 2006-OPT4 (CMLTI 2006-OPT4 [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	Equifirst Mortgage Loan Trust [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	FMIC 2006-3 - M9 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	FMIC 2006-1 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	FFML 2006-FF4 M8 CDS - LIBOR + [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	FFML 2006-FF13 - M8 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	FFML 2006-FF7 - M8 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	First Franklin Mortgage Loan Asset Backed Certificates 2006-FF12 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	First Franklin Mortgage Loan Asset Backed Certificates 2006-FF12 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	FHLT 2006-B - M10 [illegible]	[illegible]	[illegible]	13,000,000	[illegible]	[illegible]	8-Dec-06	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	FHLT 2006-1 - M7 [illegible]	[illegible]	[illegible]	13,000,000	[illegible]	[illegible]	8-Dec-06	[illegible]	Goldman Sachs	Goldman Sachs
HUDSMO01	[illegible]	[illegible]	FHLT 2006-2 - M7 1.150% 02/2036 H2	[illegible]	[illegible]	13,000,000	13,000,000	[illegible]	8-Dec-06	[illegible]	Goldman Sachs	Goldman Sachs

Redacted by the Permanent Subcommittee on Investigations

CDO Asset Details
PSI Request LB-1a

CDO Deal	Cusip	Intex Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
HUDSM061	36228?AL3	GSAA0516	GSAA 2005-16 | B2 2.100% 10/2036 HZ	36228?AL3	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362334C??	GSAA0603	GSAA 2006-3 | B3 2.100% 03/2036 HZ	362334C??	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362334?C2	FFML06F4	FFML 2006-FF4 | M8 CDS : LIBOR + 1.50% 03/25/2036	362334?C2	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362334?J7	FFML06F4	First Franklin Mortgage Loan Asset Backed Certificates 2006-FF4 (FFML 2006-FF4 B1)	362334?J7	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362341?A3	GSA06HE1	GSAMP 2006-HE1 | M8 1.180% 01/2036 HZ	362341?A3	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362341C20	GSAA0606	GSAA 2006-6 | B3 2.100% 06/2036 HZ	362341C20	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362341?K4	GSA06HE4	GSAMP Trust 2006-HE4 (GSAMP 2006-HE4 B3)	362341?K4	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362341KL2	GSA06HE4	GSAMP 2006-HE4 | B3 [illegible]	362341KL2	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362348AJ3	GSAA0608	GSAA 2006-8 | B1 1.450% 05/2036 HZ	362348AJ3	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362381AK1	GSAA0612	GSAA 2006-12 | B2 2.100% 08/2036 HZ	362381AK1	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	36242D4??	GSAA0509	GSAA 2005-9 | B2 1.100% 08/2035 HZ	36242D4??	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	36242DWY3	GSAA0503	GSAA 2005-? | B3 2.100% 12/2034 HZ	36242DWY3	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	36244KAN8	GSA06HE3	GSAMP 2006-HE3 | M8 1.400% 05/2036 HZ	36244KAN8	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	36244KAP0	GSA06HE3	GSAMP TRUST 2006-HE3 (GSAMP 2006-HE3 M9)	36244KAP0	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	362463AP6	GSA06NC2	GSAMP Trust 2006-NC2 (GSAMP 2006-NC2 M9)	362463AP6	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	36256?AJ?	GSAA0614	GSAA 2006-14 | B1 1.150% 08/2036 HZ	36256?AJ?	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	36701?AN8	GEWM0501	GEWMC 2005-1 | B3 2.100% 10/2035 HZ	36701?AN8	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	40430KAP8	HSA06OP4	HASCO 2006-OPT4 | M7 1.400% 03/2036 HZ	40430KAP8	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	437084QD4	HEAT0508	Home Equity Asset Trust 2005-8 (HEAT 2005-8 M8)	437084QD4	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	437084QH2	HEAT0508	HEAT 2005-8 | B1 2.450% 02/2036 HZ	437084QH2	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	437084VY9	HEAT0604	HEAT 2006-3 | M8 1.450% 06/2036 HZ	437084VY9	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	437084VZ6	HEAT0604	Home Equity Asset Trust 2006-4 (HEAT 2006-4 B1)	437084VZ6	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	46626LAN2	JPMA05O1	JP Morgan Mortgage Acquisition Corp 2005-OPT1 (JPMAC 2005-OPT1 M9)	46626LAN2	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	46626LAN0	JPMA05O1	JPMAC 2005-OPT1 | M9 CDS : LIBOR + 2.25% 08/25/2035	46626LAN0	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	46626LFV7	JPA06FR1	JP Morgan Mortgage Acquisition Corp 2006-FRE1 (JPMAC 2006-FRE1 M9)	46626LFV7	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	46626LFW5	JPA06FR1	JPMAC 2006-FRE1 | M9 2.600% 03/2035 HZ	46626LFW5	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	46626LGP9	JPA06HE1	JPMAC 2006-HE1 | M9 CDS : LIBOR + 1.07% 01/25/2036	46626LGP9	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	46629RAN5	JPA06AC1	JPMAC 2006-ACC1 | M8 1.180% 05/2036 HZ	46629RAN5	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	46629?BG4	JPA06CW2	JP Morgan Mortgage Acquisition Corp 2006-CW2 (JPMAC 2006-CW2 MV9)	46629?BG4	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	542514LU9	LBML05W2	Long Beach Mortgage Loan Trust 2005-WL2 (LBMLT 2005-WL2 M8)	542514LU9	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	542514LV?	LBML05W2	Long Beach Mortgage Loan Trust 2005-WL2 (LBMLT 2005-WL2 M9)	542514LV?	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	542514RV8	LBML0601	LBMLT 2006-1 | M8 1.450% 02/2036 HZ	542514RV8	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	542514RW6	LBML0601	Long Beach Mortgage Loan Trust 2006-1 (LBMLT 2006-1 M9)	542514RW6	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	57643LAX1	MABS05N2	Master Asset Backed Securities Trust 2005-NC2 (MABS 2005-NC2 M9)	57643LAX1	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	57643LAY9	MABS05N2	MABS 2005-NC2 M9 CDS : LIBOR + 2.5% [illegible]	57643LAY9	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	57643LNP7	MABS06N1	MABS 2006-NC1 | M8 1.400% 01/2036 HZ	57643LNP7	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	57643LNQ5	MABS06N1	Master Asset Backed Securities Trust 2006-NC1 (MABS 2006-NC1 M9)	57643LNQ5	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	59020UXN9	MLM06HE1	Merrill Lynch Mortgage Investors Inc 2006-HE1 (MLMI 2006-HE1 B2A)	59020UXN9	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	59020UXQ2	MLM06HE1	Merrill Lynch Mortgage Investors 2006-HE1 (MLMI 2006-HE1 B3A)	59020UXQ2	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	59020UQ58	MLM05AR1	Merrill Lynch Mortgage Investors Inc 2005-AR1 (MLMI 2005-AR1 B3)	59020UQ58	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	59020UQ66	MLM05AR1	MLMI 2005-AR1 | B3 CDS : LIBOR + 2.10% 06/25/2036	59020UQ66	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	61744CUZ7	MSAC05H3	Morgan Stanley ABS Capital I 2005-HE3 (MSAC 2005-HE3 B3)	61744CUZ7	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	61744CVA1	MSAC05H3	MSAC 2005-HE3 | B3 2.300% 08/2035 HZ	61744CVA1	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	61744CTX8	MSHE0503	MSHEL 2005-3 B3 CDS : LIBOR + 1.58% 02/25/2036	61744CTX8	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	61745?FD4	MSAC06H2	Morgan Stanley Capital I 2006-HE2 (MSAC 2006-HE2 B2)	61745?FD4	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	61745?FE4	MSAC06H2	Morgan Stanley Capital I 2006-HE2 (MSC 2006-HE2 B3)	61745?FE4	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	61749KAP8	MSAB06W2	Morgan Stanley ABS Capital I 2006-WMC2 (MSAC 2006-WMC2 B2)	61749KAP8	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	61749KAQ6	MSAB06W2	Morgan Stanley ABS Capital I 2006-WMC2 (MSAC 2006-WMC2 B3)	61749KAQ6	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	64352VNB3	NCC05004	New Century Home Equity Loan Trust 2005-4 (NCHET 2005-4 M9)	64352VNB3	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	64352VNC1	NCC05004	NCHET 2005-4 | M9 2.450% 09/2035 HZ	64352VNC1	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	64352VPG0	NCC0500C	New Century Home Equity Loan Trust 2005-C (NCHET 2005-C B9)	64352VPG0	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	66987WCU9	NFHE0502	NHEL 2005-2 | M8 1.100% 10/2035 HZ	66987WCU9	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	66988VAM0	NFHE0603	NHEL 2006-3 | M7 1.150% 08/2036 HZ	66988VAM0	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	68389FKZ6	OOHE0601	OOMLT 2006-1 | M9 CDS : LIBOR + 2.3% 01/25/2036	68389FKZ6	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	68402CAN4	OOHE0602	Option One Mortgage Loan Trust 2006-2 (OOMLT 2006-2 M8)	68402CAN4	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	69121PDP5	OWNL0602	OWNIT 2006-2 | B2 1.180% 01/2037 HZ	69121PDP5	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	73316PGB5	POHE06A	POPLR 2006-A | M8 2.100% 02/2036 HZ	73316PGB5	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	75156TAL4	RFC06NC2	Residential Asset Mortgage Products Inc 2006-NC2 (RAMP 2006-NC2 M8)	75156TAL4	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	75156TAM2	RFC06NC2	RAMP 2006-NC2 | M9 2.850% 02/2036 HZ	75156TAM2	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	75156UAM9	RFC06RZ2	RAMP 2006-RZ2 | M8 2.100% 05/2036 HZ	75156UAM9	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	75406AAL3	RFC06EM2	RASC 2006-EMX2 | M9 Libor + 1.63% 02/2036	75406AAL3	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	76110W2?6	RFC05EM2	RASC 2005-EMX2 | M8 3.100% 07/2035 HZ	76110W2?6	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	76110W7L4	RFC05K11	Residential Asset Securities Corporation 2005-KS11 (RASC 2005-KS11 M8)	76110W7L4	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	76110W7M2	RFC05K11	RASC 2005-KS11 | M9 2.450% 12/2035 HZ	76110W7M2	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	76112BD?1	RFC05EF4	Residential Asset Mortgage Products Inc 2005-EFC4 (RAMP 2005-EFC4 M8)	76112BD?1	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	76112BD49	RFC05EF4	RAMP 2005-EFC4 M9 CDS : LIBOR + 3.7% 09/25/2035	76112BD49	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	76112BVX5	RFC05EF2	RAMP 2005-EFC2 M9 CDS : LIBOR + 1.80% 07/25/2035	76112BVX5	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	76113ABT7	RFC06KS3	RASC 2006-KS3 M8 CDS : LIBOR + 1.15% 04/25/2036	76113ABT7	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	76113ABU4	RFC06KS3	Residential Asset Securities Corporation 2006-KS3 (RASC 2006-KS3 M9)	76113ABU4	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	805564SK6	SAST0602	SAST 2006-2 B2	805564SK6	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	81375WCX2	SABR05O1	Securitized Asset Backed Receivables LLC Trust 2005-OP1 (SABR 2005-OP1 B2)	81375WCX2	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	81375WDJ2	SABR05E1	SABR 2005-EC1 | B2 1.180% 01/2035 HZ	81375WDJ2	10/19/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM061	81375WGK8	SABR06H1	Securitized Asset Backed Receivables LLC Trust 2006-HE1 (SABR 2006-HE1 B2)	81375WGK8	10/23/2006	15,000,000	15,000,000	Y	8-Dec-06	na	Goldman Sachs	Goldman Sachs

CDO Asset Details
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CDO Deal	Cusip	Intex Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
HUDSM001	81378WGL4	SABR05HE1	SABR 2005-HE1 B3 CDO : LIBOR + 2.0% 10/25/2035	81378WGL4	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	81378WJN7	SABR05OP1	SABR 2005-OP1 B2 CDS : LIBOR + 1.04% 10/25/2035	81378WJN7	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	81378WJP2	SABR05OP1	Securitized Asset Backed Receivables LLC Trust 2005-OP1 (SABR 2005-OP1 B3)	81378WJP2	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	83611MGM0	SVHE0504	Soundview Home Equity Loan Trust 2005-4 (SVHE 2005-4 M8)	83611MGM0	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	83611MGN7	SVHE0504	SVHE 2005-4 M9 CDS : LIBOR + 2.05% 03/25/2036	83611MGN7	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	83611MMJ0	SVHE05O2	SVHE 2005-OPT2 : M8 2.100% 05/2036 HZ	83611MMJ0	10/18/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	83612CAN9	SVHE06O3	Soundview Home Equity Loan Trust 2006-OPT3 (SVHE 2006-OPT3 M8)	83612CAN9	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	83612CAP4	SVHE06O3	Soundview Home Equity Loan Trust (SVHE 2006-OPT3 M9)	83612CAP4	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	84751PKL2	SURF0601	Specialty Underwriting & Residential Finance 2006-BC1 (SURF 2006-BC1 B2A)	84751PKL2	10/18/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86357BDN1	SASC05WF4	Structured Asset Securities Corporation 2005WF4 (SASC 2005-WF4 M8)	86357BDN1	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86357BDP6	SASC05WF4	SASC 2005-WF4 : M9 2.450% : 11/2035 HZ	86357BDP6	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86358EXE1	SAIL05H3	Structured Asset Investment Loan Trust 2005-HE3 (SAIL 2005-HE3 M8)	86358EXE1	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86358EXF8	SAIL05H3	Structured Asset Investment Loan Trust 2005-HE3 (SAIL 2005-HE3 M9)	86358EXF8	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86358BBG2	SASC05WM1	SASC 2005-WMC1 M4 CDS : LIBOR + 1.05% 01/25/2035	86358BBG2	10/18/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86359DBT3	FFML06F3	FFML 2006-FF3 : M8 2.100% 04/2036 HZ	86359DBT3	10/18/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86360LAM8	SASC06WF2	SASC 2006-WF2 : M8 1.250% 07/2036 HZ	86360LAM8	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86360LAN6	SASC06WF2	Structured Asset Securities Corp 2006-WF2 (SASC 2006-WF2 M9)	86360LAN6	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86360WAM4	SAIL0604	Structured Asset Investment Loan Trust 2006-4 (SAIL 2006-4 M7)	86360WAM4	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	86360WAN2	SAIL0604	Structured Asset Investment Loan Trust 2006-4 (SAIL 2006-4 M8)	86360WAN2	10/23/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM001	9497EUAR8	WFHE0601	WFHET 2006-1 : M9 2.100% 06/2036 HZ	9497EUAR8	10/18/2006	15,000,000	15,000,000	Y	5-Dec-06	na	Goldman Sachs	Goldman Sachs
HUDSM002	004421UK7	ACE05HE7	Ace Securities Corp 2005-HE7 (ACE 2005-HE7 M8)	004421UK7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	004421UL5	ACE05HE7	ACE 2005-HE7 M8 CDS : LIBOR + 2.3% 11/25/2035	004421UL5	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	004421VB6	ACE06NC1	ACE 2006-NC1 M8 CDS : LIBOR + 1.3% 12/25/2035	004421VB6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	004421VC4	ACE06NC1	Ace Securities Corp 2006-NC1 (ACE 2006-NC1 M9)	004421VC4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	03072SV66	AMQ05R11	Ameriquest Mortgage Securities Inc 2005-R11 (AMSI 2005-R11 M8)	03072SV66	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	03072SV93	AMQ05R11	Ameriquest Mortgage Securities Inc 2005-R11 (AMSI 2005-R11 M9)	03072SV93	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	040104NL1	ARS05W02	Argent Securities Inc 2005-W2 (ARSI 2005-W2 M8)	040104NL1	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	040104NM9	ARS05W02	ARSI 2005-W2 : M9 2.450% 10/2035 HZ	040104NM9	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	040104RQ6	ARS06W01	Argent Securities Inc 2006-W1 (ARSI 2006-W1 M8)	040104RQ6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	040104RR4	ARS06W01	Argent Securities Inc 2006-W1 (ARSI 2006-W1 M9)	040104RR4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	073879SU0	BSH05H11	Bear Stearns Asset Backed Securities Inc 2005-HE11 (BSABS 2005-HE11 M7)	073879SU0	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	073879SV8	BSH05H11	BSABS 2005-HE11 M8 CDS : LIBOR + 2.3% 11/25/2035	073879SV8	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	07387UHZ7	BSHE06H3	Bear Stearns Asset Backed Securities Inc 2006-HE3 (BSABS 2006-HE3 M8)	07387UHZ7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	07387UJA0	BSHE06H3	Bear Stearns Asset Backed Securities Inc 2006-HE3 (BSABS 2006-HE3 M9)	07387UJA0	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	144531FF2	CMLT06N1	CARR 2006-NC1 M8 CDS : LIBOR + 1.2% 01/25/2036	144531FF2	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	144531FG0	CMLT06N1	Carrington Mortgage Loan Trust 2006-NC1 (CARR 2006-NC1 M9)	144531FG0	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	126670NM6	CWHE05B5	Countrywide Asset-Backed Certificates 2005-BC5 (CWL 2005-BC5 M8)	126670NM6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	126670NN4	CWHE05B5	Countrywide Asset-Backed Certificates 2005-BC5 (CWL 2005-BC5 B)	126670NN4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	045427AN1	CWHE0606	Countrywide Asset-Backed Certificates 2006-6 (CWL 2006-6 M8)	045427AN1	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	045427AM3	CWHE0606	CWL 2006-6 : M8 1.450% 01/2046 HZ	045427AM3	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	32027NYD7	FFM05F12	First Franklin Mortgage Loan Asset Backed Certificates 2005-FF12 (FFML 2005-FF12 B2)	32027NYD7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	32027NYE5	FFM05F12	First Franklin Mortgage Loan Asset Backed Certificates 2005-FF12 (FFML 2005-FF12 B3)	32027NYE5	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	362334GC2	FFML06F4	FFML 2006-FF4 M8 CDS : LIBOR + 1.55% 03/25/2036	362334GC2	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	362334GJ7	FFML06F4	First Franklin Mortgage Loan Asset Backed Certificates 2006-FF4 (FFML 2006-FF4 B1)	362334GJ7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	362341KK4	GSA05HE4	GSAMP Trust 2005-HE4 (GSAMP 2005-HE4 B2)	362341KK4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	362341KL2	GSA05HE4	GSAMP 2005-HE4 B3 CDS : LIBOR + 2.1% 08/25/2035	362341KL2	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	36244KAN5	GSA06HE3	GSAMP 2006-HE3 : M8 1.450% 05/2036 HZ	36244KAN5	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	36244KAP0	GSA06HE3	GSAMP TRUST 2006-HE3 (GSAMP 2006-HE3 M9)	36244KAP0	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	437084QQ4	HEAT0508	Home Equity Asset Trust 2005-8 (HEAT 2005-8 M8)	437084QQ4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	437084QR2	HEAT0508	HEAT 2005-8 : B1 2.450% 02/2036 HZ	437084QR2	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	437084VY9	HEAT0604	HEAT 2006-4 : M8 1.450% 06/2036 HZ	437084VY9	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	437084VZ6	HEAT0604	Home Equity Asset Trust 2006-4 (HEAT 2006-4 B1)	437084VZ6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	46626LFV7	JPA05FR1	JP Morgan Mortgage Acquisition Corp 2005-FRE1 (JPMAC 2005-FRE1 M8)	46626LFV7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	46626LFW5	JPA05FR1	JPMAC 2005-FRE1 : M9 2.650% 05/2035 HZ	46626LFW5	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	46628LAM2	JPMA05O1	JP Morgan Mortgage Acquisition Corp 2005-OPT1 (JPMAC 2005-OPT1 M8)	46628LAM2	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	46628LAN0	JPMA05O1	JPMAC 2005-OPT1 M9 CDS : LIBOR + 2.50% 06/25/2035	46628LAN0	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	542514NJ9	LBML05W2	Long Beach Mortgage Loan Trust 2005-WL2 (LBMLT 2005-WL2 M8)	542514NJ9	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	542514NK6	LBML05W2	Long Beach Mortgage Loan Trust 2005-WL2 (LBMLT 2005-WL2 M9)	542514NK6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	542514RV8	LBML0601	LBMLT 2006-1 : M8 1.450% 02/2036 HZ	542514RV8	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	542514RW6	LBML0601	Long Beach Mortgage Loan Trust 2006-1 (LBMLT 2006-1 M9)	542514RW6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	57643LNP7	MAB06NC1	MABS 2006-NC1 : M8 1.450% 01/2036 HZ	57643LNP7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	57643LNQ5	MAB06NC1	Mastr Asset Backed Securities Trust 2006-NC1 (MABS 2006-NC1 M9)	57643LNQ5	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	57643LMX1	MAB05NC2	Mastr Asset Backed Securities Trust 2005-NC2 (MABS 2005-NC2 M8)	57643LMX1	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	57643LMY9	MAB05NC2	MABS 2005-NC2 M9 CDS : LIBOR + 2.5% 11/25/2035	57643LMY9	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	59020UG58	MLHE05A1	Merrill Lynch Mortgage Investors Inc 2005-AR1 (MLMI 2005-AR1 B2)	59020UG58	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	59020UG66	MLHE05A1	MLMI 2005-AR1 B3 CDS : LIBOR + 2.15% 06/25/2036	59020UG66	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	59020UJN3	MLHE06H1	Merrill Lynch Mortgage Investors Inc 2006-HE1 (MLMI 2006-HE1 B2A)	59020UJN3	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	59020UJQ6	MLHE06H1	Merrill Lynch Mortgage Investors 2006-HE1 (MLMI 2006-HE1 B3A)	59020UJQ6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	61744CUZ7	MSAB05H5	Morgan Stanley ABS Capital I 2005-HE5 (MSAC 2005-HE5 B2)	61744CUZ7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	61744CVA1	MSAB05H5	MSAC 2005-HE5 : B3 2.450% 09/2035 HZ	61744CVA1	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	617451FD6	MSAB06H2	Morgan Stanley Capital I 2006-HE2 (MSAC 2006-HE2 B2)	617451FD6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	617451FE4	MSAB06H2	Morgan Stanley Capital I 2006-HE2 (MSAC 2006-HE2 B3)	617451FE4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSM002	61749KAP8	MSAB06W2	Morgan Stanley ABS Capital I 2006-WMC2 (MSAC 2006-WMC2 B2)	61749KAP8	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs

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CDO Deal	Cusip	Intex Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
HUDSMO02	61749KAD8	MSAB06W2	Morgan Stanley ABS Capital I 2006-WMC2 (MSAC 2006-WMC2 B3)	61749KAD8	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	64352VNB3	NCC05004	New Century Home Equity Loan Trust 2005-4 (NCHET 2005-4 M8)	64352VNB3	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	64352VNC1	NCC05004	NCHET 2005-4 - M9 2.450% 09/2035 HZ	64352VNC1	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	76112BD31	RFC05EF4	Residential Asset Mortgage Products Inc 2005-EFC4 (RAMP 2005-EFC4 M8)	76112BD31	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	76112BD49	RFC05EF4	RAMP 2005-EFC4 M9 CDS - LIBOR + 3.7% 09/25/2035	76112BD49	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	76110W7L4	RFC05K11	Residential Asset Securities Corporation 2005-KS11 (RASC 2005-KS11 M8)	76110W7L4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	76110W7M2	RFC05K11	RASC 2005-KS11 - M9 2.450% - 12/2035 HZ	76110W7M2	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	76113ABT7	RFC06K03	RASC 2006-KS3 M8 CDS - LIBOR + 1.19% 04/25/2036	76113ABT7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	76113ABU4	RFC06K03	Residential Asset Securities Corporation 2006-KS3 (RASC 2006-KS3 M9)	76113ABU4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	76115TAL4	RFC06NC2	Residential Asset Mortgage Products Inc 2006-NC2 (RAMP 2006-NC2 M8)	76115TAL4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	76115TAM2	RFC06NC2	RAMP 2006-NC2 - M9 2.650% - 02/2036 HZ	76115TAM2	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	81375WGK6	SABR05H1	Securitized Asset Backed Receivables LLC Trust 2005-HE1 (SABR 2005-HE1 B3)	81375WGK6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	81375WGL4	SABR05H1	SABR 2005-HE1 B3 CDS - LIBOR + 2.0% 10/25/2035	81375WGL4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	81375WJN7	SABR05O1	SABR 2005-OP1 B3 CDS - LIBOR + 1.04% 10/25/2035	81375WJN7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	81375WJP2	SABR05O1	Securitized Asset Backed Receivables LLC Trust 2005-OP1 (SABR 2005-OP1 B3)	81375WJP2	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	86358EXD1	SAIL05H3	Structured Asset Investment Loan Trust 2005-HE3 (SAIL 2005-HE3 M8)	86358EXD1	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	86358EXF6	SAIL05H3	Structured Asset Investment Loan Trust 2005-HE3 (SAIL 2005-HE3 M9)	86358EXF6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	86360WAM4	SAIL0504	Structured Asset Investment Loan Trust 2005-4 (SAIL 2005-4 M7)	86360WAM4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	86360WAN2	SAIL0504	Structured Asset Investment Loan Trust 2005-4 (SAIL 2005-4 M8)	86360WAN2	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	86357RDN1	SASC05WF4	Structured Asset Securities Corporation 2005-WF4 (SASC 2005-WF4 M8)	86357RDN1	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	86357RDP6	SASC05WF4	SASC 2005-WF4 - M9 2.450% - 11/2035 HZ	86357RDP6	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	86360LAN8	SASC06WF2	Structured Asset Securities Corp 2006-WF2 (SASC 2006-WF2 M8)	86360LAN8	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	86360LAM0	SASC06WF2	SASC 2006-WF2 - M9 1.450% 07/2036 HZ	86360LAM0	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	83611MKM0	SVHE0504	Soundview Home Equity Loan Trust 2005-4 (SVHE 2005-4 M8)	83611MKM0	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	83611MKN7	SVHE0504	SVHE 2005-4 M9 CDS - LIBOR + 2.07% 03/25/2036	83611MKN7	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	83612CAN9	SVHE06O5	Soundview Home Equity Loan Trust 2006-OPT5 (SVHE 2006-OPT5 M8)	83612CAN9	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
HUDSMO02	83612CAP4	SVHE06O5	Soundview Home Equity Loan Trust (SVHE 2006-OPT5 M9)	83612CAP4	02/08/2007	5,000,000	5,000,000	Y	8-Feb-07	na	Goldman Sachs	Goldman Sachs
PTPL071	00082NAE0	ACAABS052	ACA ABS 2005-2, Limited (ACABS 2005-2A A3)	00082NAE0	12/14/2006	10,000,000	6,784,147	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	00082WAD2	ACAABS061	ACA ABS 2002-1 Ltd (ACABS 2006-1A A3L)	00082WAD2	12/14/2006	10,000,000	9,884,127	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	00388PAD7	ACAABS062	ACA ABS Ltd 2006-2A (ACABS 2006-2A A3L)-x1	00388PAD7-1	11/21/2006	10,000,000	9,896,483	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	007033AD8	ADIR052	Adirondack 2005-2 Ltd. ()	007033AD8	11/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	02149RAG3	ALTIUS1	Altius I Funding, Ltd. 2005-1A (ALTS 2005-1A C)	02149RAG3	08/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	02149YAE3	ALTIUS3	Altius Funding Ltd 2006-3A (ALTS 2006-3A C)	02149YAE3	11/21/2006	10,000,000	9,660,294	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	03879CAF3	ARBO61	Arbor Realty Mortgage Securities 2006-1A (ARMSS 2006-1A D)	03879CAF3	04/18/2007	3,000,000	3,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	03879CAG1	ARBO61	Arbor Realty Mortgage Securities 2006-1A (ARMSS 2006-1A E)	03879CAG1	04/18/2007	6,000,000	6,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	05350DAG9	AVAND61	Avand Funding Ltd 2006-1A ()	05350DAG9	08/22/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	05334TAJ8	AVEBF	Asbury Finance CDO PLC 1 (ASBURY 1A C)	05334TAJ8	02/02/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	05536MAD2	BFCGEN	BFC Genesee CDO Ltd 2006-1A ()	05536MAD2	02/08/2007	10,000,000	9,841,440	Y	18-Apr-07	Sep 06 - Apr 07	Goldman Sachs	DCS Corporate & Investment Bank
PTPL071	05635AAD4	BACCUS061	Bacchus Ltd 2006-1A (BACUS 2006-1A C)	05635AAD4	04/18/2007	8,000,000	8,000,000	Y	18-Apr-07	Sep 06 - Apr 07		DCS Corporate & Investment Bank
PTPL071	06851PAA6	BARR	Barrington CDO Ltd 1A (BARRN 1A C)	06851PAA6	08/29/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	07844AAD3	BELHV	Belle Haven ABS CDO 2004-1A (BLHV 2004-1A A3)	07844AAD3	04/18/2007	4,000,000	4,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	078451AD3	BELHV051	Belle Haven ABS CDO Ltd (BLHV 2005-1A C)	078451AD3	08/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	Goldman Sachs	DCS Corporate & Investment Bank
PTPL071	078452AD1	BELHV061	Belle Haven ABS CDO Ltd 2006-1A (BLHV 2006-1A C)	078452AD1	04/18/2007	18,000,000	18,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	05561KAC0	BFCSLV	BFC Silverton CDO Ltd 2006-1A (BFCSIL 2006-1A D)	05561KAC0	12/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	09202XAE4	BDIAM061	Black Diamond CLO Ltd 2006-1A (BLACK 2006-1A C)	09202XAE4	04/18/2007	30,000,000	30,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	112018AF3	BROD3	Broderick CDO Ltd 2006-3A (BROD 2006-3A C)	112018AF3	12/01/2006	10,000,000	9,876,846	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	118368AC1	BUCKHM3	Buckingham CDO Ltd 2005-2A (BUCK 2005-2A D)	118368AC1	08/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	11836WAC8	BUCKHM2	Buckingham CDO Ltd 2006-3A (BUCK 2006-3A C)-x1	11836WAC8-1	11/21/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	12776?AD2	CAIRNH1	Cairn High Grade ABS CDO I PLC (CAIRH 1A C)	127763AD2	12/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	12776YAD4	CAIRNM1	Cairn Mezzanine ABS CDO PLC 2006-1 (CRNMZ 2006-1A D)-x1	12776YAD4	12/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	12777AAD6	CAIRNHG2	Cairn High Grade ABS CDO II, Limited 2006-2 (CAIRH 2006-2A C)	12777AAD6	12/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	12777CAE2	CAIRNM2	Cairn Mezzanine ABS CDO PLC 2006-3 (CRNMZ 2006-3A C)-x1	12777CAE2-2	04/18/2007	7,750,000	7,750,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	12877?AJ8	CALD1	Aldwych CDO Ltd 2006-1A (CLDOT 2006-1A C)	12877?AJ8	04/18/2007	11,000,000	11,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	13188GAF8	CAMBER7	Camber 7A (CAMBR 7A C)	13188GAF8	04/18/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	13180LAD1	CAMBER5	Camber (CAMBR 5A B)	13180LAD1	11/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	13189TAE3	CAMBER6	Camber 6 (CAMBR 6A D)	13189TAE3	11/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	14050DAE3	CSRE06A	Capitalsource Real Estate Loan Trust 2006-1A (CRLLT 2006-1A D)	14050DAE3	04/18/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	15719MAC5	CETUS063	CETUS 2006-3A B CDS - LIBOR + 1.4% 12/30/2046	15719MAC5-1	11/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	17305CAD1	CITILH	Citius I Funding Ltd, 2006-1 (CTIUS 2006-1A C)	17305CAD1	04/18/2007	5,000,000	4,516,672	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	17310JAC1	CITIU2	Citius Funding Ltd 2006-2A (CTIUS 2006-2A C)	17310JAC1	07/01/2007	10,000,000	8,874,321	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	19418TAA0	1958	Sellatia Segregated Portfolio 2007-3A (SLETA 2007-3A NOTE)	19418TAA0	04/18/2007	5,000,000	5,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	20283EAD1	COMMOD05	Commodore CDO I Ltd 2006-5A (COMMD 2006-5A C)	20283EAD1	12/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	23910TAE7	DAVISQ4	Davis Square Funding IV, Ltd. (DVSQ 2005-4A C)	23910TAE7	11/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	23910VAH5	DAVISQ6	Davis Square Funding, Ltd. 2006-6A (DVSQ 2006-6A C)	23910VAH5	04/18/2007	15,000,000	15,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	25508AAL8	DMHAR	Diversey Harbor ABS CDO, Ltd. 2006-1A (DIVHAR 2006-1A B)	25508AAL8	04/18/2007	11,000,000	11,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	26138UAD4	DRACO71	Draco Ltd/United States 2007-1A (DRACO 2007-1A A3)	26138UAD4	04/18/2007	15,000,000	15,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	26430AAC1	DUKE9	Duke Funding Ltd 2005-9 (DUKEF 2005-9A A3V)	26430AAC1	04/18/2007	5,000,000	5,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	26707TAD4	DUTHL1	Dutch Hill Funding Ltd 2005-1A (DHCDO 2005-1A C)-x1	26707TAD4-2	04/18/2007	5,000,000	5,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	28829WAD8	ETRAD3	E*Trade CDO I 2006-3A (ETRD 2006-3A A3)	28829WAD8	02/08/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	34658CAD6	FORTU1	Fortius Funding Ltd 2006-1A (FORTS 2006-1A C)	34658CAD6	04/18/2007	4,000,000	4,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	36224AAH8	GSCAB3M	GSC ABS CDO 2006-3m Ltd. (GSCSF 2006-3A D)	36224AAH8	04/18/2007	12,800,000	12,800,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	36247BAD8	GSCAB4U	GSC ABS CDO Ltd 2006-4u (GSCSF 2006-4A A3)	36247BAD8	11/21/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank
PTPL071	37638NAD3	GLACIER	Glacier Funding CDO Ltd ()	37638NAD3	02/08/2007	10,000,000	8,787,301	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	DCS Corporate & Investment Bank

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CDO Deal	Cusip	Index Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
PTPL071	38521PAE4	GRDAV1	GRAND 2005-1A - C Libor+1.35% 04/2046 HUD HG	38521PAE4	11/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	38521TAL0	GRDAV2	Grand Avenue CDO Ltd 2006-2A (GRAND 2006-2A C)	38521TAL0	11/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	40536UAD4	HALSP1	Halyson Securitized Products Investors CDO Ltd 2006-1A (HLCDO 2006-1A C)	40536UAD4	12/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	442451AD2	HOUT6061	Hout Bay 2006-1 Ltd. (HOUT 2006-1A C)	442451AD2	04/18/2007	15,000,000	15,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	44379PAD7	HUDSHG61	HUDHG 2006-1A - C Libor+1.30% 03/2042	44379PAD7-3	04/18/2007	7,250,000	7,250,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	44380QAE1	HUDSM061	Hudson Mezzanine Funding 2006-1A (HUDMZ 2006-1A C)	44380QAE1	04/18/2007	8,000,000	8,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	44380QAE4	HUDSM002	Hudson Mezzanine 2006-2 Ltd. (HUDMZ 2006-2A C)	44380QAE4	04/18/2007	12,000,000	12,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	45377TAQ1	INDEP6	Independence VI CDO Ltd (INDE6 6A C)	45377TAQ1	08/14/2006	10,000,000	9,418,803	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	46265BAJ7	IPSW	IPSW 2006-1A - C Libor+1.35% - 08/2046	46265BAJ7-1	02/14/2007	8,000,000	8,000,000	Y	18-Apr-07	Sep 06 - Apr 07	Goldman Sachs	GS Corporate & Investment Bank
PTPL071	46428RAE9	ISCHU02	Ischus CDO Ltd (ICM 2005-2A C)	46428RAE9-1	08/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	Goldman Sachs	GS Corporate & Investment Bank
PTPL071	46601QAJ7	IVYLN	Ivy Lane CDO Ltd 2006-1A ()	46601QAJ7	02/08/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	Goldman Sachs	GS Corporate & Investment Bank
PTPL071	48206BAF3	JUPHG4	Jupiter High-Grade CDO Ltd. 2006-4A (JPTR 2006-4A D)-x1	48206BAF3-1	02/08/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	482483AC7	KLIO3	Klio III Funding, Ltd. 2005-3 (KLIO 2005-3A B)	482483AC7	08/29/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	49058AAA5	KENTF3	Kent Funding III, Ltd., 2006-3 (KENT 2006-3A C)	49058AAA6	04/18/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	498585AL8	KLEROS2	Kleros Preferred Funding II, Ltd. 2006-1 (KLROS 2006-2A D)	498585AL8	08/28/2006	10,000,000	9,688,178	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	52902TAL0	LEXCAP	Lexington Capital Funding Ltd (LXON 2005-1A C)	52902TAL0	08/29/2006	10,000,000	9,291,868	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	53015QAL8	LIBER1	Libertas Preferred Funding, Ltd. 2006-1A (LBRTS 2006-1A D)	53015QAL8	02/08/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	543175AJ2	LONGST1	Longstreet CDO, Ltd. 2006-1A (LSTRT 2006-1A D)	543175AJ2	12/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	55312WAD6	MKPCBO3	MKP CBO I Ltd ()	55312WAD6	08/29/2006	10,000,000	9,888,821	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	589372AD3	MER3	Mercury CDO Ltd ()	589372AD3	04/18/2007	5,000,000	4,872,709	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	59802RAL0	MIDOR	Midori CDO Ltd. 2006-1A (MIDOR 2006-1A C)	59802RAL0	11/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	600804AD0	MILLRT2	Millerton ABS CDO, LTD 2006-HG1A (MILTN 2006-HG1A C)	600804AD0	12/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	612180AJ6	MONTPT	Montauk Point CDO 2006-1 (MNPT 2006-1A D)	612180AJ6	04/18/2007	3,400,000	3,324,796	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	61236QAG2	MTREY	Monterey CDO Ltd 2006-1A ()	61236QAG2	04/18/2007	4,000,000	3,912,238	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	623127AD8	MTCKY	Mount Citylight CDO Ltd 2006-1A ()	623127AD8	04/18/2007	7,000,000	7,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	640888AD6	NEPT041	Neptune CDO 2004-1A (NEPTN 2004-1A A3L)	640888AD6	04/18/2007	2,000,000	1,852,380	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	656056AL8	NORMA1	Norma CDO Ltd 2007-1A (NORMA 2007-1A D)	656056AL8	04/18/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	67572QAF6	OCTANS1	Octans CDO Ltd 2006-1A (OCTAN 2006-1A D)	67572QAF6	11/21/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	67573JAD7	OCTANS2	Octans CDO Ltd 2006-2A (OCTAN 2006-2A C2)	67573JAD7	04/18/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	684001AE0	OPUS1	Opus CDO Ltd 2006-1A ()	684001AE0	04/18/2007	6,740,000	6,740,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	68619MAE1	ORIPT	Orient Point CDO, Ltd. 2005-1 (ORPT 2005-1A C)	68619MAE1	12/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	Goldman Sachs	GS Corporate & Investment Bank
PTPL071	697728AD5	PAMP1	Pampelonne CDO Ltd 2006-1A (PAMP 2006-1A C)-x1	697728AD5-1	12/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	722881AC6	PINEMT2	Pine Mountain 2006-AA (PINEM 2006-AA C)	722881AC6	11/21/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	766167AF7	RIDGCT1	Ridgeway Court Funding 2006-1A (RDGW 2006-1A E)	766167AF7	12/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07		GS Corporate & Investment Bank
PTPL071	824372AD0	SHERWD2	Sherwood Funding CDO Ltd (SHERW 2006-2A C)	824372AD0	01/18/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	Goldman Sachs	GS Corporate & Investment Bank
PTPL071	830087AJ1	SIXAV061	6th Avenue Funding 2006-1, Ltd. (SIXAV 2006-1A C)	830087AJ1	12/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	83586TAG9	SORIN1	Sorin Real Estate CDO Ltd 2005-1A (SORIN 2005-1A C)	83586TAG9	08/27/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	83743LAJ0	SCOAST6	South Coast Funding 6A (SCF 6A C)	83743LAJ0	12/14/2006	10,000,000	9,813,457	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	83743YAE3	SCOAST7	South Coast Funding VII (SCF 7A C)	83743YAE3	11/21/2006	10,000,000	9,844,036	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	850332AC1	SPRDG61	Springdale CDO Ltd 2006-1A (SDALE 2006-1A C)	850332AC1	12/01/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	85233XAC1	STACK052	Stack 2005-2 Ltd (STAK 2005-2A D)	85233XAC1	04/18/2007	5,000,000	5,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	86365MAD8	SUMST051	Summer Street Ltd (SMSTR 2005-1A B)	86365MAD8	08/29/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	87337UAD8	TABS054	TABS Ltd 2005-4A ()	87337UAD8	01/18/2007	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	87337WAD2	TABS065	TABS Ltd 2006-5A (TABS 2006-5A A3)	87337WAC3	11/21/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	87337YAD8	TABS066	TABS Ltd 2006-6A (TABS 2006-6A A3)	87337YAD8	11/21/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	890543AE3	TOPAN2	Topanga CDO Ltd 2006-2A (TOPG 2006-2A E)	890543AE3	12/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	891080AE2	TORO2	Toro ABS CDO Ltd 2006-2A ()	891080AE2	04/18/2007	6,000,000	5,868,482	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	925345AE0	VERT061	Vertical CDO Ltd 2006-1 ()	925345AE0	12/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	92534EAD5	VERT051	Vertical CDO Ltd 2005-1A ()	92534EAD5	12/14/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	930312AA1	WADSW	Wadsworth CDO 2006-1A (WADS 2006-1A C)	930312AA1	11/21/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	952186AP1	WCDAST1	WESTC 2006-1A - C Libor+1.30% 11/2041	952186AP1	11/21/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
PTPL071	956315AE9	WTRAD1	West Trade Funding CDO Ltd (WTRAD 2006-1A C)-x1	956315AE9-1	02/14/2007	6,000,000	5,808,514	Y	18-Apr-07	Sep 06 - Apr 07	Goldman Sachs	GS Corporate & Investment Bank
PTPL071	982513AD7	WRECP051	Wrightwood Capital Real Estate CDO 2005-1, Ltd. (WWCAP 2005-1A D)	982513AD7	08/29/2006	10,000,000	10,000,000	Y	18-Apr-07	Sep 06 - Apr 07	[redacted]	GS Corporate & Investment Bank
TIMBW1	00082NAE0	ACAABS052	ACA ABS 2005-2, Limited (ACABS 2005-2A A3)	00082NAE0	10/11/2006	8,000,000	8,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	00082NAE0	ACAABS052	ACA ABS 2005-2, Limited (ACABS 2005-2A A3)	00082NAE0	10/11/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	00082WAD2	ACAABS031	ACA ABS 2003-1 Ltd (ACABS 2003-1A A3L)	00082WAD2	12/13/2006	8,000,000	8,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	00082WAD2	ACAABS031	ACA ABS 2003-1 Ltd (ACABS 2003-1A A3L)	00082WAD2	12/13/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	002561AD0	ABACO6H1	ABAC 2006-HG1A C	002561AD0	11/03/2006	8,000,000	8,000,000	N	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Not Applicable
TIMBW1	002561AE8	ABACO6H1	ABAC 2006-HG1A D	002561AE8	11/03/2006	8,000,000	8,000,000	N	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Not Applicable
TIMBW1	006388AC8	ADAMS01	ADMSQ 2006-1A D CDS1	006388AC8	01/25/2007	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	007022AD6	ADIRO02	Adirondack 2005-2 Ltd. ()	007022AD6	01/30/2007	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	05539MAD2	BFCGEN	BFC Genesee CDO Ltd 2006-1A ()	05539MAD2	01/23/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	05539MAD2	BFCGEN	BFC Genesee CDO Ltd 2006-1A ()	05539MAD2	03/20/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	07645JAD3	BELHV061	Belle Haven ABS CDO Ltd (BLHV 2005-1A C)	07645JAD3	11/01/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	05561KAC0	BFCSLV	BFC Silverton CDO Ltd 2006-1A (BFCSL 2006-1A D)	05561KAC0	10/05/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	05561KAC0	BFCSLV	BFC Silverton CDO Ltd 2006-1A (BFCSL 2006-1A D)	05561KAC0	12/13/2006	7,500,000	7,500,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	05561KAC0	BFCSLV	BFC Silverton CDO Ltd 2006-1A (BFCSL 2006-1A D)	05561KAC0	12/13/2006	7,800,000	7,800,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	12776YAD4	CAIRNM1	Cairn Mezzanine ABS CDO PLC 2006-1 (CRNMZ 2006-1A D)-x1	12776YAD4	03/20/2007	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	12777CAE9	CAIRNM2	Cairn Mezzanine ABS CDO PLC 2006-2 (CRNMZ 2006-2A C)-x1	12777CAE9	11/03/2006	7,000,000	7,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	12777CAE9	CAIRNM2	Cairn Mezzanine ABS CDO PLC 2006-2 (CRNMZ 2006-2A C)-x1	12777CAE9	12/13/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	13158BAF8	CAMBER7	Camber 7A (CAMBR 7A C)	13158BAF8	03/20/2007	20,000,000	20,245,398	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	13160LAD1	CAMBER8	Camber (CAMBR 8A E)	13160LAD1	10/19/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	14214KAE9	CARN	Carina CDO 2006-1A (CACDO 2006-1A D1)	14214KAE9	12/08/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs

CDO Asset Details
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CDO Deal	Cusip	Intex Deal Name	Description	CUSIP	Trade Date	Original Face	Current Face Amount	Synthetic	Closing Date	Warehouse Period	Asset Source	Counterparty facing the Transaction
TIMBW1	142148AE8	CARIN	Carina CDO 2006-1A (CACDO 2006-1A C1)	142148AE9	12/13/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	157187AC8	CETUS061	CETUS 2006-1A B CDS - LIBOR + 1.45% 10/18/2046	157187AC8	01/29/2007	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	15719MAC5	CETUS062	CETUS 2006-3A B CDS - LIBOR + 1.45 12/20/2046	15719MAC5	01/29/2007	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	23910VAH6	DAVISQ6	Davis Square Funding, Ltd. 2006-6A (DVSQ 2006-6A C)	23910VAH6	02/13/2007	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	239186AD4	DAVISQ5	DVSQ 2005-6A C CDS1	239186AD4	10/11/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	25454UAD7	DIOG2	Diogenes CDO Ltd (DGCDO 2006-2A C)-d	25454UAD7	01/29/2007	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	26441NAD3	DUKE10	Duke Funding Ltd 2006-10 (DUKEF 2006-10A A3)	26441NAD3	10/11/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	26441NAD3	DUKE10	Duke Funding Ltd 2006-10 (DUKEF 2006-10A A3)	26441NAD3	10/11/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	34716BAC5	FTDEAR1	Fort Dearborn CDO I LTD. (FTDRB 2006-1A A3L)	34716BAC5	11/01/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	34957YAE7	FORTU2	FORTS 2006-2A C CDS1	34957YAE7	12/13/2006	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	3622XDAC5	GSCA061G	GSC ABS CDO Ltd 2006-1A ()	3622XDAC5	02/07/2007	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	3622X4AH8	GSCA062M	GSC ABS CDO 2006-2m Ltd. (GSCSF 2006-2A D)	3622X4AH8	10/11/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	3622X4AH8	GSCA062M	GSC ABS CDO 2006-2m Ltd. (GSCSF 2006-2A D)	3622X4AH8	10/11/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	362470AC0	GSCA051	GSC ABS CDO Ltd ()	362470AC0	11/01/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	362470AC0	GSCA051	GSC ABS CDO Ltd ()	362470AC0	02/20/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	36247BAD8	GSCA064U	GSC ABS CDO Ltd 2006-4u (GSCSF 2006-4A A3)	36247BAD8	12/13/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	36247BAD8	GSCA064U	GSC ABS CDO Ltd 2006-4u (GSCSF 2006-4A A3)	36247BAD8	12/13/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	36247BAD8	GSCA064U	GSC ABS CDO Ltd 2006-4u (GSCSF 2006-4A A3)	36247BAD8	11/22/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	36866BAE0	GEMST4	Gemstone CDO Ltd (GEMST 2005-4A C)	36866BAE0	10/11/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	36866BAE0	GEMST4	Gemstone CDO Ltd (GEMST 2005-4A C)	36866BAE0	10/11/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	37636NAC3	GLACIER4	Glacier Funding CDO Ltd ()	37636NAC3	02/08/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	38531PAE4	GRDAV1	GRAND 2005-1A - C Libor+1.35% 04/2046 HUD HG	38531PAE4	01/23/2007	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	45377MAL5	INDEF7	INDEF 7A D CDS1	45377MAL5	12/13/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	45377MAL5	INDEPT	INDEF 7A D CDS1	45377MAL5	12/13/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	46426RAE9	ISCHUS2	Ischus CDO Ltd (ISM 2006-2A C)	46426RAE9	11/01/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	46426XAE6	ISCHUS3	ICM 2006-3A C CDS1	46426XAE6	10/18/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	46426XAE6	ISCHUS3	ICM 2006-3A C CDS1	46426XAE6	12/13/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	46426YAC8	ISCHS062	ICM 2006-82A A3L	46426YAC8	12/15/2006	10,000,000	10,000,000	N	27-Mar-07	Sep 06 - Mar 07	[redacted]	Not Applicable
TIMBW1	53930PAD8	LOCHS	LOCH 2006-1A C	53930PAD8	08/07/2006	12,000,000	11,744,710	N	27-Mar-07	Sep 06 - Mar 07	[redacted]	Not Applicable
TIMBW1	543175AJ2	LONGST1	Longstreet CDO, Ltd. 2006-1A (LSTRT 2006-1A D)	543175AJ2	12/13/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	543175AJ2	LONGST1	Longstreet CDO, Ltd. 2006-1A (LSTRT 2006-1A D)	543175AJ2	12/13/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	553129AD9	MKPCBO6	MKP 6A C CDS1	553129AD9	02/07/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	553129AD9	MKPCBO6	MKP 6A C CDS1	553129AD9	02/09/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	57832SAD4	MAYFL1	MAYF 2006-1A A3L CDS1	57832SAD4	01/24/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	57832SAD4	MAYFL1	MAYF 2006-1A A3L CDS1	57832SAD4	01/08/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	615120AE2	MONTRH1	MNTRS 2006-1A C CDS1	615120AE2	01/25/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	615120AE2	MONTRH1	MNTRS 2006-1A C CDS1	615120AE2	01/25/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	64088PAJ7	NEPT3	Neptune CDO Corp 2006-3A ()	64088PAJ7	01/23/2007	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	64088PAJ7	NEPT3	Neptune CDO Corp 2006-3A ()	64088PAJ7	10/11/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	72269AAD6	PINEMT	Pine Mountain 2006-A ()	72269AAD6	10/11/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	72269AAD6	PINEMT	Pine Mountain 2006-A ()	72269AAD6	10/11/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	74732AAD9	PYXS61	Pyxis ABS CDO 2006-1 Ltd. (PYXS 2006-1A C)	74732AAD9	02/07/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	74732AAD9	PYXS61	Pyxis ABS CDO 2006-1 Ltd. (PYXS 2006-1A C)	74732AAD9	02/08/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	768277AD7	RIVNOR	River North CDO Ltd 2005-1A (RIVER 2005-1A C)	768277AD7	10/11/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	768277AD7	RIVNOR	River North CDO Ltd 2005-1A (RIVER 2005-1A C)	768277AD7	10/11/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	82437XAD0	SHERWD2	Sherwood Funding CDO Ltd (SHERW 2006-2A C)	82437XAD0	01/23/2007	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	82442VAD7	SHERWD3	SHERW 2006-3A A3 CDS1	82442VAD7	02/07/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	82442VAD7	SHERWD3	SHERW 2006-3A A3 CDS1	82442VAD7	02/08/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	83743LAJ0	SCOAST8	South Coast Funding 8A (SCF 8A C)	83743LAJ0	11/01/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	83743LAJ0	SCOAST8	South Coast Funding 8A (SCF 8A C)	83743LAJ0	11/01/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	85233TAD8	STACK061	Stack Ltd (STAK 2006-1A B)	85233TAD8	10/11/2006	9,000,000	8,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	85233TAD8	STACK061	Stack Ltd (STAK 2006-1A B)	85233TAD8	10/11/2006	18,000,000	18,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	85234AAG1	STACK062	STAK 2006-2A B CDS1	85234AAG1	01/23/2007	20,000,000	20,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	86563MAD8	SUMST051	Summer Street Ltd (SMSTR 2005-1A B)	86563MAD8	08/18/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	87337UAD6	TABS054	TABS Ltd 2005-4A ()	87337UAD6	10/18/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	87337UAD6	TABS054	TABS Ltd 2005-4A ()	87337UAD6	12/13/2006	8,000,000	8,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	87337UAD6	TABS054	TABS Ltd 2005-4A ()	87337UAD6	10/18/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	87337WAD2	TABS066	TABS Ltd 2006-6A (TABS 2006-6A A2)	87337WAD2	08/29/2006	20,000,000	20,000,000	N	27-Mar-07	Sep 06 - Mar 07	[redacted]	Not Applicable
TIMBW1	89053XAE9	TOPAN	TOPO 2005-1A B CDS1	89053XAE9	03/29/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	89054BAE3	TOPAN2	Topanga CDO Ltd 2006-2A (TOPG 2006-2A B)	89054BAE3	11/21/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	89054BAE3	TOPAN2	Topanga CDO Ltd 2006-2A (TOPG 2006-2A B)	89054BAE3	11/21/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	89643PAD2	TRINTY	Trinity CDO, LTD 2005-1A (TRNTY 2005-1A B)	89643PAD2	03/09/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	89643PAD2	TRINTY	Trinity CDO, LTD 2005-1A (TRNTY 2005-1A B)	89643PAD2	03/19/2006	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	Goldman Sachs	Goldman Sachs
TIMBW1	92533BAD7	VERTO62	Vertical CDO 2006-2A ()	92533BAD7	11/01/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	92533BAD7	VERTO62	Vertical CDO 2006-2A ()	92533BAD7	11/01/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	92533BAD7	VERTO62	Vertical CDO 2006-2A ()	92533BAD7	03/20/2007	10,000,000	10,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	92534SAE0	VERT061	Vertical CDO Ltd 2006-1 ()	92534SAE0	10/11/2006	5,000,000	5,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	92534SAE0	VERT061	Vertical CDO Ltd 2006-1 ()	92534SAE0	10/11/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs
TIMBW1	92534FAD0	VERTV061	VRGO 2006-1A A3 CDS1	92534FAD0	10/04/2006	15,000,000	15,000,000	Y	27-Mar-07	Sep 06 - Mar 07	[redacted]	Goldman Sachs

ATTACHMENT 2

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

Date	Cusip	fitch Rating	moody Rating	sp Rating	fitch	moody	sp	Deal Name	Intex Deal Name	Intex Tranche Name
29-Mar-07	03404PAA8		NR			1		Anderson Mezzanine Funding 2007-	ANDMF071	PREF
29-Mar-07	034050AA2		Aaa			1		Anderson Mezzanine Funding 2007-	ANDMF071	S
29-Mar-07	034050AB0		Aaa			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1A
29-Mar-07	034050AC8		Aaa			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1B
29-Mar-07	034050AD6		Aaa			1		Anderson Mezzanine Funding 2007-	ANDMF071	A2
29-Mar-07	034050AE4		Aa2			1		Anderson Mezzanine Funding 2007-	ANDMF071	B
29-Mar-07	034050AF1		A2			1		Anderson Mezzanine Funding 2007-	ANDMF071	C
29-Mar-07	034050AG9		Baa2			1		Anderson Mezzanine Funding 2007-	ANDMF071	D
3-Apr-07	03404PAA8			NR			1	Anderson Mezzanine Funding 2007-	ANDMF071	PREF
3-Apr-07	034050AA2			AAA			1	Anderson Mezzanine Funding 2007-	ANDMF071	S
3-Apr-07	034050AB0			AAA			1	Anderson Mezzanine Funding 2007-	ANDMF071	A1A
3-Apr-07	034050AC8			AAA			1	Anderson Mezzanine Funding 2007-	ANDMF071	A1B
3-Apr-07	034050AD6			AAA			1	Anderson Mezzanine Funding 2007-	ANDMF071	A2
3-Apr-07	034050AE4			AA			1	Anderson Mezzanine Funding 2007-	ANDMF071	B
3-Apr-07	034050AF1			A			1	Anderson Mezzanine Funding 2007-	ANDMF071	C
3-Apr-07	034050AG9			BBB			1	Anderson Mezzanine Funding 2007-	ANDMF071	D
7-Nov-07	034050AB0		Aa3			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1A
7-Nov-07	034050AC8		Aa3			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1B
7-Nov-07	034050AD6		Baa3			1		Anderson Mezzanine Funding 2007-	ANDMF071	A2
7-Nov-07	034050AE4		Ba3			1		Anderson Mezzanine Funding 2007-	ANDMF071	B
7-Nov-07	034050AF1		Caa2			1		Anderson Mezzanine Funding 2007-	ANDMF071	C
7-Nov-07	034050AG9		Caa3			1		Anderson Mezzanine Funding 2007-	ANDMF071	D
29-Nov-07	034050AD6			A+			1	Anderson Mezzanine Funding 2007-	ANDMF071	A2
29-Nov-07	034050AE4			BBB-			1	Anderson Mezzanine Funding 2007-	ANDMF071	B
29-Nov-07	034050AF1			CCC			1	Anderson Mezzanine Funding 2007-	ANDMF071	C
29-Nov-07	034050AG9			CCC-			1	Anderson Mezzanine Funding 2007-	ANDMF071	D
11-Feb-08	034050AA2			AA			1	Anderson Mezzanine Funding 2007-	ANDMF071	S
11-Feb-08	034050AB0			B			1	Anderson Mezzanine Funding 2007-	ANDMF071	A1A
11-Feb-08	034050AC8			B			1	Anderson Mezzanine Funding 2007-	ANDMF071	A1B
11-Feb-08	034050AD6			CCC-			1	Anderson Mezzanine Funding 2007-	ANDMF071	A2
11-Feb-08	034050AE4			CC			1	Anderson Mezzanine Funding 2007-	ANDMF071	B
11-Feb-08	034050AF1			CC			1	Anderson Mezzanine Funding 2007-	ANDMF071	C
11-Feb-08	034050AG9			CC			1	Anderson Mezzanine Funding 2007-	ANDMF071	D
24-Mar-08	034050AB0		Ba3			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1A
24-Mar-08	034050AC8		Ba3			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1B
24-Mar-08	034050AD6		Ca			1		Anderson Mezzanine Funding 2007-	ANDMF071	A2
24-Mar-08	034050AE4		Ca			1		Anderson Mezzanine Funding 2007-	ANDMF071	B
24-Mar-08	034050AF1		Ca			1		Anderson Mezzanine Funding 2007-	ANDMF071	C
24-Mar-08	034050AG9		Ca			1		Anderson Mezzanine Funding 2007-	ANDMF071	D
30-Apr-08	034050AB0		B3			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1A
30-Apr-08	034050AC8		B3			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1B
6-Aug-08	034050AA2			BB			1	Anderson Mezzanine Funding 2007-	ANDMF071	S
6-Aug-08	034050AB0			CCC			1	Anderson Mezzanine Funding 2007-	ANDMF071	A1A
6-Aug-08	034050AC8			CCC			1	Anderson Mezzanine Funding 2007-	ANDMF071	A1B
6-Aug-08	034050AD6			CC			1	Anderson Mezzanine Funding 2007-	ANDMF071	A2
8-Oct-08	034050AA2		Ba1			1		Anderson Mezzanine Funding 2007-	ANDMF071	S
8-Oct-08	034050AB0		Ca			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1A
8-Oct-08	034050AC8		Ca			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1B
8-Oct-08	034050AF1		C			1		Anderson Mezzanine Funding 2007-	ANDMF071	C
8-Oct-08	034050AG9		C			1		Anderson Mezzanine Funding 2007-	ANDMF071	D
11-Dec-08	034050AA2		B1			1		Anderson Mezzanine Funding 2007-	ANDMF071	S
22-Apr-09	034050AB0		C			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1A
22-Apr-09	034050AC8		C			1		Anderson Mezzanine Funding 2007-	ANDMF071	A1B
22-Apr-09	034050AD6		C			1		Anderson Mezzanine Funding 2007-	ANDMF071	A2
22-Apr-09	034050AE4		C			1		Anderson Mezzanine Funding 2007-	ANDMF071	B
19-Aug-09	034050AB0			CC			1	Anderson Mezzanine Funding 2007-	ANDMF071	A1A
19-Aug-09	034050AC8			CC			1	Anderson Mezzanine Funding 2007-	ANDMF071	A1B
4-Nov-09	034050AE4			D			1	Anderson Mezzanine Funding 2007-	ANDMF071	B
21-Dec-09	034050AA2		Caa3			1		Anderson Mezzanine Funding 2007-	ANDMF071	S
8-Mar-07	13189AAA1			BB+			1	Camber 7	CAMBER7	E
8-Mar-07	13189AAB9			NR			1	Camber 7	CAMBER7	PREF
8-Mar-07	13189BAA9			AAA			1	Camber 7	CAMBER7	S
8-Mar-07	13189BAB7			AAA			1	Camber 7	CAMBER7	A1
8-Mar-07	13189BAC5			AAA			1	Camber 7	CAMBER7	A2
8-Mar-07	13189BAD3			AAA			1	Camber 7	CAMBER7	A3
8-Mar-07	13189BAE1			AA			1	Camber 7	CAMBER7	B
8-Mar-07	13189BAF8			A			1	Camber 7	CAMBER7	C
8-Mar-07	13189BAG6			BBB			1	Camber 7	CAMBER7	D
29-Mar-07	13189AAA1		Ba1			1		Camber 7	CAMBER7	E
29-Mar-07	13189AAB9		NR			1		Camber 7	CAMBER7	PREF
29-Mar-07	13189BAA9		Aaa			1		Camber 7	CAMBER7	S
29-Mar-07	13189BAB7		Aaa			1		Camber 7	CAMBER7	A1
29-Mar-07	13189BAC5		Aaa			1		Camber 7	CAMBER7	A2
29-Mar-07	13189BAD3		Aaa			1		Camber 7	CAMBER7	A3

Date	Cusip	fitch Rating	moody Rating	sp Rating	fitch	moody	sp	Deal Name	Intex Deal Name	Intex Tranche Name
29-Mar-07	13189BAE1		Aa2			1		Camber 7	CAMBER7	B
29-Mar-07	13189BAF8		A2			1		Camber 7	CAMBER7	C
29-Mar-07	13189BAG6		Baa2			1		Camber 7	CAMBER7	D
11-Nov-07	13189AAA1		Ca			1		Camber 7	CAMBER7	E
11-Nov-07	13189BAC5		Aa3			1		Camber 7	CAMBER7	A2
11-Nov-07	13189BAD3		A1			1		Camber 7	CAMBER7	A3
11-Nov-07	13189BAE1		A3			1		Camber 7	CAMBER7	B
11-Nov-07	13189BAF8		Baa3			1		Camber 7	CAMBER7	C
11-Nov-07	13189BAG6		B1			1		Camber 7	CAMBER7	D
10-Mar-08	13189AAA1			CC			1	Camber 7	CAMBER7	E
10-Mar-08	13189BAA9			BBB+			1	Camber 7	CAMBER7	S
10-Mar-08	13189BAB7			BBB			1	Camber 7	CAMBER7	A1
10-Mar-08	13189BAC5			B+			1	Camber 7	CAMBER7	A2
10-Mar-08	13189BAD3			B+			1	Camber 7	CAMBER7	A3
10-Mar-08	13189BAE1			B-			1	Camber 7	CAMBER7	B
10-Mar-08	13189BAF8			CCC			1	Camber 7	CAMBER7	C
10-Mar-08	13189BAG6			CC			1	Camber 7	CAMBER7	D
4-Apr-08	13189AAA1		C			1		Camber 7	CAMBER7	E
4-Apr-08	13189BAB7		A3			1		Camber 7	CAMBER7	A1
4-Apr-08	13189BAC5		Ba2			1		Camber 7	CAMBER7	A2
4-Apr-08	13189BAD3		B3			1		Camber 7	CAMBER7	A3
4-Apr-08	13189BAE1		Caa3			1		Camber 7	CAMBER7	B
4-Apr-08	13189BAF8		C			1		Camber 7	CAMBER7	C
4-Apr-08	13189BAG6		C			1		Camber 7	CAMBER7	D
5-Jun-08	13189BAB7		Ba2			1		Camber 7	CAMBER7	A1
5-Jun-08	13189BAC5		Caa1			1		Camber 7	CAMBER7	A2
5-Jun-08	13189BAD3		Caa2			1		Camber 7	CAMBER7	A3
5-Jun-08	13189BAE1		Ca			1		Camber 7	CAMBER7	B
2-Jul-08	13189BAA9		A1			1		Camber 7	CAMBER7	S
7-Aug-08	13189BAB7			B			1	Camber 7	CAMBER7	A1
7-Aug-08	13189BAC5			CCC+			1	Camber 7	CAMBER7	A2
7-Aug-08	13189BAD3			CCC			1	Camber 7	CAMBER7	A3
7-Aug-08	13189BAE1			CCC-			1	Camber 7	CAMBER7	B
7-Aug-08	13189BAF8			CC			1	Camber 7	CAMBER7	C
23-Sep-08	13189BAA9		WR			1		Camber 7	CAMBER7	S
23-Sep-08	13189BAB7		Ca			1		Camber 7	CAMBER7	A1
23-Sep-08	13189BAC5		C			1		Camber 7	CAMBER7	A2
23-Sep-08	13189BAD3		C			1		Camber 7	CAMBER7	A3
23-Sep-08	13189BAE1		C			1		Camber 7	CAMBER7	B
9-Dec-08	13189BAA9			NR			1	Camber 7	CAMBER7	S
9-Dec-08	13189BAB7			CC			1	Camber 7	CAMBER7	A1
9-Dec-08	13189BAC5			CC			1	Camber 7	CAMBER7	A2
9-Dec-08	13189BAD3			CC			1	Camber 7	CAMBER7	A3
9-Dec-08	13189BAE1			CC			1	Camber 7	CAMBER7	B
4-Nov-09	13189BAC5			D			1	Camber 7	CAMBER7	A2
4-Nov-09	13189BAD3			D			1	Camber 7	CAMBER7	A3
4-Nov-09	13189BAE1			D			1	Camber 7	CAMBER7	B
5-Mar-07	347203AA9			AAA			1	Fort Denison Funding	FTDEN	S
5-Mar-07	347203AB7			AAA			1	Fort Denison Funding	FTDEN	A1
5-Mar-07	347203AC5			AAA			1	Fort Denison Funding	FTDEN	A2A
5-Mar-07	347203AD3			AAA			1	Fort Denison Funding	FTDEN	A2B
5-Mar-07	347203AE1			AA			1	Fort Denison Funding	FTDEN	B
29-Mar-07	347202AA1		NR			1		Fort Denison Funding	FTDEN	INCOME
29-Mar-07	347203AA9		Aaa			1		Fort Denison Funding	FTDEN	S
29-Mar-07	347203AB7		Aaa			1		Fort Denison Funding	FTDEN	A1
29-Mar-07	347203AC5		Aaa			1		Fort Denison Funding	FTDEN	A2A
29-Mar-07	347203AD3		Aaa			1		Fort Denison Funding	FTDEN	A2B
29-Mar-07	347203AE1		Aa2			1		Fort Denison Funding	FTDEN	B
7-Nov-07	347203AE1		A3			1		Fort Denison Funding	FTDEN	B
27-Dec-07	347203AC5		Ba3			1		Fort Denison Funding	FTDEN	A2A
27-Dec-07	347203AD3		Ba3			1		Fort Denison Funding	FTDEN	A2B
27-Dec-07	347203AE1		Ca			1		Fort Denison Funding	FTDEN	B
11-Jan-08	347203AB7			A+			1	Fort Denison Funding	FTDEN	A1
11-Jan-08	347203AC5			A+			1	Fort Denison Funding	FTDEN	A2A
11-Jan-08	347203AD3			A+			1	Fort Denison Funding	FTDEN	A2B
11-Jan-08	347203AE1			BB			1	Fort Denison Funding	FTDEN	B
19-Feb-08	347203AA9			AA			1	Fort Denison Funding	FTDEN	S
19-Feb-08	347203AB7			BB-			1	Fort Denison Funding	FTDEN	A1
19-Feb-08	347203AC5			CCC			1	Fort Denison Funding	FTDEN	A2A
19-Feb-08	347203AD3			CCC			1	Fort Denison Funding	FTDEN	A2B
19-Feb-08	347203AE1			CC			1	Fort Denison Funding	FTDEN	B
25-Apr-08	347203AB7		B1			1		Fort Denison Funding	FTDEN	A1
25-Apr-08	347203AC5		C			1		Fort Denison Funding	FTDEN	A2A

Responses from Blankfein to -1.(b) (ii) part B - Ratings

Date	Cusip	fitch Rating	moody Rating	sp Rating	fitch	moody	sp	Deal Name	Intex Deal Name	Intex Tranche Name
25-Apr-08	347203AD3		C			1		Fort Denison Funding	FTDEN	A2B
25-Apr-08	347203AE1		C			1		Fort Denison Funding	FTDEN	B
25-Jun-08	347203AB7		Ca			1		Fort Denison Funding	FTDEN	A1
17-Jul-08	347203AB7			CCC			1	Fort Denison Funding	FTDEN	A1
17-Jul-08	347203AC5			CC			1	Fort Denison Funding	FTDEN	A2A
17-Jul-08	347203AD3			CC			1	Fort Denison Funding	FTDEN	A2B
30-Jul-08	347203AA9			NR			1	Fort Denison Funding	FTDEN	S
4-Aug-08	347203AA9		WR			1		Fort Denison Funding	FTDEN	S
17-Dec-08	347203AB7			D			1	Fort Denison Funding	FTDEN	A1
17-Dec-08	347203AC5			D			1	Fort Denison Funding	FTDEN	A2A
17-Dec-08	347203AD3			D			1	Fort Denison Funding	FTDEN	A2B
17-Dec-08	347203AE1			D			1	Fort Denison Funding	FTDEN	B
1-May-09	347203AB7			NR			1	Fort Denison Funding	FTDEN	A1
1-May-09	347203AC5			NR			1	Fort Denison Funding	FTDEN	A2A
1-May-09	347203AD3			NR			1	Fort Denison Funding	FTDEN	A2B
1-May-09	347203AE1			NR			1	Fort Denison Funding	FTDEN	B
14-Jul-09	347203AB7		C			1		Fort Denison Funding	FTDEN	A1
17-Jul-09	347203AB7		WR			1		Fort Denison Funding	FTDEN	A1
17-Jul-09	347203AC5		WR			1		Fort Denison Funding	FTDEN	A2A
17-Jul-09	347203AD3		WR			1		Fort Denison Funding	FTDEN	A2B
17-Jul-09	347203AE1		WR			1		Fort Denison Funding	FTDEN	B
27-Dec-06	443860AA9		Aaa			1		Hudson Mezzanine Funding 2006-1	HUDSM061	S
27-Dec-06	443860AB7		Aaa			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AF
27-Dec-06	443860AC5		Aaa			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AB
27-Dec-06	443860AD3		Aa2			1		Hudson Mezzanine Funding 2006-1	HUDSM061	B
27-Dec-06	443860AE1		A2			1		Hudson Mezzanine Funding 2006-1	HUDSM061	C
27-Dec-06	443860AF8		Baa2			1		Hudson Mezzanine Funding 2006-1	HUDSM061	D
27-Dec-06	443860AG6		Ba1			1		Hudson Mezzanine Funding 2006-1	HUDSM061	E
29-Dec-06	443860AA9			AAA			1	Hudson Mezzanine Funding 2006-1	HUDSM061	S
29-Dec-06	443860AB7			AAA			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AF
29-Dec-06	443860AC5			AAA			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AB
29-Dec-06	443860AD3			AA			1	Hudson Mezzanine Funding 2006-1	HUDSM061	B
29-Dec-06	443860AE1			A			1	Hudson Mezzanine Funding 2006-1	HUDSM061	C
29-Dec-06	443860AF8			BBB			1	Hudson Mezzanine Funding 2006-1	HUDSM061	D
29-Dec-06	443860AG6			BB+			1	Hudson Mezzanine Funding 2006-1	HUDSM061	E
29-Dec-06	44386PAA4			NR			1	Hudson Mezzanine Funding 2006-1	HUDSM061	PREF
12-Sep-07	443860AE1		Baa1			1		Hudson Mezzanine Funding 2006-1	HUDSM061	C
12-Sep-07	443860AF8		Ba3			1		Hudson Mezzanine Funding 2006-1	HUDSM061	D
12-Sep-07	443860AG6		Caa2			1		Hudson Mezzanine Funding 2006-1	HUDSM061	E
1-Nov-07	443860AE1		Ba3			1		Hudson Mezzanine Funding 2006-1	HUDSM061	C
1-Nov-07	443860AF8		Caa1			1		Hudson Mezzanine Funding 2006-1	HUDSM061	D
1-Nov-07	443860AG6		Ca			1		Hudson Mezzanine Funding 2006-1	HUDSM061	E
21-Dec-07	443860AE1			BBB			1	Hudson Mezzanine Funding 2006-1	HUDSM061	C
21-Dec-07	443860AF8			B			1	Hudson Mezzanine Funding 2006-1	HUDSM061	D
21-Dec-07	443860AG6			CC			1	Hudson Mezzanine Funding 2006-1	HUDSM061	E
22-Feb-08	443860AA9			AA			1	Hudson Mezzanine Funding 2006-1	HUDSM061	S
22-Feb-08	443860AB7			BB-			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AF
22-Feb-08	443860AC5			BB-			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AB
22-Feb-08	443860AD3			B-			1	Hudson Mezzanine Funding 2006-1	HUDSM061	B
22-Feb-08	443860AE1			CCC-			1	Hudson Mezzanine Funding 2006-1	HUDSM061	C
22-Feb-08	443860AF8			CC			1	Hudson Mezzanine Funding 2006-1	HUDSM061	D
8-Apr-08	443860AB7		Baa2			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AF
8-Apr-08	443860AC5		Baa2			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AB
8-Apr-08	443860AD3		Ba1			1		Hudson Mezzanine Funding 2006-1	HUDSM061	B
8-Apr-08	443860AE1		B3			1		Hudson Mezzanine Funding 2006-1	HUDSM061	C
8-Apr-08	443860AF8		Ca			1		Hudson Mezzanine Funding 2006-1	HUDSM061	D
24-Apr-08	443860AB7		B3			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AF
24-Apr-08	443860AC5		B3			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AB
24-Apr-08	443860AD3		Caa3			1		Hudson Mezzanine Funding 2006-1	HUDSM061	B
24-Apr-08	443860AE1		C			1		Hudson Mezzanine Funding 2006-1	HUDSM061	C
24-Apr-08	443860AF8		C			1		Hudson Mezzanine Funding 2006-1	HUDSM061	D
24-Apr-08	443860AG6		C			1		Hudson Mezzanine Funding 2006-1	HUDSM061	E
31-Jul-08	443860AB7		Ca			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AF
31-Jul-08	443860AC5		Ca			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AB
31-Jul-08	443860AD3		Ca			1		Hudson Mezzanine Funding 2006-1	HUDSM061	B
6-Aug-08	443860AA9			B			1	Hudson Mezzanine Funding 2006-1	HUDSM061	S
6-Aug-08	443860AB7			CCC-			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AF
6-Aug-08	443860AC5			CCC-			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AB
6-Aug-08	443860AD3			CC			1	Hudson Mezzanine Funding 2006-1	HUDSM061	B
6-Aug-08	443860AE1			CC			1	Hudson Mezzanine Funding 2006-1	HUDSM061	C
8-Aug-08	443860AA9		Ca			1		Hudson Mezzanine Funding 2006-1	HUDSM061	S
8-Aug-08	443860AB7		C			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AF
8-Aug-08	443860AC5		C			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AB

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Date	Cusip	fitch Rating	moody Rating	sp Rating	fitch	moody	sp	Deal Name	Intex Deal Name	Intex Tranche Name
8-Aug-08	443860AD3		C			1		Hudson Mezzanine Funding 2006-1	HUDSM061	B
20-Feb-09	443860AA9			D			1	Hudson Mezzanine Funding 2006-1	HUDSM061	S
20-Feb-09	443860AB7			D			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AF
20-Feb-09	443860AC5			D			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AB
20-Feb-09	443860AD3			D			1	Hudson Mezzanine Funding 2006-1	HUDSM061	B
20-Feb-09	443860AE1			D			1	Hudson Mezzanine Funding 2006-1	HUDSM061	C
20-Feb-09	443860AF8			D			1	Hudson Mezzanine Funding 2006-1	HUDSM061	D
20-Feb-09	443860AG6			D			1	Hudson Mezzanine Funding 2006-1	HUDSM061	E
1-May-09	443860AA9			NR			1	Hudson Mezzanine Funding 2006-1	HUDSM061	S
1-May-09	443860AB7			NR			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AF
1-May-09	443860AC5			NR			1	Hudson Mezzanine Funding 2006-1	HUDSM061	AB
1-May-09	443860AD3			NR			1	Hudson Mezzanine Funding 2006-1	HUDSM061	B
1-May-09	443860AE1			NR			1	Hudson Mezzanine Funding 2006-1	HUDSM061	C
1-May-09	443860AF8			NR			1	Hudson Mezzanine Funding 2006-1	HUDSM061	D
1-May-09	443860AG6			NR			1	Hudson Mezzanine Funding 2006-1	HUDSM061	E
14-Jul-09	443860AA9		C			1		Hudson Mezzanine Funding 2006-1	HUDSM061	S
17-Jul-09	443860AA9		WR			1		Hudson Mezzanine Funding 2006-1	HUDSM061	S
17-Jul-09	443860AB7		WR			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AF
17-Jul-09	443860AC5		WR			1		Hudson Mezzanine Funding 2006-1	HUDSM061	AB
17-Jul-09	443860AD3		WR			1		Hudson Mezzanine Funding 2006-1	HUDSM061	B
17-Jul-09	443860AE1		WR			1		Hudson Mezzanine Funding 2006-1	HUDSM061	C
17-Jul-09	443860AF8		WR			1		Hudson Mezzanine Funding 2006-1	HUDSM061	D
17-Jul-09	443860AG6		WR			1		Hudson Mezzanine Funding 2006-1	HUDSM061	E
1-Mar-07	44386NAA9			NR			1	Hudson Mezzanine Funding 2006-2	HUDSM062	PREF
1-Mar-07	44386NAC5			BBB-			1	Hudson Mezzanine Funding 2006-2	HUDSM062	E
1-Mar-07	44386QAA2			AAA			1	Hudson Mezzanine Funding 2006-2	HUDSM062	S
1-Mar-07	44386QAB0			AAA			1	Hudson Mezzanine Funding 2006-2	HUDSM062	A1
1-Mar-07	44386QAC8			AAA			1	Hudson Mezzanine Funding 2006-2	HUDSM062	A2
1-Mar-07	44386QAD6			AA+			1	Hudson Mezzanine Funding 2006-2	HUDSM062	B
1-Mar-07	44386QAE4			A+			1	Hudson Mezzanine Funding 2006-2	HUDSM062	C
1-Mar-07	44386QAF1			BBB+			1	Hudson Mezzanine Funding 2006-2	HUDSM062	D
29-Mar-07	44386NAA9		NR			1		Hudson Mezzanine Funding 2006-2	HUDSM062	PREF
29-Mar-07	44386NAC5		Baa3			1		Hudson Mezzanine Funding 2006-2	HUDSM062	E
29-Mar-07	44386QAA2		Aaa			1		Hudson Mezzanine Funding 2006-2	HUDSM062	S
29-Mar-07	44386QAB0		Aaa			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A1
29-Mar-07	44386QAC8		Aaa			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A2
29-Mar-07	44386QAD6		Aa2			1		Hudson Mezzanine Funding 2006-2	HUDSM062	B
29-Mar-07	44386QAE4		A2			1		Hudson Mezzanine Funding 2006-2	HUDSM062	C
29-Mar-07	44386QAF1		Baa1			1		Hudson Mezzanine Funding 2006-2	HUDSM062	D
6-Nov-07	44386NAC5		Caa3			1		Hudson Mezzanine Funding 2006-2	HUDSM062	E
6-Nov-07	44386QAC8		Aa2			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A2
6-Nov-07	44386QAD6		A2			1		Hudson Mezzanine Funding 2006-2	HUDSM062	B
6-Nov-07	44386QAE4		Baa3			1		Hudson Mezzanine Funding 2006-2	HUDSM062	C
6-Nov-07	44386QAF1		Ba3			1		Hudson Mezzanine Funding 2006-2	HUDSM062	D
21-Dec-07	44386NAC5			CCC			1	Hudson Mezzanine Funding 2006-2	HUDSM062	E
21-Dec-07	44386QAD6			AA-			1	Hudson Mezzanine Funding 2006-2	HUDSM062	B
21-Dec-07	44386QAE4			BBB+			1	Hudson Mezzanine Funding 2006-2	HUDSM062	C
21-Dec-07	44386QAF1			B+			1	Hudson Mezzanine Funding 2006-2	HUDSM062	D
19-Feb-08	44386NAC5			CC			1	Hudson Mezzanine Funding 2006-2	HUDSM062	E
19-Feb-08	44386QAA2			AA			1	Hudson Mezzanine Funding 2006-2	HUDSM062	S
19-Feb-08	44386QAB0			BB-			1	Hudson Mezzanine Funding 2006-2	HUDSM062	A1
19-Feb-08	44386QAC8			B-			1	Hudson Mezzanine Funding 2006-2	HUDSM062	A2
19-Feb-08	44386QAD6			CCC+			1	Hudson Mezzanine Funding 2006-2	HUDSM062	B
19-Feb-08	44386QAE4			CCC-			1	Hudson Mezzanine Funding 2006-2	HUDSM062	C
19-Feb-08	44386QAF1			CC			1	Hudson Mezzanine Funding 2006-2	HUDSM062	D
8-Apr-08	44386NAC5		Ca			1		Hudson Mezzanine Funding 2006-2	HUDSM062	E
8-Apr-08	44386QAB0		Baa1			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A1
8-Apr-08	44386QAC8		Baa3			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A2
8-Apr-08	44386QAD6		Ba1			1		Hudson Mezzanine Funding 2006-2	HUDSM062	B
8-Apr-08	44386QAE4		B3			1		Hudson Mezzanine Funding 2006-2	HUDSM062	C
8-Apr-08	44386QAF1		Ca			1		Hudson Mezzanine Funding 2006-2	HUDSM062	D
24-Apr-08	44386NAC5		C			1		Hudson Mezzanine Funding 2006-2	HUDSM062	E
24-Apr-08	44386QAB0		Ba2			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A1
24-Apr-08	44386QAC8		B3			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A2
24-Apr-08	44386QAD6		Caa3			1		Hudson Mezzanine Funding 2006-2	HUDSM062	B
24-Apr-08	44386QAE4		C			1		Hudson Mezzanine Funding 2006-2	HUDSM062	C
24-Apr-08	44386QAF1		C			1		Hudson Mezzanine Funding 2006-2	HUDSM062	D
20-Aug-08	44386QAB0			CCC			1	Hudson Mezzanine Funding 2006-2	HUDSM062	A1
20-Aug-08	44386QAC8			CC			1	Hudson Mezzanine Funding 2006-2	HUDSM062	A2
20-Aug-08	44386QAD6			CC			1	Hudson Mezzanine Funding 2006-2	HUDSM062	B
20-Aug-08	44386QAE4			CC			1	Hudson Mezzanine Funding 2006-2	HUDSM062	C
25-Sep-08	44386QAA2		B1			1		Hudson Mezzanine Funding 2006-2	HUDSM062	S
25-Sep-08	44386QAB0		Ca			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A1

Date	Cusip	fitch Rating	moody Rating	sp Rating	fitch	moody	sp	Deal Name	Intex Deal Name	Intex Tranche Name
25-Sep-08	44386QAC8		C			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A2
25-Sep-08	44386QAD6		C			1		Hudson Mezzanine Funding 2006-2	HUDSM062	B
22-Oct-08	44386QAA2			BB			1	Hudson Mezzanine Funding 2006-2	HUDSM062	S
22-Oct-08	44386QAB0			CC			1	Hudson Mezzanine Funding 2006-2	HUDSM062	A1
11-Dec-08	44386QAA2		Caa1			1		Hudson Mezzanine Funding 2006-2	HUDSM062	S
24-Apr-09	44386QAB0		C			1		Hudson Mezzanine Funding 2006-2	HUDSM062	A1
29-Jul-09	44386QAA2			CCC-			1	Hudson Mezzanine Funding 2006-2	HUDSM062	S
4-Nov-09	44386QAB0			D			1	Hudson Mezzanine Funding 2006-2	HUDSM062	A1
4-Nov-09	44386QAC8			D			1	Hudson Mezzanine Funding 2006-2	HUDSM062	A2
4-Nov-09	44386QAD6			D			1	Hudson Mezzanine Funding 2006-2	HUDSM062	B
30-Dec-09	44386QAA2		Caa3			1		Hudson Mezzanine Funding 2006-2	HUDSM062	S
25-Apr-07	730591AA2			BBB			1	Point Pleasant Funding 2007-1	PTPL071	D
25-Apr-07	730591AB0			NR			1	Point Pleasant Funding 2007-1	PTPL071	PREF
25-Apr-07	730594AA6			AAA			1	Point Pleasant Funding 2007-1	PTPL071	S
25-Apr-07	730594AB4			AAA			1	Point Pleasant Funding 2007-1	PTPL071	A1
25-Apr-07	730594AC2			AAA			1	Point Pleasant Funding 2007-1	PTPL071	A2
25-Apr-07	730594AD0			AA			1	Point Pleasant Funding 2007-1	PTPL071	B
25-Apr-07	730594AE8			A			1	Point Pleasant Funding 2007-1	PTPL071	C
28-Jun-07	730591AA2		Baa2			1		Point Pleasant Funding 2007-1	PTPL071	D
28-Jun-07	730594AA6		Aaa			1		Point Pleasant Funding 2007-1	PTPL071	S
28-Jun-07	730594AB4		Aaa			1		Point Pleasant Funding 2007-1	PTPL071	A1
28-Jun-07	730594AC2		Aaa			1		Point Pleasant Funding 2007-1	PTPL071	A2
28-Jun-07	730594AD0		Aa2			1		Point Pleasant Funding 2007-1	PTPL071	B
28-Jun-07	730594AE8		A2			1		Point Pleasant Funding 2007-1	PTPL071	C
11-Nov-07	730591AA2		Caa3			1		Point Pleasant Funding 2007-1	PTPL071	D
11-Nov-07	730594AD0		A3			1		Point Pleasant Funding 2007-1	PTPL071	B
11-Nov-07	730594AE8		Ba3			1		Point Pleasant Funding 2007-1	PTPL071	C
12-Mar-08	730591AA2			CC			1	Point Pleasant Funding 2007-1	PTPL071	D
12-Mar-08	730594AB4			BB-			1	Point Pleasant Funding 2007-1	PTPL071	A1
12-Mar-08	730594AC2			CCC-			1	Point Pleasant Funding 2007-1	PTPL071	A2
12-Mar-08	730594AD0			CC			1	Point Pleasant Funding 2007-1	PTPL071	B
12-Mar-08	730594AE8			CC			1	Point Pleasant Funding 2007-1	PTPL071	C
4-Apr-08	730591AA2		Ca			1		Point Pleasant Funding 2007-1	PTPL071	D
4-Apr-08	730594AB4		Ba1			1		Point Pleasant Funding 2007-1	PTPL071	A1
4-Apr-08	730594AC2		Ba2			1		Point Pleasant Funding 2007-1	PTPL071	A2
4-Apr-08	730594AD0		B1			1		Point Pleasant Funding 2007-1	PTPL071	B
4-Apr-08	730594AE8		Ca			1		Point Pleasant Funding 2007-1	PTPL071	C
30-May-08	730591AA2		C			1		Point Pleasant Funding 2007-1	PTPL071	D
30-May-08	730594AB4		Ca			1		Point Pleasant Funding 2007-1	PTPL071	A1
30-May-08	730594AC2		Ca			1		Point Pleasant Funding 2007-1	PTPL071	A2
30-May-08	730594AD0		Ca			1		Point Pleasant Funding 2007-1	PTPL071	B
30-May-08	730594AE8		C			1		Point Pleasant Funding 2007-1	PTPL071	C
31-Jul-08	730594AB4			CC			1	Point Pleasant Funding 2007-1	PTPL071	A1
31-Jul-08	730594AC2			CC			1	Point Pleasant Funding 2007-1	PTPL071	A2
2-Sep-08	730594AA6		B1			1		Point Pleasant Funding 2007-1	PTPL071	S
2-Sep-08	730594AB4		C			1		Point Pleasant Funding 2007-1	PTPL071	A1
2-Sep-08	730594AC2		C			1		Point Pleasant Funding 2007-1	PTPL071	A2
2-Sep-08	730594AD0		C			1		Point Pleasant Funding 2007-1	PTPL071	B
6-Oct-08	730594AA6			BB+			1	Point Pleasant Funding 2007-1	PTPL071	S
11-Dec-08	730594AA6		Caa1			1		Point Pleasant Funding 2007-1	PTPL071	S
12-Dec-08	730594AA6			CCC-			1	Point Pleasant Funding 2007-1	PTPL071	S
22-Apr-09	730594AA6		C			1		Point Pleasant Funding 2007-1	PTPL071	S
4-Nov-09	730594AA6			D			1	Point Pleasant Funding 2007-1	PTPL071	S
4-Nov-09	730594AB4			D			1	Point Pleasant Funding 2007-1	PTPL071	A1
4-Nov-09	730594AC2			D			1	Point Pleasant Funding 2007-1	PTPL071	A2
4-Nov-09	730594AD0			D			1	Point Pleasant Funding 2007-1	PTPL071	B
30-Mar-07	88714NAA9		NR			1		Timberwolf I	TIMBW1	PREF
30-Mar-07	88714PAA4		Aaa			1		Timberwolf I	TIMBW1	S1
30-Mar-07	88714PAB2		Aaa			1		Timberwolf I	TIMBW1	A1A
30-Mar-07	88714PAC0		Aaa			1		Timberwolf I	TIMBW1	A1B
30-Mar-07	88714PAD8		Aaa			1		Timberwolf I	TIMBW1	A1C
30-Mar-07	88714PAE6		Aaa			1		Timberwolf I	TIMBW1	A1D
30-Mar-07	88714PAF3		Aaa			1		Timberwolf I	TIMBW1	A2
30-Mar-07	88714PAG1		Aa2			1		Timberwolf I	TIMBW1	B
30-Mar-07	88714PAH9		A2			1		Timberwolf I	TIMBW1	C
30-Mar-07	88714PAJ5		Baa2			1		Timberwolf I	TIMBW1	D
30-Mar-07	88714PAK2		Aaa			1		Timberwolf I	TIMBW1	S2
3-Apr-07	88714PAA4			AAA			1	Timberwolf I	TIMBW1	S1
3-Apr-07	88714PAB2			AAA			1	Timberwolf I	TIMBW1	A1A
3-Apr-07	88714PAC0			AAA			1	Timberwolf I	TIMBW1	A1B
3-Apr-07	88714PAD8			AAA			1	Timberwolf I	TIMBW1	A1C
3-Apr-07	88714PAE6			AAA			1	Timberwolf I	TIMBW1	A1D
3-Apr-07	88714PAF3			AAA			1	Timberwolf I	TIMBW1	A2

Date	Cusip	fitch Rating	moody Rating	sp Rating	fitch	moody	sp	Deal Name	Intex Deal Name	Intex Tranche Name
3-Apr-07	88714PAG1			AA			1	Timberwolf I	TIMBW1	B
3-Apr-07	88714PAH9			A			1	Timberwolf I	TIMBW1	C
3-Apr-07	88714PAJ5			BBB			1	Timberwolf I	TIMBW1	D
3-Apr-07	88714PAK2			AAA			1	Timberwolf I	TIMBW1	S2
7-Nov-07	88714PAC0		Aa3			1		Timberwolf I	TIMBW1	A1B
7-Nov-07	88714PAD8		A3			1		Timberwolf I	TIMBW1	A1C
7-Nov-07	88714PAE6		Baa1			1		Timberwolf I	TIMBW1	A1D
7-Nov-07	88714PAF3		Baa3			1		Timberwolf I	TIMBW1	A2
7-Nov-07	88714PAG1		Ba1			1		Timberwolf I	TIMBW1	B
7-Nov-07	88714PAH9		Caa1			1		Timberwolf I	TIMBW1	C
7-Nov-07	88714PAJ5		Caa3			1		Timberwolf I	TIMBW1	D
7-Nov-07	88714PAK2		Baa2			1		Timberwolf I	TIMBW1	S2
25-Mar-08	88714PAB2			A+			1	Timberwolf I	TIMBW1	A1A
25-Mar-08	88714PAC0			BBB+			1	Timberwolf I	TIMBW1	A1B
25-Mar-08	88714PAD8			BB-			1	Timberwolf I	TIMBW1	A1C
25-Mar-08	88714PAE6			CCC+			1	Timberwolf I	TIMBW1	A1D
25-Mar-08	88714PAF3			CC			1	Timberwolf I	TIMBW1	A2
25-Mar-08	88714PAG1			CC			1	Timberwolf I	TIMBW1	B
25-Mar-08	88714PAH9			CC			1	Timberwolf I	TIMBW1	C
25-Mar-08	88714PAJ5			CC			1	Timberwolf I	TIMBW1	D
25-Mar-08	88714PAK2			CC			1	Timberwolf I	TIMBW1	S2
31-Mar-08	88714PAA4		Aa2			1		Timberwolf I	TIMBW1	S1
31-Mar-08	88714PAB2		A2			1		Timberwolf I	TIMBW1	A1A
31-Mar-08	88714PAC0		Ba3			1		Timberwolf I	TIMBW1	A1B
31-Mar-08	88714PAD8		Caa1			1		Timberwolf I	TIMBW1	A1C
31-Mar-08	88714PAE6		Caa3			1		Timberwolf I	TIMBW1	A1D
31-Mar-08	88714PAF3		C			1		Timberwolf I	TIMBW1	A2
31-Mar-08	88714PAG1		C			1		Timberwolf I	TIMBW1	B
31-Mar-08	88714PAH9		C			1		Timberwolf I	TIMBW1	C
31-Mar-08	88714PAJ5		C			1		Timberwolf I	TIMBW1	D
31-Mar-08	88714PAK2		C			1		Timberwolf I	TIMBW1	S2
6-May-08	88714PAB2		Caa2			1		Timberwolf I	TIMBW1	A1A
6-May-08	88714PAC0		C			1		Timberwolf I	TIMBW1	A1B
6-May-08	88714PAD8		C			1		Timberwolf I	TIMBW1	A1C
6-May-08	88714PAE6		C			1		Timberwolf I	TIMBW1	A1D
8-May-08	88714PAA4			BB			1	Timberwolf I	TIMBW1	S1
8-May-08	88714PAB2			BB			1	Timberwolf I	TIMBW1	A1A
8-May-08	88714PAC0			CCC-			1	Timberwolf I	TIMBW1	A1B
8-May-08	88714PAD8			CCC-			1	Timberwolf I	TIMBW1	A1C
8-May-08	88714PAE6			CCC-			1	Timberwolf I	TIMBW1	A1D
9-Jul-08	88714PAA4			B-			1	Timberwolf I	TIMBW1	S1
9-Jul-08	88714PAB2			CCC-			1	Timberwolf I	TIMBW1	A1A
9-Jul-08	88714PAC0			CC			1	Timberwolf I	TIMBW1	A1B
9-Jul-08	88714PAD8			CC			1	Timberwolf I	TIMBW1	A1C
9-Jul-08	88714PAE6			CC			1	Timberwolf I	TIMBW1	A1D
31-Jul-08	88714PAA4		Caa1	D		1	1	Timberwolf I	TIMBW1	S1
31-Jul-08	88714PAB2		C	D		1	1	Timberwolf I	TIMBW1	A1A
31-Jul-08	88714PAC0			D			1	Timberwolf I	TIMBW1	A1B
31-Jul-08	88714PAD8			D			1	Timberwolf I	TIMBW1	A1C
31-Jul-08	88714PAE6			D			1	Timberwolf I	TIMBW1	A1D
31-Jul-08	88714PAF3			D			1	Timberwolf I	TIMBW1	A2
31-Jul-08	88714PAG1			D			1	Timberwolf I	TIMBW1	B
31-Jul-08	88714PAH9			D			1	Timberwolf I	TIMBW1	C
31-Jul-08	88714PAJ5			D			1	Timberwolf I	TIMBW1	D
31-Jul-08	88714PAK2			D			1	Timberwolf I	TIMBW1	S2
20-Aug-08	88714PAA4		Ca			1		Timberwolf I	TIMBW1	S1
1-May-09	88714PAA4			NR			1	Timberwolf I	TIMBW1	S1
1-May-09	88714PAB2			NR			1	Timberwolf I	TIMBW1	A1A
1-May-09	88714PAC0			NR			1	Timberwolf I	TIMBW1	A1B
1-May-09	88714PAD8			NR			1	Timberwolf I	TIMBW1	A1C
1-May-09	88714PAE6			NR			1	Timberwolf I	TIMBW1	A1D
1-May-09	88714PAF3			NR			1	Timberwolf I	TIMBW1	A2
1-May-09	88714PAG1			NR			1	Timberwolf I	TIMBW1	B
1-May-09	88714PAH9			NR			1	Timberwolf I	TIMBW1	C
1-May-09	88714PAJ5			NR			1	Timberwolf I	TIMBW1	D
1-May-09	88714PAK2			NR			1	Timberwolf I	TIMBW1	S2
14-Jul-09	88714PAA4		C			1		Timberwolf I	TIMBW1	S1
17-Jul-09	88714PAA4		WR			1		Timberwolf I	TIMBW1	S1
17-Jul-09	88714PAB2		WR			1		Timberwolf I	TIMBW1	A1A
17-Jul-09	88714PAC0		WR			1		Timberwolf I	TIMBW1	A1B
17-Jul-09	88714PAD8		WR			1		Timberwolf I	TIMBW1	A1C
17-Jul-09	88714PAE6		WR			1		Timberwolf I	TIMBW1	A1D
17-Jul-09	88714PAF3		WR			1		Timberwolf I	TIMBW1	A2

Date	Cusip	fitch Rating	moody Rating	sp Rating	fitch	moody	sp	Deal Name	Intex Deal Name	Intex Tranche Name
17-Jul-09	88714PAG1		WR			1		Timberwolf I	TIMBW1	B
17-Jul-09	88714PAH9		WR			1		Timberwolf I	TIMBW1	C
17-Jul-09	88714PAJ5		WR			1		Timberwolf I	TIMBW1	D
17-Jul-09	88714PAK2		WR			1		Timberwolf I	TIMBW1	S2

LB 1(b)(ii): In the provided spreadsheet, please explain the "1" notations under the S&P and Moody's columns.

The transactions identified in Question 1(b)(ii) posed to Mr. Blankfein were rated by either Moody's or S&P. The "1" notation in the "moody" and "sp" columns in GS MBS 0000038828 identifies whether Moody's or S&P provided a rating. The actual ratings provided by Moody's or S&P are identified in the columns titled "moody Rating" or "sp Rating."

Supplemental Response Received From Goldman Sachs

ATTACHMENT 3

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

GS Deals Issued & Underwritten

Bloomberg Deal Name	Index Deal Name	Tranche Name	CUSIP	Tranche Description	Original Balance	Original Rating: Fitch	Original Rating: Moody	Original Rating: SP	Deal Closing Date	Deal Type
ANDY 2007-1A A1A	ANDMF071	A1A	034050AB0	MEZ_FLT	130,000,000	NA	Aaa	AAA	20-Mar-07	CDO
ANDY 2007-1A A1B	ANDMF071	A1B	034050AC8	MEZ_FLT	53,000,000	NA	Aaa	AAA	20-Mar-07	CDO
ANDY 2007-1A A2	ANDMF071	A2	034050AD6	MEZ_FLT	30,500,000	NA	Aaa	AAA	20-Mar-07	CDO
ANDY 2007-1A B	ANDMF071	B	034050AE4	MEZ_FLT	42,700,000	NA	Aa2	AA	20-Mar-07	CDO
ANDY 2007-1A C	ANDMF071	C	034050AF1	MEZ_FLT	16,775,000	NA	A2	A	20-Mar-07	CDO
ANDY 2007-1A D	ANDMF071	D	034050AG9	MEZ_FLT	11,090,000	NA	Baa2	BBB	20-Mar-07	CDO
ANDY 2007-1A INC	ANDMF071	PREF	03404PAA8	JUN_SUB	20,935,000	NA	NR	NR	20-Mar-07	CDO
ANDY 2007-1A S	ANDMF071	S	034050AA2	SEN_FLT	2,490,000	NA	Aaa	AAA	20-Mar-07	CDO
CAMBR 7A A1	CAMBER7	A1	13189BAB7	MEZ_FLT	485,000,000	NA	Aaa	AAA	28-Feb-07	CDO
CAMBR 7A A2	CAMBER7	A2	13189BAC5	MEZ_FLT	100,000,000	NA	Aaa	AAA	28-Feb-07	CDO
CAMBR 7A A3	CAMBER7	A3	13189BAD3	MEZ_FLT	72,000,000	NA	Aaa	AAA	28-Feb-07	CDO
CAMBR 7A B	CAMBER7	B	13189BAE1	MEZ_FLT	81,000,000	NA	Aa2	AA	28-Feb-07	CDO
CAMBR 7A C	CAMBER7	C	13189BAF8	MEZ_FLT	78,300,000	NA	A2	A	28-Feb-07	CDO
CAMBR 7A D	CAMBER7	D	13189BAG6	MEZ_FLT	45,450,000	NA	Baa2	BBB	28-Feb-07	CDO
CAMBR 7A E	CAMBER7	E	13189AAA1	MEZ_FLT	11,250,000	NA	Ba1	BB+	28-Feb-07	CDO
CAMBR 7A INC	CAMBER7	PREF	13189AAB9	JUN_SUB	27,000,000	NA	NR	NR	28-Feb-07	CDO
CAMBR 7A S	CAMBER7	S	13189BAA9	SEN_FLT	15,500,000	NA	Aaa	AAA	28-Feb-07	CDO
FORTD 2007-1A A1	FTDEN	A1	347203AB7	SEN_FLT	225,000,000	NA	Aaa	AAA	14-Feb-07	CDO
FORTD 2007-1A A2A	FTDEN	A2A	347203AC5	SEN_FLT	60,000,000	NA	Aaa	AAA	14-Feb-07	CDO
FORTD 2007-1A A2B	FTDEN	A2B	347203AD3	SEN_FLT	80,000,000	NA	Aaa	AAA	14-Feb-07	CDO
FORTD 2007-1A B	FTDEN	B	347203AE1	MEZ_FLT	41,000,000	NA	Aa2	AA	14-Feb-07	CDO
FORTD 2007-1A C	FTDEN	C	FTD9KET10	MEZ_FLT	64,000,000	NA	NA	NA	14-Feb-07	CDO
FORTD 2007-1A INC	FTDEN	INCOME	347202AA1	JUN_SUB	30,000,000	NA	NR	NA	14-Feb-07	CDO
FORTD 2007-1A S	FTDEN	S	347203AA9	SEN_FLT	5,300,000	NA	Aaa	AAA	14-Feb-07	CDO
HUDMZ 2006-1A AB	HUDSM061	AB	443860AC5	MEZ_FLT	120,000,000	NA	Aaa	AAA	5-Dec-06	CDO
HUDMZ 2006-1A AF	HUDSM061	AF	443860AB7	MEZ_FLT	110,000,000	NA	Aaa	AAA	5-Dec-06	CDO
HUDMZ 2006-1A B	HUDSM061	B	443860AD3	MEZ_FLT	230,000,000	NA	Aa2	AA	5-Dec-06	CDO
HUDMZ 2006-1A C	HUDSM061	C	443860AE1	MEZ_FLT	170,000,000	NA	A2	A	5-Dec-06	CDO
HUDMZ 2006-1A D	HUDSM061	D	443860AF8	MEZ_FLT	84,000,000	NA	Baa2	BBB	5-Dec-06	CDO
HUDMZ 2006-1A E	HUDSM061	E	443860AG6	MEZ_FLT	26,000,000	NA	Ba1	BB+	5-Dec-06	CDO
HUDMZ 2006-1A INC	HUDSM061	PREF	44386PAA4	JUN_SUB	60,000,000	NA	NA	NR	5-Dec-06	CDO
HUDMZ 2006-1A S	HUDSM061	S	443860AA9	SEN_FLT	37,000,000	NA	Aaa	AAA	5-Dec-06	CDO
HUDMZ 2006-1A	HUDSM061	SPR_SNR	HUDQB7ZC0	MEZ_FLT	1,200,000,000	NA	NA	NA	5-Dec-06	CDO
HUDMZ 2006-2A A1	HUDSM062	A1	44386QAB0	MEZ_FLT	240,000,000	NA	Aaa	AAA	8-Feb-07	CDO
HUDMZ 2006-2A A2	HUDSM062	A2	44386QAC8	MEZ_FLT	46,000,000	NA	Aaa	AAA	8-Feb-07	CDO
HUDMZ 2006-2A B	HUDSM062	B	44386QAD6	MEZ_FLT	56,000,000	NA	Aa2	AA+	8-Feb-07	CDO
HUDMZ 2006-2A C	HUDSM062	C	44386QAE4	MEZ_FLT	20,000,000	NA	A2	A+	8-Feb-07	CDO
HUDMZ 2006-2A D	HUDSM062	D	44386QAF1	MEZ_FLT	18,000,000	NA	Baa1	BBB+	8-Feb-07	CDO
HUDMZ 2006-2A E	HUDSM062	E	44386NAC5	MEZ_FLT	4,000,000	NA	Baa3	BBB-	8-Feb-07	CDO
HUDMZ 2006-2A INC	HUDSM062	PREF	44386NAA9	JUN_SUB	16,000,000	NA	NR	NR	8-Feb-07	CDO
HUDMZ 2006-2A S	HUDSM062	S	44386QAA2	SEN_FLT	7,900,000	NA	Aaa	AAA	8-Feb-07	CDO
PTPLS 2007-1A A1	PTPL071	A1	730594AB4	MEZ_FLT	254,930,000	NA	Aaa	AAA	18-Apr-07	CDO
PTPLS 2007-1A A2	PTPL071	A2	730594AC2	MEZ_FLT	170,000,000	NA	Aaa	AAA	18-Apr-07	CDO
PTPLS 2007-1A B	PTPL071	B	730594AD0	MEZ_FLT	100,000,000	NA	Aa2	AA	18-Apr-07	CDO
PTPLS 2007-1A C	PTPL071	C	730594AE8	MEZ_FLT	28,000,000	NA	A2	A	18-Apr-07	CDO
PTPLS 2007-1A D	PTPL071	D	730591AA2	MEZ_FLT	32,000,000	NA	Baa2	BBB	18-Apr-07	CDO
PTPLS 2007-1A INC	PTPL071	PREF	730591AB0	JUN_SUB	20,170,000	NA	NA	NR	18-Apr-07	CDO
PTPLS 2007-1A S	PTPL071	S	730594AA6	SEN_FLT	6,000,000	NA	Aaa	AAA	18-Apr-07	CDO
PTPLS 2007-1A	PTPL071	SPR_SNR	PTPIX9YC0	SEN_FLT	403,400,000	NA	NA	NA	18-Apr-07	CDO
TWOLF 2007-1A A1A	TIMBW1	A1A	88714PAB2	MEZ_FLT	100,000,000	NA	Aaa	AAA	27-Mar-07	CDO
TWOLF 2007-1A A1B	TIMBW1	A1B	88714PAC0	MEZ_FLT	200,000,000	NA	Aaa	AAA	27-Mar-07	CDO
TWOLF 2007-1A A1C	TIMBW1	A1C	88714PAD8	MEZ_FLT	100,000,000	NA	Aaa	AAA	27-Mar-07	CDO
TWOLF 2007-1A A1D	TIMBW1	A1D	88714PAE6	MEZ_FLT	100,000,000	NA	Aaa	AAA	27-Mar-07	CDO
TWOLF 2007-1A A2	TIMBW1	A2	88714PAF3	MEZ_FLT	305,000,000	NA	Aaa	AAA	27-Mar-07	CDO
TWOLF 2007-1A B	TIMBW1	B	88714PAG1	MEZ_FLT	107,000,000	NA	Aa2	AA	27-Mar-07	CDO
TWOLF 2007-1A C	TIMBW1	C	88714PAH9	MEZ_FLT	36,000,000	NA	A2	A	27-Mar-07	CDO

GS Deals Issued & Underwritten										
						Original Rating				
Bloomberg Deal Name	Index Deal Name	Tranche Name	CUSIP	Tranche Description	Original Balance	Fitch	Moody	SP	Deal Closing Date	Deal Type
TWOLF 2007-1A D	TIMBW1	D	88714PAJ5	MEZ_FLT	30,000,000	NA	Baa2	BBB	27-Mar-07	CDO
TWOLF 2007-1A INC	TIMBW1	PREF	88714NAA9	JUN_SUB	22,000,000	NA	NR	NA	27-Mar-07	CDO
TWOLF 2007-1A S1	TIMBW1	S1	88714PAA4	SEN_FLT	9,000,000	NA	Aaa	AAA	27-Mar-07	CDO
TWOLF 2007-1A S2	TIMBW1	S2	88714PAK2	MEZ_FLT	8,300,000	NA	Aaa	AAA	27-Mar-07	CDO

ATTACHMENT 4

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

Schedule of Investors in ABS/RMBS CDOs
($ in millions)

Deal	Class	Price	Original Face	Trade Date	Settle Date	Risk Taker	Industry (SIC)
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	75.50	5	10/10/2007	10/15/2007	Capital International Financial Services Ltd	MANAGEMENT INVESTMENT FUNDS & TRUSTS
	A1A	50.00	10	11/7/2007	11/15/2007	Capital International Financial Services Ltd	MANAGEMENT INVESTMENT FUNDS & TRUSTS
	A1A	72.50	5	9/7/2007	9/14/2007	Eiger Capital	AssetBacked-ABCP
	A1A	72.50	1	9/10/2007	9/14/2007	Eiger Capital	AssetBacked-ABCP
	A1A	72.50	2	9/12/2007	9/18/2007	Eiger Capital	AssetBacked-ABCP
	A1A	72.50	3	9/24/2007	10/1/2007	Eiger Capital	AssetBacked-ABCP
	A1A	50.00	14	11/7/2007	11/15/2007	Magna Asset Management LTD	INVESTMENT ADVISOR
	A1A	100.00	91	3/12/2007	3/20/2007	Retained	-
	A1B	97.39	2	4/3/2007	4/9/2007	Beneficial Life	INSURANCE CARRIERS
	A1B	100.00	51	3/12/2007	3/20/2007	Retained	-
	A2	98.54	15	3/20/2007	3/23/2007	Moneygram International Inc	FINANCIAL SERVICES
	A2	96.23	5	3/21/2007	3/26/2007	PIMCO	INVESTMENT ADVISOR
	A2	97.24	11	3/28/2007	3/29/2007	Princeton Advisory Group, Inc	INVESTMENT ADVISOR
	B	85.50	5	3/20/2007	3/23/2007	Moneygram International Inc	FINANCIAL SERVICES
	B	100.00	38	3/12/2007	3/20/2007	Retained	-
	C	92.38	10	3/21/2007	3/26/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR
	C	100.00	7	3/12/2007	3/20/2007	Retained	-
	D	108.21	11	3/12/2007	3/20/2007	GSCP (NJ) LP	INVESTMENT ADVISOR
	Income Notes	100.00	21	3/12/2007	3/20/2007	Retained	-
	B	100.00	3	4/13/2007	4/18/2007	MBIA Inc.	INVESTMENT ADVISOR
Camber 7 plc	A1	100.00	365	2/16/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	A1	100.00	120	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS
	A2	100.00	50	1/25/2007	2/28/2007	[redacted]	FINANCIAL SERVICES
	A2	100.00	5	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	A2	100.00	20	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS
	A2	100.00	25	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS
	A3	100.00	7	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	A3	99.88	30	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS
	A3	100.00	20	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	A3	100.00	15	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	B	100.00	5	1/25/2007	2/28/2007	[redacted]	OMMERCIAL BANKS
	B	100.00	10	1/25/2007	2/28/2007	[redacted]	SSET BACKED-ABS
	B	100.00	8	1/25/2007	2/28/2007	[redacted]	NVESTMENT ADVISOR
	B	100.00	10	1/25/2007	2/28/2007	[redacted]	FINANCIAL SERVICES
	B	100.00	6	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	B	100.00	8	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	B	100.00	7	1/25/2007	2/28/2007	[redacted]	PRIVATE INVESTMENT VEHICLES
	B	100.00	10	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS
	B	100.00	10	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	B	100.00	8	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	C	100.00	8	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	C	100.00	10	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS
	C	100.00	10	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	C	100.00	10	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	C	100.00	3	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	C	100.00	4	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS
	C	100.00	21	1/25/2007	2/28/2007	Retained	-
	C	100.00	12	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	D	100.00	10	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	D	100.00	3	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	D	100.00	5	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	D	100.00	4	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	D	98.30	8	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	D	100.00	3	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	D	100.00	10	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	D	100.00	3	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	E	97.88	2	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR
	E	54.95	2	5/10/2007	5/15/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	E	100.00	8	1/25/2007	2/28/2007	Retained	-
	Income Notes	100.00	1	2/28/2007	2/28/2007	[redacted]	COMMERCIAL BANKS
	Income Notes	48.00	13	5/10/2007	5/15/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	Income Notes	100.00	12	1/25/2007	2/28/2007	Retained	-
	B	100.00	16	2/8/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Schedule of Investors in ABS/RMBS CDOs
($ in millions)

Deal	Class	Price	Original Face	Trade Date	Settle Date	Risk Taker	Industry (SIC)
Fort Denison Funding, Ltd.	A1	99.79	225	1/12/2007	2/14/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	A2A	100.00	60	1/10/2007	2/14/2007	[redacted]	COMMERCIAL BANKS
	A2B	100.00	60	1/10/2007	2/14/2007	[redacted]	COMMERCIAL BANKS
	A2B	100.00	15	1/10/2007	2/14/2007	[redacted]	INVESTMENT ADVISOR
	A2B	100.00	5	1/10/2007	2/14/2007	[redacted]	INVESTMENT ADVISOR
	B	100.00	4	1/10/2007	2/14/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	B	100.00	10	2/9/2007	2/15/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	B	100.00	7	1/10/2007	2/14/2007	Retained	-
	B	100.00	20	1/10/2007	2/14/2007	[redacted]	INVESTMENT ADVISOR
	C Loan	100.00	64	1/10/2007	2/14/2007	[redacted]	COMMERCIAL BANKS
	Income Notes	100.00	17	1/10/2007	2/14/2007	[redacted]	INVESTMENT ADVISOR
	Income Notes	100.00	14	1/10/2007	2/14/2007	Retained	-
	S	100.00	6	1/10/2007	2/14/2007	Retained	-
Hudson Mezzanine Funding 2006-1, Ltd.	AB	100.00	10	10/25/2006	12/5/2006	Church Tavern Advisors LLC	INVESTMENT ADVISOR
	AB	100.00	10	10/25/2006	12/5/2006	Citigroup, Inc.	INVESTMENT ADVISOR
	AB	100.00	80	10/25/2006	12/5/2006	National Australia Bank Limited	COMMERCIAL BANKS
	AB	100.00	18	10/25/2006	12/5/2006	Princeton Advisory Group, Inc.	INVESTMENT ADVISOR
	AB	100.00	4	10/25/2006	12/5/2006	Redwood Trust Inc	MORTGAGE BANK
	AF	100.00	55	11/15/2006	12/5/2006	GSC CDO Warehouse	Asset Backed-CDO
	AF	100.00	55	10/25/2006	12/5/2006	UBS AG	COMMERCIAL BANKS
	B	100.00	40	10/25/2006	12/5/2006	Church Tavern Advisors LLC	INVESTMENT ADVISOR
	B	100.00	15	10/25/2006	12/5/2006	Fortor Securities BV	FINANCIAL SERVICES
	B	100.00	20	10/25/2006	12/5/2006	Koch Global Capital	PRIVATE INVESTMENT VEHICLES
	B	100 00	40	10/25/2006	12/5/2006	Princeton Advisory Group, Inc.	INVESTMENT ADVISOR
	B	100 00	68	10/25/2006	12/5/2006	Retained	-
	B	100.00	10	10/25/2006	12/6/2006	Security Benefit Mutual Holding Company	INSURANCE CARRIERS
	B	100.00	5	10/25/2006	12/5/2006	Solent Capital Partners LLP	INVESTMENT ADVISOR
	B	100.00	10	10/25/2006	12/5/2006	Trust Company of the West (TCW)	FINANCIAL SERVICES
	B	99.42	14	1/11/2007	1/17/2007	Trust Company of the West (TCW)	FINANCIAL SERVICES
	B	100.00	10	10/25/2006	12/5/2006	Vanderbilt Capital Advisors, LLC	INVESTMENT ADVISOR
	C	97.56	15	12/19/2006	12/22/2006	Commerzbank AG	COMMERCIAL BANKS
	C	93.90	8	2/14/2007	2/20/2007	Dillon Read	INVESTMENT ADVISOR
	C	99.77	15	10/25/2006	12/5/2006	GSC Group	Asset Backed-CDO
	C	99.77	8	10/25/2006	12/5/2006	Princeton Advisory Group, Inc.	INVESTMENT ADVISOR
	C	100.00	125	10/25/2006	12/5/2006	Retained	-
	D	99.04	5	10/25/2006	12/5/2006	Fortis Bank	COMMERCIAL BANKS
	D	10.00	5	9/6/2007	9/11/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR
	D	99.04	7	11/8/2006	12/5/2006	GSCP (NJ) LP	INVESTMENT ADVISOR
	D	99.04	3	10/30/2006	12/5/2006	GSCP (NJ) LP	INVESTMENT ADVISOR
	D	99.04	4	10/25/2006	12/5/2006	Natixis SA	COMMERCIAL BANKS
	D	83.23	5	3/28/2007	4/4/2007	Mariner Investment Group	FINANCIAL SERVICES
	D	100.00	55	10/25/2006	12/5/2006	Retained	-
	E	98.50	13	10/25/2006	12/5/2006	Dynamic Credit Partners LLC	INVESTMENT ADVISOR
	E	100.00	11	10/25/2006	12/5/2006	Retained	-
	E	100.00	2	10/25/2006	12/5/2006	Trust Company of the West (TCW)	FINANCIAL SERVICES
	Income Notes	95 00	6	12/6/2006	12/7/2006	Retained	SECURITY & COMMOD BRK/DEALER
	Income Notes	80.00	6	10/25/2006	12/5/2006	Bear Stearns Companies, Inc	INVESTMENT ADVISOR
	Income Notes	95 00	1	1/3/2007	1/4/2007	Colonial BancGroup	COMMERCIAL BANKS
	Income Notes	81 00	4	4/16/2007	4/19/2007	Dillon Read	INVESTMENT ADVISOR
	Income Notes	85.00	10	10/25/2006	12/5/2006	Greywolf Capital Partners LP	INVESTMENT ADVISOR
	Income Notes	95 00	5	10/26/2006	12/5/2006	Mariner Investment Group	FINANCIAL SERVICES
	Income Notes	80.31	30	12/8/2006	12/8/2006	Citigroup, Inc.	INVESTMENT ADVISOR
	Income Notes	93.00	2	10/25/2006	12/5/2006	Trust Company of the West (TCW)	FINANCIAL SERVICES
	S	100 00	1	12/29/2006	1/4/2007	GS CDO Warehouse	AssetBacked-ABCP
	S	100 00	2	12/29/2006	1/4/2007	GS CDO Warehouse	AssetBacked-ABCP
	S	100.00	0	12/15/2006	12/20/2006	Hout Bay CDO Warehouse	ASSET BACKED-CDO
	S	100 00	0	1/18/2007	1/19/2007	Hout Bay CDO Warehouse	ASSET BACKED-CDO
	S	100.00	1	1/30/2007	2/2/2007	Hout Bay CDO Warehouse	ASSET BACKED-CDO
	S	100.00	0	2/15/2007	2/21/2007	Hout Bay CDO Warehouse	ASSET BACKED-CDO
	S	100.00	1	12/15/2006	12/20/2006	Hudson CDO Warehouse	ASSET BACKED-CDO
	S	100.00	30	10/25/2006	12/5/2006	MBIA Inc	INVESTMENT ADVISOR
	S	100.00	1	10/25/2006	12/5/2006	Retained	-
	Sr. Swap	0.00	1,200	12/5/2006	12/5/2006	Morgan Stanley & Co	SECURITY & COMMOD BRK/DEALER

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Schedule of Investors in ABS/RMBS CDOs
($ in millions)

Deal	Class	Price	Original Face	Trade Date	Settle Date	Risk Taker	Industry (SIC)
Hudson Mezzanine Funding 2006-2, Ltd.	A1	98.51	125	2/21/2007	2/26/2007	[redacted]	COMMERCIAL BANKS
	A1	100.00	115	12/21/2006	2/8/2007	Retained	-
	A2	100.00	28	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR
	A2	100.00	20	12/21/2006	2/8/2007	[redacted]	COMMERCIAL BANKS
	B	99.82	12	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR
	B	99.82	20	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR
	B	99.82	25	12/21/2006	2/8/2007	Retained	-
	C	100.00	12	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR
	C	100.00	2	12/21/2006	2/8/2007	[redacted]	SECURITY & COMMOD BRK/DEALER
	C	100.00	8	12/21/2006	2/8/2007	Retained	-
	D	98.21	5	2/13/2007	2/14/2007	[redacted]	Asset Backed-ABS
	D	100.00	13	12/21/2006	2/8/2007	Retained	-
	E	98.16	2	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR
	E	100.00	2	12/21/2006	2/8/2007	Retained	-
	Income Notes	100.00	3	1/24/2007	2/8/2007	[redacted]	COMMERCIAL BANKS
	Income Notes	98.00	8	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR
	Income Notes	100.00	3	12/22/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR
	Income Notes	100.00	3	12/22/2006	2/8/2007	Retained	-
	S	100.00	4	3/16/2007	3/20/2007	Anderson CDO Warehouse	-
	S	100.00	4	3/22/2007	3/27/2007	GS CDO Warehouse	AssetBacked-ABCP
Point Pleasant Funding 2007-1, Ltd.	A1	100.00	127	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR
	A1	100.00	107	4/10/2007	4/18/2007	Retained	-
	A1	90.70	20	6/19/2007	6/26/2007	Tokyo Star Bank	COMMERCIAL BANKS
	A2	100.00	85	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR
	A2	25.00	1	8/21/2007	8/24/2007	[redacted]	FINANCIAL SERVICES
	A2	27.50	1	9/20/2007	9/27/2007	[redacted]	FINANCIAL SERVICES
	A2	20.00	1	10/29/2007	11/5/2007	[redacted]	FINANCIAL SERVICES
	A2	91.30	20	4/24/2007	4/27/2007	Moneygram International Inc	FINANCIAL SERVICES
	A2	91.00	40	5/24/2007	5/24/2007	Paramax Capital Group, LLC	INVESTMENT ADVISOR
	A2	100.00	33	4/10/2007	4/18/2007	Retained	-
	B	100.00	50	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR
	B	100.00	50	4/10/2007	4/18/2007	Retained	-
	C	100.00	14	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR
	C	87.57	8	4/10/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR
	C	20.00	2	7/23/2007	7/26/2007	[redacted]	INVESTMENT ADVISOR
	C	100.00	4	4/10/2007	4/18/2007	Retained	-
	D	81.72	15	4/19/2007	4/24/2007	Basis Capital Group	INVESTMENT ADVISOR
	D	100.00	16	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR
	D	88.39	11	4/10/2007	4/18/2007	Mariner Investment Group	FINANCIAL SERVICES
	Income Notes	100.00	10	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR
	Income Notes	100.00	10	4/11/2007	4/18/2007	Retained	-
	S	100.00	6	4/10/2007	4/18/2007	Retained	-
	Sr. Swap	0.00	403	4/18/2007	4/18/2007	[redacted]	COMMERCIAL BANKS
Timberwolf I, Ltd.	A1A	99.45	50	3/13/2007	3/27/2007	MBIA Inc.	INVESTMENT ADVISOR
	A1A	99.47	50	5/2/2007	5/7/2007	Rabobank, N.A	COMMERCIAL BANKS
	A1B	100.00	200	3/13/2007	3/27/2007	Bear Stearns Companies, Inc	INVESTMENT ADVISOR
	A1C	99.71	100	3/13/2007	3/27/2007	Bear Stearns Companies, Inc	INVESTMENT ADVISOR
	A1D	100.00	100	3/13/2007	3/27/2007	Bear Stearns Companies, Inc	INVESTMENT ADVISOR
	A2	84.00	20	6/11/2007	6/14/2007	Carlyle Group	INVESTMENT ADVISOR
	A2	84.50	56	6/11/2007	6/14/2007	Hungkuk Life Insurance Co., Ltd	INSURANCE CARRIERS
	A2	87.79	20	4/23/2007	4/26/2007	Moneygram International Inc	FINANCIAL SERVICES
	A2	87.00	40	5/24/2007	5/24/2007	Paramax Capital Group, LLC	INVESTMENT ADVISOR
	A2	100.00	149	3/13/2007	3/27/2007	Retained	-
	A2	83.90	20	6/30/2007	8/4/2007	Tokyo Star Bank	COMMERCIAL BANKS
	B	78.25	7	7/5/2007	7/12/2007	Bank Hapoalim	COMMERCIAL BANKS
	B	78.25	2	7/11/2007	7/12/2007	Bank Hapoalim	COMMERCIAL BANKS
	B	100.00	99	3/13/2007	3/27/2007	Retained	-
	C	95.15	20	4/4/2007	4/11/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR
	C	72.50	16	3/28/2007	4/2/2007	Polygon Investment Partners	INVESTMENT ADVISOR
	D	92.41	30	3/13/2007	3/27/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR
	Income Notes	100.00	11	3/13/2007	3/27/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR
	Income Notes	70.00	11	5/24/2007	5/30/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR
	S1	100.00	8	3/22/2007	3/27/2007	Retained	-
	S2	100.00	8	3/22/2007	3/27/2007	Retained	-

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Schedule of Gross Cred

Deal	Class	Price	Original Face	Trade Date	Settle Date	Risk Taker	Industry (SIC)	Emp Name	Gross Credit %*
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	75.50	5	10/10/2007	10/15/2007	Capital International Financial Services Ltd.	MANAGEMENT INVESTMENT FUNDS & TRUSTS	Ceder, Leor	2.5%
	A1A	50.00	10	11/7/2007	11/15/2007	Capital International Financial Services Ltd.	MANAGEMENT INVESTMENT FUNDS & TRUSTS	Ceder, Leor	2.0%
	A1A	72.50	5	9/7/2007	9/14/2007	Elger Capital	AssetBacked-ABCP	Andersen, Alexander	2.0%
	A1A	72.50	1	9/10/2007	9/14/2007	Elger Capital	AssetBacked-ABCP	Andersen, Alexander	0.0%
	A1A	72.50	2	9/12/2007	9/18/2007	Elger Capital	AssetBacked-ABCP	Andersen, Alexander	0.0%
	A1A	72.50	3	9/24/2007	10/1/2007	Elger Capital	AssetBacked-ABCP	Andersen, Alexander	2.0%
	A1A	50.00	14	11/7/2007	11/15/2007	Magna Asset Management LTD	INVESTMENT ADVISOR	Ceder, Leor	2.0%
	A1B	97.39	2	4/3/2007	4/8/2007	Beneficial Life	INSURANCE CARRIERS	Gilligan, Brendan	1.0%
	A2	96.54	15	3/20/2007	3/23/2007	Moneygram International Inc	FINANCIAL SERVICES	Gilligan, Brendan	1.5%
	A2	98.23	5	3/21/2007	3/26/2007	PIMCO	INVESTMENT ADVISOR	Loggins, Dick	1.5%
	A2	97.24	11	3/26/2007	3/29/2007	Princeton Advisory Group, Inc.	INVESTMENT ADVISOR	Fertel-Kramer/Phillips	1.5%
	B	95.50	5	3/20/2007	3/23/2007	Moneygram International Inc	FINANCIAL SERVICES	Gilligan, Brendan	1.5%
	C	92.38	10	3/21/2007	3/26/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR	Martin, Nicole	2.5%
	D	108.21	11	3/12/2007	3/20/2007	GSCP (NJ) LP	INVESTMENT ADVISOR	Willing, Curtis	0.0%
	S	100.00	3	4/13/2007	4/18/2007	MBIA Inc.	INVESTMENT ADVISOR	Daviiman, Andrew	0.1%
Cember 7 plc	A1	100.00	365	2/16/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	0.1%
	A1	100.00	120	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.1%
	A2	100.00	50	1/25/2007	2/28/2007	[redacted]	FINANCIAL SERVICES	[redacted]	0.2%
	A2	100.00	5	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.2%
	A2	100.00	20	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.2%
	A2	100.00	25	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.2%
	A3	100.00	7	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.2%
	A3	99.88	30	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.3%
	A3	100.00	20	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.2%
	A3	100.00	15	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.2%
	B	100.00	5	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.6%
	B	100.00	10	1/25/2007	2/28/2007	[redacted]	ASSET BACKED-ABS	[redacted]	0.3%
	B	100.00	8	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.3%
	B	100.00	10	1/25/2007	2/28/2007	[redacted]	FINANCIAL SERVICES	[redacted]	0.3%
	B	100.00	6	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.3%
	B	100.00	8	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.3%
	B	100.00	7	1/25/2007	2/28/2007	[redacted]	PRIVATE INVESTMENT VEHICLES	[redacted]	0.3%
	B	100.00	10	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.3%
	B	100.00	10	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	0.3%
	B	100.00	8	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	0.3%
	C	100.00	8	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	1.0%
	C	100.00	10	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS	[redacted]	1.0%
	C	100.00	10	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	1.0%
	C	100.00	10	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	1.0%
	C	100.00	3	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	1.0%
	C	100.00	4	1/25/2007	2/28/2007	[redacted]	COMMERCIAL BANKS	[redacted]	1.0%
	C	100.00	12	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	1.0%
	D	100.00	10	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	3.5%
	D	100.00	3	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	3.5%
	D	100.00	5	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	3.5%
	D	100.00	4	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	3.5%
	D	98.30	8	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	3.5%
	D	100.00	3	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	3.5%
	D	100.00	10	1/25/2007	2/28/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	3.5%
	D	100.00	3	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	3.5%
	E	97.88	2	1/25/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	5.0%
	E	54.95	2	5/10/2007	5/15/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	10.0%
	Income Notes	100.00	1	2/28/2007	2/28/2007	[redacted]	COMMERCIAL BANKS	[redacted]	
	Income Notes	48.00	13	5/10/2007	5/15/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	10.0%
	S	100.00	16	2/8/2007	2/28/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.2%

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Schedule of Gross Cred

Deal	Class	Price	Original Face	Trade Date	Settle Date	Risk Taker	Industry (SIC)	Emp Name	
Fort Denison Funding, Ltd.	A1	99.79	225	1/12/2007	2/14/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.1%
	A2A	100.00	60	1/10/2007	2/14/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.1%
	A2B	100	60	1/10/2007	2/14/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.2%
	A2B	100.00	15	1/10/2007	2/14/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.2%
	A2B	100.00	5	1/10/2007	2/14/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.0%
	B	100.00	4	1/10/2007	2/14/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	0.3%
	B	100.00	10	2/9/2007	2/15/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	0.3%
	B	100.00	20	1/10/2007	2/14/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.3%
	C Loan	100.00	64	1/10/2007	2/14/2007	[redacted]	COMMERCIAL BANKS	[redacted]	
	Income Notes	100.00	17	1/10/2007	2/14/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	10.0%
Hudson Mezzanine Funding 2006-1, Ltd.	AB	100.00	10	10/25/2006	12/5/2006	Church Tavern Advisors LLC	INVESTMENT ADVISOR	Reich, Spencer	0.4%
	AB	100.00	10	10/25/2006	12/5/2006	Citigroup, Inc.	INVESTMENT ADVISOR	Waldman/Mutter	0.4%
	AB	100.00	80	10/25/2006	12/5/2006	National Australia Bank Limited.	COMMERCIAL BANKS	Fraser/Lee/Ha	0.4%
	AB	100.00	16	10/25/2006	12/5/2006	Princeton Advisory Group, Inc.	INVESTMENT ADVISOR	Mermagen, Morgan Schma	0.4%
	AB	100.00	4	10/25/2006	12/5/2006	Redwood Trust Inc	MORTGAGE BANK	Paige, Kevin	0.4%
	AF	100.00	55	10/25/2006	12/5/2006	UBS AG	COMMERCIAL BANKS	Kelly, Ryan	0.4%
	B	100.00	40	10/25/2006	12/5/2006	Church Tavern Advisors LLC	INVESTMENT ADVISOR	Reich, Spencer	0.5%
	B	100.00	15	10/25/2006	12/5/2006	Faxtor Securities BV	FINANCIAL SERVICES	Van Dijk, Emile	0.5%
	B	100.00	20	10/25/2006	12/5/2006	Koch Global Capital	PRIVATE INVESTMENT VEHICLES	Romaszka/Kerr	0.5%
	B	100.00	40	10/25/2006	12/5/2006	Princeton Advisory Group, Inc.	INVESTMENT ADVISOR	Mermagen, Morgan Schma	0.5%
	B	100.00	10	10/25/2006	12/8/2006	Security Benefit Mutual Holding Company	INSURANCE CARRIERS	Romaszka/Kerr	0.5%
	B	100.00	5	10/25/2006	12/5/2006	Solent Capital Partners LLP	INVESTMENT ADVISOR	Vemudachi, Charles	0.5%
	B	100.00	10	10/25/2006	12/5/2006	Trust Company of the West (TCW)	FINANCIAL SERVICES	Loggins, Dick	0.5%
	B	99.42	14	1/11/2007	1/17/2007	Trust Company of the West (TCW)	FINANCIAL SERVICES	Loggins, Dick	1.0%
	B	100.00	10	10/25/2006	12/5/2006	Vanderbilt Capital Advisors, LLC	INVESTMENT ADVISOR	Geddi, Robert	0.5%
	C	97.56	15	12/19/2006	12/22/2006	Commerzbank AG	COMMERCIAL BANKS	Ophel, Dave	3.3%
	C	93.90	8	2/14/2007	2/20/2007	Dillon Read	INVESTMENT ADVISOR	Waldman, Fred	5.0%
	C	99.77	15	10/25/2006	12/5/2006	GSC Group	Asset Backed-CDO		
	C	99.77	8	10/25/2006	12/5/2006	Princeton Advisory Group, Inc.	INVESTMENT ADVISOR	Mermagen, Morgan Schma	2.5%
	D	99.04	5	10/25/2006	12/5/2006	Fortis Bank	COMMERCIAL BANKS	Glezer, Ronnet	5.0%
	D	10.00	5	9/6/2007	9/11/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR	Martin, Nicole	0.3%
	D	99.04	7	11/9/2006	12/5/2006	GSCP (NJ) LP	INVESTMENT ADVISOR	Willing, Curtis	5.0%
	D	99.04	3	10/30/2006	12/5/2006	GSCP (NJ) LP	INVESTMENT ADVISOR	Willing, Curtis	5.0%
	D	99.04	4	10/25/2006	12/5/2006	Natixis SA	COMMERCIAL BANKS	Mermagen, Morgan Schma	5.0%
	D	83.23	5	3/28/2007	4/4/2007	Mariner Investment Group	FINANCIAL SERVICES	Carrett, Paul	5.0%
	E	98.50	13	10/25/2006	12/5/2006	Dynamic Credit Partners LLC	INVESTMENT ADVISOR	Reinstein, Darren J.	7.5%
	E	100.00	2	10/25/2006	12/5/2006	Trust Company of the West (TCW)	FINANCIAL SERVICES	Loggins, Dick	7.5%
	Income Notes	80.00	5	10/25/2006	12/5/2006	Bear Stearns Companies, Inc.	INVESTMENT ADVISOR	Davilman, Andrew	10.0%
	Income Notes	95.00	1	1/3/2007	1/4/2007	Colonial BancGroup	COMMERCIAL BANKS	Ruberti, Timothy	10.0%
	Income Notes	81.00	4	4/16/2007	4/19/2007	Dillon Read	INVESTMENT ADVISOR	Waldman, Fred	0.0%
	Income Notes	85.00	10	10/25/2006	12/5/2006	Greywolf Capital Partners LP	INVESTMENT ADVISOR	Martin, Nicole	10.0%
	Income Notes	95.00	5	10/26/2006	12/5/2006	Mariner Investment Group	FINANCIAL SERVICES	Chew, Patricia	0.0%
	Income Notes	80.31	30	12/8/2006	12/8/2006	Citigroup, Inc.	INVESTMENT ADVISOR		
	Income Notes	93.00	2	10/25/2006	12/5/2006	Trust Company of the West (TCW)	FINANCIAL SERVICES	Loggins, Dick	10.0%
	S	100.00	30	10/25/2006	12/5/2006	MBIA Inc.	INVESTMENT ADVISOR	Davilman, Andrew	0.2%
	Sr. Swap	0.00	1,200	12/5/2006	12/5/2006	Morgan Stanley & Co	SECURITY & COMMOD BRK/DEALER		
Hudson Mezzanine Funding 2006-2, Ltd.	A1	98.51	125	2/21/2007	2/26/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.2%
	A2	100.00	26	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.2%
	A2	100.00	20	12/21/2006	2/8/2007	[redacted]	COMMERCIAL BANKS	[redacted]	0.2%
	B	99.92	12	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.3%
	B	99.92	20	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.3%
	C	100.00	12	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	1.0%
	C	100.00	2	12/21/2006	2/8/2007	[redacted]	SECURITY & COMMOD BRK/DEALER	[redacted]	
	E	98.16	2	12/21/2006	2/8/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	5.0%

= Redacted by the Permanent Subcommittee on Investigations

Class	Price	Original Face	Trade Date	Settle Date	Risk Taker	Industry (SIC)	Emp Name	
Income Notes	100.00	3	1/24/2007	2/8/2007	[redacted]	COMMERCIAL BANKS	[redacted]	10.0%
Income Notes	98.00	8	12/21/2006	2/8/2007		INVESTMENT ADVISOR		10.0%
Income Notes	100.00	3	12/22/2006	2/8/2007		INVESTMENT ADVISOR		10.0%

▬ = Redacted by the Permanent Subcommittee on Investigations

Schedule of Gross Cred

Deal	Class	Price	Original Face	Trade Date	Settle Date	Risk Taker	Industry (SIC)	Emp Name	
Point Pleasant Funding 2007-1, Ltd.	A1	100.00	127	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.0%
	A1	90.70	20	6/19/2007	6/26/2007	Tokyo Star Bank	COMMERCIAL BANKS	Wada, Koji (FI)	4.0%
	A2	100.00	85	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.0%
	A2	25.00	1	8/21/2007	8/24/2007		FINANCIAL SERVICES		5.0%
	A2	27.50	1	9/20/2007	9/27/2007		FINANCIAL SERVICES		5.0%
	A2	20.00	1	10/29/2007	11/5/2007		FINANCIAL SERVICES		2.0%
	A2	91.30	20	4/24/2007	4/27/2007	Moneygram International Inc	FINANCIAL SERVICES	Gilligan, Brendan	2.0%
	A2	91.00	40	5/24/2007	5/24/2007	Paramax Capital Group, LLC	INVESTMENT ADVISOR	Radtke, Lorin	2.0%
	B	100.00	50	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.0%
	C	100.00	14	4/11/2007	4/18/2007		INVESTMENT ADVISOR		0.0%
	C	87.57	8	4/10/2007	4/18/2007		INVESTMENT ADVISOR		0.0%
	C	20.00	2	7/23/2007	7/26/2007		INVESTMENT ADVISOR		1.0%
	D	81.72	15	4/19/2007	4/24/2007	Basis Capital Group	INVESTMENT ADVISOR	Carrett, Paul	5.0%
	D	100.00	16	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.0%
	D	88.39	11	4/10/2007	4/18/2007	Mariner Investment Group	FINANCIAL SERVICES	Carrett, Paul	5.0%
	Income Notes	100.00	10	4/11/2007	4/18/2007	[redacted]	INVESTMENT ADVISOR	[redacted]	0.0%
	Sr. Swap	0.00	403	4/18/2007	4/18/2007		COMMERCIAL BANKS		
Timberwolf I, Ltd.	A1A	99.45	50	3/13/2007	3/27/2007	MBIA Inc.	INVESTMENT ADVISOR	Davilman, Andrew	1.0%
	A1A	99.47	50	5/2/2007	5/7/2007	Rabobank, N.A	COMMERCIAL BANKS	Fraser/Lee/Ha	1.0%
	A1B	100.00	200	3/13/2007	3/27/2007	Bear Stearns Companies, Inc.	INVESTMENT ADVISOR	Davilman, Andrew	0.0%
	A1C	99.71	100	3/13/2007	3/27/2007	Bear Stearns Companies, Inc.	INVESTMENT ADVISOR	Davilman, Andrew	0.0%
	A1D	100.00	100	3/13/2007	3/27/2007	Bear Stearns Companies, Inc.	INVESTMENT ADVISOR	Davilman, Andrew	0.0%
	A2	84.00	20	6/11/2007	6/14/2007	Carlyle Group	INVESTMENT ADVISOR	Ruberti, Timothy	6.0%
	A2	84.50	56	6/11/2007	6/14/2007	Hungkuk Life Insurance Co., Ltd	INSURANCE CARRIERS	Park, Kevin (FICC)	7.0%
	A2	87.79	20	4/23/2007	4/26/2007	Moneygram International Inc	FINANCIAL SERVICES	Gilligan, Brendan	2.0%
	A2	87.00	40	5/24/2007	5/24/2007	Paramax Capital Group, LLC	INVESTMENT ADVISOR	Radtke, Lorin	2.0%
	A2	83.90	20	5/30/2007	6/4/2007	Tokyo Star Bank	COMMERCIAL BANKS	Wada, Koji (FI)	6.0%
	B	78.25	7	7/5/2007	7/12/2007	Bank Hapoalim	COMMERCIAL BANKS	Ceder, Leor	8.0%
	B	78.25	2	7/11/2007	7/12/2007	Bank Hapoalim	COMMERCIAL BANKS	Ceder, Leor	8.0%
	C	95.15	20	4/4/2007	4/11/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR	Martin, Nicole	0.0%
	C	72.50	16	3/28/2007	4/2/2007	Polygon Investment Partners	INVESTMENT ADVISOR	Raazi, Cactus	3.1%
	D	92.41	30	3/13/2007	3/27/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR	Martin, Nicole	0.0%
	Income Notes	100.00	11	3/13/2007	3/27/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR	Martin, Nicole	0.0%
	Income Notes	70.00	11	5/24/2007	5/30/2007	Greywolf Capital Partners LP	INVESTMENT ADVISOR	Martin, Nicole	5.0%

*Goldman Sachs notes that the gross credits information in the enclosed spreadsheet are expressed as a percentage of the notional balance associated with each trade. Gross credits are one of many measures used by Goldman Sachs to track activity between the Goldman Sachs sales force and clients and do not reflect the compensation paid to salespeople.

LB 1(b)(iii)&(iv): What is the appropriate method for calculating the sale price of each security? Were any securities repurchased by Goldman Sachs? If so, at what price?

The sale price for the securities issued in connection with the CDO transactions identified in Questions 1(b)(iii) & (iv) posed to Mr. Blankfein were contractually agreed to by the purchaser and the seller.

In response to the Staff's follow-up question, Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 0000087064) identifying securities issued by the identified CDOs that were repurchased by Goldman Sachs in the ordinary course of business at fair value.

Supplemental Response Received From
Goldman Sachs

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Secondary Trades in Securities Issued by Mortgage-Related CDOs
CONFIDENTIAL TREATMENT REQUESTED BY GOLDMAN SACHS

CUSIP	Buy/Sell	Original Face	Bond Name	Price	Trade Date	Settle Date	Counteparty
G03652AG2	Buy	1,590,000	ANDY 0701 D REGS	0.03	11/30/2007	12/5/2007	GSC
13189BAC5	Buy	5,000,000	CAMBER 7 A2 144A	5.00	1/18/2008	1/24/2008	[redacted]
13189BAD3	Buy	7,000,000	CAMBER 7 A3 144A	5.00	1/18/2008	1/24/2008	[redacted]
G17754AD7	Buy	30,000,000	CAMBER 7 A3 REGS	5.00	12/21/2007	12/26/2007	[redacted]
G17754AD7	Buy	8,218,000	CAMBER 7 A3 REGS	0.00	9/18/2008	9/24/2008	[redacted]
G17754AE5	Buy	5,000,000	CAMBER 7 B REGS	5.00	12/21/2007	12/26/2007	[redacted]
347203AC5	Buy	1,000,000	FORTD 0701 A2A 144A	10.00	11/1/2007	11/6/2007	[redacted]
G46429AA7	Buy	5,000,000	HUDMZ 061 INCOME NOT	85.00	3/28/2007	4/4/2007	Mariner Bridge Invs
44386PAA4	Buy	10,000,000	HUDMZ 061 INCOME NOT	5.00	9/6/2007	9/11/2007	Greywolf Capital Par
44386PAA4	Buy	1,000,000	HUDMZ 061 INCOME NOT	2.50	10/9/2007	10/12/2007	Epirus Capital Mgmt
443860AA9	Buy	1,740,000	HUDMZ 061 S 144A	15.00	8/26/2008	8/29/2008	Trust Co of the West
44386PAA4	Buy	500,000	HUDMZ 061 INCOME NOT	0.00	12/29/2008	12/31/2008	Trust Co of the West
44386NAA9	Buy	2,500,000	HUDMZ 062 INCOME NOT	95.00	2/21/2007	2/26/2007	[redacted]
44386NAA9	Buy	3,000,000	HUDMZ 062 INCOME NOT	2.50	10/9/2007	10/12/2007	[redacted]
44386QAA2	Buy	4,300,000	HUDMZ 062 S 144A	100.00	5/16/2008	5/19/2008	[redacted]
44386NAC5	Buy	2,000,000	HUDMZ 062 E 144A	0.00	8/17/2009	8/20/2009	[redacted]
44386NAA9	Buy	8,000,000	HUDMZ 062 INCOME NOT	0.00	8/17/2009	8/20/2009	[redacted]
44386QAC8	Buy	11,000,000	HUDMZ 062 A2 144A	0.05	5/18/2010	5/21/2010	[redacted]
G71503AA7	Buy	7,500,000	PTPLS 0701 D REGS	81.72	4/19/2007	4/23/2007	[redacted]
730594AC2	Buy	10,000,000	PTPLS 0701 A2 144A	91.30	4/26/2007	5/1/2007	[redacted]
G71503AA7	Buy	15,000,000	PTPLS 0701 D REGS	10.00	7/24/2007	7/24/2007	BASIS CAPITAL FUNDS
730594AE8	Buy	2,000,000	PTPLS 0701 C 144A	0.00	7/2/2008	7/8/2008	[redacted]
88714PAC0	Buy	75,000,000	TWOLF 0701 A1B 144A	96.00	6/19/2007	6/19/2007	Bear Stearns Asset M
88714PAC0	Buy	125,000,000	TWOLF 0701 A1B 144A	96.00	6/19/2007	6/19/2007	Bear Stearns Asset M
88714PAD8	Buy	100,000,000	TWOLF 0701 A1C 144A	90.00	6/19/2007	6/19/2007	Bear Stearns Asset M

Supplemental Response Received From Goldman Sachs

CUSIP	BuySell	OrigFace	CurrFace	Bond Name	TradeDate	SettleDate	Counteparty
00255BAA5	Buy	12,500,000.00	12,500,000.00	ABACUS 068 A1 144A	11/12/2008	11/17/2008	[redacted]
00255BAA5	Buy	15,000,000.00	-	ABACUS 068 A1 144A	1/25/2010	1/28/2010	[redacted]
00255BAA5	Buy	7,500,000.00	7,500,000.00	ABACUS 068 A1 144A	11/18/2008	11/21/2008	[redacted]
00255BAB3	Buy	3,000,000.00	3,000,000.00	ABACUS 068 A2 144A	8/15/2008	8/20/2008	[redacted]
00255BAB3	Buy	8,000,000.00	-	ABACUS 068 A2 144A	1/25/2010	1/28/2010	[redacted]
00255TAA6	Buy	80,000,000.00	80,000,000.00	ABACUS 051 A1 144A	10/22/2009	10/27/2009	[redacted]
002561AF5	Buy	135,000,000.00	135,000,000.00	ABACUS 06HGS1 AMSS 1	6/19/2007	6/19/2007	[redacted]
002563AA2	Buy	10,500,000.00	10,500,000.00	ABACUS 06NS1 H 144A	2/15/2007	2/21/2007	[redacted]
002563AB0	Buy	4,625,000.00	4,625,000.00	ABACUS 06NS1 J 144A	2/15/2007	2/21/2007	[redacted]
002563AC8	Buy	5,000,000.00	5,000,000.00	ABACUS 06NS1 K 144A	2/15/2007	2/21/2007	[redacted]
00256FAA5	Buy	62,000,000.00	62,000,000.00	ABACUS 055 A1 144A	10/22/2009	10/27/2009	[redacted]
00256FAA5	Buy	42,000,000.00	42,000,000.00	ABACUS 055 A1 144A	2/12/2010	2/18/2010	[redacted]
00256GAA3	Buy	3,000,000.00	3,000,000.00	ABACUS 054 A1 144A	8/22/2007	8/27/2007	[redacted]
00256GAA3	Buy	22,000,000.00	22,000,000.00	ABACUS 054 A1 144A	11/28/2007	12/3/2007	[redacted]
00256GAA3	Buy	25,000,000.00	25,000,000.00	ABACUS 054 A1 144A	3/12/2010	3/17/2010	[redacted]
00256GAA3	Buy	120,000,000.00	120,000,000.00	ABACUS 054 A1 144A	4/14/2010	4/19/2010	[redacted]
00256GAA3	Buy	50,000,000.00	50,000,000.00	ABACUS 054 A1 144A	5/17/2006	5/22/2006	[redacted]
00256GAB1	Buy	7,000,000.00	7,000,000.00	ABACUS 054 A2 144A	10/25/2006	10/30/2006	[redacted]
00256GAB1	Buy	7,000,000.00	7,000,000.00	ABACUS 054 A2 144A	3/12/2010	3/17/2010	[redacted]
00256GAB1	Buy	7,000,000.00	7,000,000.00	ABACUS 054 A2 144A	5/17/2007	5/22/2007	[redacted]
00256LAB0	Buy	10,000,000.00	10,000,000.00	ABACUS 053 B 144A	10/6/2009	10/9/2009	[redacted]
00256LAB0	Buy	20,000,000.00	20,000,000.00	ABACUS 053 B 144A	8/13/2009	8/18/2009	[redacted]
00256LAB0	Buy	21,000,000.00	21,000,000.00	ABACUS 053 B 144A	4/6/2010	4/9/2010	[redacted]
00256LAB0	Buy	60,000,000.00	60,000,000.00	ABACUS 053 B 144A	2/12/2010	2/18/2010	[redacted]
00256NAA8	Buy	6,000,000.00	6,000,000.00	ABACUS 053 E 144A	12/20/2006	12/28/2006	[redacted]
00256NAD2	Buy	25,000,000.00	25,000,000.00	ABACUS 053 D 144A	3/29/2006	4/3/2006	[redacted]
00256NAE0	Buy	10,000,000.00	10,000,000.00	ABACUS 053 D SR2 144	10/20/2009	10/23/2009	[redacted]
00256PAC9	Buy	15,500,000.00	15,500,000.00	ABACUS 054 C 144A	7/12/2007	7/17/2007	[redacted]
00256VAC6	Buy	10,000,000.00	10,000,000.00	ABACUS 05CB1 B 144A	8/18/2006	8/23/2006	[redacted]
00256WAB6	Buy	250,000.00	250,000.00	ABACUS 05CB1 F 144A	6/20/2008	6/25/2008	[redacted]
00256WAB6	Buy	1,356,500.00	1,356,500.00	ABACUS 05CB1 F 144A	11/13/2008	11/18/2008	[redacted]
002573AA1	Buy	15,000,000.00	15,000,000.00	ABACUS 06NS1 A 144A	6/17/2008	6/20/2008	[redacted]
002578AC6	Buy	15,000,000.00	15,000,000.00	ABACUS 0617 B 144A	12/11/2009	12/16/2009	[redacted]
002578AC6	Buy	5,000,000.00	5,000,000.00	ABACUS 0617 B 144A	7/21/2009	7/24/2009	[redacted]
002578AE2	Buy	10,020,000.00	10,020,000.00	ABACUS 0617 D 144A	3/24/2009	3/27/2009	[redacted]
002578AJ1	Buy	12,780,000.00	12,780,000.00	ABACUS 0617 H 144A	2/15/2007	2/21/2007	[redacted]
002578AK8	Buy	3,000,000.00	3,000,000.00	ABACUS 0617 J 144A	12/27/2006	12/29/2006	[redacted]
002578AK8	Buy	8,760,000.00	8,760,000.00	ABACUS 0617 J 144A	2/15/2007	2/21/2007	[redacted]
002578AL6	Buy	9,480,000.00	9,480,000.00	ABACUS 0617 K 144A	2/15/2007	2/21/2007	[redacted]
002579AA8	Buy	6,000,000.00	6,000,000.00	ABACUS 0617 L 144A	2/15/2007	2/21/2007	[redacted]
002579AB6	Buy	4,500,000.00	4,500,000.00	ABACUS 0617 M 144A	2/15/2007	2/21/2007	[redacted]
002579AC4	Buy	3,000,000.00	3,000,000.00	ABACUS 0617 N 144A	2/15/2007	2/21/2007	[redacted]
002579AD2	Buy	1,500,000.00	1,500,000.00	ABACUS 0617 O 144A	3/24/2009	3/27/2009	[redacted]
002579AE0	Buy	750,000.00	750,000.00	ABACUS 0617 P 144A	3/24/2009	3/27/2009	[redacted]
002579AF7	Buy	750,000.00	750,000.00	ABACUS 0617 Q 144A	3/24/2009	3/27/2009	[redacted]
002579AG5	Buy	6,000,000.00	6,000,000.00	ABACUS 0617 FL 144A	3/24/2009	3/27/2009	[redacted]
00257AAA5	Buy	3,326,008.00	3,326,008.00	ABACUS 0610 A 144A	1/27/2010	2/1/2010	[redacted]
00257AAA5	Buy	406,552.00	406,552.00	ABACUS 0610 A 144A	12/1/2009	12/4/2009	[redacted]
00257AAA5	Buy	15,000,000.00	15,000,000.00	ABACUS 0610 A 144A	10/20/2009	10/23/2009	[redacted]
00257AAC1	Buy	6,000,000.00	6,000,000.00	ABACUS 0610 C 144A	7/21/2009	7/24/2009	[redacted]
00257AAC1	Buy	1,000,000.00	1,000,000.00	ABACUS 0610 C 144A	5/18/2007	5/23/2007	[redacted]
00257AAC1	Buy	5,000,000.00	5,000,000.00	ABACUS 0610 C 144A	7/12/2007	7/13/2007	[redacted]
00257AAD9	Buy	4,000,000.00	4,000,000.00	ABACUS 0610 D 144A	7/21/2009	7/24/2009	[redacted]
00257AAG2	Buy	4,500,000.00	4,500,000.00	ABACUS 0610 G 144A	7/23/2008	7/28/2008	[redacted]
00257AAG2	Buy	3,562,500.00	3,562,500.00	ABACUS 0610 G 144A	7/11/2007	7/16/2007	[redacted]
00257AAH0	Buy	5,000,000.00	5,000,000.00	ABACUS 0610 H 144A	7/11/2007	7/16/2007	[redacted]
00257AAH0	Buy	1,500,000.00	1,500,000.00	ABACUS 0610 H 144A	10/17/2006	10/20/2006	[redacted]
00257AAH0	Buy	3,400,000.00	3,400,000.00	ABACUS 0610 H 144A	3/6/2007	3/9/2007	[redacted]
00257AAH0	Buy	9,062,500.00	9,062,500.00	ABACUS 0610 H 144A	10/14/2008	10/17/2008	[redacted]
00257BAA3	Buy	15,000,000.00	-	ABACUS 0612 A1 144A	3/24/2010	3/29/2010	[redacted]
00257CAA1	Buy	5,380,000.00	5,380,000.00	ABACUS 0610 L 144A	6/22/2006	6/27/2006	[redacted]
00257CAA1	Buy	3,020,000.00	3,020,000.00	ABACUS 0610 L 144A	3/6/2007	3/9/2007	[redacted]
00257CAA1	Buy	600,000.00	600,000.00	ABACUS 0610 L 144A	6/9/2008	6/12/2008	[redacted]
00257CAC7	Buy	15,000,000.00	15,000,000.00	ABACUS 0610 M 144A	12/4/2006	12/7/2006	[redacted]
00257HAE2	Buy	4,000,000.00	4,000,000.00	ABACUS 0613 E 144A	1/25/2010	1/28/2010	[redacted]
00257HAF9	Buy	3,925,000.00	3,925,000.00	ABACUS 0613 F 144A	5/22/2007	5/25/2007	[redacted]
00257HAF9	Buy	1,000,000.00	1,000,000.00	ABACUS 0613 F 144A	1/25/2010	1/28/2010	[redacted]
00257HAF9	Buy	3,925,000.00	3,925,000.00	ABACUS 0613 F 144A	9/26/2008	10/1/2008	[redacted]

CUSIP	BuySell	OrigFace	CurrFace	Bond Name	TradeDate	SettleDate	Counteparty
00257HAG7	Buy	4,000,000.00	4,000,000.00	ABACUS 0613 G 144A	5/22/2007	5/25/2007	[redacted]
00257HAG7	Buy	1,000,000.00	1,000,000.00	ABACUS 0613 G 144A	2/15/2007	2/21/2007	
00257HAG7	Buy	5,000,000.00	5,000,000.00	ABACUS 0613 G 144A	9/26/2008	10/1/2008	
00257HAH5	Buy	3,925,000.00	3,925,000.00	ABACUS 0613 H 144A	5/22/2007	5/25/2007	
00257HAH5	Buy	4,000,000.00	4,000,000.00	ABACUS 0613 H 144A	2/15/2007	2/21/2007	
00257HAH5	Buy	7,925,000.00	7,925,000.00	ABACUS 0613 H 144A	9/26/2008	10/1/2008	
00257HAJ1	Buy	4,937,500.00	4,937,500.00	ABACUS 0613 J 144A	5/22/2007	5/25/2007	
00257HAJ1	Buy	5,000,000.00	5,000,000.00	ABACUS 0613 J 144A	2/15/2007	2/21/2007	
00257HAK8	Buy	5,000,000.00	5,000,000.00	ABACUS 0613 K 144A	5/22/2007	5/25/2007	
00257HAK8	Buy	11,000,000.00	11,000,000.00	ABACUS 0613 K 144A	2/15/2007	2/21/2007	
00257JAA6	Buy	9,937,500.00	9,937,500.00	ABACUS 0613 L 144A	2/15/2007	2/21/2007	
00257JAB4	Buy	600,000.00	600,000.00	ABACUS 0613 M 144A	10/27/2006	11/1/2006	
00257JAB4	Buy	7,950,000.00	7,950,000.00	ABACUS 0613 M 144A	2/15/2007	2/21/2007	
00257JAC2	Buy	5,962,500.00	5,962,500.00	ABACUS 0613 N 144A	2/16/2007	2/22/2007	
G0010FAA5	Buy	1,000,000.00	1,000,000.00	ABACUS 043 A1 REGS	2/4/2008	2/7/2008	
G0010FAA5	Buy	3,000,000.00	3,000,000.00	ABACUS 043 A1 REGS	11/13/2006	11/16/2006	
G0010FAA5	Buy	40,000,000.00	40,000,000.00	ABACUS 043 A1 REGS	3/19/2007	3/22/2007	
G0010FAB3	Buy	20,000,000.00	20,000,000.00	ABACUS 043 A2 REGS	6/8/2005	6/13/2005	
G0010UAA2	Buy	25,000,000.00	25,000,000.00	ABACUS 057 A1 REGS	12/3/2007	12/6/2007	
G0010UAA2	Buy	30,000,000.00	30,000,000.00	ABACUS 057 A1 REGS	12/14/2007	12/19/2007	
G0010UAA2	Buy	35,000,000.00	35,000,000.00	ABACUS 057 A1 REGS	2/11/2008	2/14/2008	
G0010UAA2	Buy	10,000,000.00	10,000,000.00	ABACUS 057 A1 REGS	8/23/2007	8/28/2007	
G0010UAB0	Buy	30,000,000.00	30,000,000.00	ABACUS 057 A1 SR2 RE	2/8/2008	2/13/2008	

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ABACUS 07AC1 BUYBACK

CUSIP	BuySell	OrigFace	CurrFace	Bond Name	TradeDate	SettleDate	Counteparty
00256YAA4	Buy	20,000,000.00	-	ABACUS 07AC1 A2 144A	2/24/2010	3/1/2010	Bank of America NA -
00256YAA4	Buy	20,000,000.00	-	ABACUS 07AC1 A2 144A	3/24/2010	3/29/2010	Stone Tower Debt Adv

ATTACHMENT 5

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

Redacted By The Permanent Subcommittee on Investigations

<u>**Confidential Treatment Requested by Goldman Sachs**</u>

LB 1(b)(iv): For the data provided in GS MBS 0000039105, what was the reference entity for each trade? What is the difference between "Mtg Default Swap" and "Mtg Synth CDO"?

In response to the Staff's follow-up question, Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 000008760) identifying the reference obligation underlying each of the credit default swaps. "Mtg Default Swap" and "Mtg Synth CDO" identified in the column titled "Security Type" distinguish the method used in processing the trade booking. "Mtg Default Swap" tends to include single name credit default swap trades. "Mtg Synth CDO" tends to include trades with multiple underliers.

Supplemental Response Received From Goldman Sachs

CONFIDENTIAL TREATMENT REQUESTED BY GOLDMAN SACHS

External Trade ID	Security Type	Counterparty	Notional	Rate	Eff Dt	Deal name	Reference entity	Buy/Sell Protection	CUSIP
SDB981927101A	Mtg Default Swap	[redacted]	17,500,000	1.25	2-Jul-07	ABAC0718AB	ABACUS LTD	Buy Protection	00257PAA2
SDB981512009A	Mtg Default Swap	[redacted]	5,000,000	4.73	28-Feb-07	CAMBR7	CAMBER	Buy Protection	13189BAG5
SDB981512012A	Mtg Default Swap	[redacted]	5,000,000	2.52	28-Feb-07	CAMBR7	CAMBER	Buy Protection	13189BAF8
SDB981516083	Mtg Default Swap	[redacted]	(5,000,000)	2.55	28-Feb-07	CAMBR7	CAMBER	Sell Protection	13189BAF8
SDB981651590	Mtg Default Swap	TIMBERWOLF I LTD GSI (GSI, GEORGE TOWN, TIMBERWOLF I LTD)	20,248,366	6.55	27-Mar-07	CAMBR7	CAMBER	Buy Protection	13189BAF8
SDB981732297A	Mtg Default Swap	[redacted]	4,776,000	0.77	28-Feb-07	CAMBR7	CAMBER	Buy Protection	13189BAE1
SDB981734986A	Mtg Default Swap	[redacted]	3,000,000	0.77	28-Feb-07	CAMBR7	CAMBER	Buy Protection	13189BAE1
SDB981734989A	Mtg Default Swap	[redacted]	2,224,000	0.77	28-Feb-07	CAMBR7	CAMBER	Buy Protection	13189BAE1
SDB981742135A	Mtg Default Swap	[redacted]	10,000,000	2.75	25-May-07	CAMBR7	CAMBER	Buy Protection	13189BAE1
SDB981916531.0B	Mtg Default Swap	[redacted]	1,588,000	5.72	29-Jun-07	CAMBR7	CAMBER	Buy Protection	13189BAE1
SDB981916531.2A	Mtg Default Swap	[redacted]	3,412,000	5.72	29-Jun-07	CAMBR7	CAMBER	Buy Protection	13189BAE1
SDB981918940	Mtg Default Swap	[redacted]	5,000,000	5.72	29-Jun-07	CAMBR7	CAMBER	Buy Protection	Not Available
SDB981963180A	Mtg Default Swap	[redacted]	1,588,000	0.77	28-Feb-07	CAMBR7	CAMBER	Buy Protection	13189BAE1
SDB981963195A	Mtg Default Swap	[redacted]	(1,588,000)	0.79	9-Jul-07	CAMBR7	CAMBER	Sell Protection	13189BAE1
SDB981963199A	Mtg Default Swap	[redacted]	3,412,000	0.77	28-Feb-07	CAMBR7	CAMBER	Buy Protection	13189BAE1
SDB981963221A	Mtg Default Swap	[redacted]	(3,412,000)	0.79	9-Jul-07	CAMBR7	CAMBER	Sell Protection	13189BAE1
SDB980892555	Mtg Synth CDO	Morgan Stanley NY (GSCM, New York, Morgan Stanley Capital Services Inc.)	1,200,000,000	0.2	05-Dec-06	HUDMZ061AAF	HUDSON MEZZANINE FUNDING	Buy Protection	21644AE9
SDB981417972A	Mtg Default Swap	GSC ELIOT BRIDGE MAS (GSI, NEW YORK, GSC ELIOT BRIDGE MASTERFUND I LTD)	15,000,000	0.48	31-Jan-07	HUDMZ061AAF	HUDSON MEZZANINE FUNDING	Buy Protection	443860AB7
SDB981415502	Mtg Default Swap	[redacted]	(20,000,000)	0.48	31-Jan-07	HUDMZ061AAF	HUDSON MEZZANINE FUNDING	Sell Protection	443860AB7
SDB981814615A	Mtg Default Swap	BASIS YIELD ALPHA (GSI, SYDENY, BASIS YIELD ALPHA FUND (MASTER))	50,000,000	0.9	18-Jun-07	TWOLF071	TIMBERWOLF LTD	Buy Protection	88714PAF3
SDB981814981A	Mtg Default Swap	BASIS YIELD ALPHA (GSI, SYDENY, BASIS YIELD ALPHA FUND (MASTER))	50,000,000	1.4	18-Jun-07	TWOLF071	TIMBERWOLF LTD	Buy Protection	88714PAG1
Not Available	Mtg Default Swap	[redacted]	403,400,000	NA	18-Apr-07	Point Pleasant	POINT PLEASANT FUNDING LTD	Sell Protection	PTPIX9YC0

Supplemental Response Received From Goldman Sachs

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ATTACHMENT 6

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

Transaction Name	Mortgage Capital Committee Minutes	Mortgage Capital Committee Memo	Firmwide Capital Committee Minutes	Offering Circular	Term Sheet	Flipbook
Abacus 2007-AC1		GS MBS-E-005974542		GS MBS-E-013100361	GS MBS-E-019710908; GS MBS-E-002507886	GS MBS-E-005954146
Anderson Mezz	GS MBS 0000008309 - 10 (9/25/2006)	GS MBS-E-001957931 - 37 (9/25/2006)	GS MBS 0000020331-33 (9/27/2006)	GS MBS-E-000854537 - 694 (3/16/2007)	GS MBS-E-000894345 - 48 (3/2007)	GS MBS-E-000855351 - 87 (2/2007)
Camber 7	GS MBS 0000020942 - 43 (7/31/2006)	GS MBS-E-017184893 (7/31/2006)	GS MBS 0000020307 - 09 (8/2/2006)	GS MBS-E-000814198 - 470 (2/27/07)	GS MBS-E-000822355 - 58 (1/4/07); GS MBS-E-000822377 - 78(2/5/07)	GS MBS-E-000822102 - 82 (1/2007)
Fort Denison	GS MBS 0000020901-2 (unredacted) GS MBS 0000006252-53 (redacted)	GS MBS-E 000972833-36 (2/21/06); GS MBS-E 001121659-64 (2/28/06)		GS MBS-E-000942763 - 922 (2/9/07)	GS MBS-E-000974736 - 41 (12/28/06)	GS MBS-E-000974394 - 441 (1/2007)
Hudson Mezz 2006-1				GS MBS-E-001550191-376 (12/3/2006)	GS MBS-E-001557869 - 73 (10/20/2006)	GS MBS-E-001557726 - 59 (10/2006)
Hudson Mezz 2006-2				GS MBS-E-000808574 - 747 (2/6/2007)	GS MBS-E-000808984 - 89 (12/15/2006)	
Point Pleasant	GS MBS 0000006272 - 74 (5/8/2006)	DHED-415-002-006737 (5/8/2006)	GS MBS 0000004445 - 46 (5/10/2006)	GS MBS-E-000638920 - 9113 (4/16/2007)	GS MBS-E-009238909 - 12 (3/12/2007)	GS MBS-E-000657734 - 657774 (3/2007)
Timberwolf	GS MBS 0000006319 - 20 (11/13/2006)	GS MBS-E-010089465 - 72 (11/10/2006)	GS MBS 0000020354 - 57 (11/15/2006)	GS MBS-E-000673670 - 878 (3/23/2007)	GS MBS-E-000767460 - 64 (3/6/2007)	GS MBS-E-000684891 - 940 (3/2007)

Referenced documents are retained in the files of the Subcommittee. Where appropriate, documents related to Anderson Mezz, Hudson Mezz 2006-1, and Timberwolf are included in the applicable sections of the report.

<u>Confidential Treatment Requested by Goldman Sachs</u>

LB 2(f): Why were there no Mortgage Capital Committee memos for Hudson Mezzanine 2006-1 and Hudson Mezzanine 2006-2? What evidence suggests that Hudson Mezzanine 2006-1 was approved through an informal meeting? Who was involved in that informal meeting? Do any of the participants have documents that memorialize the decision? Who would have been responsible for presenting the deal in an informal setting? Was it necessary to get approval to review Hudson Mezzanine 2006-1 informally, rather than through the Mortgage Capital Committee? If so, please provide. Would an informal review of a CDO be in violation of Goldman Sachs policy? Why or why not? Were these CDOs discussed at any other regular meetings, such as the Firmwide Capital Committee or Firmwide Risk Committee? If so, please provide the complete records of these meetings.

The governance oversight for the origination and distribution of Mortgage CDO transactions was developed in the broader context of Goldman Sachs' origination and distribution practices during 2006-2007. This included standard business unit and business division approvals, review and approval of the underwriting role by the Firmwide Capital Committee or the Mortgage Capital Committee (a sub-committee of the Firmwide Capital Committee), and receipt of other transactional approvals and/or reviews by the relevant control areas and any appropriate committees. Firm policy allowed for committee meeting approval ("formal approval") and non-committee meeting approval ("informal approval") of the underwriting role. CDO transactions were also discussed at the Firmwide Risk Committee. Firmwide Risk Committee minutes discussing the Hudson transactions (therein referred to as the "CDO with indicies," "synthetic ABX CDO" and "ABX CDO") were previously produced to you bearing production numbers GS MBS 000004472-79 and GS MBS 000004484-85.

We have confirmed that Hudson Mezzanine Funding 2006-1 was approved by the co-chairs of the Mortgage Capital Committee (Dan Sparks and Jonathan Sobel). Goldman Sachs to date has not located any records memorializing approval of Hudson Mezzanine Funding 2006-1.

Supplemental Response Received From Goldman Sachs

Redacted By The Permanent Subcommittee on Investigations

Goshorn, Daniel (HSGAC)

From: Fredman, Sheara [Fin] [Sh
Sent: Wednesday, August 04, 2010 4:40 PM
To: Goshorn, Daniel (HSGAC)
Cc: Smith, Sarah [Fin]; Lee, Brian-J (FI Controllers) [Fin]; Simpson, Michael [Fin]; Broeckel, Janet [Legal]; Michaels, Susan [Fin]
Subject: Re: Responses to PSI supplemental questions

Dan - the details you outlined below is consistent with what we discussed although with one clarification. The Point Pleasent CDO is still outstanding although all of the collateral was, in June of 2008, essentially liquidated.

The Realized Loss on Liquidation for the Timberwolf CDO arose from liquidation of assets once the CDO went into default. A third party broker was responsible for liquidating the collateral securities via auction. We do not have the details of what price the assets were sold. However, we do know the shortfall we incurred on the credit default swap protection purchases from the CDO.

Please let us know if you have additional questions.

Sheara

From: Goshorn, Daniel (HSGAC) <Daniel_Goshorn@hsgac.senate.gov>
To: Fredman, Sheara [Fin]
Cc: Smith, Sarah [Fin]; Lee, Brian-J (FI Controllers) [Fin]; Simpson, Michael [Fin]; Broeckel, Janet [Legal]; Michaels, Susan [Fin]
Sent: Wed Aug 04 10:51:01 2010
Subject: RE: Responses to PSI supplemental questions

Hi Sheara,

Thank you for the follow up. I have a question on the collateral securities spreadsheet. Under the "TWolf" tab, what does the "Realized Loss on Broker Liquidation" line refer to? The other liquidated CDOs do not appear to have this.

Also, there are still two additional items from our phone call last week I'd like confirmation on. First is the date on which each of the CDOs became inactive. I had the following in my notes:

Anderson Mezzanine	Still Active
Camber 7	Still Active
Fort Denison	Inactive September 2008
Hudson Mezz 1	Inactive December 2008
Hudson Mezz 2	Still Active
Point Pleasant	Inactive June 2008
Timberwolf	Inactive June 2008

Would you please confirm the accuracy of these dates, and provide the exact month/day/year if that information is available?

Also, my notes state that Goldman Sachs experienced a gross gain on Hudson Mezzanine 2006-1 of $1.697 billion offset by a loss of $1.393 billion on the ABX index. For Hudson Mezzanine 2006-2, Goldman Sachs experienced a gain of $391 million, offset by a loss of $391 million on the ABX index. Would you please confirm these numbers?

Thanks,

Dan

Daniel Goshorn
Counsel
U.S. Senate Permanent Subcommittee on Investigations
199 Russell Senate Office Building
Washington, D.C. 20510
202-224-[redacted]
202-224-9505 - Main

[redacted] = Redacted by the Permanent Subcommittee on Investigations

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From: Fredman, Sheara [Fin] [mailto:Sheara.Fredman@gs.com]
Sent: Monday, August 02, 2010 7:40 PM
To: Goshorn, Daniel (HSGAC)
Cc: Smith, Sarah [Fin]; Lee, Brian-J (FI Controllers) [Fin]; Simpson, Michael [Fin]; Fredman, Sheara [Fin]; Broeckel, Janet [Legal]; Michaels, Susan [Fin]
Subject: Responses to PSI supplemental questions

Dan,

As requested last week, attached is a spreadsheet detailing losses incurred on the price risk that Goldman Sachs has on the collateral securities within the requested CDOs. To the extent the bond was liquidated from the CDO, we calculated the loss based upon the price the firm valued the security when the security was acquired. To the extent the collateral securities are still held in the CDO, we included the unrealized loss the firm has recorded to date.

Additionally, you asked us to describe how the firm calculated net revenues earned from the credit default swap protection purchases on the Hudson Mezzanine Funding 2006-1 and 2006-2 transactions. As you are aware, the ABX index was introduced on January 19, 2006. In the following months, the firm, in its capacity as a market maker, sold protection on the ABX index to hedge funds, dealers and other market participants. This resulted in a multi-billion dollar long ABX position for the firm. In an effort to reduce that exposure, Goldman Sachs sponsored the Hudson Mezzanine Funding 2006-1 and 2006-2 transactions. Therefore, when calculating net revenues on the credit default swap protection purchases, we included the gains earned from the credit default swaps with the CDO as well as the losses incurred on the long ABX positions that motivated the Hudson Mezzanine 2006-1 and 2006-2 transactions.

Please note the following:

The information requested by the Subcommittee includes confidential internal documents and proprietary business records that Goldman Sachs does not make available to the general public. Goldman Sachs is producing these documents pursuant to Senate Rule XXVI and formally requests that these materials be treated as confidential business records. Accordingly, should you wish to publicly release any of these documents, Goldman Sachs respectfully requests reasonable notice of your intent to do so and the opportunity to object to such a release.

Goldman Sachs used various technology and manual resources to generate some of the documents for production to you in response to your Requests. While Goldman Sachs believes that these documents are reasonably accurate, we cannot make an absolute representation that it is complete or that there are not some inadvertent errors in the preparation of the spreadsheet. We will provide further updates or corrections if we discover missing information or errors.

Please confirm receipt.

Regards,

Sheara

Goldman, Sachs & Co.
200 West Street | New York, New York 10282
Tel: (212)[redacted]
e-mail: sheara.fredman@gs.com

Sheara Fredman
Managing Director
Finance Division

Goldman Sachs

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Redacted By The Permanent Subcommittee on Investigations

Confidential Treatment Requested by Goldman Sachs

LB 1(b)(v): Why did Goldman receive no underwriting fees for Timberwolf, Anderson and Point Pleasant? What was the warehouse carry for each deal? What were the put fees collected (both total dollar amount and basis points)?

In lieu of an underwriting fee, Goldman Sachs retained equity positions in the Timberwolf, Anderson Mezzanine and Point Pleasant CDOs. In response to the Staff's follow-up questions, Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 0000087072) identifying the warehouse carry and put fees collected for each deal.

Supplemental Response Received From Goldman Sachs

Confidential Treatment Requested by Goldman Sachs

Does the information in GS MBS 0000087072 now incorporate all profit and losses for each of the seven deals? If there are any other sources of revenue or losses for Goldman Sachs (*e.g.*, Liquidation Agent fees, collateral Disposal Agent fees) could you please break those out as well.

Goldman Sachs attaches a spreadsheet (bearing production number GS MBS 0000087090) updating the information the firm previously provided in GS MBS 0000087072. The attached spreadsheet provides information on "warehouse synthetic premiums" and updates the information that Goldman Sachs previously produced on "losses incurred on retained inventory." During Goldman Sachs' review of the information provided in GS MBS 0000087072, the firm determined that the information provided in the "losses incurred on retained inventory" column inadvertently omitted losses on retained positions that were issued pursuant to SEC Regulation S (as opposed to SEC Regulation 144). Goldman Sachs has corrected this inadvertent mistake in the attached spreadsheet and is aware of no other sources of revenue that should be included in the spreadsheet.

Supplemental Response Received From Goldman Sachs

Net Revenues for Specific CDOs
Privileged and confidential
($ in millions)

	Deal Information							Issued liabilities		Net Revenues										
	Name	Closing date	Managed	Portfolio advisor or similar role	Original notional balance	Cash reference obligations	Synthetic reference obligations	Unfunded swap trades	Cash instruments issued by deal	Underwriting fees	Warehouse cash reference obligations carry[2]	Warehouse synthetic premium	Gains from protection purchases	Put fees (in bps)	Put fee revenues[3]	Losses incurred on collateral securities	Losses incurred on retained inventory	Gains on deal specific hedges	Total
1	Fort Denison Funding	2/14/2007	Yes	Basis Capital Securitization Pty. Ltd.	500	500	0	0	505	5	0	0	0	0	0	0	(7)	0	(1)
2	Camber 7	2/28/2007	Yes	Cambridge Place Collateral Management LLC	900	31	869	0	916	10	0	5	198	5bps	0	(337)	(21)	0	(145)
3	Timberwolf	3/27/2007	Yes	Graywolf Capital Management LP	1,000	70	930	0	1,017	0	1	2	330	0	0	(226)	(617)	66	(455)
4	Anderson Mezz	3/20/2007	No	N.A.	305	5	300	0	307	0	0	2	131	0	0	(122)	(185)	0	(173)
5	Point Pleasant	4/18/2007	No	Dillon Read Capital Management LLC	1,009	0	1,009	403	611	0	0	3	73	5bps	0	(113)	(225)	0	(262)
	Total				3,714	606	3,108	403	3,356	15	1	11	732		0	(798)	(1,084)	66	(1,036)
	Hudson Mezz[1]																		
6	Hudson Mezz 06-1	12/5/2006	Yes	N.A.	2,000	0	2,000	1,200	837	30	0	0	304	5bps	1	(111)	(267)	0	(43)
7	Hudson Mezz 06-2	2/8/2007	Yes	N.A.	400	0	400	0	408	5	0	0	0	5bps	0	(109)	(153)	0	(257)
	Total				2,400	0	2,400	1,200	1,245	35	0	0	304		1	(220)	(420)	0	(299)

1 - The Hudson Mezzanine deals were initiated by the firm as the most efficient method to reduce long ABX exposure. As a result, we have included the losses incurred on the long positions which predicated the deal in the "Gains from protection purchases" amounts.
2 - Warehouse carry earned on cash securities was less than $500,000 for all deals except for Timberwolf.
3 - Fees earned as collateral put provider were less than $500,000 for all deals except for Hudson Mezz 06-1.

Supplemental Response Received From Goldman Sachs

Confidential Treatment Requested by Goldman Sachs

Question 1: First, are the liquidation agent fees included in the underwriting fees section? (This question applies for Anderson as well.) If so, could you please break out the revenue for each CDO?

The Liquidation Agent Fees for Hudson Mezzanine 2006-1 and Hudson Mezzanine 2006-2 were not included in the previously provided spreadsheet (bearing production number GS MBS 0000087090). The amount Goldman, Sachs & Co. received was approximately $3.1 million for Hudson Mezzanine 2006-1, $0.5M for Hudson Mezzanine 2006-2 and $0.2 million for Anderson.

Question 2: Second, it is our understanding that in order to reference the underlying single-names in the ABX index for Hudson Mezz 1 and 2, dedicated accounts were created for each CDO that were long ABX and short the corresponding single-name assets. It is also our understanding that these accounts had a net positive carry for the SPG desk. If you could please provide P&L information for each of these accounts in order to round out the CDO P&L data, we would appreciate it.

The account that maintained the long ABX position offset by a short position of the constituents of the ABX index earned approximately $1.2 million for Hudson Mezzanine 2006-1 and approximately $0.6 million for Hudson Mezzanine 2006-2.

Supplemental Response Received From Goldman Sachs

ATTACHMENT 7

United States
Policies for the Preparation, Supervision, Distribution and Retention of Written And Electronic Communications

Goldman Sachs

GOLDMAN, SACHS & CO.

February 1, 2001

Contents

Appendix

I. Introduction

Goldman Sachs communicates with its customers (including private individuals, institutions and other broker/dealers), counterparties, and the general public in many ways. The integrity of these communications is essential to the firm's reputation and success. Therefore, with this manual, the firm is setting forth its policies regarding the preparation, supervision, distribution and retention of all written and electronic communications relating to our business.

For the purposes of these policies, *"communication"* is defined very broadly. It includes any and all written or electronic communication — from formal recommendations to casual opinions and thoughts relating to our business. It includes words, diagrams, pictures, graphs, and images. And it does not matter whether these be conveyed by note, letter, prospectus, advertisement, e-mail, television or radio broadcast, or any other means or media. Although these policies do not specifically cover oral communications, the same content guidelines apply to oral communications.

The policies stated in this memorandum outline the firm's expectations and requirements with respect to communications with the public relating to any business of the firm. Individual divisions or business units may establish policies that supplement or supercede parts of the policies outlined here. In addition, the section entitled *"Firm Expectations of Employee Conduct"* in the firm's Employee Handbook contains standards and guidelines that apply to the communications covered here.

Therefore, this manual must be read and implemented in conjunction with the applicable Divisional Compliance policies and the requirements of the Employee Handbook. You are responsible to know the additional requirements of the Handbook and those of your division and business unit.

Business units and **Divisional Compliance** will be responsible for communicating the contents of these policies and any related divisional or regional policies by distributing them to all appropriate personnel, by distributing any periodic updates or revisions to them, and through both new employee and on-going training programs.

While business units and **Divisional Compliance** are responsible for communicating policies, it is the responsibility of each individual to understand the rules of the firm and of the businesses in which s/he works. **Failure to comply with the policies may result in disciplinary action, including potential separation from the firm.**

As with any compliance issues, the most important thing is that you be aware of your responsibilities and seek clarification and help if you have any questions. If you have any questions about the application or interpretation of these standards and requirements or about possible exceptions to them, speak with your **Divisional Compliance** officers, to Central Compliance or the Legal Department.

II. Categorization of Communications

While these policies apply to all written and electronic communication, there are three categories of communications for which there are specific rules. These categories are **advertisements, sales literature,** and **sales correspondence**. There are two types of content that merit special attention, as well. These are **research** and **recommendations.** These categories of communication and types of content are defined below.

A. Categories of Communication

Advertisements

An advertisement is any written or electronic communication relating to the firm's securities business that is made publicly available in such a way that the individual recipients are not known to and cannot be limited by the firm. In other words, the firm does not have control over who receives, sees, or hears an advertisement.

An advertisement may include material published or designed for use in a newspaper, magazine or other periodical, radio, television, telephone or tape recording, on a generally accessible website or in or on another publicly available medium.

Advertisements must conform to standards established by Corporate Communications and must be approved before use (as described later in this manual).

Sales Literature

Sales literature is any written or electronic communication relating to the firm's securities business that is sent or made available to multiple public recipients who are known or directly targeted by the firm.

Sales literature may include, but is not limited to, circulars, research reports (including most of the publications of the firm's Investment Research Department), market letters, performance reports or summaries, and form letters. Sales literature also includes the written text of any communication delivered orally to a broad audience, such as a telemarketing script or a seminar text and material posted on password-protected websites available to clients.

The key characteristic of sales literature is that it is addressed to multiple recipients specifically targeted by the firm.

As is the case with advertisements, sales literature must be approved before use (as described later in this manual).

Sales Correspondence

Sales correspondence is any written or electronic communication (other than that classified as advertising or sale literature) that is sent or made available to a current or prospective customer by a salesperson involved in the firm's securities business or by a person who is soliciting fee-based investment advisory or management services.

The key characteristic of sales correspondence is that it is directed to a specific recipient. It may or may not need to be approved prior to use.

B. Research and Recommendations

Sales literature and sales correspondence may include a ***recommendation to a customer*** and, in certain contexts, may constitute ***research***. Recommendations and research each has its own approval process, and research requires specialized legends, which are discussed later in this manual. For the purposes of this manual:

- ***Research*** is an analysis of individual companies, industries, market conditions, or securities or other investment vehicles that provides information reasonably sufficient upon which to base an investment decision. While reports prepared by one of the firm's investment research departments generally fall into the category of research, materials prepared by other personnel also may constitute research under applicable regulations. Research does **not** include publicly available information, consensus data, or data attributable to management of the company being discussed.

- A ***recommendation*** to a customer is the promotion or endorsement of a transaction involving a security.

Note that there are significant restrictions on including any research or recommendations in marketing materials for asset management services. Consult **Divisional Compliance** policies for further guidance.

C. General Communication

As stated above, although these particular categories and types of communication require special attention, except where otherwise noted, this manual covers all written or electronic communication with the public relating to any business of the firm.

III. Content Standards

A. General Standards

No matter what you are communicating to the public, your words reflect on the reputation of the firm. Furthermore, the firm can be held accountable for what you communicate. The firm, therefore, requires that your communication reflect the high standards of the firm, not only in what you say, but also in the way you say it.

The following are general standards and requirements that the firm expects all of its employees to understand and follow in all of their communications.

Truthfulness and Completeness

Communications may not omit material facts or include untrue or misleading statements. Keep in mind that the level of detail or explanation necessary to make a communication clear, accurate, and understandable will depend, in part, on the breadth and sophistication of the intended audience and the complexity of the subject matter. For example, communicating complicated material or the lack of financial sophistication of the recipient will often warrant a more detailed presentation.

Professionalism and Good Taste

- All communications should be professional and in good taste. Of course, your communications should never contain obscene, offensive, or otherwise inappropriate, unprofessional, or unlawful language. Remember, that you do not control and you cannot always predict who the reader will be.
- Write using standard, formal written language. Pay attention to proper grammar and accurate word usage.
- Avoid superlatives and exaggerations.
- Communicate succinctly. Stay strictly to the topic of your communication. Do not include any gratuitous comments.
- Remember, your business communications become part of the official records of the firm. Regulators and other third parties may have access to these communications in the case of dispute, litigation, or criminal action.

Records of Past Performance

Any communication that portrays past performance of recommendations or actual transactions must be balanced and not misleading. In particular:

- Past performance may not be used to promise or suggest, directly or indirectly, future profits or income, nor may it be presented as indicative of future performance.

- Records or statistics must:

  - disclose the existence of any relevant costs (*e.g.*, commissions and interest charges, if applicable).

  - be clearly defined as to scope (i.e., the universe of securities or transaction types covered) and context.

  - cover at least the most recent 12-month period, if available.

- Whenever annualized rates of return are used:

  - All material assumptions used in the process of annualization must be disclosed.

  - The date and price of each initial recommendation or transaction and the date and price at the earlier of when liquidation was suggested or effected must be included.

  - Summaries or averages may be presented so long as they include the total number of items recommended or transacted, the number that advanced and declined, and an offer to provide the complete record upon request.

Finally, the communication should include an indication of general market conditions during the relevant period (*e.g.*, the performance of the S&P 500). Any such comparison should be reasonable.

Note that there are special requirements for showing past performance of mutual funds and separate account composites, and for certain other investments (*e.g.*, options). Consult **Divisional Compliance** policies for further guidance.

Speculating on Litigation Results

Do not speculate on or predict the outcome of any litigation involving the issuer of a security.

Guarantees

Do not make any guarantee of profit or against loss, or offer any promise of specific results.

Projections and Predictions

Communications may include projections and predictions (including forecasts of financial performance), but those projections and predictions must:

- Be based on reasonable assumptions.
- Be clearly labeled as opinion.
- Include a description of the assumptions and information upon which projections and predictions are based or indicate that the underlying assumptions and information are available upon request.

Hypotheticals that look backwards in time and recalculate performance based on stated assumptions are not necessarily subject to the same standard of reasonableness as forward-looking projections or predictions. This is because with backward-looking projections evidence of what actually occurred is always available for consideration. The availability of actual data limits the danger of acting on an unreasonable assumption. Forward-looking projections, on the other hand, require more care.

Note that significantly stricter standards apply to the use of forward-looking or backward-looking projections in connection with asset management services. Consult **Divisional Compliance** policies for further guidance.

Balance of Risks and Potential Rewards

Any discussion of the merits of a potential investment should be balanced with a discussion of its risks. The discussion must also provide enough information to allow the recipient to understand the full nature of the investment and of its potential risks and rewards.

Suitability of Investments

Communications may not state or imply that any particular investment is suitable for **all** investors.

Subject to otherwise applicable firm policies on suitability and requirements to "know your customer," communications may state that an investment is suitable for a particular customer or class of similarly-situated customers.

Rumors

Communications may not circulate or encourage dissemination of unsubstantiated rumors. Therefore, it is the policy of the firm to make no comment on rumors whatsoever, even to deny rumors you believe to be untrue.

Dating Communications

All communications should be appropriately dated. Any significant information that is more than six months old or otherwise is not reasonably current must be noted.

Identifying Sources

All communications should include the firm's name and, when appropriate, the name of the person who prepared the communication.

Disclosure of Client Names and Positions

Names of clients of the firm and their assets, objectives, and positions are confidential and may not be disclosed outside of the firm, or to anyone within the firm without a "need to know". Despite this general rule, the name of a client may be disclosed with the client's consent, if permitted by applicable **Divisional Compliance** policies.

B. Providing Customers with Valuations of Their Positions

Because valuations of positions can be used for a variety of reasons (risk management, accounting, as the basis of trading decisions, margining, etc.) it is imperative that valuations are carefully prepared and that both the valuations themselves and the basis on which they have been calculated are communicated clearly and completely.

Check individual divisional policies for requirements as to the form and content of valuations and as to any disclosure statements (hedge clauses) that may be required to be used.

C. Third Party Material and Testimonials

Attribution of Sources

Using outside sources without attribution is plagiarism. Plagiarism is a serious breach of the firm's standards and exposes the firm to significant legal and reputational risk. Therefore:

- All material — whether words, graphs, charts, analyses, or other matter taken from outside sources, and whether directly quoted or simply referred to — **must be** properly attributed. This includes paraphrases and summaries of discussions.
- Attribution may appear in footnotes or in the text.
- The attribution must be specific. Generic phrases such as "experts claim" or "market sources agree" are not sufficient or acceptable.

- Any market letter or research report prepared by an outside organization must identify the preparer and not give the impression that it was prepared by Goldman Sachs. See divisional policies regarding the use of such third-party material.

Testimonials

A testimonial is a quotation from a customer or outside expert expressing support for a Goldman Sachs product or activity. Any testimonial must be accompanied by a disclaimer, the substance of which includes the following:

- That the testimonial may not be representative of the experience of other customers.
- That the testimonial is not indicative of future performance or success.
- That it is a paid testimonial (if more than a nominal sum was paid for the testimonial).
- That the person making the testimonial has the knowledge and experience to form a valid opinion (if the testimonial concerns a technical aspect of investing).
- That the person making the testimonial has a relationship with the firm (if such a relationship exists).

If a testimonial is used in an advertisement, the Corporate Communications Department must also be consulted. **Testimonials are <u>prohibited</u> in any communication related to asset management services.**

D. Copyright Issues

Using published material from sources outside of the firm, with or without attribution, may constitute a copyright infringement. Copyright rules differ from situation to situation and from jurisdiction to jurisdiction.

Note that copyright rules are not restricted to printed material. They extend to material published in other media, including the Internet.

You should consult the section entitled "*Copyrighted Materials*" in the Employee Handbook.

E. Recommendations of Securities Transactions by Securities Salespeople*

Suitability of Recommendations Made to Customers

Prior to recommending that a customer purchase, sell or exchange any security, salespeople must have reasonable grounds for believing that the recommendation is suitable for that particular customer upon the basis of the facts disclosed by the customer as to his/her other security holdings, investment objectives and financial situation.

Know the Security Being Recommended

The suitability concept also requires a salesperson to have an adequate and reasonable basis for his/her recommendation of a particular security. This requires familiarity with the characteristics (including potential risks and rewards) of the security being recommended. Therefore, salespeople must "know their security", as well as their customer.

Determining Whether a Recommendation is Made

A broad range of circumstances may cause a transaction to be considered recommended, and this determination does not depend on the classification of the transaction by divisional policies as "solicited" or "unsolicited." In particular, a transaction will be considered to be recommended when a representative of the firm brings a *specific* security to the attention of a *particular* customer (or group of customers) through any means, including telephone, mail, e-mail or fax.

Trade Ideas

Firm employees frequently provide so-called "trade ideas" to multiple recipients. Such trade ideas are designed to help clients take advantage of market conditions and intelligence, but are not intended to be specific buy/sell recommendations for specific clients or customers. Characteristics of trade ideas frequently include:

- Market situations to watch closely.
- "If/then" suggestions, such as: "If your position is X, consider taking advantage of Y"; "if a security begins to do A, consider taking action B."
- Delivery to multiple recipients, rather than to specific clients.
- Suggestions about a range of actions rather than a specific transaction.

* Note that the requirements of this section apply to securities brokerage (including discretionary brokerage) accounts. For advisory account requirements, consult Divisional Compliance policies.

- Common distribution via e-mail.

Such trade ideas are not considered to fall within the definition of a recommendation.

Seeking Additional Guidance

In sum, whether a particular transaction is in fact recommended depends on an analysis of all the relevant facts and circumstances. Therefore, employees are required to be familiar with divisional policies on recommendations and suitability, and are encouraged to consult their Divisional Compliance personnel or the Legal Department for assistance in answering any questions.

F. Recommendations Contained in Research Reports*

When a recommendation to a customer is made in advertisements or sales literature (including the firm's published research), the market price of the security at the time of the recommendation must be indicated and the following information must be disclosed:

- Whether the firm makes a market in the security or will buy or sell the security on a principal basis
- Whether the firm was a manager or co-manager of any public offering by the issuer within the past three years
- Whether the firm, its officers, or any personnel involved in preparing the communication may have positions in the securities or options of the issuer
- Whether the firm or any of its employees is a director of the issuer.

The publication of all research reports must be approved by one of the firm's investment research departments, which will add any additional required disclosures.

G. Restricted Trading List Securities

Sales correspondence may not include discussion of, nor may a salesperson recommend transactions in, any security on the firm's Restricted Trading List without the **prior approval** of the Central Compliance Control Room.

Asset management personnel should refer to their Divisional Compliance policies which, in some instances, may differ from the foregoing.

* Note that the requirements of this section apply to securities brokerage (including discretionary brokerage) accounts. For advisory account requirements, consult Divisional Compliance policies.

H. Hedge Clauses

The proper hedge clauses must accompany all advertisements and sales literature. The hedge clauses may not be misleading or inconsistent with the content of the communication.

The required hedge clauses vary based upon product, country, recipient and a number of other factors. Therefore, contact Divisional Compliance to determine the proper hedge clauses to use on any material sent to third parties on behalf of the firm.

I. Internal-Use-Only Documents

No written or electronic communication marked (or customarily handled as) "for internal use only" or "for broker use only" may be distributed, in whole or in part, to anyone outside of the firm. This includes e-mail and material on the internal website.

If a particular business unit determines that material originally prepared for internal or broker-only use becomes appropriate for dissemination to the public, any internal use designation must be removed and all appropriate approval procedures and standards governing outside written communications, as detailed in this document, must be satisfied.

J. Distributing "To All" Memoranda

"To All" memos, whether distributed by memo, e-mail or other means, must be approved as described in the section entitled "*Firmwide Memoranda*" in the Employee Handbook.

K. Dissemination of Information Concerning The Goldman Sachs Group, Inc.

The NYSE prohibits any recommendation or solicitation with respect to the common stock of The Goldman Sachs Group, Inc. Accordingly, only the Investor Relations or Corporate Communications Departments are authorized to make any comments regarding The Goldman Sachs Group, Inc.

L. Registered, Publicly-Offered Securities (other than GSAM Mutual Funds)

The U.S. securities laws impose severe restrictions on the distribution of <u>any</u> written materials in the United States by participants in a U.S. registered public offering (including both IPOs and follow-on offerings) in connection with such offering other than the most recent "red herring" prospectus and, after the offering is priced, the final prospectus. It has always been the firm's policy to adhere strictly to these requirements. In addition, it is the firm's policy to apply these requirements in a variety of other circumstances.

These restrictions are as follows:

- No written materials may be distributed outside the firm in the United States in connection with any U.S. registered public offering (both IPOs and follow-on offerings) other than the "red herring" prospectus and, after pricing of the offering, the final prospectus. This includes e-mails (including responses to clients' e-mails to us), faxes, and any other method of written communication. For example, neither the sales memorandum for the offering nor any portion thereof (nor any summary thereof) may be distributed outside the firm. In addition, only the entire "red herring" or final prospectus may be distributed; employees must not distribute selected pages from a prospectus, nor highlight or draw attention to selected portions of the prospectus. These restrictions continue in effect for the first 25 days after the pricing of a U.S. registered IPO.

- It is firm policy, in connection with U. S. registered public offerings, to observe the foregoing restrictions with respect to the distribution of written materials outside the U. S.

- It is also firm policy to observe the foregoing restrictions with respect to the distribution of written materials, both inside and outside the U. S., in connection with Regulation S and Rule 144A offerings.

Any exceptions to the first of the foregoing restrictions must be approved by the Legal Department or a senior member of the Special Execution Group. Any exceptions to the second or third of the foregoing restrictions must be approved by a member of the Commitments Committee in consultation with a senior member of the Special Execution Group.

IV. Reviews and Approvals

A. General

Responsibility for obtaining reviews

In general, the employee preparing and sending a communication is responsible for obtaining any necessary approvals and for following the appropriate procedures for retention and review.

Documents previously approved

In certain instances, divisional policies may designate certain material sent to specified recipients as "pre-approved", in which case the pre-approved documents do not have to be re-approved each time they are sent.

Any additional correspondence accompanying the approved documents, such as a cover letter or note, may have to be approved, depending on the substance contained in it. For instance, casual correspondence, thank you notes, confirmations or schedules for meetings, invitations, and other correspondence that does not relate to business does not require approval.

Reviewer's Signature

When approval is required, the reviewer must initial or sign and date the firm's retained copy of any written communication (or, for certain business units, a *"Compliance Cover Sheet"*) to indicate and record his/her review and approval or maintain a comparable record.

In cases where electronic correspondence requires approval, a record of the review and approval must be maintained. The nature of that record — an addition to the electronic file, a log file of reviews, a physical record on a hard copy, or other means — can be determined by the business unit. Whatever the nature of the record, it must clearly indicate the reviewer's approval and maintain a clear audit trail to the reviewed communication.

Advertisements and Sales Literature

In general, advertisements must be approved in advance by the Corporate Communications Department in order to assure compliance with firm-wide identity, branding, logo and other standards. In some divisions, this approval process may be handled by Divisional Compliance. In addition, advertisements related to the firm's sales and trading of securities must be approved prior to first use or first availability by a registered principal in the relevant business unit.

All sales literature must also comply with firm-wide design and content standards established by Corporate Communications. In addition, sales literature related to the firm's sales and trading of securities must be approved, prior to first use or availability, by a registered principal in the relevant business unit.

For any options-related sales literature, the approving registered principal must be the Compliance Registered Options Principal (CROP) or the CROP's designee.

Research reports must be approved by a supervisory analyst prior to issuance.

SRO Filing Requirements

Certain product-specific sales literature and advertisements (e.g., certain investment company-related materials, CMO-related advertisements, and options-related educational materials) must be filed with an appropriate SRO (NASD, CBOE, etc.) at least 10 days prior to first use or first availability. Approvals must be sought from the appropriate registered principal or Corporate Communications early enough to meet the 10-day filing requirement.

B. Review of Certain Outgoing Correspondence

Outgoing correspondence with the public by registered representatives and associated persons involved in the sale of securities, whether in hard-copy, fax, e-mail or other electronic format, will be subject to review by a registered principal or his/her designee.

Each division or business unit involved in the firm's broker/dealer business may approach the review of outgoing correspondence in one of two ways:

- Review **all** outgoing sales correspondence **before** it is sent; or
- Review a **sample** of outgoing sales correspondence **after** it is sent.

Guidelines for developing a sampling program appear in the Appendix at the end of this manual. Check your Divisional Compliance policies for the procedures applicable to you.

A copy of all such correspondence, no matter the medium in which it is delivered, must be retained in accordance with procedures established by the applicable division and must be readily available for review. The person who reviewed the correspondence must be easily ascertainable. Finally, the outgoing communications file will be subject to periodic review to assure compliance with these requirements.

Compliance with the requirements of these policies will be a subject of discussion at annual or other periodic performance reviews and will be the subject of remedial action, if required.

Compliance with the requirements for review of communications (including appropriate monitoring, testing, and documenting of results and evaluation of effectiveness) are subject to annual Central Compliance review and will be included in the Management Controls Department's periodic audits.

C. Review of Incoming Correspondence

All incoming written and electronic correspondence from the public directed to registered representatives and associated persons involved in the sale of securities are also subject to the firm's supervision and review in accordance with divisional procedures. Except for written correspondence (i.e., material in paper form) sent to registered representatives (all of which must be reviewed as described below), divisional policies may provide for either review of all such correspondence or a sample selected in substantially the same manner as outgoing correspondence.

Review of Incoming Written Correspondence Sent to Sales Representatives

In order to provide early notice of potential sales practice issues and customer complaints, and to help ensure proper handling of customer funds and securities, a registered principal or his/her designee will review all incoming written correspondence (i.e., correspondence in paper form) that is directed to registered representatives involved in the sale of securities. To facilitate this review:

- The correspondence will be opened by, or in the presence of, an authorized individual (a principal or his/her designee) to identify any possible complaints and to remove customer funds and securities.
- The individual reviewing the correspondence will, after the review is completed, forward the material as appropriate for proper retention.
- Funds and securities will be forwarded to the personnel responsible for custody of funds and securities in the office in which the funds or securities were received. These items should be delivered by hand, if possible, or by an alternative delivery method approved by the firm's operations officials.
- Any correspondence containing a possible customer complaint must be handled as described in the following section.

Correspondence that can be readily identified as regulatory bulletins, research or promotional material, advertising, periodicals, fund raising appeals or similar non-customer material need not be subject to this procedure.

Treatment of Customer Inquiries and Complaints

As a matter of good business practice, it is the firm's policy to handle and resolve any customer or client inquiry expeditiously, especially when it regards proper handling of business solicitations, transactions, and customer securities or funds. In addition, the Legal Department and Central Compliance will designate certain types of inquiries as "customer complaints," which require specific handling and regulatory reporting.

To make sure that all inquiries and potential "customer complaints" are handled expeditiously and properly, both from the business and regulatory points of view, employees must observe the following procedure.

Any employee who receives a written, electronic, or oral communication from a customer or any person acting on behalf of a customer alleging a grievance involving the solicitation or execution of any transaction or the disposition of securities or funds of that customer must report it to his or her supervisor immediately. A copy of the communication (unless it is oral) must be sent immediately to the supervisor.

The supervisor will first determine whether the communication **might** be classified as a "customer complaint". If the supervisor considers the communication to be a possible complaint, the supervisor will notify and forward copies of the communication to the Director of Central Compliance, the Legal Department and Divisional Compliance.

The Legal Department or Central Compliance will determine whether the inquiry actually constitutes a "customer complaint." If it does, Central Compliance will be responsible for reporting the complaint as required by regulation. The Legal Department will coordinate the firm's response to the communication and advise the Central Compliance Department and Divisional Compliance of the resolution.

Regulatory Inquiries and Litigation

Any complaint, notice, subpoena, interrogatories or other document relating to a litigation matter, an arbitration proceeding, or a regulatory investigation should be forwarded immediately to the Legal Department. See the section entitled "*Legal Matters*" in the Employee Handbook.

D. Handling of Sales Literature and Correspondence Off Firm Premises

Written Material

All sales literature and sales correspondence must be sent to and from the premises of the firm to facilitate proper supervision.

E-mail and FAX Communications

All electronic communications, including e-mail and fax traffic, concerning firm business that is to or from customers must be sent and received from or to a firm e-mail address or firm fax machine or from and to a firm-approved third-party computer system .

Therefore:

- All e-mail traffic concerning firm business that is to and from the public **must** take place at the firm's premises or be routed through firm-provided, secure equipment.

- Faxes containing sales literature or sales correspondence must be sent from and to the premises of the firm. Personnel who are out of town on business should route faxes to the firm where they will be forwarded to the appropriate recipients.

Additional policies concerning e-mail and other electronic communications are contained in the Employee Handbook.

Employees working from home offices

All sales correspondence from or to employees working from home offices must be routed through regional offices for purposes of review, approval, distribution and retention.

Employees working from home offices **may not** direct customers to send correspondence to the home office.

Employees may not send faxes containing sales literature or sales correspondence to customers or potential customers from home fax machines unless Divisional Compliance has approved such communication and established procedures for its supervision and retention.

V. Retention

A. Material Relating to Securities Business

All written or electronic advertisements, sales literature, sales correspondence and other communications related to the firm's broker/dealer business must be retained for a minimum period of three years, except that:

- Communications relating to commodities or futures or options on commodities or futures must be retained for a minimum of five years.
- Communications relating to customer complaints must be retained for eight years.
- Communications relating to asset management services must be retained for six years.

Supervisors must retain evidence of supervisory reviews and approvals for the same periods.

B. Other Material

Retention of all other material will be in accordance with requirements established by individual divisions or business units.

VI. Other Issues

A. Education and Training

The firm's policies and procedures regarding written and electronic communications may be included in the firm's required annual compliance meeting and will otherwise be a part of the firm's continuing education program.

B. Monitoring

The policies set forth above will be subject to periodic review by the firm's Management Controls Department.

VII. Appendix

Appendix 1. Guidelines for Sampling Correspondence

Divisions or business units may set up a system of reviewing appropriate samples of outgoing sales correspondence after they have been distributed.

If the division or business unit selects a sampling approach, regulations require that:

- Specific procedures must be designed and documented to provide reasonable supervision of each representative who conducts business with the public.

- The sampling techniques must be designed so that they can reasonably detect any potential violation of regulations under which the firm and its individual business units and divisions do business. Sampling levels must be set to provide statistically acceptable results. These levels must be determined in consultation with technology experts, business people, and the Legal and Compliance Departments. They will be reviewed periodically to assure reasonable accuracy and effectiveness.

In developing a sampling system, a number of additional factors should be taken into account:

- In determining the level of supervision appropriate for each sales representative, supervisors should consider the representative's overall complaint and disciplinary history, with particular emphasis on previous incidents involving communication with customers.

- Samples should be designed to reflect the breadth of an individual's communications, but need not be strictly random; samples may be concentrated on, for example, very active periods of time or very complicated or sensitive transactions.

- Electronic communications must be covered by the sample. Therefore, a selection of e-mails (and other electronic communications, if any) must also be reviewed. Where e-mail systems automatically save copies of outgoing e-mails, procedures should be adopted for the periodic review of saved e-mail folders for each person subject to review.

- The selection of specific electronic communications to be reviewed may be made by an automated system that selects individual communications for review based on key words or phrases.

- Individual supervisors are generally in the best position to determine the transactions or activities most likely to give rise to deviations from firm policies or risk to customers. Input will be sought from line-of-business supervisors in setting sampling guidelines.

- Reviews are required to confirm the appropriateness of a representative's recommendations to customers. Therefore, sample selection criteria should assure that recommendations are included in the material reviewed for all representatives.

- Frequency of reviews should follow these guidelines:

  - Each individual's correspondence must be sampled no less often than annually.

  - Supervisors may wish to review the correspondence of junior employees (e.g., second- and third-year salespersons, certain lateral hires from other firms, etc.) more frequently than annually.

  - For the least-experienced employees (e.g., new hires, recent graduates of training programs, etc.), supervisors may find it advisable to review all correspondence prior to use or distribution until a level of confidence is reached as to the individual's work product.

- Records must be kept of the reviews.

- Divisions, business units, or supervisors may choose to review material more frequently or to increase the size of any sample.

- In conjunction with the sampling program, a program of periodic training must be established to educate employees as to the regulatory requirements applicable to their communications. Records showing when programs were conducted and who attended or otherwise participated must be maintained and be available for audit.

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ATTACHMENT 8

CDO Investor List

Camber VII

[redacted]

Fort Denison

[redacted]

Hudson Mezz Funding 2006-1

Absolute Capital
AC Capital
ACA
ACAS
Access Economics
ADIA
AIB
AIG
Aioi Insurance
Aladdin
Alico
Allegiance
Alliance & Leicester
Anchor
Anglo Irish Bank
Aozora Bank
Arab Banking Corp
Babcock & Brown
Banca Intesa
Bank Sinopec
Barils
Basis Capital
Bawag
BGB
Blackrock
BONY
BOOC
Bradford & Bingley
BSAM
Cairn
Calyon
Cambridge Place
Cathay Life
Cathay United Bank
CBASS
Ceska Sporitelna
Cheyne
Chiba Bank (HK)
China Minsheng
Chotin
Church Tavern
Citi Alternative Investment
Clinton
CNCE
Cohen
Collineo
Colonnial
Comerz
Credit Suisse Asset Management
DBS
DCP
DE Shaw
Declaration
Deerfield
Delaware Asset Management
Delta Lloyd
Deutsche AM
Deutsche Hypo
DG Hype
E. Sun Bank
Elger
Etrade
Eurohypo
Evergreen
Faxtor
FFTW
Fortis
Fubon Life
GIB Bahrain
Grand Cathay Securities
Greywolf
GSC
Gulfstream
Harding

Hudson Mezz Funding 2006-2

[redacted]

Anderson Mezz Funding 2007-1

Access Econimcs
ADIA
Alliance
Anchor
Axon
Basis Capital
Basso
Beneficial Life
BGI
Blackrock
Braddock
Camber
Chotin
Clinton
Crederis
CSAI
CSAM
DB Prop
DB ZWIRN
DCP
DE Shaw
Duquesne Capital Management
E-trade
Evergreen
FFTW
FSI
Fubon Life
GM Pension
Greywolf
GSC
Highland
IXIS
Lehman
Lion Capital
Litchfield
Met Life
Metwest
Merrill Lynch Bank
Moneygram
NAB
NIR
Old Lane
PAG
Paramax
Petra
PIMCO
Putnam
Rabobank
Redwood
Sandelman
Smith Breeden
Stark
TCW
Terwin
TIAA
UBS Prop
Vanderbilt Asset Management
Vertical
Wachovia
Wincap
Zwirn

Timberwolf CDO

AC Capital
AIG
Alliance & Leicester
Anchor
Antares
Aozora Bank
Axon
Babson
Basis Capital
BGI
Blackrock
BNP Structured Cred
BOC B/G
BSAM
Calyon
Camber
Cambridge Place
Carlyle
Cathay United Bank
CCB
Cheyne SIV
Chotin
CIBC
CNCE
Cohen
Collineo
Commerz
Credit Suisse Asset Management
DB ZWIRN
DBS CTU
DCP
DE Shaw
Declaration
Dekabank
Delaware Asset Management
Diversport
E. Sun Bank
Elger
Elliot
Evergreen
Faxtor
Federated
Fortis
Fortress
Frankfurt Trust
Greywolf
HBOS
Highland
HSBC (UK)
Hyungkuk Life
Investec
Ivy Asset Management
IXIS London
Kapan
KBC
KfW
Koch Capital
Lehman
LIG
LRI
MBIA
Met Life
Met West
Miller Anderson
Mitsubishi CF
Mizuho CB
Moneygram
MUFG
NAB NY
NBSAM
NIB
NIBC
NIR
NL Bank

Point Pleasant

[redacted]

[redacted] = Redacted by the Permanent Subcommittee on Investigations

PSI_QFR_GS0276

CDO Investor List

Camber VII

Fort Denison

Hudson Mezz Funding 2006-1
Highland
Huntington
ICBC Taiwan
ING
ING Atlanta
ING Clarion
ING NZ
Investec
Investkredit / Oeveg
Ischus
IXIS
JP Arb
JPMIM
JS Cresvale
KBC London
KFCC
KGI Alliance
KIB Cyprus
KOCH
LB Saar
Lehman AM
Liberty Hampshire
Lion Capital
LRI
Macquarie Bank
Marathon
Mariner
Mass FI
Maxim
Metwest
Mitsubishi Corp (UK)
Mizuho Bank (NY)
MKP
Merrill Lynch Bank
Merrill Lynch Principal Finance
Moneygram
Morgan Stanley Prop
NAB NY
NBSAM
New Bond Street
NIBC
NIR
Northern Rock
NTUC
NZ Funds
Oakvale
Omicron
Oppenheimer
PAG
Paramax
PB Capital
Peloton
Petra
PIMCO
Polygon
Postbank
President Securities
Rabobank
RBC (UK)
RBS
Redwood
RZB
Sandelman
Sanin Godo Bank
Saudi IBank
Schroders
Security Benefit Life
Seneca
SFA
SGAM IM
Shell
Shinkong Life
SK Koln/Bonn
SMBC (Tokyo)

Hudson Mezz Funding 2006-2

Anderson Mezz Funding 2007-1

Timberwolf CDO
Norinchukin
Northern Rock
NY Life
Oeveg
Oko
Old Lane
Omicron
Oppenhiemer
Paramax
Pequot
Petra
PIMCO
Polygon
Postbank
PAG
Prytania
Rabobank
RBS (UK)
Redwood
Robeco
Sandelman
Security Benefit Life
Shinsei Bank
Solent
Sparkasse Koln
Standard Charter
TCW
Tokyo Star Bank
Turnberry
UBS AM
UBS GAM
UBS Prop
Vaso
Vero
Wachovia
West LB
Wharton Asset Management
Wincap

Point Pleasant
[redacted]

[redacted] = Redacted by the Permanent Subcommittee on Investigations

GS MBS

CDO Investor List

Camber VII	Fort Denison	Hudson Mezz Funding 2006-1	Hudson Mezz Funding 2006-2	Anderson Mezz Funding 2007-1	Timberwolf CDO	Point Pleasant
		Smith Breeden				
		Solent				
		SSGA				
		STAM				
		Standish				
		Stanfield				
		Stark				
		Ta Chong Bank				
		Taishin Int'l Bank				
		Taiwan Life				
		TCW				
		Terwin				
		TPG Axon				
		Tricadia				
		UBS				
		UBS Asset Management				
		UBS Principal Finance				
		UBS Prop				
		Uniqa				
		UOB				
		Vanderbilt Asset Management				
		Vero				
		Vertical				
		Wachovia				
		West LB				
		Wharton Asset Management				
		Winchester				
		Zais				

LB 2(b): Please explain how the search terms "collateral disposal agent" were selected. Please provide the relevant communications for Hudson Mezzanine Funding 2006-1 and Timberwolf transactions.

The term "collateral disposal agent" was selected as a search term because it is a unique term that would be distinct to the Abacus program. For the Hudson Mezzanine Funding 2006-1 and Timberwolf transactions, we provided a response on July 8, 2010, which included the potential investors to whom the Syndicate desk marketed these transactions (bearing production number GS MBS 0000038771).

ATTACHMENT 9

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

Redacted By The Permanent Subcommittee on Investigations

LB 1(d): Please provide more explanation of the data provided. For example, how do current face value and actual face value differ? Why do several securities have two "sell" trades? What is the reason for the large differences in face value between the buy/sell values?

The information provided in the "Orig[inal] face" and "Actual Face" columns in GS MBS 0000038831 should differ only in that the data in the "Actual Face" column identifies buys (as positive) and sells (as negative). Both columns provide information on the face value of the bonds at the time they were purchased for the respective CDO transactions identified in Question 1(d) posed to Mr. Blankfein. Accordingly, the Staff should focus on the "Actual Face column"; the "Orig[inal] face" column was inadvertently included. The "Current Face" column provides information on the face value of the bonds at the time the trade was executed.

There are "two sell trades" for certain bonds because those trades were booked as two distinct sales into the respective CDO by the relevant Goldman Sachs desk. The face value and the buy and sell values for certain trades differ because Goldman Sachs did not sell to the respective CDO the entire amount it purchased in those trades.

Supplemental Response Received From Goldman Sachs

Goshorn, Daniel (HSGAC)

From:	Fredman, Sheara [Fin] [Sheara.Fredman@gs.com]
Sent:	Monday, August 02, 2010 7:40 PM
To:	Goshorn, Daniel (HSGAC)
Cc:	Smith, Sarah [Fin]; Lee, Brian-J (FI Controllers) [Fin]; Simpson, Michael [Fin]; Fredman, Sheara [Fin]; Broeckel, Janet [Legal]; Michaels, Susan [Fin]
Subject:	Responses to PSI supplemental questions
Attachments:	GS MBS 0000039108.xlsx

Dan,

As requested last week, attached is a spreadsheet detailing losses incurred on the price risk that Goldman Sachs has on the collateral securities within the requested CDOs. To the extent the bond was liquidated from the CDO, we calculated the loss based upon the price the firm valued the security when the security was acquired. To the extent the collateral securities are still held in the CDO, we included the unrealized loss the firm has recorded to date.

Additionally, you asked us to describe how the firm calculated net revenues earned from the credit default swap protection purchases on the Hudson Mezzanine Funding 2006-1 and 2006-2 transactions. As you are aware, the ABX index was introduced on January 19, 2006. In the following months, the firm, in its capacity as a market maker, sold protection on the ABX index to hedge funds, dealers and other market participants. This resulted in a multi-billion dollar long ABX position for the firm. In an effort to reduce that exposure, Goldman Sachs sponsored the Hudson Mezzanine Funding 2006-1 and 2006-2 transactions. Therefore, when calculating net revenues on the credit default swap protection purchases, we included the gains earned from the credit default swaps with the CDO as well as the losses incurred on the long ABX positions that motivated the Hudson Mezzanine 2006-1 and 2006-2 transactions.

Please note the following:

The information requested by the Subcommittee includes confidential internal documents and proprietary business records that Goldman Sachs does not make available to the general public. Goldman Sachs is producing these documents pursuant to Senate Rule XXVI and formally requests that these materials be treated as confidential business records. Accordingly, should you wish to publicly release any of these documents, Goldman Sachs respectfully requests reasonable notice of your intent to do so and the opportunity to object to such a release.

Goldman Sachs used various technology and manual resources to generate some of the documents for production to you in response to your Requests. While Goldman Sachs believes that these documents are reasonably accurate, we cannot make an absolute representation that it is complete or that there are not some inadvertent errors in the preparation of the spreadsheet. We will provide further updates or corrections if we discover missing information or errors.

Please confirm receipt.

Regards,

Sheara

Goldman, Sachs & Co.
200 West Street | New York, New York 10282
Tel: (212)[redacted]
e-mail: sheara.fredman@gs.com

Sheara Fredman
Managing Director
Finance Division

Goldman
Sachs

▬ = Redacted by the Permanent Subcommittee on Investigations

Anderson Mezzanine

Cusip	Name	Current Notional	Liquidation Px	Loss (000s)
71085PBX0	PCHLT 2005-2 A3	109,589	89.00	12
144531EV8	CARR 2006-NC1 A2	3,694,657	86.00	517
03072SF91	AMSI 2005-R6 A2	1,979,479	85.00	297
35729QAC2	FHLT 2006-B 2A2	1,550,010	85.00	233
14454AAB5	CARR 2006-FRE2 A2	11,000,000	84.00	1,760
35729VAB3	FHLT 2006-D 2A1	3,087,061	79.00	648
35729VAB3	FHLT 2006-D 2A1	1,706,088	79.00	358
75156UAB3	RAMP 2006-RZ2 A2	6,500,000	76.00	1,560
34957YAA5	FORTS 2006-2A S	2,162,158	75.00	541
362375AA5	GSAA 2006-10 AV1	2,126,615	68.50	670
23245CAC4	CWL 2007-1 2A2	7,012,742	62.50	2,630
3622EBAA6	GSAA 2007-4 A1	17,087,744	42.53	9,820
362334NA8	GSAA 2006-7 AV1	472,955	92.56	35
3622EBAA6	GSAA 2007-4 A1	9,577,421	41.06	5,645
59022QAD4	MLMI 2006-HE5 A2C	4,681,722	23.60	3,577
59022QAD4	MLMI 2006-HE5 A2C	7,516,187	23.75	5,731
362439AD3	GSAMP 2006-HE4 A2C	4,552,484	38.00	2,823
66988RAC1	NHEL 2006-6 A2B	4,000,000	49.10	2,036
61750FAE0	MSAC 2006-HE6 A2C	6,560,855	26.00	4,855
362439AD3	GSAMP 2006-HE4 A2C	447,516	38.00	277
55275TAC2	MABS 2007-WMC1 A3	9,555,913	33.13	6,391
55275TAC2	MABS 2007-WMC1 A3	3,124,034	31.25	2,148
55275TAC2	MABS 2007-WMC1 A3	1,537,565	36.00	984
59022QAD4	MLMI 2006-HE5 A2C	309,205	34.28	203
59022QAD4	MLMI 2006-HE5 A2C	618,249	32.20	419
55275TAC2	MABS 2007-WMC1 A3	1,897,579	31.00	1,309
55275TAC2	MABS 2007-WMC1 A3	462,753	31.22	318
61750FAE0	MSAC 2006-HE6 A2C	356,980	28.00	257
61750FAE0	MSAC 2006-HE6 A2C	889,465	32.00	605
643529AA8	NCAMT 2006-ALT2 AV1	2,161,033	60.00	864
23245CAC4	CWL 2007-1 2A2	1,987,258	56.50	864
17309LAD7	CMLTI 2006-HE2 A2C	1,000,000	38.00	620
3622ELAA4	GSAA 2006-18 AV1	4,843,815	78.00	1,066
3622EBAA6	GSAA 2007-4 A1	6,121,578	50.00	3,061

Total Realized	63,134
Total Unrealized	59,000
Total	122,134

Hudson Mezzanine 06-1

Cusip	Name	Current Notional	Liquidation Px	Loss (000s)
12667HAB7	CWL 0620 2A1	38,164,999.66	93.00	2,671,549.98
12667HAB7	CWL 0620 2A1	14,902,164.01	94.00	894,129.84
35729VAB3	FHLT 06D 2A1	5,579,340.93	90.00	557,934.09
44328AAB6	HASC 06HE1 2A1	16,075,000.00	91.00	1,446,750.00
65537FAB7	NHELI 06FM2 2A1	39,456,000.00	93.00	2,761,920.00
12668PAB8	CWALT 06OA17 1A1B	15,617,805.00	90.00	1,561,780.50
ACC54A2C5	ACCR 054 A2C	3,843,000.00	92.00	307,440.00
GS05HE4B5	GSAMP 05HE4 A2B	3,625,000.00	92.00	290,000.00
35729VAB3	FHLT 06D 2A1	12,273,337.90	91.75	1,012,550.38
643529AA8	NCAMT 06ALT2 AV1	10,697,700.27	88.75	1,203,491.28
362257AA5	GSAA 0617 A1	42,515,963.65	87.75	5,208,205.55
23245FAB9	CWALT 06OC10 2A1	24,155,000.10	91.00	2,173,950.01
23245FAB9	CWALT 06OC10 2A1	22,468,892.40	91.00	2,022,200.32
23245GAA9	CWALT 06OC9 A1	45,879,456.87	91.00	4,129,151.12
362725AA1	GSRPM 062 A1A	7,305,719.18	80.90	1,395,392.36
64352VJY8	NCHET 051 A2C	4,084,404.61	82.90	698,433.19
362257AA5	GSAA 0617 A1	12,969,694.24	85.40	1,893,575.36
144528AB2	CARR 06NC3 A2	6,007,715.00	85.20	889,141.82
GSAA07053	GSAA 0705 1AV1	6,776,913.60	85.40	989,429.39
75156UAB3	RAMP 06RZ2 A2	12,762,028.00	81.90	2,309,927.07
75156UAB3	RAMP 06RZ2 A2	736,467.00	81.90	133,300.53
66988RAC1	NHEL 066 A2B	1,233,000.00	77.90	272,493.00
3622ELAA4	GSAA 0618 AV1	49,220,908.30	85.40	7,186,252.61
23245GAA9	CWALT 06OC9 A1	8,058,272.61	50.00	4,029,136.30
12669HAA7	CWL 07QH1 A1	10,347,299.07	71.20	2,980,022.13
144539AC7	CARR 06NC5 A3	7,472,244.00	85.15	1,109,628.23
144539AC7	CARR 06NC5 A3	1,861,756.00	85.15	276,470.77
66988RAC1	NHEL 066 A2B	31,767,000.00	77.40	7,179,342.00
64352VQR5	NCHET 061 A2B	9,508,945.46	71.90	2,672,013.67
12670BAA7	CWL 07S2 A1	2,692,081.81	82.00	484,574.73
75156UAB3	RAMP 06RZ2 A2	1,505.00	80.77	289.41
12669HAA7	CWL 07QH1 A1	1,328,084.00	79.77	268,671.39
12670BAA7	CWL 07S2 A1	3,073,839.46	87.15	395,142.06
23245PAC5	CWALT 06OA22 A3	13,179,949.75	49.00	6,721,774.37
GSAA6S1A9	GSAA 06S1 IA1	1,643,022.00	9.00	1,495,150.02
23245PAC5	CWALT 06OA22 A3	5,465,922.00	17.00	4,536,715.26
12668VAA7	CWL 06S7 A1	36,547,262.00	42.00	21,197,411.96
36245CAC6	GSAMP 06S6 A1C	6,663,058.00	7.00	6,196,643.94
36245CAC6	GSAMP 06S6 A1C	2,877,103.10	8.00	2,646,934.85
36245CAC6	GSAMP 06S6 A1C	7,175,813.34	8.75	6,547,929.67
			Total Realized	110,746,849
			Total	110,746,849

Hudson Mezzanine 06-2

Cusip	Name	Current Notional	Liquidation Px	Loss (000s)
362341QH5	GSAA 0511 3A3	202,115.56	89.60	21
3622MDAB1	GSAMP 07HE1 A2A	10,125,213.42	82.75	1,747
12668BRE5	CWALT 06OC2 2A1	1,882,609.32	83.87	304
362341NX3	GSAA 0511 3A3	440,613.60	89.60	46
004375EH0	ACCR 054 A2C	587,435.19	85.00	88
3622ELAA4	GSAA 06-18 AV1	6,458,420.60	78.00	1,421
3622EQAA3	GSAA 2007-1 1A1	4,894,245.27	52.00	2,349
3622EQAA3	GSAA 0701 1A1	1,173,486.00	37.00	739
3622EBAA6	GSAA 2007-4 A1	5,294,464.83	47.06	2,803
3622MHAC0	GSAMP 2007-FM2 A2B	4,032,705.00	26.25	2,974
3622MDAC9	GSAMP 07HE1 A2B	9,442,548.00	26.00	6,987
3622MDAC9	GSAMP 2007-HE1 A2B	12,162,942.00	31.50	8,332
3622MDAC9	GSAMP 2007-HE1 A2B	6,586,808.00	36.50	4,183
36245TAC9	GSAMP 2006-FM3 A2B	5,814,801.00	27.00	4,245
36245TAC9	GSAMP 2006-FM3 A2B	8,129,683.94	34.13	5,355
40431KAB6	HALO 2007-WF1 A2	8,374,000.00	32.53	5,650
36245TAC9	GSAMP 2007-FM2 A2B	748,621.00	30.28	522
3622MDAC9	GSAMP 2007-HE1 A2B	7,780,482.00	67.00	2,568
3622MDAC9	GSAMP 2007-HE1 A2B	3,506,730.00	60.16	1,397
3622MHAC0	GSAMP 2007-FM2 A2B	2,630,710.00	32.53	1,775
3622MHAC0	GSAMP 2007-FM2 A2B	4,395,073.00	34.88	2,862
32029GAC8	FFML 2007-FF2 A2B	3,741,887.00	38.53	2,300
32029GAC8	FFML 2007-FF2 A2B	3,385,687.00	39.03	2,064
32029GAC8	FFML 2007-FF2 A2B	3,846,472.00	38.50	2,366
32029GAC8	FFML 2007-FF2 A2B	825,954.00	41.00	487
3622MHAC0	GSAMP 2007-FM2 A2B	1,273,296.00	34.00	840
3622MHAC0	GSAMP 2007-FM2 A2B	1,464,645.00	38.50	901
3622MHAC0	GSAMP 2007-FM2 A2B	2,148,575.00	37.02	1,353

Total Realized	66,679
Total Unrealized	42,000
Total	108,679

Camber 7

Cusip	Name	Current Notional	Liquidation Px	Loss (000s)
04544QAD9	ABSHE 06HE7 A4	10,699,493	39.10	6,516
04544QAD9	ABSHE 06HE7 A4	8,741,583	42.25	5,048
04544QAD9	ABSHE 06HE7 A4	553,847	42.25	320
03072SP33	AMSI 05R9 A2B	5,670,422	65.00	1,985
040104TF8	ARSI 06W4 A2B	13,920,141	89.50	1,462
05530MAA7	BCAP 06AA2 A1	28,999,055	32.00	19,719
073855AA6	BSABS 07FS1 1A1	33,750,477	76.75	7,847
14454AAC3	CARR 06FRE2 A3	1,869,952	43.24	1,061
14454AAC3	CARR 06FRE2 A3	5,720,868	44.25	3,189
144531EV8	CARR 06NC1 A2	6,190,449	82.75	1,068
17309QAC8	CMLTI 06WFH3 A3	18,759,440	48.50	9,661
17309QAC8	CMLTI 06WFH3 A3	11,240,560	48.50	5,789
17311XAA3	CMLTI 07AMC2 A3A	29,041,950	76.25	6,897
17311XAA3	CMLTI 07AMC2 A3A	12,089,364	50.00	6,045
12666VAC5	CWL 0617 2A2	21,662,423	52.50	10,290
12666VAC5	CWL 0617 2A2	1,594,390	65.00	558
12666VAC5	CWL 0617 2A2	11,204,852	65.00	3,922
12666VAC5	CWL 0617 2A2	1,660,941	65.00	581
12666VAC5	CWL 0617 2A2	3,877,394	65.00	1,357
23243WAC2	CWL 0618 2A2	6,791,588	40.00	4,075
23243WAC2	CWL 0618 2A2	8,100,000	47.00	4,293
23243WAC2	CWL 0618 2A2	10,083,322	49.00	5,142
23243WAC2	CWL 0618 2A2	24,858	51.75	12
12667LAB8	CWL 0621 2A1	1,422,228	88.00	171
12667LAB8	CWL 0621 2A1	303,701	83.00	52
12668YAA1	CWL 06S10 A1	17,814,622	65.75	6,102
12668NAB3	CWL 072 2A1	2,619,601	78.00	576
35729QAC2	FHLT 06B 2A2	12,571,821	85.00	1,886
31659YAB0	FMIC 071 2A1	5,485,129	78.00	1,207
34528WAC5	FORDO 07B A2B	3,500,033	97.25	96
617538AA1	MSAC 07HE3 A2A	9,634,392	82.75	1,662
655374AA4	NAA 07S1 A1	12,809,826	7.00	11,913
68403FAB2	OOMLT 074 2A1	2,084,476	78.25	453
73316NAA3	POPLR 07A A1	8,733,930	78.00	1,921
86362QAA1	SASC 07GEL1 A1	1,027,305	77.75	229
86362QAA1	SASC 07GEL1 A1	16,010,654	53.00	7,525

Total Realized	140,630
Total Unrealized	196,000
Total	336,630

Point Pleasant

Cusip	Name	Current Notional	Liquidation Px	Loss (000s)
04541GRJ3	ABSHE 05HE4 A1	1,659,154	87	216
02150KAA7	CWALT 07OH1 A1A	8,145,746	84	1,303
12668WAA5	CWL 074 A1A	7,379,638	84	1,181
12669WAC0	CWL 078 2A1	8,235,398	84	1,318
36242D3U5	GSAA 056 A1	1,226,789	86	172
362341AM1	GSAA 057 AV1	849,097	83	144
3622EBAA6	GSAA 0704 A1	28,472,785	83	4,840
57645JAA7	MABS 06HE3 A1	7,274,054	85	1,091
3622ECAA4	GSAA 0705 1AV1	56,389,263	88	6,767
03072SF91	AMSI 05R6 A2	14,958,416	88.5	1,720
144528AB2	CARR 06NC3 A2	3,597,285	84.5	558
362341QH5	GSAA 0511 3A3	5,702,895	94	342
3622EBAA6	GSAA 0704 A1	28,938,438	78.5	6,222
3622ECAA4	GSAA 0705 1AV1	30,804,270	86.5	4,159
57643LGV2	MABS 05WMC1 A5	1,362,147	87.5	170
04544NAD6	ABSHE 06HE6 A4	9,000,000	67	2,970
02150KAB5	CWALT 07OH1 A2A	11,175,213	80	2,235
23242MAA9	CWL 06S3 A1	3,440,302	57.5	1,462
126683AA9	CWL 06S5 A1	2,435,145	57.5	1,035
12669LAC4	CWL 076 2A2	12,000,000	70.65	3,522
12669WAD8	CWL 078 2A2	3,694,000	70.5	1,090
12670BAA7	CWL 07S2 A1	35,382,010	62.75	13,180
32029GAC8	FFML 07FF2 A2B	34,700,000	59.75	13,967
30248EAA6	FFML 07FFBSS A	36,447,017	59.65	14,706
40051CAA5	GSAA 06S1 IA1	692,972	31.5	475
3622EAAX8	GSAA 0703 1A1B	9,003,915	23	6,933
3622EBAA6	GSAA 0704 A1	57,104,701	71	16,560
3622EBAB4	GSAA 0704 A2	904,000	42	524
362440AC3	GSAMP 07HE2 A2B	13,347,000	66.9	4,418

Total Realized	113,279
Total Unrealized	-
Total	113,279

Timberwolf

CUSIP	Name	Current Notional	Liquidation Px	Loss (000s)
04541GRJ3	ABSHE 2005-HE4 A1	1,659,154	87.00	216
07389RAN6	BSABS 2006-HE10 21A1	7,130,246	96.00	285
07389RAN6	BSABS 2006-HE1021 A1	4,435,127	95.00	222
144531CV0	CARR 2005-NC3 A1C	5,250,776	97.00	158
144531CV0	CARR 2005-NC3 A1C	3,144,706	97.00	94
144531DL1	CARR 2005-NC5 A2	8,682,715	95.00	434
144531DL1	CARR 2005-NC5 A2	19,410,749	95.00	971
14454AAB5	CARR 2006-FRE2 A2	4,887,365	86.50	660
14454AAB5	CARR 2006-FRE2 A2	1,211,010	87.00	157
14453MAB0	CARR 2006-NC4 A2	20,000,000	86.00	2,800
161571AF1	CHAIT 2005-A1 A1	10,930,000	99.63	40
22545RAA4	CSMC 2006-TF2A A1	4,053,526	97.00	122
02150KAA7	CWALT 2007-OH1 A1A	8,145,746	84.00	1,303
12666SAB4	CWL 2006-BCS 2A1	17,695,118	96.00	708
23245CAC4	CWL 2007-1 2A2	205,659	79.50	42
23245CAC4	CWL 2007-1 2A2	7,922,052	88.00	951
12668UAE1	CWL 2007-3 2A1	15,530,779	92.00	1,242
12668UAE1	CWL 2007-3 2A1	3,224,955	92.00	258
12668UAE1	CWL 2007-3 2A1	23,197,763	92.00	1,856
12668WAA5	CWL 2007-4 A1A	7,379,638	84.00	1,181
12669WAC0	CWL 2007-8 2A1	8,235,398	84.00	1,318
12668TAB0	CWL 2007-BC1 2A1	11,079,094	93.00	776
35729QAC2	FHLT 2006-B 2A2	1,356,481	86.50	183
35729QAC2	FHLT 2006-B 2A2	1,674,981	86.50	226
35729VAB3	FHLT 2006-D 2A1	10,127,378	97.00	304
34957YAA5	FORTS 2006-2A S	4,214,071	80.00	843
36242D3U5	GSAA 2005-6 A1	1,226,789	86.00	172
362341AM1	GSAA 2005-7 AV1	849,097	83.00	144
3622ELAA4	GSAA 2006-18 AV1	5,353,894	86.00	750
3622ELAA4	GSAA 2006-18 AV1	4,960,302	85.00	744
3622EBAA6	GSAA 2007-4 A1	4,039,698	85.00	606
3622EBAA6	GSAA 2007-4 A1	7,071,000	85.00	1,061
3622EBAA6	GSAA 2007-4 A1	14,492,792	85.00	2,174
3622EBAA6	GSAA 2007-4 A1	9,667,026	85.00	1,450
3622EBAA6	GSAA 2007-4 A1	2,929,073	83.00	498
3622EBAA6	GSAA 2007-4 A1	28,472,785	83.00	4,840
3622EBAA6	GSAA 2007-4 A1	504,946	86.00	71
3622EBAA6	GSAA 2007-4 A1	1,246,821	88.00	150
362341L49	GSAMP 2005-WMC3 A2B	1,000,000	91.00	90
362334QF4	GSRPM 2006-1 A2	287,882	97.00	9
362334QF4 1	GSRPM 2006-1 A2	621,572	97.00	19
44386QAA2	HUDMZ 2006-2A S	3,511,665	75.00	878
452570AA2	IMSA 2007-2 1A1A	17,742,243	90.00	1,774
452570AA2	IMSA 2007-2 1A1A	22,767,938	87.65	2,812
46626LEJ5	JPMAC 2005-OPT2 A3	803,286	94.00	48
46626LEJ5	JPMAC 2005-OPT2 A3	189,862	94.00	11
57645JAA7	MABS 2006-HE3 A1	7,274,054	85.00	1,091
55264TCC3	MBNAS 2003-A9 A9	12,660,000	99.50	63
61749NAC1	MSAC 2005-HE5 A2B	11,280,000	92.00	902
61749NAC1	MSAC 2005-HE5 A2B	800,000	92.00	64
61749NAC1	MSAC 2005-HE5 A2B	16,802,237	90.00	1,680
643529AA8	NCAMT 2006-ALT2 AV1	4,384,451	87.00	570
643529AA8	NCAMT 2006-ALT2 AV1	2,760,088	87.50	345
643529AA8	NCAMT 2006-ALT2 AV1	2,760,088	87.50	345
64352VLG4	NCHET 2005-3 A2C	7,719,440	92.00	618
64352VNW7	NCHET 2005-C A2B	4,621,847	97.00	139
69121PBT9	OWNIT 2005-5 A2B	31,727,500	97.00	952
71085PBX0	PCHLT 2005-2 A3	5,751,335	95.00	288
76110WF35	RASC 2004-KS9 AII4	1,799,672	97.00	54
92976BHJ4	WBCMT 2006-WL7A A1	9,714,587	93.00	680

Realized	43,439
Realized loss on broker liquidation	182,330
Total	225,769

Fort Denison

Cash deal - no collateral security losses incurred

Goshorn, Daniel (HSGA

From:	Fredman, Sheara [Fin] [Sheara.Fredman@gs.com]
Sent:	Thursday, December 02, 2010 6:56 PM
To:	Goshorn, Daniel (HSGAC)
Cc:	Smith, Sarah [Fin]; Lee, Brian-J (FI Controllers) [Fin]; Simpson, Michael [Fin]; Broeckel, Janet [Legal]; Michaels, Susan [Fin]
Subject:	RE: Responses to PSI supplemental questions
Attachments:	GS MBS 0000087354.xlsx

Dan –

Attached please find a revised response to Question LB 1d, which was previously submitted to the Subcommittee with a schedule bearing production number GS MBS 0000039108. As requested, Goldman Sachs has updated the previously produced schedule to include re-investment trades done with Goldman Sachs that were executed subsequent to the issuance of the specified transactions. To the extent the re-investment trades were made at the direction of the portfolio advisor and executed with a party other than Goldman Sachs, these trades are not included in the firm's books and records and therefore have not been included.

Please note the following:

The information requested by the Subcommittee includes confidential internal documents and proprietary business records that Goldman Sachs does not make available to the general public. Goldman Sachs is producing these documents pursuant to Senate Rule XXVI and formally requests that these materials be treated as confidential business records. Accordingly, should you wish to publicly release any of these documents, Goldman Sachs respectfully requests reasonable notice of your intent to do so and the opportunity to object to such a release.

Goldman Sachs used various technology and manual resources to generate some of the documents for production to you in response to your Requests. While Goldman Sachs believes that these documents are reasonably accurate, we cannot make an absolute representation that it is complete or that there are not some inadvertent errors in the preparation of the spreadsheet. We will provide further updates or corrections if we discover missing information or errors.

Regards,
Sheara

From: Goshorn, Daniel (HSGAC) [mailto:Daniel_Goshorn@hsgac.senate.gov]
Sent: Thursday, December 02, 2010 3:19 PM
To: Fredman, Sheara [Fin]
Subject: RE: Responses to PSI supplemental questions

Hi Sheara,

Any update on this?

Thanks.

Dan

From: Fredman, Sheara [Fin] [mailto:Sheara.Fredman@gs.com]
Sent: Thursday, November 18, 2010 9:56 AM
To: Goshorn, Daniel (HSGAC)
Cc: Broeckel, Janet [Legal]
Subject: RE: Responses to PSI supplemental questions

Dan - GS MBS 0000039108 (attached) includes the collateral securities which we incurred a loss on. I am checking about updating 1d with the additional information you have requested.

S

From: Goshorn, Daniel (HSGAC) [mailto:Daniel_Goshorn@hsgac.senate.gov]
Sent: Wednesday, November 17, 2010 1:26 PM
To: Fredman, Sheara [Fin]
Subject: RE: Responses to PSI supplemental questions

Sheara-

Thanks. Does the item provided with bates GS MBS 0000039108 (attached) include all collateral securities associated with each deal? Would it be possible to update the response to 1d to include all collateral securities associated with each CDO, including the face values, clients and trade dates like the current version?

Thanks
Dan

From: Fredman, Sheara [Fin] [mailto:Sheara.Fredman@gs.com]
Sent: Wednesday, November 17, 2010 1:18 PM
To: Goshorn, Daniel (HSGAC)
Cc: Smith, Sarah [Fin]; Lee, Brian-J (FI Controllers) [Fin]; Simpson, Michael [Fin]; Fredman, Sheara [Fin]; Broeckel, Janet [Legal]
Subject: RE: Responses to PSI supplemental questions

Dan – The schedule only includes the purchases and sales associated with the collateral securities in the deal upon issuance of the deal. It does not include any collateral securities purchased with the cash received from the original collateral securities.

Sheara

From: Goshorn, Daniel (HSGAC) [mailto:Daniel_Goshorn@hsgac.senate.gov]
Sent: Tuesday, November 16, 2010 5:59 PM
To: Fredman, Sheara [Fin]
Subject: RE: Responses to PSI supplemental questions

Hi Sheara,

Thanks for all your help with these responses. For the response to LB1(d), could you please confirm that the spreadsheet contains all securities purchases to collateralize synthetic assets during the life of each deal. It appears the list only goes through the closing date of each deal.

Thanks,
Dan

From: Fredman, Sheara [Fin] [mailto:Sheara.Fredman@gs.com]
Sent: Friday, September 10, 2010 6:00 PM
To: Goshorn, Daniel (HSGAC)
Cc: Smith, Sarah [Fin]; Lee, Brian-J (FI Controllers) [Fin]; Simpson, Michael [Fin]; Fredman, Sheara [Fin]; Broeckel, Janet [Legal]; Michaels, Susan [Fin]
Subject: Responses to PSI supplemental questions

Dan –

Attached is responses to the supplemental questions on LB1(b)(ii) and LB1(d). Please let us know if you have any additional questions.

Please note the following:

The information requested by the Subcommittee includes confidential internal documents and proprietary business records that Goldman Sachs does not make available to the general public. Goldman Sachs is producing these documents pursuant to Senate Rule XXVI and formally requests that these materials be treated as confidential business records. Accordingly, should you wish to publicly release any of these documents, Goldman Sachs respectfully requests reasonable notice of your intent to do so and the opportunity to object to such a release.

Goldman Sachs used various technology and manual resources to generate some of the documents for production to you in response to your Requests. While Goldman Sachs believes that these documents are reasonably accurate, we cannot make an absolute representation that it is complete or that there are not some inadvertent errors in the preparation of the spreadsheet. We will provide further updates or corrections if we discover missing information or errors.

Regards,
Sheara

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Goldman, Sachs & Co.
200 West Street | New York, New York 10282
Tel: (212) [redacted]
e-mail: sheara.fredman@gs.com

Sheara Fredman
Managing Director
Finance Division

Goldman Sachs

Goldman Sachs

Buy/Sell	Cusip	BondName	Orig face	Actual Face	Current Face	Tradedate	SettleDate	Client	Desk
Buy	55275TAC2	MABS 07WMC1 A3	48,850,000	48,850,000	48,850,000	2/12/2007	2/27/2007	[redacted]	Anderson Mezz
Sell	55275TAC2	MABS 07WMC1 A3	22,000,000	(22,000,000)	22,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	59022QAD4	MLMI 06HE5 A2C	40,000,000	40,000,000	40,000,000	9/11/2006	9/28/2006	[redacted]	Anderson Mezz
Sell	59022QAD4	MLMI 06HE5 A2C	18,000,000	(18,000,000)	18,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	3622ELAA4	GSAA 0618 AV1	218,347,000	218,347,000	218,347,000	11/14/2006	11/30/2006	ALT A MTG NI ACCT	Anderson Mezz
Sell	3622ELAA4	GSAA 0618 AV1	15,000,000	(15,000,000)	13,102,139	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	643529AA8	NCAMT 06ALT2 AV1	186,161,000	186,161,000	186,161,000	10/19/2006	10/30/2006	ALT A MTG NI ACCT	Anderson Mezz
Sell	643529AA8	NCAMT 06ALT2 AV1	16,000,000	(16,000,000)	12,226,249	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	35729VAB3	FHLT 06D 2A1	75,000,000	75,000,000	75,000,000	10/25/2006	11/3/2006	[redacted]	Anderson Mezz
Sell	35729VAB3	FHLT 06D 2A1	13,000,000	(13,000,000)	11,389,054	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	14454AAB5	CARR 06FRE2 A2	23,754,000	23,754,000	23,754,000	1/25/2007	1/30/2007	[redacted]	Anderson Mezz
Sell	14454AAB5	CARR 06FRE2 A2	11,000,000	(11,000,000)	11,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	126673MY5	CWHEL 04Q 2A	94,000,000	94,000,000	20,206,486	3/8/2007	3/13/2007	[redacted]	Anderson Mezz
Sell	126673MY5	CWHEL 04Q 2A	42,000,000	(42,000,000)	8,750,024	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	23245CAC4	CWL 071 2A2	20,000,000	20,000,000	20,000,000	1/29/2007	2/9/2007	[redacted]	Anderson Mezz
Sell	23245CAC4	CWL 071 2A2	9,000,000	(9,000,000)	9,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	66988RAC1	NHEL 066 A2B	45,000,000	45,000,000	45,000,000	11/20/2006	11/30/2006	[redacted]	Anderson Mezz
Sell	66988RAC1	NHEL 066 A2B	4,000,000	(4,000,000)	4,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	35729QAC2	FHLT 06B 2A2	13,795,000	13,795,000	13,795,000	2/9/2007	2/14/2007	[redacted]	Anderson Mezz
Sell	35729QAC2	FHLT 06B 2A2	2,000,000	(2,000,000)	2,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	3622EAAD2	GSAA 0703 2A1B	11,112,000	11,112,000	11,112,000	2/16/2007	2/23/2007	ALT A MTG NI ACCT	Anderson Mezz
Sell	3622EAAD2	GSAA 0703 2A1B	5,000,000	(5,000,000)	5,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	362439AD3	GSAMP 06HE4 A2C	10,368,000	10,368,000	10,368,000	3/9/2007	3/14/2007	[redacted]	Anderson Mezz
	362439AD3	GSAMP 06HE4 A2C	5,000,000	(5,000,000)	5,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	71085PBX0	PCHLT 052 A3	11,322,000	11,322,000	11,322,000	1/17/2007	1/24/2007	[redacted]	Anderson Mezz
Sell	71085PBX0	PCHLT 052 A3	5,000,000	(5,000,000)	5,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	40051CAA5	GSAA 06S1 1A1	85,924,000	79,747,892	79,747,892	2/27/2007	3/2/2007	[redacted]	Anderson Mezz
Sell	40051CAA5	GSAA 06S1 1A1	46,838,319	(46,838,319)	43,471,640	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	1248MKAB1	CBASS 07SL1 A2	148,222,000	148,222,000	148,222,000	3/9/2007	3/19/2007	ABS MTG SYN/	Anderson Mezz
Sell	1248MKAB1	CBASS 07SL1 A2	45,000,000	(45,000,000)	45,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	34957YAA5	FORTIUS II S 144A	12,700,000	12,700,000	12,700,000	12/4/2006	12/7/2006	CDO 1 NI AC/	Anderson Mezz
Sell	34957YAA5	FORTIUS II S 144A	5,135,135	(5,135,135)	5,000,000	3/16/2007	3/20/2007	LN	Anderson Mezz
Buy	44379PAF2	HUDHG 06S 144A	11,650,000	11,650,000	11,650,000	9/29/2006	11/1/2006	CDO 1 NI AC/	Anderson Mezz
Sell	44379PAF2	HUDHG 06S 144A	3,791,802	(3,791,802)	3,791,802	3/16/2007	3/20/2007	LN	Anderson Mezz
Buy	44386QAA2	HUDMZ 062 S 144A	7,900,000	7,900,000	7,900,000	2/6/2007	2/8/2007	CDO 1 NI AC/	Anderson Mezz
Sell	44386QAA2	HUDMZ 062 S 144A	3,600,000	(3,600,000)	3,600,000	3/16/2007	3/20/2007	LN	Anderson Mezz
Buy	61750FAE0	MSAC 06HE6 A2C	30,000,000	30,000,000	30,000,000	9/8/2006	9/27/2006	[redacted]	Anderson Mezz
Sell	61750FAE0	MSAC 06HE6 A2C	15,000,000	(15,000,000)	15,000,000	3/14/2007	3/20/2007	LN	Anderson Mezz
Buy	3622EBAA6	GSAA 0704 A1	535,274,000	535,274,000	535,274,000	3/13/2007	3/29/2007	ALT A MTG NI ACCT	Anderson Mezz
Sell	3622EBAA6	GSAA 0704 A1	55,083,000	(55,083,000)	55,083,000	3/14/2007	3/29/2007	LN	Anderson Mezz
Buy	03072SF91	AMSI 05R6 A2	97,306,000	34,470,127	34,470,127	3/23/2007	3/28/2007	[redacted]	Anderson Mezz
Sell	03072SF91	AMSI 05R6 A2	14,200,000	(5,030,274)	5,030,274	3/28/2007	4/2/2007	LN	Anderson Mezz
Buy	75156UAB3	RAMP 06RZ2 A2	20,000,000	20,000,000	20,000,000	4/04/2007	4/10/2007	[redacted]	Anderson Mezz
Sell	75156UAB3	RAMP 06RZ2 A2	6,500,000	(6,500,000)	6,500,000	4/30/2007	5/2/2007	LN	Anderson Mezz
Buy	17309LAD7	CMLTI 06HE2 A2C	1,000,000	1,000,000	1,000,000	3/13/2007	3/16/2007	[redacted]	Anderson Mezz
Sell	17309LAD7	CMLTI 06HE2 A2C	1,000,000	(1,000,000)	1,000,000	6/1/2007	6/5/2007	LN	Anderson Mezz
Buy	144531EV8	CARR 06NC1 A2	4,195,000	4,195,000	4,195,000	4/23/2007	4/26/2007	[redacted]	Anderson Mezz
Buy	144531EV8	CARR 06NC1 A2	2,500,000	2,500,000	2,500,000	5/09/2007	5/14/2007	[redacted]	Anderson Mezz
Sell	144531EV8	CARR 06NC1 A2	6,695,000	(6,695,000)	6,695,000	6/1/2007	6/5/2007	LN	Anderson Mezz

▬▬ = Redacted by the Permanent Subcommittee on Investigations

Buy	362334NA8	GSAA 067 AV1	1,620,000	1,620,000	1,620,000	5/11/2006	5/17/2006	[redacted]	Anderson Mezz
Buy	362334NA8	GSAA 067 AV1	525,000	511,256	511,256	5/25/2006	5/26/2006	[redacted]	Anderson Mezz
Buy	362334NA8	GSAA 067 AV1	450,000	438,220	438,220	5/31/2006	5/31/2006	[redacted]	Anderson Mezz
Buy	362334NA8	GSAA 067 AV1	955,001	851,944	851,944	7/24/2006	7/27/2006	[redacted]	Anderson Mezz
Buy	362334NA8	GSAA 067 AV1	10,758,000	9,273,831	9,273,831	9/12/2006	9/15/2006	[redacted]	Anderson Mezz
Sell	362334NA8	GSAA 067 AV1	4,495,000	(2,081,944)	2,081,944	6/26/2007	6/29/2007	LN	Anderson Mezz
Buy	362375AA5	GSAA 0610 AV1	10,535,000	5,505,282	5,505,282	6/05/2007	6/08/2007	[redacted]	Anderson Mezz
Sell	362375AA5	GSAA 0610 AV1	10,535,000	(5,149,365)	5,149,365	6/26/2007	6/29/2007	LN	Anderson Mezz

▬▬ = Redacted by the Permanent Subcommittee on Investigations

Buy/Sell	Cusip	BondName	Orig face	Actual Face	Current Face	Tradedate	SettleDate	Client	Deal
Buy	04544QAD9	ABSHE 06HE7 A4	23,414,000	23,414,000	23,414,000	11/3/2006	11/30/2006	[redacted]	Camber 7 PLC
Sell	04544QAD9	ABSHE 06HE7 A4	23,414,000	(23,414,000)	23,414,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	00442CAD1	ACE 06FM2 A2C	12,000,000	12,000,000	12,000,000	10/20/2006	10/30/2006	[redacted]	Camber 7 PLC
Sell	00442CAD1	ACE 06FM2 A2C	12,000,000	(12,000,000)	12,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	040104TF8	ARSI 06W4 A2B	31,000,000	31,000,000	31,000,000	2/12/2007	2/15/2007	[redacted]	Camber 7 PLC
Sell	040104TF8	ARSI 06W4 A2B	31,000,000	(31,000,000)	31,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	05530MAA7	BCAP 06AA2 A1	40,000,000	40,000,000	40,000,000	11/22/2006	11/30/2006	[redacted]	Camber 7 PLC
Sell	05530MAA7	BCAP 06AA2 A1	40,000,000	(40,000,000)	38,151,327	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	07389RAP1	BSABS 06HE10 IIA2	50,000,000	50,000,000	50,000,000	12/19/2006	12/29/2006	[redacted]	Camber 7 PLC
Sell	07389RAP1	BSABS 06HE10 IIA2	50,000,000	(50,000,000)	50,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	073855AA6	BSABS 07FS1 1A1	75,000,000	75,000,000	75,000,000	2/26/2007	2/28/2007	[redacted]	Camber 7 PLC
Sell	073855AA6	BSABS 07FS1 1A1	75,000,000	(75,000,000)	75,000,000	2/27/2007	2/28/2007	LN	Camber 7 PLC
Buy	07401RAA8	BSMF 07SL2 1A	55,000,000	55,000,000	55,000,000	2/20/2007	2/28/2007	[redacted]	Camber 7 PLC
Sell	07401RAA8	BSMF 07SL2 1A	55,000,000	(55,000,000)	55,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	14454AAC3	CARR 06FRE2 A3	20,000,000	20,000,000	20,000,000	10/5/2006	10/18/2006	[redacted]	Camber 7 PLC
Sell	14454AAC3	CARR 06FRE2 A3	20,000,000	(20,000,000)	20,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	17309QAC8	CMLTI 06WFH3 A3	30,000,000	30,000,000	30,000,000	10/5/2006	10/31/2006	[redacted]	Camber 7 PLC
Sell	17309QAC8	CMLTI 06WFH3 A3	30,000,000	(30,000,000)	30,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	12666VAC5	CWL 0617 2A2	40,000,000	40,000,000	40,000,000	9/8/2006	9/25/2006	[redacted]	Camber 7 PLC
Sell	12666VAC5	CWL 0617 2A2	40,000,000	(40,000,000)	40,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	23243WAC2	CWL 0618 2A2	25,000,000	25,000,000	25,000,000	9/19/2006	9/28/2006	[redacted]	Camber 7 PLC
Sell	23243WAC2	CWL 0618 2A2	25,000,000	(25,000,000)	25,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	12668YAA1	CWL 06S10 A1	100,000,000	100,000,000	100,000,000	12/21/2006	12/29/2006	[redacted]	Camber 7 PLC
Sell	12668YAA1	CWL 06S10 A1	70,000,000	(70,000,000)	65,942,152	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	35729QAC2	FHLT 06B 2A2	10,000,000	10,000,000	10,000,000	2/9/2007	2/14/2007	[redacted]	Camber 7 PLC
Buy	35729QAC2	FHLT 06B 2A2	13,795,000	13,795,000	13,795,000	2/9/2007	2/14/2007	[redacted]	Camber 7 PLC
Sell	35729QAC2	FHLT 06B 2A2	18,763,538	(18,763,538)	18,763,538	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	35729TAD4	FHLT 06C 2A2	35,000,000	35,000,000	35,000,000	12/19/2006	12/22/2006	[redacted]	Camber 7 PLC
Sell	35729TAD4	FHLT 06C 2A2	35,000,000	(35,000,000)	35,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	43709NAD5	HEAT 067 2A3	50,000,000	50,000,000	50,000,000	9/22/2006	10/3/2006	[redacted]	Camber 7 PLC
Sell	43709NAD5	HEAT 067 2A3	50,000,000	(50,000,000)	50,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	57645MAE2	MABS 06WMC4 A5	19,000,000	19,000,000	19,000,000	11/3/2006	11/30/2006	[redacted]	Camber 7 PLC
Sell	57645MAE2	MABS 06WMC4 A5	19,000,000	(19,000,000)	19,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	617538AA1	MSAC 07HE3 A2A	23,300,000	23,300,000	23,300,000	2/26/2007	2/28/2007	[redacted]	Camber 7 PLC
Sell	617538AA1	MSAC 07HE3 A2A	23,300,000	(23,300,000)	23,300,000	2/27/2007	2/28/2007	LN	Camber 7 PLC
Buy	655374AA4	NAA 07S1 A1	34,000,000	34,000,000	34,000,000	2/13/2007	2/14/2007	[redacted]	Camber 7 PLC
Sell	655374AA4	NAA 07S1 A1	34,000,000	(34,000,000)	33,078,982	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	81376GAD2	SABR 06WM2 A2C	40,000,000	40,000,000	40,000,000	10/13/2006	10/26/2006	[redacted]	Camber 7 PLC
Sell	81376GAD2	SABR 06WM2 A2C	40,000,000	(40,000,000)	40,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	78581NAA0	SACO 072 A1	27,000,000	27,000,000	27,000,000	2/12/2007	2/28/2007	[redacted]	Camber 7 PLC
Sell	78581NAA0	SACO 072 A1	27,000,000	(27,000,000)	27,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	86362QAA1	SASC 07GEL1 A1	35,000,000	35,000,000	35,000,000	2/6/2007	2/9/2007	[redacted]	Camber 7 PLC
Sell	86362QAA1	SASC 07GEL1 A1	35,000,000	(35,000,000)	33,911,358	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	617538AA1	MSAC 07HE3 A2A	23,300,000	23,300,000	23,300,000	2/26/2007	2/28/2007	[redacted]	Camber 7 PLC
Sell	617538AA1	MSAC 07HE3 A2A	23,300,000	(23,300,000)	23,300,000	2/27/2007	2/28/2007	LN	Camber 7 PLC
Buy	073855AA6	BSABS 07FS1 1A1	75,000,000	75,000,000	75,000,000	2/26/2007	2/28/2007	[redacted]N	Camber 7 PLC
Sell	073855AA6	BSABS 07FS1 1A1	75,000,000	(75,000,000)	75,000,000	2/27/2007	2/28/2007	LN	Camber 7 PLC
Buy	655374AA4	NAA 07S1 A1	34,000,000	34,000,000	34,000,000	2/13/2007	2/14/2007	[redacted]	Camber 7 PLC

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Sell	655374AA4	NAA 07S1 A1	34,000,000	(33,078,982)	33,078,982	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	78581NAA0	SACO 072 A1	27,000,000	27,000,000	27,000,000	2/12/2007	2/28/2007	[redacted]	Camber 7 PLC
Sell	78581NAA0	SACO 072 A1	27,000,000	(27,000,000)	27,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	35729TAD4	FHLT 06C 2A2	35,000,000	35,000,000	35,000,000	12/19/2006	12/22/2006	[redacted]	Camber 7 PLC
Sell	35729TAD4	FHLT 06C 2A2	35,000,000	(35,000,000)	35,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	12668YAA1	CWL 06S10 A1	100,000,000	100,000,000	100,000,000	12/21/2006	12/29/2006	[redacted]	Camber 7 PLC
Sell	12668YAA1	CWL 06S10 A1	70,000,000	(65,942,152)	65,942,152	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	23243WAC2	CWL 0618 2A2	25,000,000	25,000,000	25,000,000	9/19/2006	9/28/2006	[redacted]	Camber 7 PLC
Sell	23243WAC2	CWL 0618 2A2	25,000,000	(25,000,000)	25,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	43709NAD5	HEAT 067 2A3	50,000,000	50,000,000	50,000,000	9/22/2006	10/03/2006	[redacted]	Camber 7 PLC
Sell	43709NAD5	HEAT 067 2A3	50,000,000	(50,000,000)	50,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	12666VAC5	CWL 0617 2A2	40,000,000	40,000,000	40,000,000	9/08/2006	9/25/2006	[redacted]	Camber 7 PLC
Buy	12666VAC5	CWL 0617 2A2	10,000,000	10,000,000	10,000,000	12/12/2006	12/15/2006	[redacted]	Camber 7 PLC
Sell	12666VAC5	CWL 0617 2A2	40,000,000	(40,000,000)	40,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	35729QAC2	FHLT 06B 2A2	13,795,000	13,795,000	13,795,000	2/09/2007	2/14/2007	[redacted]	Camber 7 PLC
Buy	35729QAC2	FHLT 06B 2A2	10,000,000	10,000,000	10,000,000	2/09/2007	2/14/2007	[redacted]	Camber 7 PLC
Sell	35729QAC2	FHLT 06B 2A2	18,763,538	(18,763,538)	18,763,538	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	040104TF8	ARSI 06W4 A2B	31,000,000	31,000,000	31,000,000	2/12/2007	2/15/2007	[redacted]	Camber 7 PLC
Sell	040104TF8	ARSI 06W4 A2B	31,000,000	(31,000,000)	31,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	00442CAD1	ACE 06FM2 A2C	12,000,000	12,000,000	12,000,000	10/20/2006	10/30/2006	[redacted]	Camber 7 PLC
Sell	00442CAD1	ACE 06FM2 A2C	12,000,000	(12,000,000)	12,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	05530MAA7	BCAP 06AA2 A1	40,000,000	40,000,000	40,000,000	11/22/2006	11/30/2006	[redacted]	Camber 7 PLC
Sell	05530MAA7	BCAP 06AA2 A1	40,000,000	(38,151,327)	38,151,327	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	BSMF07SL9	BSMF 07SL2 1A	55,000,000	55,000,000	55,000,000	2/21/2007	2/28/2007	[redacted]	Camber 7 PLC
Sell	BSMF07SL9	BSMF 07SL2 1A	55,000,000	(55,000,000)	55,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	04544QAD9	ABSHE 06HE7 A4	23,414,000	23,414,000	23,414,000	11/03/2006	11/30/2006	[redacted]	Camber 7 PLC
Sell	04544QAD9	ABSHE 06HE7 A4	23,414,000	(23,414,000)	23,414,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	86362QAA1	SASC 07GEL1 A1	35,000,000	35,000,000	35,000,000	2/06/2007	2/09/2007	[redacted]	Camber 7 PLC
Sell	86362QAA1	SASC 07GEL1 A1	35,000,000	(33,911,358)	33,911,358	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	57645MAE2	MABS 06WMC4 A5	19,000,000	19,000,000	19,000,000	11/03/2006	11/30/2006	[redacted]	Camber 7 PLC
Sell	57645MAE2	MABS 06WMC4 A5	19,000,000	(19,000,000)	19,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	14454AAC3	CARR 06FRE2 A3	20,000,000	20,000,000	20,000,000	10/05/2006	10/18/2006	[redacted]	Camber 7 PLC
Sell	14454AAC3	CARR 06FRE2 A3	20,000,000	(20,000,000)	20,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	81376GAD2	SABR 06WM2 A2C	40,000,000	40,000,000	40,000,000	10/13/2006	10/26/2006	[redacted]	Camber 7 PLC
Sell	81376GAD2	SABR 06WM2 A2C	40,000,000	(40,000,000)	40,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	17309QAC8	CMLTI 06WFH3 A3	30,000,000	30,000,000	30,000,000	10/05/2006	10/31/2006	[redacted]	Camber 7 PLC
Sell	17309QAC8	CMLTI 06WFH3 A3	30,000,000	(30,000,000)	30,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	07389RAP1	BSABS 06HE10 IIA2	50,000,000	50,000,000	50,000,000	12/19/2006	12/29/2006	[redacted]	Camber 7 PLC
Sell	07389RAP1	BSABS 06HE10 IIA2	50,000,000	(50,000,000)	50,000,000	2/23/2007	2/28/2007	LN	Camber 7 PLC
Buy	39539JAA4	GPMF 07HE1 A1	50,000,000	50,000,000	50,000,000	2/21/2007	3/06/2007	[redacted]	Camber 7 PLC
Sell	39539JAA4	GPMF 07HE1 A1	50,000,000	(50,000,000)	50,000,000	2/23/2007	3/06/2007	LN	Camber 7 PLC

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Buy/Sell	Cusip	BondName	Orig face	Actual Face	Current Face	Tradedate	SettleDate	Client	Deal
Buy	362257AA5	GSAA 0617 A1	589,300,000	589,300,000	589,300,000	10/13/2006	10/30/2006	ALT A MTG /	HUDMZ1
Sell	362257AA5	GSAA 0617 A1	94,300,000	(94,300,000)	94,300,000	11/20/2006	11/22/2006	LN	HUDMZ1
Buy	36245CAC6	GSAMP 06S6 A1C	95,531,000	95,531,000	95,531,000	10/13/2006	10/20/2006	SUBPRIME MT/	HUDMZ1
Sell	36245CAC6	GSAMP 06S6 A1C	68,531,000	(68,531,000)	68,531,000	11/20/2006	11/22/2006	LN	HUDMZ1
Buy	12668PAB8	CWALT 06OA17 1A1B	35,903,000	35,903,000	35,903,000	10/12/2006	10/17/2006	[redacted]	HUDMZ1
Sell	12668PAB8	CWALT 06OA17 1A1B	35,903,000	(35,903,000)	35,376,193	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	23245FAB9	CWALT 06OC10 2A1	75,000,000	75,000,000	75,000,000	11/27/2006	11/30/2006	[redacted]	HUDMZ1
Sell	23245FAB9	CWALT 06OC10 2A1	75,000,000	(75,000,000)	75,000,000	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	23245GAA9	CWALT 06OC9 A1	100,000,000	100,000,000	100,000,000	11/8/2006	11/15/2006	[redacted]	HUDMZ1
Sell	23245GAA9	CWALT 06OC9 A1	100,000,000	(100,000,000)	99,570,235	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	12667HAB7	CWL 0620 2A1	100,000,000	100,000,000	100,000,000	10/26/2006	11/8/2006	[redacted]	HUDMZ1
Sell	12667HAB7	CWL 0620 2A1	100,000,000	(100,000,000)	99,401,655	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	12668VAA7	CWL 06S7 A1	100,000,000	100,000,000	100,000,000	11/17/2006	11/30/2006	[redacted]	HUDMZ1
Sell	12668VAA7	CWL 06S7 A1	100,000,000	(100,000,000)	100,000,000	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	35729VAB3	FHLT 06D 2A1	75,000,000	75,000,000	75,000,000	10/25/2006	11/3/2006	[redacted]	HUDMZ1
Sell	35729VAB3	FHLT 06D 2A1	32,250,877	(32,250,877)	32,250,877	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	3622ELAA4	GSAA 0618 AV1	218,347,000	218,347,000	218,347,000	11/14/2006	11/30/2006	ALT A MTG NI ACCT	HUDMZ1
Sell	3622ELAA4	GSAA 0618 AV1	100,000,000	(100,000,000)	100,000,000	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	362725AA1	GSRPM 062 A1A	25,784,000	25,784,000	25,784,000	10/11/2006	10/18/2006	ABS MTG SYN NI ACCT	HUDMZ1
Sell	362725AA1	GSRPM 062 A1A	15,077,428	(15,077,428)	14,623,326	11/22/2006	11/24/2006	LN	HUDMZ1
Sell	362725AA1	GSRPM 062 A1A	468,204	(468,204)	437,925	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	44328AAB6	HASC 06HE1 2A1	25,000,000	25,000,000	25,000,000	10/18/2006	11/3/2006	[redacted]	HUDMZ1
Sell	44328AAB6	HASC 06HE1 2A1	25,000,000	(25,000,000)	24,509,647	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	65537FAB7	NHELI 06FM2 2A1	72,000,000	72,000,000	72,000,000	10/17/2006	10/31/2006	[redacted]	HUDMZ1
Sell	65537FAB7	NHELI 06FM2 2A1	72,000,000	(72,000,000)	67,737,634	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	362725AA1	GSRPM 062 A1A	25,784,000	25,784,000	25,784,000	10/11/2006	10/18/2006	ABS MTG SYN NI ACCT	HUDMZ1
Sell	362725AA1	GSRPM 062 A1A	468,204	(437,925)	437,925	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	3622ELAA4	GSAA 0618 AV1	218,347,000	218,347,000	218,347,000	11/14/2006	11/30/2006	ALT A MTG NI ACCT	HUDMZ1
Sell	3622ELAA4	GSAA 0618 AV1	100,000,000	(100,000,000)	100,000,000	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	23245GAA9	CWALT 06OC9 A1	100,000,000	100,000,000	100,000,000	11/08/2006	11/15/2006	[redacted]	HUDMZ1
Sell	23245GAA9	CWALT 06OC9 A1	100,000,000	(99,570,235)	99,570,235	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	65537FAB7	NHELI 06FM2 2A1	72,000,000	72,000,000	72,000,000	10/17/2006	10/31/2006	[redacted]	HUDMZ1
Sell	65537FAB7	NHELI 06FM2 2A1	72,000,000	(67,737,634)	67,737,634	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	44328AAB6	HASC 06HE1 2A1	25,000,000	25,000,000	25,000,000	10/18/2006	11/03/2006	[redacted]	HUDMZ1
Sell	44328AAB6	HASC 06HE1 2A1	25,000,000	(24,509,647)	24,509,647	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	23245FAB9	CWALT 06OC10 2A1	75,000,000	75,000,000	75,000,000	11/27/2006	11/30/2006	[redacted]	HUDMZ1
Sell	23245FAB9	CWALT 06OC10 2A1	75,000,000	(75,000,000)	75,000,000	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	12667HAB7	CWL 0620 2A1	100,000,000	100,000,000	100,000,000	10/26/2006	11/08/2006	[redacted]	HUDMZ1
Sell	12667HAB7	CWL 0620 2A1	100,000,000	(99,401,656)	99,401,656	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	35729VAB3	FHLT 06D 2A1	75,000,000	75,000,000	75,000,000	10/25/2006	11/03/2006	[redacted]	HUDMZ1
Sell	35729VAB3	FHLT 06D 2A1	32,250,877	(32,250,877)	32,250,877	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	12668VAA7	CWL 06S7 A1	100,000,000	100,000,000	100,000,000	11/17/2006	11/30/2006	[redacted]	HUDMZ1
Sell	12668VAA7	CWL 06S7 A1	100,000,000	(100,000,000)	100,000,000	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	12668PAB8	CWALT 06OA17 1A1B	35,903,000	35,903,000	35,903,000	10/12/2006	10/17/2006	[redacted]	HUDMZ1
Sell	12668PAB8	CWALT 06OA17 1A1B	35,903,000	(35,376,193)	35,376,193	11/28/2006	12/5/2006	LN	HUDMZ1
Buy	23245PAC5	CWALT 06OA22 A3	25,850,000	25,850,000	25,850,000	12/07/2006	12/11/2006	[redacted]	HUDMZ1
Sell	23245PAC5	CWALT 06OA22 A3	25,850,000	(25,680,256)	25,680,256	1/2/2007	1/5/2007	LN	HUDMZ1

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Buy	643529AA8	NCAMT 06ALT2 AV1	186,161,000	186,161,000	186,161,000	10/19/2006	10/30/2006	ALT A MTG NI ACCT	HUDMZ1
Sell	643529AA8	NCAMT 06ALT2 AV1	1,500,000	(1,343,975)	1,343,975	1/2/2007	1/5/2007	LN	HUDMZ1
Sell	643529AA8	NCAMT 06ALT2 AV1	1,790,000	(1,603,810)	1,603,810	1/16/2007	1/19/2007	LN	HUDMZ1
Sell	643529AA8	NCAMT 06ALT2 AV1	2,400,000	(1,976,433)	1,976,433	1/30/2007	2/2/2007	LN	HUDMZ1
Sell	643529AA8	NCAMT 06ALT2 AV1	27,000,000	(22,234,873)	22,234,873	2/15/2007	2/21/2007	LN	HUDMZ1
Buy	66988RAC1	NHEL 066 A2B	45,000,000	45,000,000	45,000,000	11/20/2006	11/30/2006	[redacted]	HUDMZ1
Sell	66988RAC1	NHEL 066 A2B	33,000,000	(33,000,000)	33,000,000	2/28/2007	3/5/2007	LN	HUDMZ1
Buy	40051CAA5	GSAA 06S1 IA1	240,924,000	240,924,000	240,924,000	12/15/2006	12/28/2006	[redacted]	HUDMZ1
Sell	40051CAA5	GSAA 06S1 IA1	2,945,000	(2,733,317)	2,733,317	3/16/2007	3/21/2007	LN	HUDMZ1
Buy	12670BAA7	CWL 07S2 A1	70,000,000	70,000,000	70,000,000	3/23/2007	3/30/2007	[redacted] [redacted]	HUDMZ1
Sell	12670BAA7	CWL 07S2 A1	10,350,000	(10,350,000)	10,350,000	3/30/2007	4/3/2007	LN	HUDMZ1
Buy	12669HAA7	CWL 07QH1 A1	20,000,000	20,000,000	20,000,000	3/29/2007	3/30/2007	[redacted] [redacted]	HUDMZ1
Sell	12669HAA7	CWL 07QH1 A1	20,000,000	(20,000,000)	20,000,000	3/30/2007	4/3/2007	LN	HUDMZ1
Buy	144528AB2	CARR 06NC3 A2	10,000,000	10,000,000	10,000,000	4/10/2007	4/13/2007	[redacted]	HUDMZ1
Sell	144528AB2	CARR 06NC3 A2	815,000	(815,000)	815,000	4/18/2007	4/20/2007	LN	HUDMZ1
Buy	144528AB2	CARR 06NC3 A2	10,000,000	10,000,000	10,000,000	4/10/2007	4/13/2007	[redacted]	HUDMZ1
Sell	144528AB2	CARR 06NC3 A2	5,192,715	(5,192,715)	5,192,715	4/30/2007	5/3/2007	LN	HUDMZ1
Buy	3622ECAA4	GSAA 0705 1AV1	144,477,000	144,477,000	144,477,000	4/11/2007	4/30/2007	ALT A MTG NI ACCT	HUDMZ1
Sell	3622ECAA4	GSAA 0705 1AV1	9,108,000	(9,108,000)	9,108,000	4/30/2007	5/3/2007	LN	HUDMZ1
Buy	004375EH0	ACCR 054 A2C	128,843,000	128,843,000	128,843,000	11/10/2005	11/23/2005	ABS MTG SYN NI ACCT	HUDMZ1
Sell	004375EH0	ACCR 054 A2C	3,843,000	(3,843,000)	3,843,000	4/30/2007	5/3/2007	LN	HUDMZ1
Buy	75156UAB3	RAMP 06RZ2 A2	13,500,000	13,500,000	13,500,000	4/30/2007	5/03/2007	[redacted]	HUDMZ1
Sell	75156UAB3	RAMP 06RZ2 A2	13,500,000	(13,500,000)	13,500,000	4/30/2007	5/3/2007	LN	HUDMZ1
Buy	64352VQR5	NCHET 061 A2B	10,000,000	10,000,000	10,000,000	4/10/2007	4/13/2007	[redacted]	HUDMZ1
Sell	64352VQR5	NCHET 061 A2B	10,000,000	(10,000,000)	10,000,000	5/31/2007	6/5/2007	LN	HUDMZ1
Buy	144539AC7	CARR 06NC5 A3	25,000,000	25,000,000	25,000,000	1/16/2007	1/19/2007	[redacted]	HUDMZ1
Sell	144539AC7	CARR 06NC5 A3	9,334,000	(9,334,000)	9,334,000	5/31/2007	6/5/2007	LN	HUDMZ1
Buy	64352VJY8	NCHET 051 A2C	13,757,000	13,757,000	13,757,000	3/14/2007	3/19/2007	[redacted]	HUDMZ1
Sell	64352VJY8	NCHET 051 A2C	13,757,000	(10,894,088)	10,894,088	7/6/2007	7/11/2007	LN	HUDMZ1
Buy	362341KA6	GSAMP 05HE4 A2B	50,000,000	42,529,886	42,529,886	6/07/2007	6/11/2007	[redacted]	HUDMZ1
Sell	362341KA6	GSAMP 05HE4 A2B	25,000,000	(17,681,632)	17,681,632	7/6/2007	7/11/2007	LN	HUDMZ1

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Buy/Sell	Cusip	BondName	Orig face	Actual Face	Current Face	Tradedate	SettleDate	Client	Deal
Buy	00438QAA2	ACCR 071 A1	15,000,000	15,000,000	15,000,000	1/24/2007	1/30/2007	[redacted]	HUDMZ2
Sell	00438QAA2	ACCR 071 A1	15,000,000	(15,000,000)	15,000,000	2/5/2007	2/8/2007	LN	HUDMZ2
Buy	12668YAA1	CWL 06S10 A1	100,000,000	100,000,000	100,000,000	12/21/2006	12/29/2006	[redacted]	HUDMZ2
Sell	12668YAA1	CWL 06S10 A1	30,000,000	(30,000,000)	29,236,656	2/5/2007	2/8/2007	LN	HUDMZ2
Buy	3622ELAA4	GSAA 0618 AV1	218,347,000	218,347,000	218,347,000	11/14/2006	11/30/2006	ALT A MTG NI ACCT	HUDMZ2
Sell	3622ELAA4	GSAA 0618 AV1	10,000,000	(10,000,000)	9,115,101	2/5/2007	2/8/2007	LN	HUDMZ2
Sell	3622ELAA4	GSAA 0618 AV1	10,000,000	(10,000,000)	9,115,101	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	362351AD0	GSAA 0620 2A1B	16,076,000	16,076,000	16,076,000	12/12/2006	12/29/2006	ALT A MTG NI ACCT	HUDMZ2
Sell	362351AD0	GSAA 0620 2A1B	11,000,000	(11,000,000)	10,722,437	2/5/2007	2/8/2007	LN	HUDMZ2
Sell	362351AD0	GSAA 0620 2A1B	5,076,000	(5,076,000)	4,947,917	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	36245TAC9	GSAMP 06FM3 A2B	59,281,000	59,281,000	59,281,000	12/15/2006	12/21/2006	NON PERFORMING MTG S	HUDMZ2
Sell	36245TAC9	GSAMP 06FM3 A2B	10,000,000	(10,000,000)	10,000,000	2/6/2007	2/8/2007	LN	HUDMZ2
Sell	36245TAC9	GSAMP 06FM3 A2B	10,000,000	(10,000,000)	10,000,000	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	40431KAA8	HALO 07WF1 A1	20,000,000	20,000,000	20,000,000	1/26/2007	2/6/2007	[redacted]	HUDMZ2
Sell	40431KAA8	HALO 07WF1 A1	20,000,000	(20,000,000)	20,000,000	2/7/2007	2/8/2007	LN	HUDMZ2
Buy	40431KAB6	HALO 07WF1 A2	8,374,000	8,374,000	8,374,000	1/26/2007	2/6/2007	[redacted]	HUDMZ2
Sell	40431KAB6	HALO 07WF1 A2	8,374,000	(8,374,000)	8,374,000	2/5/2007	2/8/2007	LN	HUDMZ2
Buy	45668WAA5	INDX 07FLX1 A1	155,024,000	155,024,000	155,024,000	1/18/2007	1/31/2007	[redacted]	HUDMZ2
Sell	45668WAA5	INDX 07FLX1 A1	20,024,000	(20,024,000)	20,024,000	2/5/2007	2/8/2007	LN	HUDMZ2
Buy	45668WAA5	INDX 07FLX1 A1	155,024,000	155,024,000	155,024,000	1/18/2007	1/31/2007	[redacted]	HUDMZ2
Sell	45668WAA5	INDX 07FLX1 A1	20,024,000	(20,024,000)	20,024,000	2/5/2007	2/8/2007	LN	HUDMZ2
Buy	3622EQAA3	GSAA 0701 1A1	515,268,000	515,268,000	515,268,000	1/11/2007	1/30/2007	ALT A MTG /	HUDMZ2
Sell	3622EQAA3	GSAA 0701 1A1	10,268,000	(10,268,000)	10,268,000	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	3622MHAC0	GSAMP 07FM2 A2B	62,864,000	62,864,000	62,864,000	2/15/2007	2/21/2007	NON PERFORM/	HUDMZ2
Sell	3622MHAC0	GSAMP 07FM2 A2B	62,864,000	(62,864,000)	62,864,000	2/15/2007	2/21/2007	LN	HUDMZ2
Buy	36245YAV6	GSAMP 07H1 A2A2M	10,157,000	10,157,000	10,157,000	1/23/2007	1/31/2007	NON PERFORM/	HUDMZ2
Sell	36245YAV6	GSAMP 07H1 A2A2M	5,157,000	(5,157,000)	5,157,000	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	643529AA8	NCAMT 06ALT2 AV1	186,161,000	186,161,000	186,161,000	10/19/2006	10/30/2006	ALT A MTG /	HUDMZ2
Sell	643529AA8	NCAMT 06ALT2 AV1	27,000,000	(27,000,000)	22,234,873	2/15/2007	2/21/2007	LN	HUDMZ2
Buy	36245YAV6	GSAMP 07H1 A2A2M	10,157,000	10,157,000	10,157,000	1/23/2007	1/31/2007	NON PERFORMING MTG S	HUDMZ2
Sell	36245YAV6	GSAMP 07H1 A2A2M	5,157,000	(5,157,000)	5,157,000	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	362351AD0	GSAA 0620 2A1B	16,076,000	16,076,000	16,076,000	12/12/2006	12/29/2006	ALT A MTG NI ACCT	HUDMZ2
Sell	362351AD0	GSAA 0620 2A1B	5,076,000	(4,947,917)	4,947,917	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	36245TAC9	GSAMP 06FM3 A2B	59,281,000	59,281,000	59,281,000	12/15/2006	12/21/2006	NON PERFORMING MTG S	HUDMZ2
Sell	36245TAC9	GSAMP 06FM3 A2B	10,000,000	(10,000,000)	10,000,000	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	3622ELAA4	GSAA 0618 AV1	218,347,000	218,347,000	218,347,000	11/14/2006	11/30/2006	ALT A MTG NI ACCT	HUDMZ2
Sell	3622ELAA4	GSAA 0618 AV1	10,000,000	(10,000,000)	10,000,000	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	3622MHAC0	GSAMP 07FM2 A2B	62,864,000	62,864,000	62,864,000	2/15/2007	2/21/2007	NON PERFORMING MTG S	HUDMZ2
Sell	3622MHAC0	GSAMP 07FM2 A2B	62,864,000	(62,864,000)	62,864,000	2/15/2007	2/21/2007	LN	HUDMZ2
Buy	3622EQAA3	GSAA 0701 1A1	515,268,000	515,268,000	515,268,000	1/11/2007	1/30/2007	ALT A MTG NI ACCT	HUDMZ2
Sell	3622EQAA3	GSAA 0701 1A1	10,268,000	(10,268,000)	10,268,000	2/16/2007	2/21/2007	LN	HUDMZ2
Buy	3622MDAC9	GSAMP 07HE1 A2B	44,191,000	44,191,000	44,191,000	2/20/2007	2/23/2007	NON PERFORMING MTG S	HUDMZ2
Sell	3622MDAC9	GSAMP 07HE1 A2B	44,191,000	(44,191,000)	44,191,000	2/20/2007	2/23/2007	LN	HUDMZ2
Buy	3622MDAB1	GSAMP 07HE1 A2A	50,000,000	50,000,000	50,000,000	2/21/2007	2/23/2007	NON PERFORMING MTG S	HUDMZ2
Sell	3622MDAB1	GSAMP 07HE1 A2A	50,000,000	(50,000,000)	50,000,000	2/21/2007	2/23/2007	LN	HUDMZ2
Buy	3622MDAB1	GSAMP 07HE1 A2A	50,000,000	50,000,000	50,000,000	2/21/2007	2/23/2007	NON PERFORM/	HUDMZ2
Sell	3622MDAB1	GSAMP 07HE1 A2A	50,000,000	(50,000,000)	50,000,000	2/21/2007	2/23/2007	LN	HUDMZ2

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Buy	3622MDAC9	GSAMP 07HE1 A2B	44,191,000	44,191,000	44,191,000	2/20/2007	2/23/2007	NON PERFORM	HUDMZ2
Sell	3622MDAC9	GSAMP 07HE1 A2B	44,191,000	(44,191,000)	44,191,000	2/20/2007	2/23/2007	LN	HUDMZ2
Buy	12668BRE5	CWALT 06OC2 2A1	24,500,000	24,500,000	15,256,402	2/1/2007	2/6/2007	[redacted]	HUDMZ2
Buy	12668BRE5	CWALT 06OC2 2A1	24,000,000	24,000,000	14,945,046	2/1/2007	2/6/2007	[redacted]	HUDMZ2
Sell	12668BRE5	CWALT 06OC2 2A1	48,500,000	(48,500,000)	28,111,412	2/22/2007	2/27/2007	LN	HUDMZ2
Buy	126684AA7	CWL 06S6 A1	9,400,000	9,400,000	8,444,540	1/23/2007	1/26/2007	[redacted]	HUDMZ2
Sell	126684AA7	CWL 06S6 A1	9,400,000	(9,400,000)	9,400,000	2/22/2007	2/27/2007	LN	HUDMZ2
Buy	12666MAA9	CWL 06SPS1 A	18,500,000	18,500,000	16,195,088	1/23/2007	1/26/2007	[redacted]	HUDMZ2
Sell	12666MAA9	CWL 06SPS1 A	18,500,000	(18,500,000)	18,500,000	2/22/2007	2/27/2007	LN	HUDMZ2
Buy	35729VAB3	FHLT 06D 2A1	75,000,000	75,000,000	75,000,000	10/25/2006	11/3/2006	[redacted]	HUDMZ2
Sell	35729VAB3	FHLT 06D 2A1	14,000,000	(14,000,000)	12,265,135	2/22/2007	2/27/2007	LN	HUDMZ2
Buy	12666MAA9	CWL 06SPS1 A	18,500,000	16,195,088	16,195,088	1/23/2007	1/26/2007	[redacted]	HUDMZ2
Sell	12666MAA9	CWL 06SPS1 A	18,500,000	(16,098,352)	16,098,352	2/22/2007	2/27/2007	LN	HUDMZ2
Buy	12668BRE5	CWALT 06OC2 2A1	24,500,000	15,256,402	15,256,402	2/01/2007	2/06/2007	[redacted]	HUDMZ2
Buy	12668BRE5	CWALT 06OC2 2A1	24,000,000	14,945,046	14,945,046	2/01/2007	2/06/2007	[redacted]	HUDMZ2
Sell	12668BRE5	CWALT 06OC2 2A1	48,500,000	(30,201,448)	30,201,448	2/22/2007	2/27/2007	LN	HUDMZ2
Buy	35729VAB3	FHLT 06D 2A1	75,000,000	75,000,000	75,000,000	10/25/2006	11/03/2006	[redacted]	HUDMZ2
Sell	35729VAB3	FHLT 06D 2A1	14,000,000	(14,000,000)	14,000,000	2/22/2007	2/27/2007	LN	HUDMZ2
Buy	126684AA7	CWL 06S6 A1	9,400,000	8,444,540	8,444,540	1/23/2007	1/26/2007	[redacted]	HUDMZ2
Sell	126684AA7	CWL 06S6 A1	9,400,000	(8,444,540)	8,444,540	2/22/2007	2/27/2007	LN	HUDMZ2
Buy	12668KAC7	CWL 07S 2A2	15,000,000	15,000,000	15,000,000	3/23/2007	3/30/2007	[redacted]	HUDMZ2
Sell	12668KAC7	CWL 07S 2A2	15,000,000	(15,000,000)	15,000,000	3/26/2007	3/30/2007	LN	HUDMZ2
Buy	32029GAC8	FFML 07FF2 A2B	46,500,000	46,500,000	46,500,000	3/27/2007	3/30/2007	[redacted]	HUDMZ2
Sell	32029GAC8	FFML 07FF2 A2B	11,800,000	(11,800,000)	11,800,000	3/30/2007	4/3/2007	LN	HUDMZ2
Buy	004375EH0	ACCR 054 A2C	128,843,000	128,843,000	128,843,000	11/10/2005	11/23/2005	ABS MTG SYN NI ACCT	HUDMZ2
Sell	004375EH0	ACCR 054 A2C	7,000,000	(7,000,000)	7,000,000	4/30/2007	5/3/2007	LN	HUDMZ2
Sell	004375EH0	ACCR 054 A2C	600,000	600,000	600,000	5/30/2007	6/4/2007	LN	HUDMZ2
Buy	07389RAN6	BSABS 06HE10 21A1	30,000,000	30,000,000	30,000,000	12/19/2006	12/29/2006	[redacted]	HUDMZ2
Sell	07389RAN6	BSABS 06HE10 21A1	4,000,000	(3,465,402)	3,465,402	5/30/2007	6/4/2007	LN	HUDMZ2
Buy	12669WAD8	CWL 078 2A2	6,844,000	6,844,000	6,844,000	5/21/2007	5/31/2007	[redacted]	HUDMZ2
Sell	12669WAD8	CWL 078 2A2	2,000,000	(2,000,000)	2,000,000	5/30/07	6/4/2007	LN	HUDMZ2
Buy	362341KA6	GSAMP 05HE4 A2B	255,843,000	255,843,000	255,843,000	8/15/2005	8/25/2005	GSAMP Collateral	HUDMZ2
Sell	362341KA6	GSAMP 05HE4 A2B	3,724,000	(1,559,477)	1,559,477	5/30/2007	6/4/2007	LN	HUDMZ2
Buy	362341QH5	GSAA 0511 3A3	168,833,000	168,833,000	168,833,000	9/12/2005	9/29/2005	Alt A MTG/AL NI	HUDMZ2
Sell	362341QH5	GSAA 0511 3A3	3,724,000	(1,559,478)	1,559,478	5/30/2007	6/04/2007	LN	HUDMZ2
Buy	12669WAD8	CWL 078 2A2	3,694,000	3,694,000	3,694,000	5/21/2007	5/31/2007	[redacted]	HUDMZ2
Sell	12669WAD8	CWL 078 2A2	3,694,000	(3,694,000)	3,694,000	5/31/2007	6/5/2007	LN	HUDMZ2
Buy	36249BAA8	GSAA 0707 1A1	161,141,000	161,141,000	161,141,000	6/22/2007	6/28/2007	ALT A MTG NI ACCT	HUDMZ2
Sell	36249BAA8	GSAA 0707 1A1	7,811,000	(7,811,000)	7,811,000	7/9/2007	7/12/2007	LN	HUDMZ2

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Buy/Sell	Cusip	BondName	Orig face	Actual Face	Current Face	Tradedate	SettleDate	Client	Deal
Buy	04541GRJ3	ABSHE 05HE4 A1	41,000,000	41,000,000	9,731,001	3/23/2007	3/28/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	04541GRJ3	ABSHE 05HE4 A1	41,000,000	(41,000,000)	9,731,001	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	04544NAD6	ABSHE 06HE6 A4	10,000,000	10,000,000	10,000,000	3/9/2007	3/9/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	04544NAD6	ABSHE 06HE6 A4	1,000,000	(1,000,000)	1,000,000	3/22/2007	3/27/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Sell	04544NAD6	ABSHE 06HE6 A4	9,000,000	(9,000,000)	9,000,000	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	03072SF91	AMSI 05R6 A2	97,306,000	97,306,000	34,470,127	3/23/2007	3/28/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	03072SF91	AMSI 05R6 A2	83,106,000	(83,106,000)	29,439,854	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	144528AB2	CARR 06NC3 A2	10,000,000	10,000,000	10,000,000	4/10/2007	4/13/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	144528AB2	CARR 06NC3 A2	3,597,285	(3,597,285)	3,597,285	4/17/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	23242MAA9	CWL 06S3 A1	8,970,000	8,970,000	6,747,372	4/9/2007	4/12/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	23242MAA9	CWL 06S3 A1	8,970,000	(8,970,000)	6,747,372	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	126683AA9	CWL 06S5 A1	7,060,000	7,060,000	5,836,388	4/2/2007	4/5/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	126683AA9	CWL 06S5 A1	7,060,000	(7,060,000)	5,836,388	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	12668WAA5	CWL 074 A1A	10,000,000	10,000,000	10,000,000	3/23/2007	3/29/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	12668WAA5	CWL 074 A1A	10,000,000	(10,000,000)	10,000,000	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	12669LAC4	CWL 076 2A2	12,000,000	12,000,000	12,000,000	3/29/2007	3/30/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	12669LAC4	CWL 076 2A2	12,000,000	(12,000,000)	12,000,000	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	12670BAA7	CWL 07S2 A1	70,000,000	70,000,000	70,000,000	3/23/2007	3/30/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	12670BAA7	CWL 07S2 A1	56,050,000	(56,050,000)	56,050,000	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	32029GAC8	FFML 07FF2 A2B	46,500,000	46,500,000	46,500,000	3/27/2007	3/30/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	32029GAC8	FFML 07FF2 A2B	34,700,000	(34,700,000)	34,700,000	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	362341QH5	GSAA 0511 3A3	168,833,000	168,833,000	168,833,000	9/12/2005	9/29/2005	ALT A MTG NI ACCT	Point Pleasant Funding 2007-1, Ltd.
Sell	362341QH5	GSAA 0511 3A3	21,500,000	(21,500,000)	9,778,926	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	362341AM1	GSAA 057 AV1	50,000,000	50,000,000	11,822,109	4/11/2007	4/16/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	362341AM1	GSAA 057 AV1	50,000,000	(50,000,000)	11,822,109	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	40051CAA5	GSAA 06S1 IA1	85,924,000	85,924,000	79,747,892	2/27/2007	3/2/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	40051CAA5	GSAA 06S1 IA1	1,161,681	(1,161,681)	1,029,296	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	3622EAAX8	GSAA 0703 1A1B	62,428,000	62,428,000	62,428,000	2/16/2007	2/23/2007	ALT A MTG NI ACCT	Point Pleasant Funding 2007-1, Ltd.
Sell	3622EAAX8	GSAA 0703 1A1B	12,050,000	(12,050,000)	11,919,451	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	3622EBAA6	GSAA 0704 A1	535,274,000	535,274,000	535,274,000	3/13/2007	3/29/2007	ALT A MTG NI ACCT	Point Pleasant Funding 2007-1, Ltd.
Sell	3622EBAA6	GSAA 0704 A1	150,191,000	(150,191,000)	150,191,000	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	3622EBAB4	GSAA 0704 A2	143,692,000	143,692,000	143,692,000	3/13/2007	3/29/2007	ALT A MTG NI ACCT	Point Pleasant Funding 2007-1, Ltd.
Sell	3622EBAB4	GSAA 0704 A2	904,000	(904,000)	904,000	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	57643LGV2	MABS 05WMC1 A5	5,000,000	5,000,000	5,000,000	1/10/2007	1/16/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	57643LGV2	MABS 05WMC1 A5	5,000,000	(5,000,000)	5,000,000	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	57645JAA7	MABS 06HE3 A1	14,000,000	14,000,000	11,107,172	3/12/2007	3/13/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	57645JAA7	MABS 06HE3 A1	14,000,000	(14,000,000)	10,613,234	4/16/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	76112BEB2	RAMP 04RS10 AII4	5,000,000	5,000,000	4,544,062	4/11/2007	4/16/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	76112BEB2	RAMP 04RS10 AII4	5,000,000	(5,000,000)	4,544,062	4/17/2007	4/18/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	362440AC3	GSAMP 07HE2 A2B	20,000,000	20,000,000	20,000,000	3/30/2007	4/20/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	362440AC3	GSAMP 07HE2 A2B	13,347,000	(13,347,000)	13,347,000	4/16/2007	4/20/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	30248EAA6	FFML 07FFB SS A	295,150,000	295,150,000	295,150,000	4/12/2007	4/26/2007	SUBPRIME MTG NZ ACCT	Point Pleasant Funding 2007-1, Ltd.
Sell	30248EAA6	FFML 07FFB SS A	84,313,000	(84,313,000)	84,313,000	4/16/2007	4/26/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	3622ECAA4	GSAA 0705 1AV1	144,477,000	144,477,000	144,477,000	4/11/2007	4/30/2007	ALT A MTG/AL NI	Point Pleasant Funding 2007-1, Ltd.
Sell	3622ECAA4	GSAA 0705 1AV1	113,369,000	(113,369,000)	113,369,000	4/16/2007	4/30/2007	NY LT	Point Pleasant Funding 2007-1, Ltd.
Buy	02150XAA7	CWALT 07OH1 A1A	10,000,000	10,000,000	10,000,000	5/22/2007	5/30/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	02150XAA7	CWALT 07OH1 A1A	10,000,000	(10,000,000)	10,000,000	5/31/2007	6/5/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	12669WAC0	CWL 078 2A1	10,000,000	10,000,000	10,000,000	5/21/2007	5/31/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	12669WAC0	CWL 078 2A1	10,000,000	(10,000,000)	10,000,000	5/31/2007	6/5/2007	LN	Point Pleasant Funding 2007-1, Ltd.
Buy	02150XAB5	CWALT 07OH1 A2A	15,072,000	14,655,577	14,655,577	6/26/2007	6/29/2007	[redacted]	Point Pleasant Funding 2007-1, Ltd.
Sell	02150XAB5	CWALT 07OH1 A2A	15,072,000	(14,655,577)	14,655,577	7/9/2007	7/12/2007	LN	Point Pleasant Funding 2007-1, Ltd.

Redacted by the Permanent Subcommittee on Investigations

Buy/Sell	Cusip	BondName	Orig face	Actual Face	Current Face	Tradedate	SettleDate	Client	Deal
Buy	362341L49	GSAMP 05WMC3 A2B	1,000,000	1,000,000	1,000,000	1/10/2007	1/12/2007	[redacted]	Timberwolf I
Sell	362341L49	GSAMP 05WMC3 A2B	1,000,000	(1,000,000)	1,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	362439AD3	GSAMP 06HE4 A2C	10,368,000	10,368,000	10,368,000	3/9/2007	3/14/2007	[redacted]	Timberwolf I
Sell	362439AD3	GSAMP 06HE4 A2C	5,368,000	(5,368,000)	5,368,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	362334QF4	GSRPM 061 A2	2,400,000	2,400,000	2,183,305	7/18/2006	7/19/2006	[redacted]	Timberwolf I
Sell	362334QF4	GSRPM 061 A2	2,400,000	(2,400,000)	1,434,237	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	44386QAA2	HUDMZ 062 S 144A	7,900,000	7,900,000	7,900,000	2/6/2007	2/8/2007	[redacted]	Timberwolf I
Sell	44386QAA2	HUDMZ 062 S 144A	4,300,000	(4,300,000)	4,300,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	46626LEJ5	JPMAC 05OPT2 A3	1,000,000	1,000,000	1,000,000	1/10/2007	1/12/2007	[redacted]	Timberwolf I
Sell	46626LEJ5	JPMAC 05OPT2 A3	1,000,000	(1,000,000)	1,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	55275TAC2	MABS 07WMC1 A3	48,850,000	48,850,000	48,850,000	2/12/2007	2/27/2007	[redacted]	Timberwolf I
Sell	55275TAC2	MABS 07WMC1 A3	26,850,000	(26,850,000)	26,850,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	59022QAD4	MLMI 06HE5 A2C	40,000,000	40,000,000	40,000,000	9/11/2006	9/28/2006	[redacted]	Timberwolf I
Sell	59022QAD4	MLMI 06HE5 A2C	22,000,000	(22,000,000)	22,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	61749NAC1	MSAC 06HE5 A2B	32,000,000	32,000,000	32,000,000	3/13/2007	3/16/2007	[redacted]	Timberwolf I
Sell	61749NAC1	MSAC 06HE5 A2B	32,000,000	(32,000,000)	32,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	61750FAE0	MSAC 06HE6 A2C	30,000,000	30,000,000	30,000,000	9/8/2006	9/27/2006	[redacted]	Timberwolf I
Sell	61750FAE0	MSAC 06HE6 A2C	15,000,000	(15,000,000)	15,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	617463AC8	MSIX 062 A3	11,470,000	11,470,000	11,470,000	11/3/2006	11/28/2006	[redacted]	Timberwolf I
Sell	617463AC8	MSIX 062 A3	11,470,000	(11,470,000)	11,470,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	643529AA8	NCAMT 06ALT2 AV1	186,161,000	186,161,000	186,161,000	10/19/2006	10/30/2006	ALT A MTG NI ACCT	Timberwolf I
Sell	643529AA8	NCAMT 06ALT2 AV1	20,241,000	(20,241,000)	13,054,336	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	64352VLG4	NCHET 053 A2C	11,570,000	11,570,000	11,570,000	3/15/2007	3/20/2007	[redacted]	Timberwolf I
Sell	64352VLG4	NCHET 053 A2C	11,570,000	(11,570,000)	11,570,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	64352VNW7	NCHET 05C A2B	5,000,000	5,000,000	5,000,000	3/14/2007	3/19/2007	[redacted]	Timberwolf I
Sell	64352VNW7	NCHET 05C A2B	5,000,000	(5,000,000)	5,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	66988RAC1	NHEL 066 A2B	45,000,000	45,000,000	45,000,000	11/20/2006	11/30/2006	[redacted]	Timberwolf I
Sell	66988RAC1	NHEL 066 A2B	5,550,000	(5,550,000)	5,550,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	69121PBT9	OWNIT 055 A2B	31,727,000	31,727,000	31,727,000	3/13/2007	3/16/2007	[redacted]	Timberwolf I
Sell	69121PBT9	OWNIT 055 A2B	31,727,000	(31,727,000)	31,727,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	71085PBX0	PCHLT 052 A3	11,322,000	11,322,000	11,322,000	1/17/2007	1/24/2007	[redacted]	Timberwolf I
Sell	71085PBX0	PCHLT 052 A3	6,322,000	(6,322,000)	6,322,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	76110WF35	RASC 04KS9 AII4	11,650,000	11,650,000	5,778,245	7/26/2006	7/31/2006	[redacted]	Timberwolf I
Sell	76110WF35	RASC 04KS9 AII4	11,650,000	(11,650,000)	2,757,206	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	76113ABH3	RASC 06KS3 AI3	10,000,000	10,000,000	10,000,000	3/14/2007	3/19/2007	[redacted]	Timberwolf I
Sell	76113ABH3	RASC 06KS3 AI3	10,000,000	(10,000,000)	10,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	78577RAA7	SACO 069 A1	39,000,000	39,000,000	32,077,010	3/14/2007	3/19/2007	[redacted]	Timberwolf I
Sell	78577RAA7	SACO 069 A1	39,000,000	(39,000,000)	31,113,939	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	86362YAC0	SASC 07BC2 A3	26,814,000	26,814,000	26,814,000	3/13/2007	3/16/2007	[redacted]	Timberwolf I
Sell	86362YAC0	SASC 07BC2 A3	26,814,000	(26,814,000)	26,814,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	04544NAD6	ABSHE 06HE6 A4	10,000,000	10,000,000	10,000,000	3/9/2007	3/9/2007	[redacted]	Timberwolf I
Sell	04544NAD6	ABSHE 06HE6 A4	1,000,000	(1,000,000)	1,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	40051CAA5	GSAA 0651 1A1	85,924,000	85,924,000	79,747,892	2/27/2007	3/2/2007	[redacted]	Timberwolf I
Sell	40051CAA5	GSAA 0651 1A1	22,924,000	(22,924,000)	20,311,589	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	3622EAAX8	GSAA 0703 1A1B	62,428,000	62,428,000	62,428,000	2/16/2007	2/23/2007	ALT A MTG NI ACCT	Timberwolf I
Sell	3622EAAX8	GSAA 0703 1A1B	15,378,000	(15,378,000)	15,211,396	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	07400YAA4	BSMF 06SL2 A1	25,000,000	25,000,000	20,214,037	3/14/2007	3/19/2007	[redacted]	Timberwolf I
Sell	07400YAA4	BSMF 06SL2 A1	25,000,000	(25,000,000)	20,214,037	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	144531AY6	CARR 05NC1 A1C1	5,000,000	5,000,000	5,000,000	1/10/2007	1/16/2007	[redacted]	Timberwolf I
Sell	144531AY6	CARR 05NC1 A1C1	5,000,000	(5,000,000)	3,049,124	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	144531CV0	CARR 05NC3 A1C	30,000,000	30,000,000	30,000,000	3/16/2007	3/21/2007	[redacted]	Timberwolf I
Sell	144531CV0	CARR 05NC3 A1C	30,000,000	(30,000,000)	30,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	14454AAB5	CARR 06FRE2 A2	23,754,000	23,754,000	23,754,000	1/25/2007	1/30/2007	[redacted]	Timberwolf I
Sell	14454AAB5	CARR 06FRE2 A2	12,754,000	(12,754,000)	12,754,000	3/22/2007	3/27/2007	LN	Timberwolf I

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Buy	144528ACD	CARR 06NC3 A3	20,000,000	20,000,000	20,000,000	3/21/2007	3/26/2007	[redacted]	Timberwolf I
Sell	144528ACD	CARR 06NC3 A3	20,000,000	(20,000,000)	20,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	14453MAB0	CARR 06NC4 A2	20,000,000	20,000,000	20,000,000	3/15/2007	3/20/2007	[redacted]	Timberwolf I
Sell	14453MAB0	CARR 06NC4 A2	20,000,000	(20,000,000)	20,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	144531DL1	CARR 2005NC5 A2	48,500,000	48,500,000	48,500,000	3/16/2007	3/21/2007	[redacted]	Timberwolf I
Sell	144531DL1	CARR 2005NC5 A2	48,500,000	(48,500,000)	48,500,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	1248MKAB1	CBASS 07SL1 A2	148,222,000	148,222,000	148,222,000	3/9/2007	3/19/2007	ABS MTG SYN NI ACCT	Timberwolf I
Sell	1248MKAB1	CBASS 07SL1 A2	38,222,000	(38,222,000)	38,000,250	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	126673MY5	CWHEL 04Q 2A	94,000,000	94,000,000	20,206,486	3/8/2007	3/13/2007	[redacted]	Timberwolf I
Sell	126673MY5	CWHEL 04Q 2A	52,000,000	(52,000,000)	10,833,363	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	23245CAC4	CWL 071 2A2	20,000,000	20,000,000	20,000,000	1/29/2007	2/9/2007	[redacted]	Timberwolf I
Sell	23245CAC4	CWL 071 2A2	11,000,000	(11,000,000)	11,000,000	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	12668TAB0	CWL 07BC1 2A1	16,413,000	16,413,000	16,413,000	3/20/2007	3/23/2007	[redacted]	Timberwolf I
Sell	12668TAB0	CWL 07BC1 2A1	16,413,000	(16,413,000)	16,003,309	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	35729VAB3	FHLT 06D 2A1	75,000,000	75,000,000	75,000,000	10/25/2006	11/3/2006	[redacted]	Timberwolf I
Sell	35729VAB3	FHLT 06D 2A1	15,749,123	(15,749,123)	13,443,149	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	31659XAA4	FMIC 06S1 A	46,140,000	46,140,000	44,718,008	3/14/2007	3/19/2007	[redacted]	Timberwolf I
Sell	31659XAA4	FMIC 06S1 A	46,140,000	(46,140,000)	44,173,109	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	34957YAA5	FORTIUS II S 144A	12,700,000	12,700,000	12,700,000	12/4/2006	12/7/2006	CDO 1 NI ACCT	Timberwolf I
Sell	34957YAA5	FORTIUS II S 144A	7,564,865	(7,564,865)	7,365,789	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	3622ELAA4	GSAA 0618 AV1	218,347,000	218,347,000	218,347,000	11/14/2006	11/30/2006	ALT A MTG NI ACCT	Timberwolf I
Sell	3622ELAA4	GSAA 0618 AV1	18,347,000	(18,347,000)	15,354,314	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	3622EAAD2	GSAA 0703 2A1B	11,112,000	11,112,000	11,112,000	2/16/2007	2/23/2007	ALT A MTG NI ACCT	Timberwolf I
Sell	3622EAAD2	GSAA 0703 2A1B	6,112,000	(6,112,000)	6,009,620	3/22/2007	3/27/2007	LN	Timberwolf I
Buy	12668UAE1	CWL 073 2A1	47,000,000	47,000,000	47,000,000	3/16/2007	3/29/2007	[redacted]	Timberwolf I
Sell	12668UAE1	CWL 073 2A1	47,000,000	(47,000,000)	47,000,000	3/22/2007	3/29/2007	LN	Timberwolf I
Buy	3622EBAA6	GSAA 0704 A1	535,274,000	535,274,000	535,274,000	3/13/2007	3/29/2007	ALT A MTG NI ACCT	Timberwolf I
Sell	3622EBAA6	GSAA 0704 A1	80,000,000	(80,000,000)	80,000,000	3/22/2007	3/29/2007	LN	Timberwolf I
Buy	3622EBAB4	GSAA 0704 A2	143,692,000	143,692,000	143,692,000	3/13/2007	3/29/2007	ALT A MTG NI ACCT	Timberwolf I
Sell	3622EBAB4	GSAA 0704 A2	45,788,000	(45,788,000)	45,788,000	3/22/2007	3/29/2007	LN	Timberwolf I
Buy	12668UAF8	CWL 073 2A2	18,000,000	18,000,000	18,000,000	3/16/2007	3/29/2007	[redacted]	Timberwolf I
Sell	12668UAF8	CWL 073 2A2	18,000,000	(18,000,000)	18,000,000	3/22/2007	3/29/2007	LN	Timberwolf I
Buy	12668UAG6	CWL 073 2A3	17,000,000	17,000,000	17,000,000	3/16/2007	3/29/2007	[redacted]	Timberwolf I
Sell	12668UAG6	CWL 073 2A3	17,000,000	(17,000,000)	17,000,000	3/22/2007	3/29/2007	LN	Timberwolf I
Buy	12668UAE1	CWL 073 2A1	47,000,000	47,000,000	47,000,000	3/16/2007	3/29/2007	[redacted]	Timberwolf
Sell	12668UAE1	CWL 073 2A1	47,000,000	(47,000,000)	47,000,000	3/22/2007	3/29/2007	LN	Timberwolf
Buy	12668UAG6	CWL 073 2A3	17,000,000	17,000,000	17,000,000	3/16/2007	3/29/2007	[redacted]	Timberwolf
Sell	12668UAG6	CWL 073 2A3	17,000,000	(17,000,000)	17,000,000	3/22/2007	3/29/2007	LN	Timberwolf
Buy	12668UAF8	CWL 073 2A2	18,000,000	18,000,000	18,000,000	3/16/2007	3/29/2007	[redacted]	Timberwolf
Sell	12668UAF8	CWL 073 2A2	18,000,000	(18,000,000)	18,000,000	3/22/2007	3/29/2007	LN	Timberwolf
Buy	3622EBAB4	GSAA 0704 A2	143,692,000	143,692,000	143,692,000	3/13/2007	3/29/2007	ALT A MTG NI ACCT	Timberwolf
Sell	3622EBAB4	GSAA 0704 A2	45,788,000	(45,788,000)	45,788,000	3/22/2007	3/29/2007	LN	Timberwolf
Buy	3622EBAA6	GSAA 0704 A1	535,274,000	535,274,000	535,274,000	3/13/2007	3/29/2007	ALT A MTG NI ACCT	Timberwolf
Sell	3622EBAA6	GSAA 0704 A1	80,000,000	(80,000,000)	80,000,000	3/22/2007	3/29/2007	LN	Timberwolf
Buy	92976BHJ4	WBCMT 06WL7A A1	7,600,000	5,638,626	5,638,626	8/02/2007	8/07/2007	[redacted]	Timberwolf
Buy	92976BHJ4	WBCMT 06WL7A A1	6,300,000	4,674,124	4,674,124	8/03/2007	8/06/2007	[redacted]	Timberwolf
Sell	92976BHJ4	WBCMT 06WL7A A1	13,900,000	(10,118,550)	10,118,550	9/25/2007	9/28/2007	LN	Timberwolf
Buy	22545RAA4	CSMC 06TF2A A1	7,600,000	6,343,192	6,343,192	8/16/2007	8/16/2007	[redacted]	Timberwolf
Sell	22545RAA4	CSMC 2006-TF2A A1	7,600,000	(6,017,626)	6,017,626	9/25/2007	9/28/2007	NY MOG	Timberwolf

[redacted] = Redacted by the Permanent Subcommittee on Investigations

ATTACHMENT 10

FOIA CONFIDENTIAL TREATMENT
REQUESTED BY GOLDMAN, SACHS & CO.

UNITED STATES OF AMERICA

before the

SECURITIES AND EXCHANGE COMMISSION

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In the Matter of ABACUS CDO — File No. HO-10911

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SUBMISSION ON BEHALF OF GOLDMAN, SACHS & CO.

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UNITED STATES OF AMERICA

before the

SECURITIES AND EXCHANGE COMMISSION

In the Matter of ABACUS CDO	:	File No. HO-10911

SUBMISSION ON BEHALF OF GOLDMAN, SACHS & CO.

Goldman, Sachs & Co. ("Goldman Sachs") makes this submission in response to the Staff's proposed recommendation that an enforcement action be brought against Goldman Sachs.[1] No such action is warranted.

[1] This submission is provided solely in connection with the Staff's consideration of possible action against Goldman Sachs, and is made without any admission that the conduct under investigation violated any laws, rules or regulations. Should the Staff decide to make any recommendation that varies in any respect from the issues and positions Goldman Sachs has addressed, we expressly reserve the right to revise this submission in accordance with Rule 5(c) of the Commission's Rules Regarding Information and Other Proceedings, 17 C.F.R. § 202.5(c), and Procedures Relating to the Commencement of Enforcement Proceedings and Termination of Staff Investigations, Nos. 33-5310, 34-9796, 1972 WL 130244, at *1-2 (Sept. 27, 1972). Goldman Sachs also expressly reserves the right to object to the admissibility of this submission and those submitted by any other person in any subsequent proceeding. Finally, Goldman Sachs hereby asserts that this submission constitutes attorney work product and requests that (a) it be treated confidentially and not as a waiver of any privilege or immunity from production, and (b) pursuant to Commission Rule 83, 17 C.F.R. § 200.83, that this submission not be disclosed in response to any request made under the Freedom of Information Act, 5 U.S.C. § 552.

PRELIMINARY STATEMENT

In early 2007, Goldman Sachs acted as the underwriter of privately-placed notes issued in a synthetic CDO transaction known as ABACUS 2007-AC1 ("2007-AC1"). There was nothing unusual or remarkable about the transaction or the portfolio of assets it referenced. Like countless similar transactions during that period, the synthetic portfolio consisted of dozens of Baa2-rated subprime residential mortgage-backed securities ("RMBS") issued in 2006 and early 2007 that were identified in the offering materials (the "Reference Portfolio"). As in other synthetic CDO transactions, by definition *someone* had to assume the opposite side of the portfolio risk, and the offering documents made clear that Goldman Sachs, which took on that risk in the first instance, might transfer some or all of it through a hedging and trading strategies using derivatives. Like other transactions of this type, all participants were highly sophisticated institutions that were knowledgeable about subprime securitization products and had both the resources and the expertise to perform due diligence, demand any information that was important to them, analyze the portfolio, form their own market views and negotiate forcefully at arm's length. And like other transactions with similar lower-rated subprime portfolios, 2007-AC1's performance was battered by the unprecedented subprime market meltdown, which has impaired cashflow to countless noteholders in such transactions and caused many participants in the market to fail altogether.

Now, with the benefit of perfect hindsight about the magnitude of the market downturn, the Staff proposes to charge Goldman Sachs with misrepresenting material facts relating to the offering. Notably, the Staff does not contend that anything about the Reference Portfolio itself was incorrectly disclosed. Rather, the Staff's theory relates exclusively to the role of Paulson & Co., Inc. ("Paulson") – now recognized as a heavy bettor against the subprime market but at the time a relatively unknown hedge fund manager – in making suggestions to the independent selection agent as to the composition of the Reference Portfolio and taking a negative position on that portfolio through a swap with Goldman Sachs. Moreover, the Staff proposes not only to base its charges on theories of negligence under Section 17(a) of the Securities Act of 1933, but also to assert that Goldman Sachs made *intentional* misrepresentations concerning Paulson in violation of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. There is no basis in the law, the record or common sense for such charges.

First, what *was* important to the note investors, as embodied in Regulation AB, were the offering documents' descriptions of the Reference Portfolio and the distribution of proceeds, which sophisticated institutional investors in asset-backed securities input into their models in order to make their investment decisions based on their views of market and housing trends. This information was accurately disclosed, and the Staff does not contend otherwise. By contrast, we are aware of no synthetic CDO offering that disclosed how the protection buyer would manage the risk it took on, other than to disclose generally that it may do so, as occurred here. Certainly, nothing in Regulation AB requires disclosure of the underwriter's risk management plans, which may shift as parties change their market views and adjust their risk tolerance over time.

Second, given the absence of an affirmative directive in Regulation AB to disclose the involvement of Paulson, the Staff relies on a theory that references in the offering documents to the Portfolio Selection Agent were misleading because they somehow implied that the agent, ACA Capital Management LLC ("ACA"), picked the portfolio in isolation without input from any participant, including ones whose true economic interests at the time were opposite those of the noteholders. But the Reference Portfolio, however it was selected, was fully disclosed and available for all to evaluate on its merits. To the extent that investors took comfort from ACA's involvement, it was only because an independent expert had approved the portfolio, and that is precisely what ACA did. ACA plainly exercised its own judgment in deciding which securities were included (whatever its impression as to the economic interests of Paulson), rejected dozens that it disliked, and was entirely satisfied with the resulting portfolio. Indeed, ACA put its own money behind its analysis by investing in the notes itself and entering into a large swap referencing the portfolio. There is no industry definition of "Portfolio Selection Agent" that implied that ACA would operate within an ivory tower or refuse to consider suggestions made by interested parties in exercising its independent judgment. In fact, it was a customary feature of the market that participants (including those here) often offered their views on potential securities to be included in referenced portfolios, so no one would have been surprised that Paulson was doing so.

Third, and more fundamentally, while Paulson's investment strategy and success are well known today, nothing in the record establishes that Paulson's involvement would have been significant in early 2007 to anyone involved in the 2007-AC1 transaction. All participants in the transaction understood that *someone* had to take the other side of the portfolio risk, and the offering documents clearly stated that Goldman Sachs might lay off some or all of the short exposure to the portfolio that it had taken on. A disclosure that the relatively unknown Paulson was the entity to which Goldman Sachs transferred that risk would have been immaterial to investors in April 2007.

Fourth, there is no basis to suggest that the portfolio would have performed any differently or that the economic outcome for the participants would have changed in the least had Paulson's role and interest been more transparent. The portfolio that ACA originally selected had the same characteristics as the Reference Portfolio, and both experienced virtually the same poor performance in the face of the subprime meltdown. Further, the principal note investor, IKB Deutsche Industriebank AG ("IKB"), was an active investor in the CDO markets, had expressed its specific interest in transactions like 2007-AC1, had invested in similar ABACUS transactions before, and thoroughly evaluated the portfolio. ACA was a major player in the CDO marketplace with billions under management and had every reason – reputationally and economically – to perform its job well. ABN Amro ("ABN"), which intermediated Goldman Sachs' swap with ACA, showed little interest in the portfolio and relied instead as a swap intermediary on the credit of its other swap counterparty, ACA, which proved fatal when ACA failed. In the end, every portfolio of lower-rated subprime RMBS was decimated in the market meltdown, and any marginal differences in bond quality underlying the Staff's theory would not have resulted in any materially different outcome.

Fifth, beyond these fatal deficiencies in the Staff's materiality theory, there is no basis for a finding that Goldman Sachs made any alleged misrepresentations about Paulson's role with the negligence required under Section 17(a), much less with the *scienter* mandated by Section 10(b). The Staff has pointed to two ambiguous statements contained in an e-mail from Goldman Sachs that it contends caused ACA to infer that Paulson would be an equity investor. As an initial matter, it is difficult to reconcile such an inference with the Staff's theory that Paulson tried to influence ACA to select dozens of riskier Baa2-rated securities, which would have raised questions about Paulson's true economic interests for any sophisticated market participant. The record, in all events, contains no evidence that Goldman Sachs caused ACA to infer that Paulson had an equity position. Nor does the record support the conclusion that any confusion by ACA as to the nature of Paulson's involvement in 2007-AC1 changed how ACA selected the Reference Portfolio. Similarly, the absence of any disclosure of Paulson's role did not affect IKB's decision to invest. IKB regularly invested through Goldman Sachs and other firms in numerous CDOs and other complex securities and conducted its own evaluations of the underlying reference portfolios, including for the 2007-AC1 transaction.

Finally, the Staff's proposed theory ignores the fact that, as a broker-dealer acting as an intermediary on behalf of a client, Goldman Sachs had a duty to keep information concerning its client's (Paulson's) trades, positions and trading strategy confidential. The Staff itself has recognized this obligation in other contexts, but seeks here to impose a duty to disclose the identity and market views of swap counterparties.

In short, the Staff's contention that Goldman Sachs had a duty to disclose Paulson's involvement in the process by which ACA selected the portfolio is without support in either the factual record or the law, would impose obligations not recognized in existing law and would be directly contrary to market practice, where broker-dealers intermediate between parties taking opposite views and do not disclose those parties' identity or roles to each other. No enforcement action is warranted even on the existing record. If this matter is litigated, Goldman Sachs is confident that a fuller record – including its own discovery of all transaction participants – will underscore that no one in fact considered Paulson's role important and that no one was misled.

THE RECORD

A. Relevant Parties

1. *Goldman Sachs*

Goldman Sachs is a leading global investment banking, securities and investment management firm that provides a wide range of services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Through its mortgage group, Goldman Sachs structured and distributed RMBS and CDO-related products.

2. *ACA*

ACA was the asset management subsidiary of ACA Capital Holdings, Inc., and provided asset management services and credit protection products to investors. As of May 31, 2007, ACA was managing "26 outstanding CDOs with underlying portfolios consisting of $17.5 billion of assets." (GS MBS-E-003525837.) ACA acted as the Portfolio Selection Agent for the 2007-AC1 transaction, invested $42 million in the 2007-AC1 notes, and sold protection to Goldman Sachs on the $909 million notional amount super senior tranche of the transaction.

ACA suffered serious financial troubles at the end of 2007 and beginning of 2008. In November of 2007, ACA posted a $1.04 billion third-quarter loss. After a restructuring supervised by the Maryland Insurance Administration (Maryland's insurance commissioner), ACA Capital Holdings, Inc. is now operating under the name Manifold Capital. ACA is currently operating as a run-off financial guaranty insurance company.

3. *Paulson*

Paulson is an employee-owned hedge fund founded in 1994. Beginning in 2006, Paulson created two funds, the Paulson Credit Opportunities Funds, which took a bearish view on subprime mortgage loans by purchasing protection through credit default swaps ("CDSs") on various debt securities. These funds earned substantial profits, and have recently received significant media attention. At the time that 2007-AC1 was being transacted, however, Paulson's investment strategy was not yet widely known in the industry. (*See* Kreitman Tr. 40-41; Herald-Granoff Tr. 25.) Paulson now has more than $30 billion under management.

4. *IKB*

IKB is a German Bank founded in 1924. In January of 2007, IKB Credit Asset Management, the asset management arm of IKB, had approximately "$23.9 billion of assets under management" and "over $16.8 billion of [collateralized loan obligations]/CDOs [had been] launched and managed within IKB group." (GS MBS-E-007698102.) IKB publicly stated that "Securitization and CDO investments are an integral part of IKB AG's business model." (*Id.*) IKB was a highly sophisticated institutional investor that marketed itself as a CDO manager with:

- a large investment team, including 20 portfolio managers and analysts and 20 compliance, IT, legal and operations and surveillance staff;
- "one of the largest databases of CDO structures and performance";
- a "[m]arket leading ABS/CDO evaluation and surveillance platform"; and
- "extensive ABS focused research capabilities and relationships."

(GS MBS-E-007698113; GS MBS-E-007698102.) Indeed, in January of 2007, IKB launched Rhinebridge Plc, a structured investment vehicle that invested heavily in the United States subprime market. Rhinebridge Plc was to be the "flagship vehicle in IKB CAM's expansion into ABS asset management." (GS MBS-E-007698102.)

IKB invested in multiple ABACUS transactions through Goldman Sachs, including ABACUS 2004-1, 2005-3, 2006-11, 2006-15, 2006-8 and 2007-AC1. (*See* GS MBS 0000018045 – 18046; Tourre Tr. Vol. 1, 16.) In fact, IKB made the reverse inquiry that led to the first ABACUS transaction, ABACUS 2004-1. (*See* Tourre Tr. Vol. 1, 16.) In late 2006 and early 2007, Goldman Sachs was working with IKB on a number of transactions, including multiple ABACUS transactions. (*See* Nartey Tr. 23.)

5. *ABN*

ABN is a Dutch bank currently owned by RFS Holdings B.V. ABN was in the business of intermediating CDS between parties that would not or could not accept each other's credit risk. In 2007-AC1, Goldman Sachs would not accept ACA's credit risk without an agreement to post cash collateral, which ACA would not provide. (*See* Gerst Tr. 75.) ABN agreed to intermediate the protection that ACA sold to Goldman Sachs on the super senior tranche of the 2007-AC1 transaction by entering into a CDS with Goldman Sachs and agreeing to post collateral, and then entered into a back-to-back CDS with ACA. (*See* Gerst Tr. 75.). ABN appears to have evaluated only ACA's corporate credit rating, and had little or no interest as to the Reference Portfolio. (GS MBS-E-002485173.) Prior to agreeing to intermediate the transaction, ABN purchased from Goldman Sachs a $27 million CDS providing ABN protection if ACA's credit weakened. (GS MBS-E-003528155.)

B. The Subprime and CDO Market

A CDO is a debt security collateralized by debt obligations, including mortgage-backed securities in many instances. These securities are packaged and held by a special purpose vehicle ("SPV"), which issues notes that entitle their holders to payments derived from the underlying assets. In a synthetic CDO, the SPV does not own a portfolio of actual fixed income assets, but rather enters into CDSs that reference the performance of a portfolio. The SPV does hold some collateral securities (separate from the reference portfolio), which it uses to meet its payment obligations.

Beginning in 2005, the market for CDOs expanded extremely rapidly. According to a study performed by the Securities Industry and Financial Markets Association ("SIFMA"), the Global CDO Issuance Volume for 2005 and 2006, not including unfunded synthetic tranches, was approximately one trillion dollars. (SIFMA, Global CDO Market Issuance Data, *available* *at* www.sifma.org/research/pdf/CDO_ Data2008-Q4.pdf (last visited Sept. 10, 2009).) The markets for mortgage-backed securities became volatile and unpredictable in late 2006 and early 2007. Investors and speculators in those markets developed conflicting views of the future direction of the principal factors that drove the market – housing prices, interest rates, defaults and delinquencies, delinquencies on loans made by different originators or in different regions of the country, the health of subprime originators and other factors – all of which were entirely within the public domain. Some hedge funds, including Paulson's funds, bet aggressively against the mortgage market, while other investors and speculators believed that any weakness in the housing markets or RMBS would be temporary and mild. Up to the middle of 2007, no one view of the market predominated.

C. The ABACUS Transactions Generally

The ABACUS transactions were synthetic CDOs in which the CDO entities sold notes referencing specific portfolios of securities. The proceeds from the sale of the notes were used to purchase collateral securities, which were held by the SPV. At the same time, the SPV entered into a CDS transaction, whereby it agreed to provide a "protection buyer" with "insurance" payments in the event of write-downs on the referenced securities in exchange for periodic premium payments. These premium payments, along with interest on the collateral securities, were used to pay the noteholders. The collateral securities themselves were used either to pay principal to noteholders or to make payments due to the protection buyer under the CDS, depending on the performance of the reference portfolio. The first ABACUS transaction was ABACUS 2004-1, which was developed in response to IKB's desire to invest in AAA, AA and A rated CDO notes referencing a portfolio of high-grade asset-backed securities. (Tourre Tr. Vol. 1, 16, 24.)

D. ABACUS 2007-AC1

ABACUS 2007-AC1 ("2007-AC1") was a synthetic CDO transaction referencing a $2 billion portfolio consisting of 90 Baa2-rated subprime RMBS issued in 2006 and early 2007. (GS MBS-E-005974542; GS MBS-E-002407039-2407041.) The securities issued in the 2007-AC1 transaction were offered in a private placement pursuant to Rule 144A. (GS MBS 0000010089.)

1. The Paulson Reverse Inquiry

In late 2006, Paulson initiated a "reverse inquiry" by approaching Goldman Sachs to determine whether it would enter into a CDS in which Paulson bought protection on a portfolio of Baa2-rated RMBS from the 2006 vintage. To mitigate the significant market risk that it would take on if it entered into the CDS, Goldman Sachs structured two separate transactions.

In the first transaction, Goldman Sachs created the 2007-AC1 SPV, which would issue notes and enter into a CDS through which Goldman Sachs would purchase credit protection on a portfolio of Baa2-rated 2006 vintage subprime securities. The investors that bought the notes issued by the SPV would, by definition, be taking the view that the securities in the Reference Portfolio would perform at least moderately well, while Goldman Sachs as credit protection buyer took the contrary view that those securities would perform poorly. In the second transaction, Goldman Sachs would enter into the CDS that Paulson had requested. To the extent that Paulson's requested CDS portfolio matched the 2007-AC1 Reference Portfolio, Goldman Sachs would effectively neutralize its market risk. (GS MBS-E-003272296; GS MBS-E-003272305.) David Gerst and Fabrice Tourre explained this dual structure to the Staff. (*See* Tourre Tr. Vol. 1, 95; Gerst Tr. 139).

2. *The Portfolio Selection Process*

ACA, the Portfolio Selection Agent for 2007-AC1, had extensive experience and a strong reputation in the industry. In its role as Portfolio Selection Agent, ACA was to select a portfolio of Baa2-rated RMBS from the 2006 and 2007 vintages to comprise the Reference Portfolio, but would not provide any ongoing asset management or other services.

Goldman Sachs started the portfolio selection process by providing Paulson with a database of RMBS securities and a spreadsheet listing securities that fit Paulson's requirement that the portfolio be restricted to 2006-vintage subprime RMBS that were rated Baa2 by Moody's Investor Service and approximately BBB by Standard & Poor's. (Gerst Tr. 13-14.) Paulson then provided Goldman Sachs with a spreadsheet of 123 securities. Goldman Sachs sent this spreadsheet of 123 securities to ACA for its evaluation and potential inclusion in the 2007-AC1 Reference Portfolio. (GS MBS-E-007974381.)

ACA evaluated each of the 123 securities using its proprietary models and methods of analysis. ACA rejected more than half of the securities, and sent Goldman Sachs a revised spreadsheet listing 86 securities, including 55 from the list of 123 securities and 31 additional 2006-vintage Baa2-rated securities. (GS MBS-E-002537707.) ACA later proposed an additional 26 reference securities. (GS MBS-E-002480599.) Goldman Sachs suggested that two of the proposed securities be rejected, and ACA suggested three replacements. (GS MBS-E-003026086.)

ACA and Paulson then met on February 2, 2007 to discuss the reference portfolio. During this meeting, Paulson proposed a list of securities, nine of which ACA had already rejected. After the meeting, ACA emailed Paulson and Goldman Sachs, reiterating its rejection of the nine securities and attaching a spreadsheet listing 100 securities (79 of which previously had been approved by Paulson and ACA). (GS MBS-E-0038338442.) Paulson suggested removal of eight of the securities (seven of which were removed) and Goldman Sachs suggested removal of two of the securities (one of which was removed). (GS MBS-E-002483508; GS MBS-E-002983660.) Paulson then circulated a list of 90 reference securities. Of these 90, ACA requested that the parties make substitutions for three of the securities. (GS MBS-E-003782252; GS MBS-E-002445333.) ACA proposed eleven alternative securities and Paulson agreed to three out of those eleven securities. (GS MBS-E-002444961-2444962; GS MBS-E-002445333-2445334; GS MBS-E-002444961-2444962.) ACA thereafter agreed to the removal of three New Century securities, and the substitution of three securities to include in the final portfolio.[2] (GS MBS-E-003740868; GS MBS-E-003740867-3740869.)

ACA ultimately approved 90 securities that it stood behind as the portfolio selection agent, albeit from the category of 2006/2007-vintage Baa2-rated subprime RMBS. There is no indication that ACA "rubber stamped" any of the securities suggested by Paulson, or that it behaved in any way that was inconsistent with the normal obligations of a Portfolio Selection Agent. And as a sophisticated market player that managed billions of dollars in subprime securities, ACA should easily have recognized any tendencies or marginal biases in the securities that Paulson recommended.

3. *Marketing and Sale of the 2007-AC1 Transaction*

Because of IKB's prior interest in ABACUS transactions, Goldman Sachs approached IKB as a potential investor in 2007-AC1. IKB ultimately decided to purchase $150 million in senior certificates with the view that it would have a relatively protected senior position in a risky portfolio. (*See* GS MBS 0000018046.) ACA purchased $42 million worth of

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2 IKB had previously expressed concern over RMBS for which New Century and Fremont were the servicers, which may have been the reason for removing those securities. (GS MBS-E-0029722269.)

senior secured notes. (GS MBS 0000018046.) The 2007-AC1 transaction closed on April 26, 2007. The SPV used the proceeds of the sale to purchase AAA-rated certificates to hold as collateral.

Goldman Sachs entered into a CDS with the SPV in a notional amount of $192 million in which Goldman Sachs agreed to make premium payments in return for protection on the Reference Portfolio. In addition to the CDS purchased from the SPV, on May 31, 2007 Goldman Sachs also entered into a $909 million notional amount CDS referencing the super-senior (50-100%) tranche of the 2007-AC1 CDO. (GS MBS 0000018052.) ABN served as intermediary for this trade by entering into the $909 million CDS with Goldman Sachs and an offsetting CDS with ACA, thereby assuming credit risk if ACA was unable to pay. (GS MBS-E-002485172-2485173.) ABN appears to have principally evaluated only ACA's corporate credit rating before entering into the CDS.[3] (GS MBS-E-002485172-2485173.) The record does not indicate whether ABN entered into other CDS trades with ACA, but Goldman Sachs is confident that a full record would reflect ABN's familiarity with ACA and consistent approach to such transactions as solely credit decisions.

E. The Credit Default Swaps Between Goldman Sachs and Paulson

Through CDSs with Paulson, Goldman Sachs sold all of the protection that it had purchased from the SPV and from ACA (through ABN). (Tourre Tr. Vol. 1, 33.) Because Goldman Sachs purchased protection from ACA on a portion (50-100%) of the super senior tranche, but wrote protection to Paulson on the entire (45-100%) super senior tranche, it bore the

3 In connection with this evaluation, ABN purchased $27 million in corporate CDS protection on ACA from Goldman Sachs, which entitled it to payment if ACA's credit rating fell below a certain level. (GS MBS E-003528155.)

risk that poor performance of the Reference Portfolio would affect the 45-50% portion. (Tourre Tr. Vol. 1, 33.)

The 2007-AC1 Offering Circular could not have been more clear that Goldman Sachs might enter into transactions to increase, reduce or even eliminate its exposure to the SPV:

- "The Protection Buyer is not required to have any credit exposure to any Reference Entity or any Reference Obligation." (GS MBS 0000010105.)
- "[T]he Protection Buyer . . . may hold long or short positions with respect to Reference Obligations and/or other securities or obligations of related Reference Obligations and/or other securities or obligations of related Reference Entities and may enter into credit derivative or other derivative transactions with other parties pursuant to which it sells or buys credit protection with respect to one or more related Reference Entities and/or Reference Obligations. . . . [i]f the Protection Buyer . . . holds claims against a Reference Entity or a Reference Obligation other than in connection with the transactions contemplated in this Offering Circular, such party's interest as a creditor may be in conflict with the interests of the Issuer." (GS MBS 0000010127.)

Nothing stopped any other transaction participant – from the noteholders, to ABN, to Paulson – from similarly reducing or adjusting their own exposure depending on their own perceptions and views as market and economic conditions evolved.

F. The Collapse of the Subprime Market

As was clear to all of the parties, the market for securities backed by subprime loans had already begun to weaken in late 2006, as housing prices stopped increasing and began to decline in some regions of the country. The ABX.HE 06-2 BBB Index,[4] which referenced BBB securities issued in the second half of 2006, decreased in early 2007, reaching a low of $67 on February 27, 2007. It rebounded to as high as $84.5 on May 24-25, 2007 (a week before ACA, ABN and Goldman Sachs entered into the $909 million CDS), and then dropped

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4 The ABX.HE Indices, or Asset-Backed Securities Indices, are synthetic indices distributed by Markit Group, Limited. Each references a basket of 20 CDSs on subprime mortgage-backed securities of a specific vintage and rating.

precipitously from $80.875 on June 11 to $20.5 at the end of 2007. (*See* Appendix 1.) The securities in the Reference Portfolio, which in April 2007 were rated Baa2 by Moody's Investor Service and at or around BBB by Standard & Poor's, were severely affected. The historical performance data relied on by rating agencies, investment banks, government agencies and other participants in the market turned out to be an unreliable predictor of future prices and performance. As reflected by the prices of the ABX indices in early 2007, most sophisticated market participants – including senior government officials – did not predict the severity and breadth of the downturn in U.S. housing markets, and many suffered dramatic losses as a result.

The significant divergence between the expected and actual performance of Baa2-rated RMBSs resulted in large part from the unanticipated severity and breadth of housing market price declines, and the weakening of local economies throughout the United States. The combination of high loan-to-value ratios, the unexpected severity and speed of deterioration in residential housing prices throughout the country and the lack of available refinancing provided little incentive for borrowers to continue making payments on mortgage loans on properties in which they had little or no equity. *See, e.g., Semiannual Monetary Policy Report to the Congress*, Statement of Ben Bernanke, Chairman, Board of Governors of the Federal Reserve System (Mar. 28, 2007). In addition to these unexpected economic factors, an unknown amount of fraud by borrowers, originators, brokers, appraisers and others involved in the loan origination process may have resulted in underwriting of material numbers of loans to borrowers lacking either the means to (or the intention of) making payments on the loans. *See, e.g.*, Tyler Cowen, *So We Thought, But Then Again ...*, N.Y. TIMES, Jan. 13, 2008, at 6; Carolyn Said, *Plenty of Blame for Lending Mess; Mortgage Meltdown*, S.F. CHRON., Feb. 3, 2008, at C1.

THE STAFF'S INVESTIGATION AND ALLEGATIONS

The Staff's investigation of 2007-AC1 began on August 29, 2008. The Staff has taken five days of testimony from five Goldman Sachs witnesses: Gail Kreitman and Melanie Herald-Granoff, Michael Nartey, Fabrice Tourre, and David Gerst. Goldman Sachs has produced approximately 8,000,000 pages of documents to the Staff.

Goldman Sachs understands that the Staff currently proposes to recommend that the Commission bring an enforcement action against Goldman Sachs alleging violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The Staff contends that:

- Goldman Sachs deceived ACA by leading ACA to believe that Paulson would invest in the equity tranche of 2007-AC1, thereby allegedly causing ACA to believe that Paulson had the same interests as ACA when Paulson's interests were, according to the Staff, the opposite of ACA's interests.
- Goldman Sachs deceived investors in the 2007-AC1 transaction by describing ACA as the Portfolio Selection Agent when, in fact, Paulson had played a significant role in selecting the Reference Portfolio.

To Goldman Sachs' understanding, the Staff's theory is that Goldman Sachs should have made the role of Paulson in the 2007-AC1 transaction clear to ACA, and disclosed that role (and Paulson's identity) in the offering documents. If the Commission chooses to proceed against Goldman Sachs, the Staff has indicated it will seek disgorgement of Goldman Sachs' profits on the 2007-AC1 transaction, as well as penalties and injunctive relief.

DISCUSSION

I. THE ABACUS OFFERING DOCUMENTS CONTAINED NO MATERIAL MISREPRESENTATIONS.

To prove materiality under Sections 10(b) and 17(a), the Commission must show a "substantial likelihood" that the alleged misstatement or omission would be deemed significant by a reasonable investor in light of the "total mix" of information available about the investment at the time the investment decision is made. *Basic, Inc.* v. *Levinson*, 485 U.S. 224, 231-32 (1988). In evaluating whether an alleged misrepresentation was material, the offering documents must be read as a whole, focusing not "on whether particular statements, taken separately, were literally true, but whether defendants' representations, taken together and in context, would have mis[led] a reasonable investor about the nature of the [securities]." *DeMaria* v. *Andersen*, 318 F.3d 170, 180 (2d Cir. 2003) (emphasis added).

The offering documents for the 2007-AC1 transaction provided all material information that the sophisticated institutional investors here required – most fundamentally, the particulars of the portfolio that the investors could (and did) analyze and evaluate on an equal footing with Paulson and Goldman Sachs. The offering documents contained nothing materially false or misleading about ACA's role, and no reasonable investor would have needed disclosures describing the participation of Paulson, which at the time was little-known and only one of many market participants that investors understood routinely took the opposite risk in transactions of this type (and were a structural necessity for synthetic CDOs).

A. The Offering Documents Fully Disclosed the Material Facts Relating to the Reference Portfolio.

Regardless of how the Reference Portfolio was selected, the offering documents comprehensively described each asset backing the securities. Nothing about the selection process affected the inherent value or risks of the Reference Portfolio. The offering documents provided the sophisticated potential investors in 2007-AC1 with the material information about the constituent securities that they needed to perform their own analyses and modeling of the creditworthiness and cash flows of the assets underlying their investment.

Regulation AB recognizes that in an asset-backed securities transaction, investors view information about the asset portfolio and the distribution of proceeds as material, because performance of those assets, as affected by macro-economic factors and trends that any investor can analyze, will dictate the performance of asset-backed securities.[5] Regulation AB thus focuses on the underlying assets, and sets forth in great detail the disclosures required in offering documents for asset-backed securities, including: (1) the title and type of securities being offered, (2) a summary of the flow of funds, (3) statements detailing servicer or other fees, (4) detailed descriptions of the characteristics of the assets, and (5) a description of any credit enhancement features. *See, e.g.*, 17 C.F.R. §§ 229.1102, 229.1103, 229.1105, 229.1111.

The value of the assets underlying asset-backed securities does not change based on any "inside" information within the issuer's control. No subjective corporate judgments about budgets, sales, reserves or any other matters relevant to traditional corporate issuers impact a portfolio of mortgage-backed securities. Accordingly, Regulation AB's comprehensive disclosure scheme does not require any mention of the underwriter's (or its clients') subjective view of the assets, or a comprehensive listing of all of the parties that had input into the selection of the assets backing the securities. Rather, Regulation AB focuses on disclosures of the objective features of the underlying assets, which allows potential investors to perform their own analyses and evaluations based on their assessment of economic trends, regardless of the views of the underwriter or other entities as to the value of the underlying assets. This focus on the intrinsic character of the portfolio also is consistent with the distinction drawn by the courts between "hard" and "soft" information. Only the former must be disclosed to investors:

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[5] Although the ABACUS notes at issue here were offered pursuant to the limited requirements of Rule 144A, Regulation AB's focus on information about the underlying assets and how the proceeds of those assets will be distributed reflects what is material to an investor in any asset-backed transaction.

> Hard information is typically historical information or other factual information that is objectively verifiable. Publicly disclosed, hard information is actionable if false and material. Soft information, on the other hand, includes predictions and matters of opinion. The failure to disclose soft information is actionable only if [it is] . . . virtually as certain as hard facts.

City of Monroe Employees Ret. System v. *Bridgestone Corp.*, 399 F.3d 651, 669 (6th Cir. 2005); *see also Glassman* v. *Computervision Corp.*, 90 F.3d 617, 631 (1st Cir. 1996) ("[T]he federal securities laws focus on the mandatory disclosure of backward-looking hard information, not forecasts.").

In accordance with this regulatory focus, the offering documents at issue here set forth *precisely which* RMBS would comprise the Reference Portfolio. (*See* GS MBS 0000010274-10277.) The offering documents for each of these RMBS in turn disclosed the various categories of information required by Regulation AB, including detailed information concerning the loans held by the trust that issued the RMBS. This is all that was required. The offering documents need not interpret the information they disclose in ways that "might have facilitated an investor's task," because "interpretations drawn from the facts presented in the prospectus[]" do not provide new information, and thus cannot "significantly alter[] the 'total mix' of the information already presented." *Benzon* v. *Morgan Stanley Distributors, Inc.*, 420 F.3d 598, 609 (6th Cir. 2005). In light of the extensive, objective disclosures contained in the offering documents, investors – particularly the sophisticated entities at issue here in the context of a Rule 144A offering – had all the information they needed to understand and evaluate the reference securities, just as a consumer purchaser can evaluate a store's inventory of merchandise regardless of how it was selected, fully understanding that there may be other brands available elsewhere. *See Ley* v. *Visteon Corp.*, 543 F.3d 801, 808 (6th Cir. 2008) ("The federal securities laws do not ordain that the issuer of a security compare itself in myriad ways to its competitors, whether favorably or unfavorably . . . . [I]t is precisely and uniquely the function of the prudent investor, not the issuer of securities, to make such comparisons among investments.").

B. The Sophisticated Investors in 2007-AC1 Were More Than Capable of Evaluating the Transaction Based on the Portfolio Information.

The sophisticated investors in 2007-AC1 were fully capable of evaluating the Reference Portfolio, and nothing in the record suggests that their analysis turned on how the securities were selected here or, for that matter, in any of the countless other transactions they considered over time.

ACA, as described above, was a well-recognized collateral manager as well as a sophisticated investor in CDOs. It was paid to analyze the Reference Portfolio and approved every security in it. It applied rigorous and disciplined financial modeling to evaluate the portfolio, as it did every day with respect to the billions of dollars it managed.

IKB had long described itself as one of the most highly-sophisticated CDO investors in the world. (*See* GS MBS-E-007698102; *see also Conservative Mittelstand lender IKB has transformed itself into Germany's biggest investor in structured credit – with a taste for riskier deals*, RISK, February 1, 2004.) It stated in January 2007 that it had launched and managed approximately $16.8 billion of its own CDOs and related securities. (GS MBS-E-007698102.) IKB regularly invested through Goldman Sachs and other firms in CDOs and other sophisticated and complex securities, including ABACUS and other synthetic CDOs in which other parties took the opposite view of the portfolio . (GS MBS 0000018045-18046.) IKB had its own significant capabilities to (a) research and analyze market conditions and relevant, underlying loan data (*e.g.*, housing statistics, ABX index prices and volumes, subprime securities pricing levels, origination volumes and performance of loans in securitized pools), and (b) obtain expert and knowledgeable advice and counsel.

Similarly, in early 2007, ABN was "a leading international bank with total assets of EUR 999 [billion]" and "operate[d] more than 4,500 branches in 53 countries" with a "staff of more than 110,000 full-time employees worldwide." Press Release, ABN AMRO, ABN AMRO Announces Sale of ABN AMRO Mortgage Group, Inc. to Citigroup, Jan. 22, 2007, *available at* http://www.abnamro.com/pressroom/pressreleasedetail.cfm? ReleaseID=278522 (last visited Sept. 10, 2009). ABN regularly assumed credit risk by "act[ing] as an intermediary on behalf of customers or other third parties or issue[d] guarantees." ABN AMRO Holding N.V., 2006 Annual Report at 204, *available at* http://www.shareholder.com/visitors/dynamicdoc/document.cfm?CompanyID=ABN&DocumentID=1448&PIN=&Page=2&Zoom=1 (last visited Sept. 10, 2009). In connection with these activities, ABN's senior management "establish[ed] the credit policies" and "procedures required to analyze, manage and control credit risk." *Id.* ABN closely "monitored on an ongoing basis" the "risk that counterparties might default on their obligations." *Id.*

Consistent with their sophistication, ACA and IKB were Qualified Institutional Buyers within the meaning of Rule 144A. The Master Repurchase Agreement between Goldman Sachs and ACA stated that, with respect to each of the transactions comprising 2007-AC1, ACA agreed that:

> It is acting for its own account, and it has made its own independent decisions to enter into that Transaction. It has evaluated for itself whether that Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into that Transaction; it being understood that information and explanations related to the terms and conditions of a Transaction shall not be considered investment advice or a recommendation to enter into the transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of that Transaction. . . .
>
> It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms,

> conditions and risks of that Transaction. It is also capable of assuming, and assumes, the risks of that Transaction.

(GS MBS-E-009154451.)

Thus, the investors had more than sufficient resources and market knowledge to evaluate the portfolio based on the inherent characteristics of the securities, demand additional information or changes to the portfolio, and decline to invest if they were not entirely satisfied or preferred other investment alternatives. There is no evidence that they approached this transaction any differently than the countless other similar transactions they considered. If this matter is litigated, Goldman Sachs is confident that a full record will show that their behavior here conformed to their overall investment approaches.

C. To the Extent that Investors Considered ACA's Participation Important, ACA's Role Was Described Accurately.

Significantly, the Staff has not alleged that the offering documents for 2007-AC1 misrepresented anything about the Reference Portfolio. Rather, the Staff's position appears to be that investors would have wanted to know that Paulson had input into the *process* by which ACA ultimately selected the RMBS included in the Reference Portfolio, and that the description of ACA as "Portfolio Selection Agent" was therefore misleading without including a description of Paulson's role. That position is fundamentally flawed for several reasons.

As a threshold matter, the Staff's position incorrectly assumes that the term "Portfolio Selection Agent" conveys to investors that the agent selected the portfolio without any input from others. Nothing in the offering documents asserted that ACA was acting in isolation, and no definition of "Portfolio Selection Agent" would create that impression. The Offering Circular, which described ACA's role as Portfolio Selection Agent, merely stated that "[ACA would], pursuant to the Portfolio Selection Agreement . . . select the Initial Reference Portfolio." (GS MBS 0000010178.) Nowhere did the Offering Circular state that ACA would not consult with other entities regarding the selection of the Reference Portfolio, and it was common in CDO transactions for participants to offer views in the process of selecting the referenced assets, as Goldman Sachs and IKB did here. (Herald-Granoff Tr. 26; Narty Tr. 18-19, 57 ("I don't think I can recall a transaction we worked on with [IKB], where we didn't have a back and forth on the portfolio").) *See In re Worlds of Wonder Sec. Litig.*, 35 F.3d 1407, 1417-18 (9th Cir. 1994) (common industry practices require no disclosure). Rather, the Offering Circular states only that ACA would "select" the Reference Portfolio, and the record in this investigation has shown that ACA did so. ACA ultimately approved each security for inclusion in the Reference Portfolio. (*See,e.g*., GS MBS-E-002537707; GS MBS-E-003838442-3838443.)

Indeed, ACA had served as portfolio selection agent or collateral manager for numerous other transactions, and no doubt was accustomed to an interactive selection process. What is important is that ACA used its own expertise and models in scrutinizing and approving the referenced securities and earned substantial fees for doing so. Whether certain securities were initially suggested by Paulson, Goldman Sachs or IKB, ACA subjected the securities proposed for inclusion in the Reference Portfolio to its own proprietary models and analysis. ACA conducted its own analysis and engaged in significant dialogue with Goldman Sachs and Paulson, and it rejected *75 securities* that Paulson initially proposed. (*See*, *e.g*., GS MBS-E-002537707; GS MBS-E-003838442-3838443; GS MBS-E-007974381.)

There is no evidence that ACA included any securities that it thought were inappropriate. Indeed, ACA demonstrated its confidence in the quality of the Reference Portfolio by purchasing $42 million worth of ABACUS 2007-AC1 notes and entering into a $909 million notional value CDS referencing the portfolio. It defies credulity to assert that ACA would have invested $42 million of its own funds and entered into a $909 million CDS based on the Reference Portfolio if it had any concerns about the referenced securities. Although Goldman Sachs has not yet had the opportunity to take discovery of ACA, it is confident that if this matter is litigated, the full record will demonstrate ACA's independence, full conviction about the portfolio it selected and professional work quality in performing its function.

D. Paulson's Economic Interests Were Not Material to Investors.

The Staff's theory appears to be that Paulson's role would have been significant both to ACA in its role as Portfolio Selection Agent and to investors because – like Warren Buffett or E.F. Hutton – it would have raised a red flag that a prominent "short" strategist was betting against the portfolio. Paulson's name and precise role were not material, however, particularly at the time of the transaction.

First, although Paulson's name and his successful strategy of shorting the subprime RMBS market are now well known, they were not in April 2007. Even Goldman Sachs witnesses testified that they had no knowledge of Paulson or its strategies at the time of the 2007-AC1 transaction. (*See* Herald-Granoff Tr. 25; Kreitman Tr. 40-41.) Indeed, the Staff does not contend that ACA had heard of Paulson prior to the 2007-AC1 transaction. The fact that Paulson was unknown to ACA – which, as of May 31, 2007, had 26 CDOs valued at $17.5 billion under management – demonstrates that the fact of Paulson's involvement would not have been material. Nor is there any evidence that IKB or ABN knew of Paulson at the time or would have changed their investment decisions one iota had they fully understood his involvement. Certainly, those will be significant matters in dispute if this matter is litigated.

Second, given the structure of synthetic CDOs such as 2007-AC1, investors understood that *someone* (whether Goldman Sachs, Paulson or another entity) would necessarily be taking a position contrary to the Reference Portfolio. As the CDS counterparty, Goldman Sachs stood to gain if the Reference Portfolio performed poorly (GS MBS 0000010095) unless it entered into an offsetting CDS with another counterparty. The Offering Documents clearly disclosed that Goldman Sachs was the Protection Buyer, and also that the

> Protection Buyer . . . may hold long or short positions with respect to Reference Obligations and/or other securities or obligations of related Reference Entities and may enter into credit derivative or other derivative transactions with other parties pursuant to which it sells or buys credit protection with respect to one or more related Reference Entities and/or Reference Obligations.

(GS MBS 0000010127; *see also* GS MBS 0000010105 ("The Protection Buyer is not required to have any credit exposure to any Reference Entity or any Reference Obligation.").) This is precisely what Goldman Sachs did through its swap transaction with Paulson. The Goldman Sachs-Paulson CDS was from Goldman Sachs' perspective nothing more than a standard risk-mitigating strategy, which is commonplace in the industry (and indeed beneficial to it) and did not require disclosure.[6] *Donovan* v. *Am. Skandia Life Assurance Corp.*, No. 02 CV 9859, 2003 WL 21757260, *2 (S.D.N.Y. July 31, 2003) ("Liability does not arise from the failure to disclose that which should be obvious to the average investor."); *In re Ultimate Corp. Sec. Litig.*, No. 86 CIV. 5944 (CSH), 1989 WL 79372, at *2 (S.D.N.Y. July 11, 1989) (no duty to disclose obvious facts, such as risk that executive might leave company in future). Ultimately, some entity would take a position opposite the debt investors – whether Goldman Sachs kept that position or transferred it to another entity (such as Paulson) was not material.

Similarly, the fact that ACA may have perceived Paulson to be an equity investor is of no moment. As a threshold matter, the interests of an equity investor would not necessarily be aligned with those of ACA or other noteholders, and holders of equity may also hold other long or short positions that offset or exceed their equity exposure. Indeed, Laura Schwartz of

6 Indeed, as Mr. Tourre testified, the ABACUS platform originated as a way to hedge Goldman Sachs' exposure to RMBS products. (*See* Tourre Tr. Vol. 1, 20-21.)

ACA understood this from her work on a transaction that closed in December 2006 in which Magnetar, a hedge fund that bought equity and took short positions in mezzanine-level debt, participated. (*See* GS MBS-E-007992234 ("Magnetar-like equity investor").) Certainly, ACA could have questioned Paulson about its interests if it that information were significant to it.

More fundamentally, the Staff does not appear to contend that ACA would have refused to approve the Reference Portfolio or that investors would have declined to proceed with the transaction if they had known of Paulson's precise interest. Indeed, the Staff does not contend that prior to the 2007-AC1 transaction ACA even knew that Paulson existed. Paulson's participation in the portfolio selection process did not diminish ACA's extensive analysis. ACA evaluated Paulson's list of 123 securities using its proprietary methods, and rejected more than half of them. ACA then generated its own list of securities, including 31 not proposed by Paulson. Ultimately, ACA vetted and approved all of the 90 securities included in the Reference Portfolio. The mere fact that Paulson – as well as Goldman Sachs and IKB – offered views on the securities proposed for the Reference Portfolio does not support the allegation that ACA failed to perform its duties or compromised its standards.

In short, all of the parties involved evaluated potential investments based on the fundamentals of the securities and not on who offered suggestions as to which securities to include in the Reference Portfolio. There was no "substantial likelihood" that a reasonable sophisticated investor would have deemed Paulson's involvement in selecting the portfolio to be significant in light of the "total mix" of information available. *Basic*, 485 U.S. at 231-32; *see also Capri Optics Profit Sharing* v. *Digital Equipment Corp.*, 760 F. Supp. 227, 233 (D. Mass. 1991) ("This Court questions whether the information allegedly not disclosed was even material, *i.e.*, information affecting a reasonable investor's decision to invest. No evidence is presented that Capri would have refrained from investing had those things been done which Capri says ought have been done." (citation omitted)).

E. Investor Losses Were Attributable Solely to the Overall Market Collapse and Not to Any Alleged Misrepresentations by Goldman Sachs.

The Staff appears to suggest that materiality is somehow established by the poor performance of the transaction. But the cause of those losses was the collapse of the subprime market, and not anything unique to this transaction or its disclosures. Goldman Sachs should not be held responsible for losses caused by a general market-wide decline. *Wielgos* v. *Commonwealth Edison Co.*, 892 F.2d 509, 515 (7th Cir. 1989) ("Securities laws require issuers to disclose firm-specific information . . . . [They] needn't disclose the hazards of its business, hazards apparent to all serious observers and most casual ones." (citation omitted)).[7]

There is no evidence that the original reference portfolio proposed by ACA – or any other portfolio of similar securities for that matter – would have performed any differently. To the contrary, any portfolio of this type would have been swept up in the meltdown of the subprime market and experienced considerable write-downs, and none would have materially outperformed the other. (*See* Appendix 2.) The Reference Portfolio was designed to contain high-risk tranches of RMBS issued in 2006 and 2007, and nearly all Baa2-rated, 2006/2007-vintage subprime RMBS – including those initially proposed by ACA without Paulson's involvement – have suffered materially similar losses. (*Id.*)

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7 And indeed, the offering documents disclosed these general market risks, stating:

> The rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those in the area where the related mortgaged property is located, the borrower's equity in the mortgaged property and the financial circumstances of the borrower.

(GS MBS 0000010121.)

In that respect, the transaction participants received precisely what they bargained for. When ACA and IKB bought notes in 2007-AC1 or sold protection referencing the 2007-AC1 Reference Portfolio, they took the view that the senior tranches of 2007-AC1 would suffer losses only if a significant percentage of the 90 referenced securities were written down. ACA and IKB ultimately suffered losses not because Paulson played a role in the portfolio selection process, but because *every security* of that rating and vintage decreased in value as a result of unprecedented market events. The Reference Portfolio was a fair representation of the credit quality of 2006/2007-vintage Baa2-rated subprime RMBS; that credit quality, however, turned out to be very poor.

Similarly, ABN's losses stemmed from overall market forces, not anything relating to the disclosure issues the Staff has raised. ABN was in the business of intermediating credit default swaps for monoline insurers such as ACA and, in connection with that business, intermediated the swap between Goldman Sachs and ACA that referenced the super-senior tranche of the 2007-AC1 securitization. (GS MBS-E-002485172- 2485174; GS MBS-E-002461503-2461505) ABN principally evaluated ACA's credit rating, ultimately deeming the risks associated with the swap transaction to be acceptable in light of its compensation and appetite for *the risk associated with ACA*. (*See* GS MBS-E-002485172-2485173 (Fabrice Tourre tells ABN that entities that had intermediated trades for ACA in the past had "slowly gotten full on ACA's name and that is why we are now trading at the . . . wider level for ACA intermediation").) Consistent with this approach, ABN purchased protection from Goldman Sachs in the form of a $27 million corporate CDS referencing ACA's credit rating. (GS MBS-E-003528155.) To Goldman Sachs' knowledge, ABN did not purchase credit protection referencing the Reference Portfolio.

Nor did ABN give substantive scrutiny to the 2007-AC1 transaction itself. Rather, the discussions between Goldman Sachs traders and ABN focused almost entirely on what compensation would be appropriate for ABN's intermediation. (*See* Tourre Tr. Vol. 1, 88.) ABN's losses (and Goldman Sachs' on the $27 million CDS it entered into with ABN) were attributable to ACA's collapse, not the characteristics of the Reference Portfolio or any representations pertaining to it.

Finally, nothing stopped any transaction participant from changing its views and adjusting its exposure. The only constant was the Reference Portfolio once it had been selected. If participants suffered losses, they did so solely because they projected that the economic downturn would be less severe than it was.

II. THERE IS NO EVIDENCE THAT GOLDMAN SACHS ACTED NEGLIGENTLY, LET ALONE WITH THE LEVEL OF SCIENTER REQUIRED TO SUPPORT A SECTION 10(b) CLAIM.

A party's fraudulent intent, defined as "a mental state embracing intent to deceive, manipulate, or defraud," is the touchstone of a violation under Sections 10(b) and 17(a)(1). *Ernst & Ernst* v. *Hochfelder*, 425 U.S. 185, 193 n.12 (1976). Some courts have held that this standard can be met by a showing of "extreme recklessness," which has been described as an "extreme departure from the standards of ordinary care . . . which presents a danger of misleading buyers or sellers that is either known to the defendant or is so obvious that the actor must have been aware of it. In other words, it is a lesser form of intent." *SEC* v. *Steadman*, 967 F.2d 636, 641-42 (D.C. Cir. 1992) (internal quotations omitted). Additionally,

> [t]o prove scienter with respect to a non-disclosure, it is not enough to simply show that the defendant was aware of an undisclosed fact that a court later determines is material. Rather, a plaintiff must show that the defendant must have been aware of both the materiality of the undisclosed fact and that its non-disclosure would likely mislead investors.

SEC v. *Gane*, No. 03-61553-CIV-SEITZ, 2005 WL 90154, at *15 (S.D. Fl. Jan. 4, 2005) (internal citations omitted); *see also SEC* v. *Patty*, 891 F.2d 295, 295 (9th Cir. 1989) (stating that "the question is not merely whether [the defendant] had knowledge of the undisclosed facts; rather, it is the *danger of misleading buyers* that must actually be known or so obvious that any reasonable man should be legally bound as knowing.") (internal citations omitted)).

With respect to Section 17(a)(2) and (3), although the Staff need not establish fraudulent intent, it still must demonstrate the existence of negligence, defined as a departure from the standard of reasonable care. *Aaron* v. *SEC*, 446 U.S. 680, 687-91 (1980). The reasonableness of conduct must be judged in light of the customs and practices of others in similar circumstances at the time the conduct occurred. *See Cherokee Ins. Co.* v. *E.W. Blanch Co.*, 66 F.3d 117, 123 (6th Cir. 1995) (insurance broker "acted in accordance with practices customary in the industry at the time"); *Ward* v. *Hobart Mfg. Co.*, 450 F.2d 1176, 1182 and n.16 (5th Cir. 1971) (design of product consistent with industry practices at the time); Restatement (Second) of Torts § 295A. Compliance with industry standards is a factor (although not dispositive) in determining whether a party met the appropriate standard of care in cases under the securities laws. *See Vernazza* v. *SEC*, 327 F.3d 851, 861 (9th Cir. 2003) ("relevant to show standard of care necessary to a recklessness inquiry"); *Messer* v. *E.F. Hutton & Co.*, 847 F.2d 673, 679 (11th Cir. 1988) (same); *Coates* v. *Heartland Wireless Communications, Inc.*, 100 F. Supp. 2d 417, 425 n.6 (N.D. Tex. 2000) (absent contrary evidence, a defendant who follows industry practices is not liable for fraud under 10(b)); *In re Piper Capital Management, Inc.*, SEC Rel. No. 2163, 2003 WL 22016298, at *8 (Aug. 26, 2003) ("compliance with industry standards is a consideration"). The record in this investigation has revealed no evidence of negligence, let alone fraudulent intent or extreme recklessness.

A. Goldman Sachs Did Not Mislead ACA Regarding Paulson's Involvement in the Portfolio Selection Process.

The Staff's theory is predicated on the notion that ACA believed that Paulson would be an equity investor in the 0-9% tranche of the 2007-AC1 transaction, and that Goldman Sachs intentionally or negligently led ACA to this belief. In support of this contention, the Staff principally cites:

- Laura Schwartz of ACA's January 8, 2007 e-mail to Gail Kreitman in which she wrote "I have no idea how [the Paulson meeting] went – I wouldn't say it went poorly, not at all, but I think it didn't help that we didn't know exactly how they want to participate in the space. Can you give us some feedback?" (GS MBS-E-003499710);
- Fabrice Tourre's January 10, 2007 e-mail to Ms. Schwartz containing the "Transaction Summary" in which he stated that the transaction was "sponsored by Paulson" and included the line: "[0] - [9]%: pre-committed first loss," (GS MBS E-003504901) which the Staff stated described the equity tranche; and
- Ms. Kreitman's e-mail exchanges with Ms. Schwartz on January 14 and 28, 2007 in which Ms. Kreitman did not correct Ms. Schwartz's apparent misunderstanding that Paulson was an equity investor (GS MBS-E-007980762; GS MBS-E-007992234).[8]

Nothing in those e-mails or elsewhere supports an inference of scienter.

To the extent that ACA inferred from the January 10 e-mail that Paulson would act as an equity investor in the transaction, there is no evidence in the record to suggest that Goldman Sachs intended that ACA draw this inference. The Staff has not asserted that Goldman Sachs or Paulson told ACA that Paulson was an equity investor, and Goldman Sachs is not aware that Ms. Schwartz could recall any such representation being made. Mr. Tourre's reference to "[0] - [9]%: pre-committed first loss" did not state that Paulson would be purchasing a long position, and the record contains no evidence indicating what Mr. Tourre meant by this

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8 The Staff has also asserted that certain internal ACA documents state that Paulson intended to invest in the equity tranche of the 2007-AC1 transaction. Copies of those documents have not been provided to Goldman Sachs.

statement. Indeed, Mr. Tourre himself testified that he had no recollection of its meaning. (Tourre Tr. Vol. 2, 145.)

Further, as several Goldman Sachs employees testified, the term "sponsor" is not uniformly defined in the context of a CDO transaction, and it need not refer to an equity investor at all. (*See* Tourre Tr. Vol. 1, 13 (stating that the term transaction sponsor is "not necessarily . . . a defined term" and "a very loose concept"); Gerst Tr. 105 ("I don't really think of ["sponsor"] as . . . an official designated role in a transaction per se."); Nartey Tr. 31 ("[W]e use [transaction sponsor] in different ways.").)

Indeed, the documents and testimony show that that the term "sponsor" was sometimes used to refer to an investor that initiated a reverse inquiry, a counterparty that initiated a reverse inquiry, the entity that selected the portfolio, or Goldman Sachs itself. (*See* Tourre Tr. Vol. 1, 24 (describing IKB as the "sponsor investor" for the first ABACUS deal); Tourre Tr. Vol. 1, 71 (stating that the term "ACA Sponsorship" in the 2007-AC1 flipbook referred to the fact that ACA selected the 2007-AC1 Reference Portfolio); GS MBS 0000010036 (ABACUS 2007-AC1 Flipbook dated February 26, 2007) (stating that ABACUS 2007-AC1 was being "sponsored by ACA."); Gerst Tr. 105 (stating that he thought of the investor who "initiated the inquiry" as a transaction sponsor); Nartey Tr. 31 (stating that clients, managers, and Goldman Sachs itself could be deemed a sponsor)). If Ms. Schwartz inferred that Paulson was an equity investor from Mr. Tourre's email, that at most indicates that a misunderstanding occurred. It does not indicate that Goldman Sachs negligently (let alone recklessly or intentionally) led ACA to believe this was the case, particularly in light of the amorphous language from which Ms. Schwartz apparently drew her inference. Indeed, there is no indication that a reasonable professional under the circumstances presented here would have expected Ms. Schwartz to construe the term "sponsor" to mean that Paulson necessarily was an equity investor. *See Gebhart* v. *SEC,* 255 F. App'x 254, 255 (9th Cir. 2007) ("The objective component of scienter asks what a reasonably prudent securities professional under the circumstances would have done.")

Additionally, the fact that Ms. Kreitman did not correct Ms. Schwartz's statements that Paulson was an equity investor does not indicate that she attempted to conceal the truth from ACA. The record shows that Ms. Kreitman, who provided sales coverage on ACA, acted as an "intermediary between the [various] trading desk[s] and clients." (Kreitman Tr. 11.). Ms. Kreitman's role in 2007-AC1 was to "manage the relationship for ACA," meaning that she "acted as an intermediary between the trading desk and [ACA] facilitating meetings and phone calls." (*Id.* at 27-28.) She did not "attend or participate [in the meetings she arranged]" relating to the 2007-AC1 transaction, nor was she "involved in" the creation of the 2007-AC1 CDO. (*Id.* at 31-33.) Nothing in the record suggests that Ms. Kreitman understood the significance of Ms. Schwartz's statements suggesting that she believed Paulson to be an equity investor, much less that Ms. Kreitman acted with scienter or departed from the standard of ordinary care by not correcting them. *Salster* v. *Singer Sewing Mach. Co.*, 361 F. Supp. 1056, 1062 (D. Miss. 1973) ("Reasonable care does not demand perfection.").

Finally, ACA's purported belief that Paulson was an equity investor would have been neither reasonable nor credible if one accepts the major premise of the Staff's theory that Paulson proposed literally dozens of weaker securities that were systematically rejected by ACA. If this premise were true, then a market participant as sophisticated as ACA would have quickly recognized this trend, and questioned at least in its own mind what Paulson's economic interest was. Certainly, the credibility of ACA's purported interpretation will be subject to vigorous attack in a contested proceeding.

B. No Evidence Supports an Inference that Goldman Sachs Retained ACA or Characterized ACA as the Portfolio Selection Agent in Order to Deceive Investors.

The Staff has focused on Goldman Sachs' reasons for including ACA in the 2007-AC1 transaction, citing: (1) statements in a memorandum to the Goldman Sachs Mortgage Capital Committee Memo to the effect that ACA's involvement would enhance the marketability the 2007-AC1 transaction; and (2) an email in which Mr. Tourre wrote, "One thing that we need to make sure ACA understands is that we want their name on this transaction. This is a transaction for which they are acting as portfolio selection agent, this will be important that we can use ACA's branding to help distribute the bonds." (GS MBS-E-006142887.)

The Staff contends that these statements – as well as Jonathan Egol's February 11, 2007 e-mail stating "You know I love it all I'm saying is the cdo biz is dead and we don't have a lot of time left" (GS MBS-E-002633997) – indicate that Goldman Sachs believed that the 2007-AC1 securitization could not be marketed without the ACA brand name. Thus, the Staff contends that Goldman Sachs deliberately concealed Paulson's role in order to maintain the "false" appearance that ACA had selected the Reference Portfolio because, without this deception, the transaction would not be marketable. The Staff's theory does not withstand scrutiny.

ACA was no mindless dupe that could be so easily manipulated. It was a significant player in the CDO marketplace, with a strong reputation as a collateral manager and portfolio selection agent. (GS MBS-E- 003525837.) IKB was familiar with ACA and respected its skills as a collateral manager. (GS MBS-E-002668754.) Although the documents cited by the Staff show that Goldman Sachs wanted ACA to assume the role of Portfolio Selection Agent, they provide no basis for concluding that Goldman Sachs did so in order to conceal Paulson's role. ACA indisputably fulfilled its role as Portfolio Selection Agent, and ACA's approval of the 90 reference securities may have appealed to some potential investors, including IKB. The non-disclosure of Paulson's role (and its separate hedging transaction with Goldman Sachs) simply reflected industry practice not to disclose client names and strategies, as well as the lack of materiality of Paulson's name to potential investors. *See Gane*, 2005 WL 90154, at *15 (to prove scienter, plaintiff must show that defendant was aware that non-disclosed fact was material).

Additionally, there is no evidence whatsoever that Goldman Sachs would have had any intention to mislead investors. In fact, the record reflects that the 2007-AC1 transaction – which was approved by the Mortgage Capital Committee, an independent committee within Goldman Sachs – was very much routine, and one of numerous CDO transactions underwritten by Goldman Sachs. Although Goldman Sachs certainly hoped to earn profits by structuring the 2007-AC1 transaction, it is well established that allegations of fraud cannot rest on this ground alone, because such a "generalized motive . . . could be imputed to any publicly owned, for-profit endeavor." *Chill* v. *Gen. Elec. Co.*, 101 F.3d 263, 267 (2d Cir. 1996). More fundamentally, Goldman Sachs would not have compromised its reputation in the industry or its longstanding customer relationships in order to marginally increase its profitability in a single transaction.

Moreover, it has never been industry practice for financial institutions to disclose the identities of clients with which they enter into hedging transactions. Such disclosures would have been particularly unnecessary here, where the existence of the CDS between Goldman Sachs and the SPV – as well as Goldman's right to transfer the risk assumed thereunder – was disclosed in the offering documents. Goldman Sachs acted appropriately in not disclosing that ACA conferred with Paulson, because Paulson's involvement was not material. *See SEC* v. *Todd*, No. 03-CV-2230-BEN (WMC), 2006 WL 1564892, at *7 (S.D. Cal. May 30, 2006) (holding that Commission had not proven scienter where, although defendant knew that certain transactions had occurred but did not disclose them, Commission had failed to point to any evidence demonstrating that the defendant "had knowledge of [the] impropriety [of the transactions], or was reckless in not knowing" (emphasis added)).

As to Mr. Egol's February 11, 2007 e-mail, even if that e-mail suggests that Mr. Egol (from whom the Staff did not take testimony) had a negative view of the CDO marketplace, Goldman Sachs' non-disclosure of that view does not indicate that it was using ACA's brand name to perpetrate some fraud on investors by concealing its own market views or those of Paulson. Goldman Sachs certainly could have sponsored the transaction itself without disclosing its own market outlook, because is well established that market participants need not disclose their internal views of the market, even if those views have implications for securities being offered.[9] *See Dirks* v. *SEC*, 463 U.S. 646, 654 (1983) ("A duty [to disclose] arises from the relationship between parties . . . and not merely from one's ability to acquire information because of his position in the market." (internal quotation marks omitted; alterations in original)); *Moss* v. *Morgan Stanley Inc.*, 719 F.2d 5, 15 (2d Cir. 1983) ("[N]othing in the language or legislative

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9 Indeed, Mr. Egol's statement that "the cdo biz is dead" did not reflect a belief that widespread CDO failures would occur. Mr. Egol's email addressed an analysis of the then soon-to-be launched Markit ABX.HE Tranche Indices ("TABX"). The TABX indices referenced the BBB and BBB- rated tranches of the ABX indices, and provided investors with the ability to gain or hedge exposure to specific levels of risk in the referenced securities, which previously could only be achieved through bespoke CDOs. As a result, the market for bespoke CDOs could suffer because TABX provided a more liquid and transparent way for investors to buy or sell tranche-specific protection.

history of section 10(b) or rule 10b-5 . . . suggests that Congress intended to impose a special duty of disclosure on broker-dealers simply by virtue of their status as market professionals"). It certainly cannot be held liable for failing to disclose a counterparty's views.

Once the pertinent facts have been disclosed, investors in asset-backed securities bear responsibility for evaluating the credit quality of the underlying assets. Ultimately, the 2007-AC1 transaction sustained losses because of a general decline experienced by RMBS of similar rating and vintage, not because of the particular Baa2-rated securities in the Reference Portfolio.

III. THE STAFF'S THEORY THAT GOLDMAN SACHS COMMITTED FRAUD BY FAILING TO DISCLOSE PAULSON'S ROLE MISCONCEIVES THE FUNCTION AND OBLIGATIONS OF A BROKER-DEALER.

The Staff claims that Goldman Sachs' failure to disclose Paulson's role in the process of selecting the Reference Portfolio is actionable. This assertion, however, rests on two faulty assumptions: (1) that Paulson's involvement – in light of Paulson's now-known market view and investment strategy – would have been material to investors at the time of the 2007-AC1 transaction, and (2) that Goldman Sachs was free to disclose Paulson's role if it wished to do so.

The Staff's first assumption relies on hindsight, and is colored by the knowledge that Paulson later went on to record substantial profits by betting against the subprime market. As discussed above (*see supra,* part I(D)), it does not account for the market reality of the time, which was that Paulson was a little-known hedge fund with a market strategy that ran counter to the views of many sophisticated investors. Simply put, to most investors (including ACA and IKB) the name Paulson would not have been significant even if it had been disclosed.

The second assumption overlooks Goldman Sachs' duty as a broker-dealer to keep information concerning its clients' trades and positions confidential. As disclosed in the

Offering Circular, Goldman Sachs was the original protection buyer for the 2007-AC1 transaction. The CDSs entered into by Goldman Sachs and Paulson were separate, albeit related, transactions from the 2007-AC1 securitization. Indeed, the Staff argued on our July 28, 2009 call that in computing Goldman Sachs' profits it intended to treat the Paulson CDSs as separate transactions that did not offset Goldman Sachs' profits on its CDSs with the SPV and ABN. Leaving aside the lack of logic or fairness of refusing to consider offsetting hedge transactions in computing profit, the Staff did recognize that the Paulson CDSs were separate transactions from those with the SPV and ABN. Given that the offering documents disclosed that Goldman Sachs might enter into just such transactions to convey to other parties the credit protection it purchased in CDSs with the 2007-AC1 SPV, the Staff's argument reduces to nothing more than Goldman Sachs' failure to disclose the *identity* of one of its counterparty clients.

Consistent with one of the fundamental ethical standards governing their conduct, broker-dealers do not have to disclose their clients' positions or strategies to other parties with whom they engage in trades. The Commission itself recently described the obligation not to divulge client information as "one of the most fundamental ethical standards in the securities industry," noting that "[t]he duty to maintain the confidentiality of client information is grounded in fundamental fiduciary principles." *In re Thomas W. Heath, III*, SEC Rel. No. 59223, 2009 WL 56755, at *4 (Jan. 9, 2009) (affirming sanctions against former registered representative of member of national securities exchange who divulged confidential client information).

Through the enforcement action being proposed here, the Staff would create a new disclosure obligation requiring broker-dealers to disclose the identities and positions of their counterparties or customers to other market participants. The creation of this obligation would greatly expand existing disclosure requirements, and would run afoul of the existing obligation to maintain the confidentiality of client transactions. It should therefore be effected – if at all – through formal rulemaking rather than an enforcement action.

CONCLUSION

For the foregoing reasons, no enforcement action is warranted.

Dated: New York, New York
September 10, 2009

Respectfully submitted,

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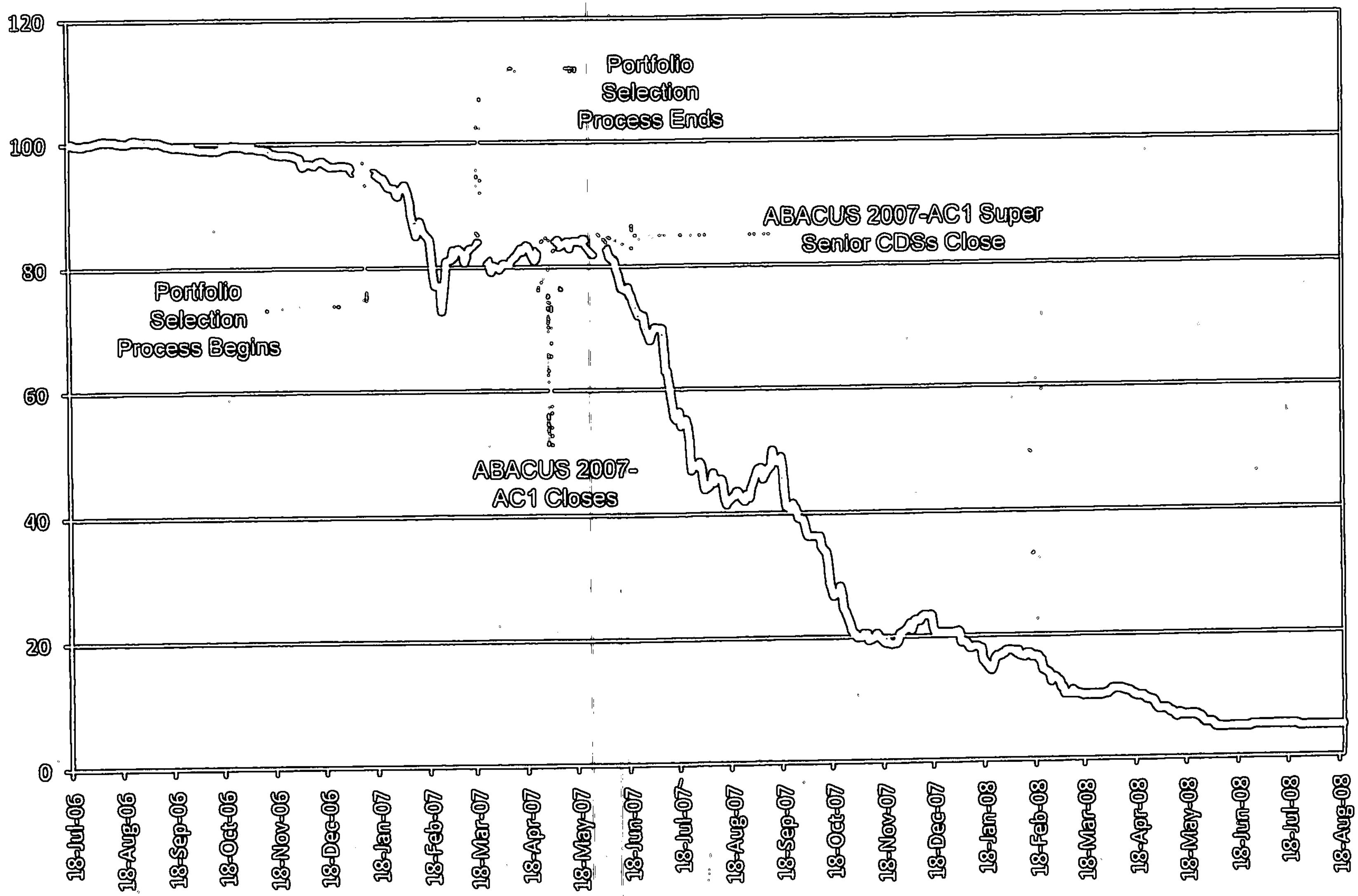
ATTACHMENT 11

Appendix 1

Price of ABX.HE 06-2 BBB Index Over Time



ATTACHMENT 12

Appendix 2

Performance of the Reference Portfolio

Data	2007-AC1 Final Reference Portfolio	Initial Portfolio Suggested by ACA	Subprime Deals From 2006/1Q07*
Number of Bonds	90	86	293
Average % 60+ Days Delinquent Loans	46.2	45.9	44.4
Average Cumulative Loss on Loans	13.1	12.5	12.2
Average Borrower FICO Score	629	627	624
Average Loan-to-Value Ratio	80	80	81
Average % Limited Documentation	37	40	33
Average Original Credit Enhancement	4.5	4.6	4.6
Average Weighted Average Loan Age (months)	37	38	38
Average % Written Down	85	80	72
Average Time to Writedown (months)**	0.8	1.4	1.7

** All Subprime RMBS deals from 2006/1Q07 as classified by LoanPerformance, with a Moody's rating of Baa2 or S&P rating of BBB, without split ratings.*

***Goldman Sachs estimate.*

ATTACHMENT 13

FOIA CONFIDENTIAL TREATMENT
REQUESTED BY GOLDMAN, SACHS & CO.

UNITED STATES OF AMERICA

before the

SECURITIES AND EXCHANGE COMMISSION

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In the Matter of ABACUS CDO : File No. HO-10911
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SUPPLEMENTAL SUBMISSION ON BEHALF OF GOLDMAN, SACHS & CO.

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Attorneys for Goldman, Sachs & Co.

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UNITED STATES OF AMERICA

before the

SECURITIES AND EXCHANGE COMMISSION

In the Matter of ABACUS CDO	:	File No. HO-10911

SUPPLEMENTAL SUBMISSION ON BEHALF OF GOLDMAN, SACHS & CO.

Goldman, Sachs & Co. ("Goldman Sachs") makes this supplemental submission to respond to certain factual questions posed by the Staff during our September 15, 2009 meeting about the ABACUS 2007-AC1 CDO transaction ("2007-AC1"), as well as to provide additional observations with respect to the Staff's theory as it was explicated during the course of the meeting.[1]

1 This submission is provided solely in connection with the Staff's consideration of possible action against Goldman Sachs, and is made without any admission that the conduct under investigation violated any laws, rules or regulations. Should the Staff decide to make any recommendation that varies in any respect from the issues and positions Goldman Sachs has addressed, we expressly reserve the right to revise this submission in accordance with Rule 5(c) of the Commission's Rules Regarding Information and Other Proceedings, 17 C.F.R. § 202.5(c), and Procedures Relating to the Commencement of Enforcement Proceedings and Termination of Staff Investigations, Nos. 33-5310, 34-9796, 1972 WL 130244, at *1-2 (Sept. 27, 1972). Goldman Sachs also expressly reserves the right to object to the admissibility of this submission and those submitted by any other person in any subsequent proceeding. Finally, Goldman Sachs hereby asserts that this submission constitutes attorney work product and requests that (a) it be treated confidentially and not as a waiver of any privilege or immunity from production, and (b) pursuant to Commission Rule 83, 17 C.F.R. § 200.83, that this

I. FACTUAL QUESTIONS POSED BY THE STAFF

During the September 15, 2009 meeting, the Staff raised the following factual matters, which Goldman Sachs undertook to investigate and address:

1. The Staff inquired whether the 293 Baa2-rated securities from the 2006/2007 vintage included in the chart attached as Appendix 2 to Goldman Sachs' Wells Submission included securities backed by "midprime" as well as subprime loans, and thus whether the performance of all subprime and "midprime" Baa2-rated RMBS differed materially from that of the Reference Portfolio.

2. The Staff also raised the issue whether certain undisclosed criteria – such as average borrower FICO scores and geographical concentration of loans – restricted the ability of ACA Capital Management LLC ("ACA") to include in the Reference Portfolio certain securities from within the category of 2006/2007 Baa2-rated RMBS backed by subprime and "midprime" mortgage loans.

3. The Staff asserted its belief that in transactions marketed as having a portfolio selected by a Portfolio Selection Agent, other market participants had disclosed the participation in the portfolio selection process of a party taking a short position with respect to the portfolio and cited the Auriga CDO, Norma CDO I and Sorrento 2006-1 CDOs as examples.

We address these factual matters in sequence.

A. The 293 Securities Described in Appendix 2 to Goldman Sachs' Initial Submission Included "Midprime" RMBS.

The 293 securities in Goldman Sachs' summary of performance of subprime RMBS in Appendix 2 to Goldman Sachs' Wells Submission included "midprime" RMBS. To gather the information set forth in the column labeled "Subprime Deals From 2006/1Q07" in Appendix 2, Goldman Sachs compiled data for all securitizations other than those classified as "prime" or "alt-A" by LoanPeformance. The 293 securities thus consisted of "midprime" and

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submission not be disclosed in response to any request made under the Freedom of Information Act, 5 U.S.C. § 552.

"subprime" securitizations.[2] As the Appendix (a copy of which is attached to this submission) illustrates, this universe of Baa2-rated, 2006/2007-vintage mid and subprime RMBS suffered losses that were materially similar to those of the Reference Portfolio, because nearly all mid and subprime RMBS of that rating and vintage – including those initially proposed by ACA without Paulson's involvement – have performed poorly.

B. The Portfolio Selection Criteria Were Fully Disclosed in the Offering Documents.

At our September 15 meeting, the Staff asserted that criteria such as average borrower FICO scores and geographic concentration of loans restricted the ability of ACA to include in the Reference Portfolio certain securities from within the category of 2006/2007 Baa2-rated RMBS backed by subprime and "midprime" mortgage loans.

Based on the record available to Goldman Sachs, the only evidence of criteria in addition to the limitation to 2006/2007 Baa2-rated RMBS backed by sub and midprime mortgage loans are draft engagement letters between Goldman Sachs and Paulson & Co., Inc. ("Paulson"), which contain additional criteria initially discussed by Goldman Sachs and Paulson prior to the

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2 The term "midprime" is used by Moody's Investor Service, which defines "midprime" RMBS as having a weighted-average borrower FICO score between 625 and 700. "Prime" loans have FICO scores greater than 700: of the 222 RMBS issued in 2006 and the first quarter of 2007 and characterized as "prime" by LoanPerformance, only two had average borrower FICO scores less than 700, and in these two securities the average borrower FICO score was 699.73 and 696.36, respectively. Alt-A securitizations generally contain loans that do not fully meet the definition of "prime." The Federal Housing Finance Authority defines an "alt-A" loan as "[a] conventional single-family mortgage made to a borrower who typically provides limited income or asset verification or no evidence of an employer. Such loans may have other non-standard underwriting." Federal Housing Finance Authority, Mortgage Market Note 07-1, *available at* http://www.fhfa.gov/webfiles/1246/MMNOTE9607.pdf (last visited Sept. 24, 2009). Of the 634 securitizations issued in 2006 and the first quarter of 2007 and characterized as "alt-A" by LoanPerformance, 111 had average borrower FICO scores of less than 700. The average borrower FICO score among these 111 securities, however, was 690.97.

selection of ACA as Portfolio Selection Agent.[3] (*See* GS MBS-E-002755993-2756029.) As Goldman Sachs witnesses testified, however, these criteria were used to guide Goldman Sachs' preliminary search for potential reference securities. (Gerst Tr. 134-36; Tourre Tr. Vol. 1, 47-49.) No formal engagement letter was ever executed, and Goldman Sachs has seen no evidence that the criteria listed in the draft engagement letters were ever conveyed to ACA. (Gerst Tr. 51-53.) Indeed, Mr. Tourre testified that the only criteria conveyed to ACA were that the securities be 2006/2007-vintage, Baa2-rated and backed by sub or midprime loans. (Tourre Tr. Vol. 1, 62.) Further, counsel for Paulson deleted the reference to these criteria in the last draft of the engagement letter. (*See* GS MBS-E-006121092.) The record available to Goldman Sachs does not indicate that *any* restrictions were imposed on ACA's selection process other than those set forth in the various term sheets, namely, that the portfolio would be comprised of 2006/2007-vintage, Baa2-rated mid and subprime RMBS.

C. Market Practice Did Not Entail Disclosure of a Short Investor's Participation.

At our meeting, the Staff suggested that at least some market participants disclosed the involvement in the portfolio selection process of third parties that took short positions with respect to the CDO's portfolio and referenced as examples the Auriga, Norma and Sorrento transactions. Respectfully, those examples are readily distinguishable, and we have identified no evidence of any such general market practice.

3 The draft of the Engagement Letter dated January 3, 2007, lists six criteria disclosed in the Term Sheet, plus two additional criteria: (i) the value of collateral in the securitization must exceed $500 million, and (ii) at least 80% of the collateral should consist of adjustable-rate mortgages. (GS MBS-E-002756016.) The draft also limits the reference securities to those issued after March 1, 2006, while the Term Sheet refers to 2006- and 2007-vintage securities. The Reference Portfolio, however, contained eight securities issued in January and February 2006, one security with less than $500 million in collateral and 20 securities in which less than 80% of the collateral consisted of adjustable-rate mortgages.

Auriga, unlike 2007-AC1, is an actively-managed CDO transaction without a static Reference Portfolio. (Auriga Offering Circular at 200.) Its collateral manager is 250 Capital LLC, a subsidiary of Merrill Lynch & Co., the underwriter of the transaction. (*Id.* at 197.) At our meeting, the Staff made no reference to particular disclosures used in the Auriga, Norma or Sorrento transactions. Our own examination of the Auriga Offering Circular has revealed no relevant disclosures, but we have excerpted three provisions that the Staff may have had in mind.

First, the Auriga Offering Circular discloses that an "Initial Preferred Securityholder"[4] may take a position opposite that of the noteholders:

> *Initial Preferred Securityholder may enter into credit derivative transactions relating to Reference Obligations or Cash Collateral Debt Securities in the Issuer's portfolio*. On or after the Closing Date, the Initial Preferred Securityholder may enter into credit derivative transactions relating to Reference Obligations or Cash Collateral Debt Securities in the Issuer's portfolio, under which it takes a short position (for example, by buying protection under a credit default swap relating to such obligation or security) or otherwise hedges certain of the risks to which the Issuer is exposed. The Issuer and Noteholders will not receive the benefit of these transactions by the Initial Preferred Securityholder and, as a result of these transactions, the interests of the Initial Preferred Securityholder may not be consistent with those of Noteholders.

(*Id.* at 55.) Goldman Sachs understands that the Initial Preferred Securityholder was Magnetar Capital LLC ("Magnetar"), but this information is not disclosed in the offering circular. Goldman Sachs does not know the extent to which Magnetar played a role in the selection of the Auriga portfolio, and this too is not disclosed in the offering circular. In fact, other than listing 18 pages of "eligibility criteria" (*id.* at 143-161), which state in general terms what the portfolio may contain, the Auriga offering circular does not mention the contents of the portfolio *at all*.

4 The "Initial Preferred Securityholder" was the purchaser of the Class H Notes, Class I Notes and the "Preferred Securities," which were the three most subordinate classes of securities issued in the Auriga transaction. (Auriga Offering Circular at 1-3.) These three classes of securities were sold in a separate offering and are not described in detail in the Auriga Offering Circular.

Second, the Auriga Offering Circular discloses that the Credit Default Swap Counterparty, Merrill Lynch International ("MLI"), "is likely to seek to eliminate any credit exposure to the Reference Obligations by entering into back-to-back hedging transactions." (*Id.* at 56.) This disclosure is materially similar to that stated in the 2007-AC1 Offering Circular. (*See* GS MBS 0000010105 ("The Protection Buyer is not required to have any credit exposure to any Reference Entity or any Reference Obligation."); GS MBS 0000010127 ("[T]he Protection Buyer . . . may hold long or short positions with respect to Reference Obligations . . . and may enter into credit derivative or other derivative transactions with other parties pursuant to which it sells or buys credit protection with respect to one or more related Reference Entities and/or Reference Obligations. . . .").)

Finally, the Auriga Offering Circular discloses that, in its capacity as Credit Default Swap Counterparty, MLI may have conflicts of interest because the terms of the transaction permit it to determine when defaults of the Reference Obligations – events that trigger payment to it under the Credit Default Swap – have occurred:

> *Conflicts of Interest of Credit Default Swap Counterparty*. MLI will, in its role as Credit Default Swap Counterparty for all of the Credit Default Swaps, have the right to make determinations regarding the Reference Obligations (including a decision to give notice that a credit event or "floating amount event" has occurred and require the Issuer to make payments to it). In addition, MLI, as Credit Default Swap Counterparty to the Synthetic Securities, will have sole discretion to determine whether and when to declare a Credit Event and to deliver any notice that a Credit Event or a Floating Amount Event has occurred under a Synthetic Security.

(Auriga Offering Circular at 69.) This disclosure, however, relates not to the selection of the reference securities but to the determination that certain credit events have occurred with respect to them.[5] Moreover, Auriga's structure is so radically different from that of 2007-AC1 that any attempt to analogize the two transactions would be futile.

The Norma CDO, which also was an actively managed transaction underwritten by Merrill Lynch & Co., contained disclosures that were materially similar to those used in Auriga. (Norma Offering Circular at 56, 67.) We understand that Magnetar was the "Initial Preference Shareholder"[6] for the Norma transaction, but this information is not disclosed in the offering circular. Similarly, we do not know whether Magnetar played a role in the selection of the Norma portfolio, and this too is not disclosed in the offering circular.[7]

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5 The 2007-AC1 Offering Circular disclosed that Goldman Sachs, as Protection Buyer, would have certain conflicts of interest, including that it might enter into other transactions that have an adverse effect on the reference securities. (GS MBS 0000010126-10127.)

6 The "Initial Preference Shareholder" was the purchaser of the Class G Notes, Class H Notes and the "Preference Shares," which were the three most subordinate classes of securities issued by the Norma CDO. (Norma Offering Circular at 1-3.) These three classes of securities were sold in a separate offering and are not described in detail in the Norma Offering Circular.

7 The Norma CDO was the subject of a December 27, 2007 Wall Street Journal article entitled "Wall Street Wizardry Amplified Credit Crisis – A CDO Called Norma Left 'Hairball of Risk.'" The article states that Norma was "[c]reated at the behest of an Illinois hedge fund" understood by "people familiar with the matter" to be Magnetar. Carrick Mollenkamp and Serena Ng, *Wall Street Wizardry Amplified Credit Crisis – A CDO Called Norma Left 'Hairball of Risk,'* THE WALL STREET JOURNAL, Dec. 27, 2007, at A1. The article goes on to note that:

> Most [of the collateral was] not actual securities, but derivatives linked to triple-B-rated mortgage securities. Called credit default swaps, these derivatives worked like insurance policies on subprime residential mortgage-backed securities or on the CDOs that held them. Norma, acting as the insurer, would receive a regular premium payment, which it would pass on to its investors. The buyer of protection, which was initially Merrill Lynch, would receive payouts from Norma if the insured securities were hurt by losses. *It is unclear whether Merrill retained the insurance, or resold it to other investors who were hedging their subprime exposure or betting on a meltdown.*

Id. (emphasis added).

Sorrento was a $67.4-million bespoke CDO transaction. Goldman Sachs has been unable locate the offering documents used in the transaction. In any event, the disclosure practices used in a $67.4-million offering cannot be said to reflect market norms for multi-billion-dollar transactions such as 2007-AC1.

More fundamentally, if it were market practice to disclose reverse inquiries and participation by entities with long or short positions in selecting the reference portfolio, we would have expected to see many examples of that disclosure, because those activities were a regular feature of synthetic CDO transactions. Even the existing record reflects that ACA and IKB themselves offered views on reference portfolios in transactions in which they participated. We have confirmed with outside counsel experienced in the drafting of CDO offering materials that market participants were well aware that participants in CDO transactions routinely provided input on selection of the portfolio securities, and that it was not market practice to disclose their involvement in the portfolio selection process. Goldman Sachs has no doubt that a fully developed record would reflect that both long and short investors often initiated transactions through reverse inquiries, and that they and other potential participants regularly expressed views as to the reference portfolio's composition. Market participants understood that those activities occurred, and in the end all were fully capable of analyzing the resulting portfolio and making their investment decision on the merits of the portfolio.

II. THE OFFERING MATERIALS DISCLOSED ALL MATERIAL FACTS.

The September 15 meeting was very useful in helping us understand the Staff's evolving thinking. We appreciate the Staff's willingness to engage in an open and robust discussion of the issues, and take this occasion to offer several additional observations based on the additional insights gained as to the Staff's theory.

Goldman Sachs had prepared its Wells Submission in response to the proposed charges as outlined in the Staff's Wells call and ensuing letter in early August, which appeared to highlight the role of Paulson, as well as ACA's apparent belief that Paulson was an equity investor. The Staff clarified at the meeting that its theory does not turn on disclosure of Paulson's name or on anything unique to Paulson, but rather rests on the degree of participation by *any* entity in the selection of a reference portfolio when the offering documents refer to a portfolio selection agent and the entity participating in the selection process intends to take a short position with respect to the reference portfolio. As we understand the Staff's position, participation by that entity in that manner would have qualified the offering materials' statement that ACA was the Portfolio Selection Agent, because that statement implied that the Agent acted without input or comment from others in selecting the portfolio.

With the benefit of this clarification of the Staff's position, we revisit below several points we have previously made to sharpen our observations:

- *First*, investors already understood and therefore required no disclosure that (i) a synthetic CDO transaction could not occur absent market participants absorbing both the long and short side of the exposure, and (ii) it is a regular aspect of the market for those participants to make reverse inquiries about transactions and express their views as to the reference portfolio. The reference to a Portfolio Selection Agent did not suggest otherwise or impliedly disclaim the normal interaction among participants in the transaction, and so needed no qualification as to the degree of investor participation in the process. (Section A)

- *Second*, to the extent that investors took comfort in ACA's role in selecting the Reference Portfolio, they received the benefit of ACA's participation, because in the end the Portfolio *was selected* by ACA, and no transaction could have occurred absent its approval. There can simply be no question as to ACA's satisfaction with the Reference Portfolio as it invested its own capital heavily in the transaction. (Section B)

- *Third*, however the Reference Portfolio came to be, the sophisticated institutional investors in the resulting ABACUS private placement were well-equipped to perform their own objective analysis of the underlying assets, which turned on information equally available to all participants. (Section C)

A. All Investors Understood That Synthetic CDO Transactions Emanate From Inquiries by Market Participants and That Those Participants Provide Input Into the Portfolio's Composition.

The Staff's theory hinges on the proposition that investors assumed by virtue of the reference to a Portfolio Selection Agent that the Agent would operate alone and without input from other participants in the transaction, and that the transaction had emanated from Goldman Sachs rather than from a reverse inquiry. Respectfully, the very sophisticated participants involved in 2007-AC1 knew differently, and required no disclosure regarding the role of participants taking a short position.

These and other regular CDO investors were fully aware that a synthetic CDO transaction can occur only if there are market participants taking long and short exposure to the reference portfolio. They also understood that synthetic CDOs routinely arose as a result of reverse inquiries; indeed, they had themselves made such inquiries from time to time. For example, IKB's own inquiry led to the initial ABACUS transaction. Finally, they were also fully aware that in synthetic CDO transactions, participants often express their views as to the composition of the portfolio; they had all expressed their views in such circumstances in the past. Accordingly, they had every reason to assume that these same dynamics – participants shorting the portfolio, reverse inquiries and interactions as to the portfolio composition – would exist in the case of 2007-AC1.[8]

The reference in the offering materials to a Portfolio Selection Agent did not imply otherwise. The Staff expressed the view that such a selection agent presumptively assembles a portfolio without input from investors or reference to selection criteria, but provided no basis in industry practice or otherwise for such a presumption. Certainly there was nothing in the offering materials that so suggested.[9] All those materials said was that *this* agent would select the ultimate portfolio, subject to disclosed criteria, and even under the Staff's theory there cannot be any question that ACA made the selections. That ACA had input from interested participants does not diminish its exclusive authority to select the portfolio, its thorough review

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8 Goldman Sachs does not understand the Staff to contend that it should have disclosed the participation of *any* entity that intended to take a short position, no matter how little that entity had participated in the portfolio selection process. Further, customary market practices do not generally have to be disclosed to investors. *See In re Worlds of Wonder Sec. Litig.*, 35 F.3d 1407, 1417-18 (9th Cir. 1994) (common industry practices require no disclosure).

9 The offering circular described the role of the Portfolio Selection Agent as follows:

> The Portfolio Selection Agent will, pursuant to the terms of the Portfolio Selection Agreement, (a) select the Initial Reference Portfolio and (b) have the right to review the calculations of the Credit Default Swap Calculation Agent and the Trustee on any Determination Date. The Portfolio Selection Agent will not be responsible for producing or providing reports, notices or other information relating to the Notes or the Reference Portfolio. The Portfolio Selection Agent will not provide any other services to the Issuer or act as the "collateral manager" for the Collateral. The Portfolio Selection Agent will not have any fiduciary duties or other duties to the Issuer or to the holders of the Notes and will not have any ability to direct the Trustee to dispose of any items of Collateral.

(GS MBS 0000010178.) The Portfolio Selection Agreement gave ACA the authority to select the Reference Portfolio, and said nothing about whether ACA would act with or without input from third parties. (*See* GS MBS-E-0003639016.)

of each security included using its proprietary analytic models, and its complete satisfaction with the resulting portfolio as evidenced by its investment of its own cash in the deal.

We also pause to consider precisely what the additional disclosure advocated by the Staff would say. Based on our discussion at the September 15 meeting, Goldman Sachs understands that the Staff apparently has in mind the addition of a disclosure such as the following:

> The Portfolio Selection Agent may, from time to time, receive recommendations as to the content of the Reference Portfolio from third parties, including third parties whose interests are adverse to those of the noteholders. The Portfolio Selection Agent may consider and accept or reject such recommendations, with the result that any or all of the Reference Obligations may have initially been proposed by such third parties, and that Reference Obligations originally proposed for inclusion by the Portfolio Selection Agent may be deleted from the Reference Portfolio. Investors should review the list of Reference Obligations set forth herein and conduct their own investigation and analysis with respect to the creditworthiness of each Reference Obligation.

Such a disclosure would provide a potential investor with no information the investor did not already know, since the dynamics described represented a regular course of dealing in the market. A disclosure more narrowly tailored to the facts of the 2007-AC1 transaction would convey even less. For example, a potential disclosure of the discussions at issue here might read:

> The Portfolio Selection Agent has received recommendations as to the content of the Reference portfolio from third parties, including a third party that intends to take a short position with respect to the Reference Portfolio (the "Third Party"). The Third Party initially suggested 123 securities to the Portfolio Selection Agent. The Portfolio Selection Agent evaluated these 123 securities, rejected 68 of these securities, accepted 55 of these securities and proposed an additional 31 securities. The Portfolio Selection Agent later proposed an additional 26 securities. Goldman Sachs requested that two of the proposed securities be rejected, and the Portfolio Selection Agent suggested three replacements. After a meeting between the Portfolio Selection Agent and the Third Party, the Portfolio Selection Agent circulated a spreadsheet of 100 securities, including the securities that the two parties had agreed upon, as well as several additional securities. The Third Party requested removal of eight of these securities and Goldman Sachs requested removal of two other securities. The Third Party then circulated a list of 90 securities. The Portfolio Selection Agent requested removal of 3 securities and proposed 11 alternative securities, 3 of which were agreed upon by the Third

Party. The parties than further discussed the substitution of a handful of securities and settled on the final portfolio.

The bottom line is that no amount of disclosure would change that the very sophisticated investors already knew that some entity or entities by necessity had to take a short position, and that any and all participants – including themselves – might express their views as to the reference portfolio. None of these descriptions contains any concrete, analyzable information that might educate the sophisticated institutional investors that typically purchase synthetic CDOs. Regardless of who selected them, the offering documents for each of the reference securities disclosed detailed information on their underlying assets, as required by Regulation AB. It is this concrete information on the assets – not the economic interest of the entity that selected them – that investors could analyze and use to inform their decisions.[10]

B. ACA Selected the Reference Portfolio, and the Offering Documents Properly Described ACA as Portfolio Selection Agent.

The Staff questioned at times during the September 15 meeting whether ACA actually selected the portfolio. The record in this investigation is clear that the overwhelming majority of the securities were identified by ACA. Of the 90 securities in the Reference Portfolio:

- 47 were among the 55 selected by ACA from the 123 securities initially sent to ACA (*see* GS MBS 0000010274-10277; GS MBS-E-007988151-007988152),

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10 At the September 15 meeting, the Staff stated that it had asked some market participants whether they would have wanted to know prior to investing in a securitization that a participant in the portfolio selection process intended to take a short position, and that these market participants stated that they would have wanted to know this information. Leaving aside whether these market participants could truly and objectively recall – without hindsight – what they thought was material given the market conditions prevalent in 2006 and early 2007, it is unlikely that an informal survey, without reference to the specific, detailed information provided to investors here, would yield meaningful responses.

- 19 were among the 31 initially recommended by ACA for its first portfolio of 86 securities (*see id.*),

- 21 were initially recommended by ACA later in the process (*see* GS MBS 0000010274-10277; GS MBS-E-003026086; GS MBS-E-003838442-3838443; GS MBS-E-002444961-2444962; GS MBS-E-003740868) and

- 3 were initially recommended by Paulson (*see* GS MBS 0000010274-10277; GS MBS-E-003740868; GS MBS-E-007974382).

The record is equally clear that, regardless of who proposed or commented on any particular security, in the end, ACA carefully analyzed every security, and ACA alone selected the final portfolio and underscored its satisfaction by investing its own money. Only ACA had the authority to select and approve the Reference Portfolio; certainly Paulson had no such authority. If investors took any comfort from ACA's role as Portfolio Selection Agent, they got precisely what they were expecting.

C. Investors Had All the Objective Information They Required to Make an Informed Investment Decision.

As Goldman Sachs noted in its initial Submission, what mattered to investors – particularly the sophisticated institutions that invested here – were the details of the Reference Portfolio. Every investor was simply applying its own broad directional bet on macro-economic and housing trends to a portfolio of securities. That objective portfolio information was entirely static and involved no corporate inside knowledge. Regardless of how the Reference Portfolio was selected, the offering documents comprehensively described each individual asset backing the securities. Nothing about the selection process affected the inherent value or risks of the resulting Reference Portfolio. And nothing stopped any investor from adjusting its risk tolerance to the extent that its economic outlook and view of the housing market changed.

Knowledge that a participant in the portfolio selection process intended to short the portfolio – especially in a synthetic CDO, where there *must always* be participants shorting the portfolio – would not alter the "total mix" of information available, given the extensive, objective disclosures present here. *Basic, Inc.* v. *Levinson*, 485 U.S. 224, 231-32 (1988). Regulation AB's objective disclosure scheme reflects as much, *see*, *e.g.*, 17 C.F.R. §§ 229.1102, 229.1103, 229.1105, 229.1111, and the Staff has not suggested what – if any – additional analysis a description of the portfolio selection process would have permitted investors to perform on the underlying assets.

III. THERE IS NO BASIS FOR ALLEGING THAT GOLDMAN SACHS ACTED WITH SCIENTER OR INTENDED TO MISLEAD ANYONE.

While the September 15 meeting included a robust discussion of materiality, the issue of scienter was never raised. Although we are therefore hopeful that our Wells submission was sufficient to dispel any continuing consideration of charges requiring scienter, out of an abundance of caution we comment briefly as to this issue as well.

We respectfully believe that the Staff has at most shown that ACA may have been confused about the role of Paulson. But nothing in the record establishes that anyone at Goldman Sachs intended to mislead ACA, and the drafts of the offering materials Goldman Sachs provided to ACA expressly indicated that the first loss tranche was "N/A," rather than identifying Paulson as the investor. The notion that ACA was misled into believing that Paulson was an equity investor is in all events difficult to reconcile with the Staff's theory that Paulson proposed weaker securities to ACA, a trend that would have caused a market participant with ACA's deep knowledge to question Paulson's true interest.

Nor is there any basis to suggest that Goldman Sachs would have intentionally jeopardized its own reputation and relationship with established customers and counterparties.

This transaction at the time was just one of many in the marketplace, and because it was a synthetic CDO, Goldman Sachs had no inventory of securities that it would need to dispose of if the transaction did not close, or any other reason to proceed with a transaction that could potentially damage its reputation or relationships. Goldman Sachs had no reason to mislead anyone.

CONCLUSION

For the foregoing reasons, as well as those set forth in the Submission of Goldman, Sachs & Co. dated September 10, 2009, no enforcement action is warranted.

Dated: New York, New York
September 25, 2009

Respectfully submitted,

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Attorneys for Goldman, Sachs & Co.

ATTACHMENT 14

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

MEMORANDUM

Goldman Sachs

To: Mortgage Capital Committee

From: Jonathan Egol
David Gerst
Jordan Kaufman
Darren Thomas
Fabrice Tourre
Geoff Williams
Shin Yukawa

Cc: Armen Avanessians
Robert Berry
Justin Gmelich
Margaret Holen
Bill McMahon
Bunty Bohra
Slim Bentami
Josh Bimbaum
David Lehman
Peter Ostrem
Matt Schroeder
Mike Swenson
Mike Turok
Steve Elia
Glade Jacobsen
Rob Leventhal
Darren Littlejohn
Mary Marr
Mitch Resnick

Date: March 12, 2007

Re: **ABACUS Transaction sponsored by ACA**

I. Introduction

The Structured Product Correlation Trading Desk is currently structuring a synthetic CDO, ABACUS 2007-AC1 ("AC1", or the "Transaction"). AC1 will reference a $2 billion static portfolio consisting entirely of Baa2-rated midprime and subprime RMBS (such portfolio, the "Reference Portfolio"). ACA Capital Management (the "Portfolio Selection Agent"), will be the portfolio selection agent for the transaction. The Desk will distribute on a best efforts basis the super senior through A/A2 layers of credit risk of AC1 (such risk layers, the "Targeted Tranches"), and consistent with prior ABACUS transactions, Goldman will act as protection buyer in connection with the Transaction. Simultaneously with the distribution of AC1, Goldman will write protection on the Targeted Tranches to Paulson Credit Opportunities Master Ltd. ("Paulson"). Goldman will receive an upfront premium from Paulson for distributing risk at or within specified strike spreads. Through this arrangement, Goldman is effectively working an order for Paulson to buy protection on specific layers of the AC1 capital structure at or inside specific spread levels.

Several additional key aspects of the AC1 transaction include:

- The tranches offered in connection with AC1 (other than the super senior tranche, which is expected to be executed privately through one or more supersenior swaps) are intended to be distributed broadly to suitable investors through the Structured Products Syndicate Desk.
- This will be the first ABACUS transaction in which a portfolio selection agent has been appointed. There have been three prior ABACUS transactions that were lightly-managed by a third party, the first being ABACUS 2005-CB1, which priced in November 2005, the second being ABACUS 2006-NS1 which priced in July 2006 and the third being ABACUS 2006-HGS1, which priced in November 2006. We expect the strong brand-name of ACA as well as our market-leading position in synthetic CDOs of structured products to result in a successful offering.
- Goldman is not taking any warehouse risk in this transaction. The underlying portfolio will not be ramped in the CDS market. Goldman is solely working as agent and but retains the option to underwrite the risk as principal.
- As described below, we project the profitability of the transaction to be between $15 million and $20 million, depending on the amount of CDO tranches distributed, and the levels at which those CDO tranches are distributed at.
- We do not expect the transaction to result in the creation of additional EITF 02-3 balances, as the tranches that are distributed will be immediately be crossed to Paulson, resulting in no retained unobservable tranches on the closing date.

We are pursuing this transaction for the following reasons:

- Partnering with ACA on this innovative, franchise-building transaction will enhance our leadership position in the market for structured product synthetic CDOs. We expect that the role of ACA as Portfolio Selection Agent will broaden the investor base for this and future ABACUS offerings.
- As described above, upon execution of the Distributed Tranches, Goldman will simultaneously sell protection on such CDO tranches of the Reference Portfolio to Paulson for a fee, which will depend on the notional amount the CDO tranche executed and the spread it was executed at. This format therefore enables Goldman to work as agent on a best efforts basis, with the ability to principal any layer of risk of the Transaction.
- This transaction will enhance Goldman's franchise as a leading firm in the synthetic structured product CDO sector.

We expect to price the Transaction by the end of March, and close by the end of April.

Given the franchise value and innovative nature of this transaction, as well as the potential to benefit the overall structured products business, we request the Committee's approval to execute the proposed synthetic CDO.

II. <u>Transaction Overview</u>

A Cayman's special purpose vehicle will be established for the sole purpose of issuing approximately $700 million of Notes (such special purpose vehicle, the "Issuer").

The Issuer will enter into a CDS with Goldman to write protection on the mezzanine layers of risk of the Reference Portfolio. Under the CDS, the Issuer will write protection to Goldman covering cumulative losses between 10.00% and 45.00% of the notional amount of the Reference Portfolio. The Issuer's obligations to Goldman under the CDS will be collateralized by triple-A securities selected by Goldman. In return for this credit protection, Goldman will pay a stated premium equal to the periodic administrative expenses of the Issuers, the spread over LIBOR on the outstanding classes of Notes and the portfolio selection fees accrued actual/360 and paid monthly on the outstanding classes of the Notes. The structure is described in more detail in the Appendix.

We intend to separately purchase credit default swap protection from one or more suitable counterparties approved by Credit on the super senior 45% to 100% risk layer. The Desk has been in discussions with ACA and AMBAC to transact on this supersenior tranche at a level of approximately 40bps. The structure and margin terms of such exposure will be reviewed and approved by Legal and Credit prior to execution of such private CDS trades.

The expected issuance is summarized below:

Tranche	Notional Amount ($MM)	Loss Exposure	ACA Selection Fees [b]	Expected Ratings (Moody's/S&P)	Target Investors / Distribution
Super Senior [a]	1,100.00	45.00% - 100.00%	NA	Not Applicable	ACA, other hedge funds, monolines
Class A1	200.00	35.00% - 45.00%	0.250%	Aaa/AAA	Syndicated Tranche
Class A2	180.00	21.00% - 35.00%	0.250%	Aaa/AAA	Syndicated Tranche
Class B	60.00	18.00% - 21.00%	0.500%	Aa2/AA	Syndicated Tranche
Class C	100.00	13.00% - 18.00%	0.500%	Aa3/AA-	Syndicated Tranche
Class D	60.00	10.00% – 13.00%	1.000%	A2/A	Syndicated Tranche
First Loss	200.00	0.00% - 10.00%	NA	NR/NR	Not Offered
Total	2,000.00				

[a] We expect to buy protection on the super senior tranche of the AC1 transaction from one or more suitable counterparties. Such super senior trade would be executed in the form of a private credit default swap transaction.

[b] ACA will earn portfolio selection fees accrued actual/360 and paid monthly on the outstanding notional amount (as reduced from time-to-time by amortization or credit losses) of the Notes as set forth above.

We expect on the closing date to issue up to $700 million of Notes as summarized in the table above. All of the Notes will be rated by both S&P and Moody's.

We intend to target suitable structured product investors who have previously participated in ACA-managed cashflow CDO transactions or who have previously participated in prior ABACUS transactions.

The Notes will have a legal maturity of 30 years. However, the expected average life of the Notes will be between 3 and 5 years. Goldman shall have the option to terminate the CDS and cause one or more classes of Notes to be redeemed on any payment date occurring on or after 2 years following the closing date.

The Reference Portfolio has been selected and mutually agreed upon by ACA and Goldman. Following is a summary of the Reference Portfolio characteristics expected to pertain as of the pricing date:

- 90 equally-sized Reference Obligations, $22.22 million notional per name.
- Each Reference Obligation is a midprime or subprime RMBS obligation.
- All of the Reference Obligations were issued after January 1, 2006.
- Each Reference Obligation has an actual rating by Moody's of "Baa2".

Pursuant to a portfolio selection agency agreement that ACA will enter into on the Closing Date with the Issuer, ACA will select the initial Reference Portfolio. Following the Closing Date, the Reference Portfolio will remain static, and no discretionary removals, substitutions nor reinvestments will be permitted.

III. ACA's role

ACA Capital Management (the "Portfolio Selection Agent"), will be the portfolio selection agent for the transaction. ACA has selected a Reference Portfolio of 90 Baa2 rated RMBS obligations for the Transaction. ACA has approximately $16 billion of assets in 22 CDOs under management. ACA currently employs 30 full-time professionals who are dedicated to the CDO asset management business and is active in both the cash and synthetic structured product markets. We expect to leverage ACA's credibility and franchise to help distribute this Transaction.

The financial guarantee insurance company arm of ACA has also indicated its interest in participating as risk taker at the supersenior level of the capital structure. ACA has indicated that they would have interest in writing protection on the 45% - 100% supersenior tranche of the Reference Portfolio at a spread of approximately 40bps. This level does not include intermediation costs that will be incurred in order to be able to hedge the ACA counterparty risk. We expect the cost of such intermediation to be 10bps p.a. The Desk is still working on identifying counterparties that will be able to take ACA's counterparty risk.

IV. Paulson's role

Paulson is a large macro hedge fund that has taken directional views on the subprime RMBS market for the past few months.. In 2006 the Desk worked an order for Paulson to buy protection on a supersenior tranche off a portfolio similar to the Reference Portfolio selected by ACA, and the AC1 Transaction is another mean for Paulson to accomplish their trading objective: buying protection in tranched format on the subprime RMBS market.

The Desk expects to enter over the next few days into a letter agreement with Paulson. Under such agreement, Goldman will work an order for Paulson to buy protection on specific layers of the AC1 capital structure (such layers, the "Targeted Tranches") at or inside specific spread levels (the "Strike Spreads"). If Goldman succeeds in placing a given Targeted Tranche inside the related Strike Spread, Goldman will receive from Paulson a fee on the notional amount of such Targeted Tranche distributed. Such fee will have a floor component (the "Minimum Fee Rate") and an upside sharing component, under which Goldman will share with Paulson any execution delivered at levels tighter than the Strike Spreads.

Using reasonable pricing assumptions for the super senior and the mezzanine layers of risk as disclosed below, in conjunction with the Strike Spreads that we expect to negotiate with Paulson, we project the all-in profit for this transaction to be between $15mm and $20mm.

Tranche	Expected Ratings (Moody's/S&P)	Strike Spread (% p.a.)	Expected Pricing Spread (% p.a.)
Super Senior [(a)]	Not Applicable	0.95%	0.50%
Class A1	Aaa/AAA	L+1.25%	L+1.00%
Class A2	Aaa/AAA	L+1.50%	L+1.25%
Class B	Aa2/AA	L+2.40%	L+1.75%
Class C	Aa3/AA-	L+2.90%	L+2.50%
Class D	A2/A	L+5.75%	L+5.00%
First Loss	NR/NR	NA	NA

V. Accounting Treatment

With respect to Goldman's accounting treatment, AC1 has been reviewed and approved by Mary Marr in Accounting Policy, and the transaction contains the same structural provisions which were approved by Accounting Policy for the prior ABACUS transactions. In particular, given that the junior-most class of notes in each transaction is exposed to the substantial majority of expected losses in the structure and the expectation that Goldman will not purchase any of the junior-most class of notes, Accounting Policy is comfortable that Goldman would not be required to consolidate the transaction. Similar to the prior ABACUS transactions, AC1 uses the so-called Beneficial Interest Exchange ("BIE") Option structure approved by Accounting Policy which permits Goldman to sell the initial triple-A collateral to the Issuer at fair market value without requiring Goldman to consolidate the transaction. The BIE Option allows noteholders to substitute the triple-A collateral securities held by the Issuer with other eligible securities of their choosing, subject to approval of Goldman (such approval not to be unreasonably withheld).

Mary Marr in Accounting Policy has reviewed and approved this aspect of the transaction with respect to regulatory and accounting considerations. To the extent Goldman was to purchase Notes on the Closing Date, further review might be required to confirm the FIN 46 and FAS 140 analysis of this transaction. Tim Saunders has received this memo and will sign off on the legal considerations prior to pricing.

P&L recognition and valuation adjustments for ABACUS transactions will follow the valuation adjustment policy as approved by Brian Lee and Rob Leventhal in Controllers. As noted above, we expect to have full capital structure price observability on the pricing date.

The CDS transaction will be marked to market, and P&L will be recognized reflecting observable spread movements on the reference obligations. For example, a general widening of spreads, holding implied correlation constant, would result in the recognition of a gain on the transaction, and conversely a general tightening of spreads would result in the recognition of a loss. Spreads on the reference obligations will be marked to market by the secondary traders responsible for cash and synthetic trading of such securities, and will be subject to price verification by Controllers. However, so long as Goldman's offsetting credit default swap trades with Paulson remain outstanding, Goldman should remain mark to market neutral following any such spread movements.

VI. Model and Booking Policy

There is not yet an industry standard model for ABACUS type transactions. FICC Strategies have developed and Derivatives Analysis has approved a pricing model and tradable infrastructure specifically for the ABACUS CDS transactions which are in compliance with Firm policy. The model reflects the economic and legal structure of the reference obligations, the specialized credit events and settlement mechanisms applicable to the ABACUS CDS transactions, and a correlation framework for the structured product portfolios referenced in the ABACUS CDS transactions. This ABACUS CDS model is fully consistent with the pricing model and infrastructure which has already been put in place for single-name credit default swaps on structured products. No model waiver will be required for this transaction.

As with the prior ABACUS transactions, the issuance of Notes will require the relevant Goldman affiliates to enter into a new basis swap and a new collateral security put. These aspects of the ABACUS structure are described in more detail in the Appendix. FICC Strategies has recently developed a pricing model for the basis swap and the put options for ABACUS trades. This model has been blessed by FICC Strategies, approved by Derivatives Analysis and affirmed by Model Control.

VII. Strengths / Issues to Consider

Strengths

- **Franchise:** This transaction is a new and innovative transaction for Goldman Sachs and the CDO market; it is the first ABACUS transaction using a Portfolio Selection Agent, using an attractively structured reference portfolio of Baa2 midprime and subprime RMBS obligations that will be appealing to investors, in a challenging market environment. This transaction addresses the objectives of multiple clients of the firm: it helps ACA increase their assets under management and their fee income; it enables Paulson to execute a macro hedge on the RMBS market; it offers to CDO investors an attractive product relative to other structured credit products available in the market. Our ability to structure and execute complicated transactions to meet multiple client's needs and objectives is key for our franchise.
- **Attractive Risk/Return Profile:** Goldman is not taking any warehouse risk in this transaction. No underlying risk is ramped before the execution of AC1, and Goldman's profits come directly from the purchase of credit protection on tranches of an RMBS portfolio (selected by ACA) from the CDO market and simultaneous re-offering of such protection under the same terms for a pre-negotiated

premium that will be payable by Paulson. Goldman is therefore acting as agent, but retains the option to principal this AC1 transaction.

- **Establish Leadership in Growing Market Segment:** Executing this transaction and others like it helps position Goldman to compete more aggressively in the growing market for synthetics written on structured products.
- **Profit:** Assuming distribution in full of the super senior through "A2/A" tranches this transaction is expected to generate, after fees and expenses, between $15 and $20 million in P&L.

Issues to Consider

- **Potential Conflicts of Interest:** Although the reference portfolio has been selected by AC1 as portfolio selection agent, as in all the ABACUS transactions Goldman is acting as principal as a protection buyer in these transactions (as well as taking other principal roles summarized in the Appendix). The transaction disclosure notes the various capacities in which Goldman entities act as counterparty to the transactions and the risk factors section notes the potential for conflicts of interest. As with prior ABACUS transactions, we receive advice of outside counsel (McKee Nelson) regarding disclosure in ABACUS securities offerings and all such disclosure will be reviewed and approved by Tim Saunders in Legal.
- **Expense and Protection Cost:** The AC1 transaction will entail non-refundable upfront expenses which are expected to be paid from an upfront expense payment made by Paulson to Goldman pursuant to the letter agreement expected to be entered into between Goldman and Paulson as well as ongoing protection costs (inclusive of portfolio selection fees paid to ACA) that will match the ongoing protection costs payable by Paulson to Goldman under our credit default swaps with Paulson.
- **Distribution Cannibalization:** This transaction will be appealing to the same type of investors who traditionally purchase mezzanine ABS CDOs. The firm is currently prioritizing the sale of ABS CDOs for which the risk has already been aggregated vs. CDOs that have not been ramped. For this reason the AC1 transaction is only being showed to accounts that have already declined to participate in other ABS CDO transactions where Goldman has taken warehouse risk.
- **Contingent Market Value Risk on Collateral Securities:** Similar to the prior ABACUS transactions, in the event that some or all of the collateral securities need to be liquidated to fund protection payments to Goldman under the credit default swap, or to fund certain other principal payments on the notes, Goldman will be exposed to the risk that such collateral securities have a market value less than par at the time of liquidation. This risk is mitigated somewhat by the facts that (1) the collateral securities will be triple-A floating rate structured securities selected by Goldman, (2) Goldman may select the particular securities to be liquidated and thus may select the securities expected to trade at or above par at such time and (3) only a relatively small amount of securities are expected to be liquidated at any given time. The exception to this third point is the case of optional redemption, which is entirely at Goldman's discretion.
- **Accounting:** We do not expect any consolidation issues with respect to this transaction. P&L recognition, valuation adjustment policies and infrastructure/control enhancements are continuing subjects of discussion with Brian Lee and Rob Leventhal in Controllers.

VIII. Appendix: Structural Summary

The Issuer will enter into a CDS with GSCM (as protection buyer), as well as several other hedging transactions with other Goldman entities as described below. Under the CDS, the Issuer will be obligated to pay GSCM for credit losses experienced on the Reference Portfolio to the extent a relevant tranche is impacted by such losses and the Issuer has sold protection to Goldman under the CDS on such tranche. In exchange for the protection payments, GSCM will be obligated to pay a stated running premium to the Issuer, which shall be used to make interest payments under the notes.

No Goldman entity shall be required to own or be otherwise exposed to any of the reference obligations as a condition for payment under the CDS.

The CDS will be cash settled immediately upon satisfaction of conditions to settlement after a credit event. All credit events and related settlement mechanics are consistent with the current form of the Standard Terms Supplement for a Credit Derivative Transaction on a Mortgage- Backed Security with Pay-As-You-Go or Physical Settlement (Form I) (Dealer Form) and Form of Confirmation.

The Notes will be collateralized by relatively liquid triple-A structured product securities (none of which shall be issued by the same issuer as any reference obligation). GSCM (as protection buyer) will have the right to select the collateral securities, subject however to several constraints specified in the Offering Circular. Note that selection of high-quality collateral is generally in Goldman's interest and that in this respect our incentives are largely aligned with that of Noteholders. The collateral securities will be reviewed by Credit prior to closing.

GSMMDP will enter into a basis swap with the Issuer, under which the accrued interest payments on the collateral securities (which bear interest at rates indexed to LIBOR) will be paid to GSMMDP and GSMMDP shall pay the related Issuer LIBOR flat. Noteholders will bear the credit risk of collateral security non-payment, as failure of the Issuer to pay the accrued coupons on the collateral securities to GSMMDP will be an event of default under the notes, and GSMMDP will not be required to continue payments under the basis swap. Amounts owed to GSMMDP under the basis swap will be senior to payments due under the notes. The combination of the LIBOR index payments by GSMMDP and the CDS premium by GSCM will always equal the sum of ongoing expenses of the Issuer and interest payments under the Notes.

The rating agencies require that noteholders be protected against market value declines in the collateral securities, in the event that collateral must be liquidated to fund (1) cash settlements to GSCM, (2) amortization of the Notes (other than a mandatory early redemption), or (3) an optional redemption of the Notes if GSCM exercises its termination option under the CDS.

Goldman, Sachs & Co. (as collateral disposal agent) will select which collateral securities are to be liquidated in each case above, and will be responsible for determining in good faith the strategy (in its commercially reasonable discretion) likely to achieve the highest proceeds for the collateral securities to be liquidated.

In the first circumstance (cash settlements under the CDS), Goldman will bear the risk that the collateral has declined in value. When a loss amount is determined, a commensurate face amount of collateral will be liquidated, and GSCM under the CDS will only be entitled to receive such proceeds received on such liquidation.

With respect to the other two circumstances, GSI (as put provider) shall be required to buy the collateral securities to be liquidated at par, if GS&Co. (as collateral disposal agent) is unable to obtain a price in the market of at least par.

In the case of optional termination, the put is not really a risk to Goldman, since our decision to terminate the transaction will by definition include both the value of the CDS termination and the value of the collateral securities. We view the put more as a modest reduction in the value of our option to terminate the CDS.

We believe the put risk arising from amortization of the notes (other than in connection with Goldman terminating the CDS) is small for the following reasons:

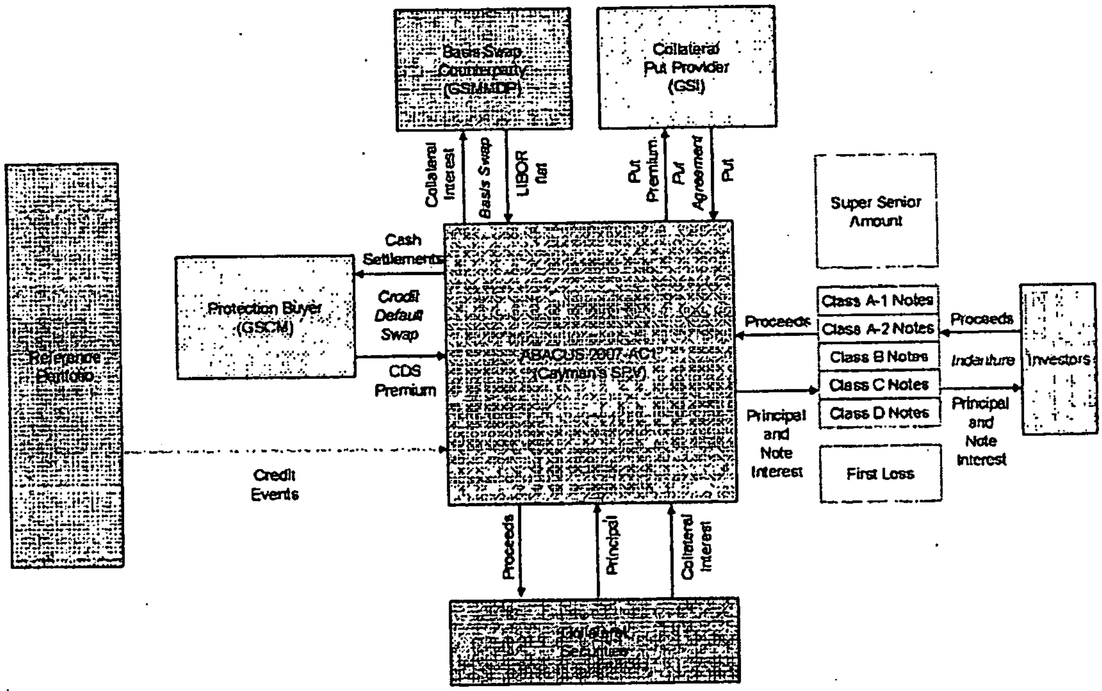
- The notes cannot begin to amortize until after the super senior notional has been reduced to zero. We do not expect any of the Notes to receive any principal payments for at least 4.0 years under base-case prepayment assumptions.

- The amount of collateral required to be liquidated in any month is purely a function of reference portfolio amortizations in that month, which is likely to be small in relation to the principal balance of the notes and should be smoothly distributed over time.
- Goldman (as protection buyer) has the right to direct reinvestment of any principal on collateral securities. The initial collateral securities are expected to have approximately a 2- to 3-year weighted average life. In the future, prior to any amortization of the notes occurring, we could direct the trustee to keep a suitable portion of the collateral invested in cash, incurring more negative carry on our protection in exchange for negligible put risk.

The spread on the initial collateral securities is expected to be approximately 7-10 bps over LIBOR. It is the put to Goldman which enables us to select high-quality collateral and earn this positive spread over LIBOR in the ABACUS structure. For these reasons outlined above, we believe that this positive carry generated by the put feature creates significant value for the synthetic transaction and more than adequately compensates for the put risk.

Lastly, as noted above, in a mandatory early redemption of the Notes (arising from an adverse tax event or from a default of one or more Goldman entities that are parties to the transaction), the put would not be exercisable against Goldman, exposing noteholders to the market value of the collateral.

The transaction structure is depicted in the schematic below.



ATTACHMENT 15

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

Derivative Trades versus AIG
January 2006 - December 2008

Reference Obligation	CUSIP	External Trade ID	Trade Date	Notional
BACM 2004-6 AJ	05947UC22	SDB2012886109	4/21/2006	44,500,000
BACM 2005-1 AJ	05947UD54	SDB2012888111	4/21/2006	44,500,000
BACM 2005-4 AJ	05947UX60	SDB2012888113	4/21/2006	44,500,000
BACM 2005-5 AJ	05947U2T4	SDB2012888117	4/21/2006	44,500,000
BACM 2006-1 AJ	05947U7N2	SDB2012886119	4/21/2006	44,500,000
BSCMS 2005-PW10 AJ	07387BEE9	SDB2012886121	4/21/2006	44,500,000
BSCMS 2005-PWR9 AJ	07387BAL7	SDB2012886123	4/21/2006	44,500,000
CD 2005-CD1 AJ	12513EAK0	SDB2012888125	4/21/2006	44,500,000
CD 2006-CD2 AJ	12513XAH5	SDB2012886127	4/21/2006	44,500,000
CGCMT 2005-C3 AJ	173067HB8	SDB2012886131	4/21/2006	44,500,000
CSFB 2005-C5 AJ	225470AS2	SDB2012886133	4/21/2006	44,500,000
CSFB 2005-C6 AJ	225470NN9	SDB2012886135	4/21/2006	44,500,000
GECMC 2005-C4 AJ	36828QQH2	SDB2012886137	4/21/2006	44,500,000
GMACC 2006-C1 AJ	361849R48	SDB2012886139	4/21/2006	44,500,000
GSMS 2005-GG4 AJ	36228CVX8	SDB2012886141	4/21/2006	44,500,000
JPMCC 2005-LDP3 AJ	46625YSM6	SDB2012888145	4/21/2006	44,500,000
JPMCC 2005-LDP5 AJ	46625YXV0	SDB2012888147	4/21/2006	44,500,000
MLMT 2005-MCP1 AJ	59022HHM7	SDB2012888149	4/21/2006	44,500,000
WBCMT 2005-C17 AJ	929766C43	SDB2012888151	4/21/2006	44,500,000
WBCMT 2005-C22 AJ	92976BBR2	SDB2012886153	4/21/2006	44,500,000
WBCMT 2006-C23 AJ	92976BDX7	SDB2012886155	4/21/2006	44,500,000
BSCMS 2004-T16 A6	07383FU71	SDB2012886159	4/21/2006	44,500,000
CSFB 2005-C4 A5	225458S66	SDB2012886163	4/21/2006	44,500,000
CSMC 2006-C1 A4	225470F73	SDB2012886165	4/21/2006	44,500,000
LBUBS 2004-C8 A6	52108HK78	SDB2012886201	4/21/2006	44,500,000
MSC 2005-HQ7 A4	617451CL1	SDB2012886211	4/21/2006	44,500,000
WBCMT 2004-C14 A4	929766UK7	SDB2012886216	4/21/2006	44,500,000
WBCMT 2005-C21 A4	9297667G2	SDB2012886220	4/21/2006	44,500,000
BACM 2004-6 A5	05947UB72	SDB2012987809A	7/12/2006	12,500,000
BACM 2005-1 A5	05947UD39	SDB2012987858A	7/12/2006	12,500,000
BACM 2005-4 A5A	05947UX37	SDB2012987916A	7/12/2006	12,500,000
BACM 2005-5 A4	05947U2R8	SDB2012987934A	7/12/2006	12,500,000
BACM 2006-1 A4	05947U7L6	SDB2012987938A	7/12/2006	12,500,000
BSCMS 2004-T16 A6	07383FU71	SDB2012987940A	7/12/2006	12,500,000
BSCMS 2005-PW10 A4	07387BEB5	SDB2012987943A	7/12/2006	12,500,000
BSCMS 2005-PWR9 A4A	07387BAH6	SDB2012987947A	7/12/2006	12,500,000
CD 2005-CD1 A4	12513EAG9	SDB2012987952A	7/12/2006	12,500,000
CGCMT 2005-C3 A4	173067GT0	SDB2012987954A	7/12/2006	12,500,000
COMM 2005-LP5 A4	20047PAE7	SDB2012987959A	7/12/2006	42,500,000
COMM 2005-LP5 AJ	20047PAH0	SDB2012987962A	7/12/2006	15,000,000
CSFB 2005-C4 A5	225458S66	SDB2012987971A	7/12/2006	13,000,000
CSFB 2005-C5 A4	225470AP8	SDB2012987973A	7/12/2006	12,500,000
CSFB 2005-C6 A4	225470NK5	SDB2012988039A	7/12/2006	12,500,000
CSMC 2006-C1 A4	225470F73	SDB2012988040A	7/12/2006	12,500,000
GCCFC 2005-GG3 A4	396789JU4	SDB2012988042A	7/12/2006	42,500,000
GCCFC 2005-GG3 AJ	396789JW0	SDB2012988043A	7/12/2006	15,000,000
GECMC 2005-C1 A5	36828QKR6	SDB2012988045A	7/12/2006	42,500,000
GECMC 2005-C1 AJ	36828QKT2	SDB2012988046A	7/12/2006	15,000,000
GECMC 2005-C2 A4	36828QMC7	SDB2012988047A	7/12/2006	48,500,000
GECMC 2005-C2 AJ	36828QME3	SDB2012988048A	7/12/2006	11,000,000
GECMC 2005-C3 A7A	36828QPW0	SDB2012988050A	7/12/2006	42,500,000
GECMC 2005-C3 AJ	36828QNZ5	SDB2012988052A	7/12/2006	15,000,000
GECMC 2005-C4 A4	36828QQE9	SDB2012988053A	7/12/2006	12,500,000
GMACC 2006-C1 A4	361849Q96	SDB2012988054A	7/12/2006	12,500,000
GSMS 2005-GG4 A4A	36228CVU4	SDB2012988055A	7/12/2006	12,500,000
JPMCC 2005-LDP2 A4	46625YNC3	SDB2012988056A	7/12/2006	42,500,000
JPMCC 2005-LDP2 AJ	46625YNF6	SDB2012988057A	7/12/2006	15,000,000
JPMCC 2005-LDP3 A4A	46625YSG9	SDB2012988058A	7/12/2006	12,500,000
JPMCC 2005-LDP5 A4	46625YXP3	SDB2012988059A	7/12/2006	12,500,000
LBUBS 2004-C8 A6	52108HK78	SDB2012988060A	7/12/2006	12,500,000
LBUBS 2005-C1 A4	52108H2U7	SDB2012988061A	7/12/2006	42,500,000
LBUBS 2005-C1 AJ	52108H2W3	SDB2012988062A	7/12/2006	15,000,000
MSC 2005-HQ7 A4	617451CL1	SDB2012988071A	7/12/2006	13,000,000
WBCMT 2004-C14 A4	929766UK7	SDB2012988074A	7/12/2006	12,500,000
WBCMT 2005-C17 A4	929766C35	SDB2012988077A	7/12/2006	12,500,000
WBCMT 2005-C21 A4	9297667G2	SDB2012988084A	7/12/2006	15,500,000
WBCMT 2005-C22 A4	92976BBN1	SDB2012988088A	7/12/2006	12,500,000
WBCMT 2006-C23 A4	92976BDT6	SDB2012988092A	7/12/2006	12,500,000
MLMT 2005-MCP1 A4	59022HHJ4	SDB2012988167A	7/12/2006	12,500,000
CD 2006-CD2 A4	12513XAE2	SDB2012988168A	7/12/2006	12,500,000
CMBS Total				2,002,500,000

Derivative Trades versus AIG
January 2006 - December 2008

Reference Obligation	CUSIP	External Trade ID	Trade Date	Notional
MKP 3A A1	G6177YAA0	NUUQ403JD0080000A0	4/7/2004	140,000,000 *
DUKEF 2004-7A 1A2	264403AJ5	NUUQ4074100800000B0	8/12/2004	129,650,000 *
DUKEF 2004-7A 1A2V	264403AK2	NUUQ4075U087000000	8/12/2004	100,000 *
GLCR 2004-2A A1NV	37638VAG8	NUUQ409HR008000000	10/12/2004	324,800,000 *
GLCR 2004-2A A1V	37638VAA1	NUUQ409IN008000000	10/12/2004	100,000 *
RESF 2004-1A A1NV	76112CAB4	NUUQ409HS008000000	10/26/2004	374,800,000 *
RESF 2004-1A A1V	76112CAA6	NUUQ409IP008000000	10/26/2004	100,000 *
MRCY 2004-1A A1NV	58936RAB3	NUUQ4102N008000000	11/3/2004	299,800,000 *
MRCY 2004-1A A1VA	58936RAA5	NUUQ4102Q008000000	11/3/2004	100,000 *
DUNHL 2004-1A A1NV	26545QAQ2	NUUQ4123N00800	12/16/2004	327,000,000 *
DUNHL 2004-1A A1VA	26545QAA7	NUUQ4123O008000000	12/16/2004	250,000 *
RIVER 2005-1A A1	768277AA3	NUUQ4125H008000000	1/19/2005	149,750,000 *
HUNTN 2005-1A A1A	446279AA9	NUUQ5030K00800	3/29/2005	406,500,000 *
HUNTN 2005-1A A1B	446279AC5	NUUQ5030L008000000	3/29/2005	250,000 *
ORCHD 2005-2A A1	68571UAA7	NUUQ5035B008000000	4/19/2005	113,750,000 *
SCF 7A A1AN	83743YAS2	NUUQ504GD008000000	5/25/2005	773,500,000 *
SCF 7A A1B	83743YAB9	NUUQ504GE00800	5/25/2005	250,000 *
MDO ABACUS04-1 S Q2L9 00 K3J 1	multi	NUUQ505GJ0030000B00	6/8/2005	1,760,000,000
MDO ABACUS04-2 S 9HYC 00 K3J 1	multi	NUUQ505GI0030000B00	6/8/2005	730,000,000
SATV 2005-1A A1	80410RAA4	NUUQ5055C008000000	6/9/2005	267,750,000 *
COOL 2005-1A	216444AA7	NUUQ506BO0420000A00	7/22/2005	274,700,000 *
ICM 2005-2A A1A	46426RAA7	BUUQ5060J008000000	7/27/2005	213,750,000 *
ICM 2005-2A A1B	46426RAB5	BUUQ5060K008000000	7/27/2005	50,000,000 *
MDO ABACUS05-3 S 8SQZ 00 4LX 0	multi	NUUQ5074F0030000000	7/28/2005	1,200,000,000
JPTR 2005-3A A1NV	48206AAG3	NUUQ507BS00800	8/10/2005	1,299,500,000 *
JPTR 2005-3A A1VA	48206AAA6	NUUQ507CD008000000	8/10/2005	250,000 *
LEXN 2005-1A A1AN	52902TAC0	NUUQ509IU008000000	10/25/2005	199,500,000 *
LEXN 2005-1A A1B	52902TAE6	NUUQ509IV008000000	10/25/2005	250,000 *
ORPT 2005-1A A1V	68619MAJ0	NUUQ510DL008000000	10/25/2005	250,000 *
ORPT 2005-1A A1VB	68619MAQ4	NUUQ510DN00800	10/25/2005	649,750,000 *
ORPT 2005-1A A1VF	68619MAL5	NUUQ510DP00800	10/25/2005	647,250,000 *
MDO ABACUS05-2 S C7FF 00 322 0	multi	NUUQ5102A0030000B00	10/28/2005	1,000,000,000
ALTS 2005-2A A1	02149WAA5	NUUQ510L300800	11/10/2005	1,277,900,000 *
MDO ABACUS05-C S SEMJ 00 H34 0	multi	BUUQ51103003000B00	12/7/2005	480,000,000
BROD 2005-1A A1NA	112021AB6	BUUQ5111500800	12/13/2005	354,500,000 *
BROD 2005-1A A1B1	112021AC4	BUUQ51116008000000	12/13/2005	485,000,000 *
BROD 2005-1A A1V	112021AA8	BUUQ51119008000000	12/13/2005	250,000 *
SHERW 2005-2A A1	82437XAA6	BUUQ5111400800	12/15/2005	322,250,000 *
KLROS 2006-2A A1NV	498588AC6	BUUQ5120L00800	1/10/2006	869,500,000 *
KLROS 2006-2A A1V	498588AA0	NUUQ512BM008000000	1/10/2006	250,000 *
SCF 8A A1NV	83743LAC5	NUUQ6013A008000000	1/25/2006	344,500,000 *
SCF 8A A1AV	83743LAA9	NUUQ6014M008000000	1/25/2006	250,000 *
TDS FORTS1 A1 JDE5 00 ATU 0	multi	SDB2012930412	3/8/2006	390,000,000 *
MDO HOUTB061 C T GSL4 00 R22 0	multi	NUUQ6055902400000000	5/19/2006	825,000,000 *
WESTC 2006-1A A1A	952186AA2	SDB503565139	7/26/2006	1,187,950,000 *
WESTC 2006-1A A1B	952186AB0	SDB503565516	7/26/2006	1,187,850,000 *
MDO ABACUS06-N S TUQ4 01 634 0	multi	NUUQ6090V0030000A00	9/12/2006	329,000,000
TRIAX 2006-2A A1B1	896008AB5	SDB504492863 / SDB504678635	12/14/2006	1,499,850,000 **
TRIAX 2006-2A A1B2	896008AC3	SDB504493409 / SDB504678606	12/14/2006	1,499,850,000 *
Dominican Republic	AP07787XX	SDB505280114	3/16/2007	6,900,000
MDO ABAC07-18 S 2BRB 01 634 0	multi	SDB981652352A	3/22/2007	470,000,000
ROMFIN A3	XS0161620868	NEEQ3040500900	5/11/2007	234,839,910
ORKN 2005-1	686335AA8	NUUQ5022A00700	7/11/2007	600,000,000
INDE5 5A A1	45343PAA3	NUUQ402B1008000000	4/24/2008	200,000,000
DUKEF 2003-5A 1A1	264402AK4	NUUQ308FT00800	6/3/2008	175,000,000
CDO Total				24,074,289,910

* *These trades were terminated during 2008 as part of the Maiden Lane III transaction, all other trades remained open beyond December 2008.*

** *This trade was partially terminated in 2008 as part of the Maiden Lane III transaction, 500M original notional remained open.*

Supplemental Response Received From Goldman Sachs

<u>Confidential Treatment Requested by Goldman Sachs</u>

LB 5: Does Goldman consider a "desk" to be the same as a "business unit?" If not, what desk and business unit is responsible for each trade?

In response to the Staff's follow-up question, Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 0000087061) providing information on the desks responsible for the trades identified in GS MBS 0000035877. Goldman Sachs does not consider "desks" and "business units" to be the same; there may be a number of desks (*e.g.*, Structured Products Trading) within a business group (*e.g.*, Mortgages).

Supplemental Response Received From Goldman Sachs

Confidential Treatment Requested by Goldman Sachs
Derivative Trades versus AIG
January 2006 - December 2008

Entity	Reference Obligation	CUSIP	External Trade ID	Trade Date	Notional	Type	Trading desk	Status	Termination Pmt	Termination Date
GSCM	BACM 2004-6 AJ	05947UC22	SDB2012888109	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	BACM 2005-1 AJ	05947UD54	SDB2012888111	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	BACM 2005-4 AJ	05947UX60	SDB2012888113	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	BACM 2005-5 AJ	05947U2T4	SDB2012888117	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	BACM 2006-1 AJ	05947U7N2	SDB2012888119	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	BSCMS 2004-T16 AJ	07383FU71	SDB2012888159	4/21/2006	44,500,000	CMBS	Mortgage desk	Terminated	2,601,902	7/15/2009
GSCM	BSCMS 2005-PW10 AJ	07387BEE9	SDB2012888121	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	BSCMS 2005-PWR9 AJ	07387BAL7	SDB2012888123	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	CD 2005-CD1 AJ	12513EAK0	SDB2012888125	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	CD 2006-CD2 AJ	12513XAH5	SDB2012888127	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	CGCMT 2005-C3 AJ	173067HB8	SDB2012888131	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	CSFB 2005-C4 A5	225458S66	SDB2012888163	4/21/2006	44,500,000	CMBS	Mortgage desk	Terminated	2,447,500	7/31/2009
GSCM	CSFB 2005-C5 AJ	225470AS2	SDB2012888133	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	CSFB 2005-C6 AJ	225470NN9	SDB2012888135	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	CSMC 2006-C1 A4	225470F73	SDB2012888165	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	GECMC 2005-C4 AJ	36828QQH2	SDB2012888137	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	GMACC 2006-C1 AJ	361849R46	SDB2012888139	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	GSMS 2005-GG4 AJ	36228CVX8	SDB2012888141	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	JPMCC 2005-LDP3 AJ	46625YSM6	SDB2012888145	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	JPMCC 2005-LDP5 AJ	46625YXV0	SDB2012888147	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	LBUBS 2004-C8 A6	52108HK78	SDB2012888201	4/21/2006	44,500,000	CMBS	Mortgage desk	Terminated	2,405,711	7/16/2009
GSCM	MLMT 2005-MCP1 AJ	59022HHM7	SDB2012888149	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	MSC 2005-HQ7 A4	617451CL1	SDB2012888211	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	WBCMT 2004-C14 A4	929766UK7	SDB2012888216	4/21/2006	44,500,000	CMBS	Mortgage desk	Terminated	2,345,192	7/15/2009
GSCM	WBCMT 2005-C17 AJ	929766C43	SDB2012888151	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	WBCMT 2005-C21 A4	9297667G2	SDB2012888220	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	WBCMT 2005-C22 AJ	92976BBR2	SDB2012888153	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	WBCMT 2006-C23 AJ	92976BDX7	SDB2012888155	4/21/2006	44,500,000	CMBS	Mortgage desk	Open		
GSCM	BACM 2004-6 A5	05947UB72	SDB2012987809A	7/12/2006	12,500,000	CMBS	Mortgage desk	Assigned	-	7/15/2009
GSCM	BACM 2005-1 A5	05947UD39	SDB2012987858A	7/12/2006	12,500,000	CMBS	Mortgage desk	Terminated	687,500	8/4/2009
GSCM	BACM 2005-4 A5A	05947UX37	SDB2012987916A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	BACM 2005-5 A4	05947U2R8	SDB2012987934A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	BACM 2006-1 A4	05947U7L6	SDB2012987938A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	BSCMS 2004-T16 A6	07383FU71	SDB2012987940A	7/12/2006	12,500,000	CMBS	Mortgage desk	Terminated	733,126	7/15/2009
GSCM	BSCMS 2005-PW10 A4	07387BEB5	SDB2012987943A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	BSCMS 2005-PWR9 A4A	07387BAH6	SDB2012987947A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	CD 2005-CD1 A4	12513EAG9	SDB2012987952A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	CD 2006-CD2 A4	12513XAE2	SDB2012988168A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	CGCMT 2005-C3 A4	173067GT0	SDB2012987954A	7/12/2006	12,500,000	CMBS	Mortgage desk	Terminated	687,500	7/31/2009
GSCM	COMM 2005-LP5 A4	20047PAE7	SDB2012987959A	7/12/2006	42,500,000	CMBS	Mortgage desk	Terminated	2,337,500	7/31/2009
GSCM	COMM 2005-LP5 AJ	20047PAH0	SDB2012987982A	7/12/2006	15,000,000	CMBS	Mortgage desk	Open		
GSCM	CSFB 2005-C4 A5	225458S66	SDB2012987971A	7/12/2006	13,000,000	CMBS	Mortgage desk	Terminated	715,000	7/31/2009
GSCM	CSFB 2005-C5 A4	225470AP8	SDB2012987973A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	CSFB 2005-C6 A4	225470NK5	SDB2012988039A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	CSMC 2006-C1 A4	225470F73	SDB2012988040A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	GCCFC 2005-GG3 A4	396789JU4	SDB2012988042A	7/12/2006	42,500,000	CMBS	Mortgage desk	Terminated	2,739,574	7/16/2009
GSCM	GCCFC 2005-GG3 AJ	396789JW0	SDB2012988043A	7/12/2006	15,000,000	CMBS	Mortgage desk	Open		
GSCM	GECMC 2005-C1 A5	36828QKR6	SDB2012988045A	7/12/2006	42,500,000	CMBS	Mortgage desk	Terminated	2,740,508	7/15/2009
GSCM	GECMC 2005-C1 AJ	36828QKT2	SDB2012988046A	7/12/2006	15,000,000	CMBS	Mortgage desk	Open		
GSCM	GECMC 2005-C2 A4	36828QMC7	SDB2012988047A	7/12/2006	46,500,000	CMBS	Mortgage desk	Terminated	2,557,500	8/4/2009
GSCM	GECMC 2005-C2 AJ	36828QME3	SDB2012988048A	7/12/2006	11,000,000	CMBS	Mortgage desk	Open		
GSCM	GECMC 2005-C3 A7A	36828QPW0	SDB2012988050A	7/12/2006	42,500,000	CMBS	Mortgage desk	Open		
GSCM	GECMC 2005-C3 AJ	36828QNZ5	SDB2012988052A	7/12/2006	15,000,000	CMBS	Mortgage desk	Open		
GSCM	GECMC 2005-C4 A4	36828QQE9	SDB2012988053A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	GMACC 2006-C1 A4	361849Q96	SDB2012988054A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	GSMS 2005-GG4 A4A	36228CVU4	SDB2012988055A	7/12/2006	12,500,000	CMBS	Mortgage desk	Terminated	687,500	8/4/2009
GSCM	JPMCC 2005-LDP2 A4	46625YNC3	SDB2012988056A	7/12/2006	42,500,000	CMBS	Mortgage desk	Terminated	2,337,500	8/4/2009
GSCM	JPMCC 2005-LDP2 AJ	46625YNF6	SDB2012988057A	7/12/2006	15,000,000	CMBS	Mortgage desk	Open		
GSCM	JPMCC 2005-LDP3 A4A	46625YSG9	SDB2012988058A	7/12/2006	12,500,000	CMBS	Mortgage desk	Terminated	687,500	8/4/2009
GSCM	JPMCC 2005-LDP5 A4	46625YXP3	SDB2012988059A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	LBUBS 2004-C8 A6	52108HK78	SDB2012988060A	7/12/2006	12,500,000	CMBS	Mortgage desk	Terminated	677,887	7/15/2009
GSCM	LBUBS 2005-C1 A4	52108H2U7	SDB2012988061A	7/12/2006	42,500,000	CMBS	Mortgage desk	Assigned		
GSCM	LBUBS 2005-C1 AJ	52108H2W3	SDB2012988062A	7/12/2006	15,000,000	CMBS	Mortgage desk	Open		
GSCM	MLMT 2005-MCP1 A4	59022HHJ4	SDB2012988167A	7/12/2006	12,500,000	CMBS	Mortgage desk	Terminated	687,500	8/4/2009
GSCM	MSC 2005-HQ7 A4	617451CL1	SDB2012988071A	7/12/2006	13,000,000	CMBS	Mortgage desk	Open		
GSCM	WBCMT 2004-C14 A4	929766UK7	SDB2012988074A	7/12/2006	12,500,000	CMBS	Mortgage desk	Terminated	660,921	7/15/2009
GSCM	WBCMT 2005-C17 A4	929766C35	SDB2012988077A	7/12/2006	12,500,000	CMBS	Mortgage desk	Assigned		
GSCM	WBCMT 2005-C21 A4	9297667G2	SDB2012988084A	7/12/2006	15,500,000	CMBS	Mortgage desk	Open		
GSCM	WBCMT 2005-C22 A4	92976BBN1	SDB2012988088A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSCM	WBCMT 2006-C23 A4	92976BDT6	SDB2012988092A	7/12/2006	12,500,000	CMBS	Mortgage desk	Open		
GSIL	MDO ABACUS04-1 S Q2L9 00 K3J 1	multi	NUUQ505GJ0030000B00	6/8/2005	1,760,000,000	CDO	Mortgage desk	Terminated	805,492,319	6/16/2009

Derivative Trades versus AIG
January 2006 - December 2008

Entity	Reference Obligation	CUSIP	External Trade ID	Trade Date	Notional	Type	Trading desk	Status	Termination Pmt	Termination Date
GSIL	MDO ABACUS04-2 S 9HYC 00 K3J 1	multi	NUUQ505GI0030000B00	6/8/2005	730,000,000	CDO	Mortgage desk	Terminated	259,897,424	6/16/2009
GSIL	MDO ABACUS05-3 S 8SQZ 00 4LX 0	multi	NUUQ5074F0030000000	7/28/2005	1,200,000,000	CDO	Mortgage desk	Open		
GSIL	MDO ABACUS05-2 S C7FF 00 322 0	multi	NUUQ5102A0030000B00	10/28/2005	1,000,000,000	CDO	Mortgage desk	Terminated	519,462,344	6/16/2009
GSIL	MDO ABACUS05-C S SEMJ 00 H34 0	multi	BUUQ511030030000B00	12/7/2005	480,000,000	CDO	Mortgage desk	Terminated	143,070,903	6/16/2009
GSIL	MDO ABACUS06-N S TUQ4 01 634 0	multi	NUUQ6090V0030000A00	9/12/2006	329,000,000	CDO	Mortgage desk	Open		
GSIL	TRIAX 2006-2A A1B1	896008AB5	SDB504492883 / SDB504678635	12/14/2006	500,000,000	CDO	Credit desk	Open		**
GSIL	Dominican Republic	AP07787XX	SDB505280114	3/16/2007	6,900,000	CDO	Credit desk	Open		
GSIL	MDO ABAC07-18 S 2BRB 01 634 0	multi	SDB981652352A	3/22/2007	470,000,000	CDO	Mortgage desk	Open		
GSIL	ROMFIN A3	XS0161820868	NEEQ3040500900	5/11/2007	234,839,910	CDO	Credit desk	Terminated	84,003,652	9/16/2009
GSIL	ORKN 2005-1	686335AA8	NUUQ5022A00700	7/11/2007	600,000,000	CDO	Credit desk	Terminated	359,997,667	6/5/2009
GSIL	INDE5 5A A1	45343PAA3	NUUQ402B1008000000	4/24/2008	200,000,000	CDO	Credit desk	Terminated	103,243,223	3/12/2008
GSIL	DUKEF 2003-5A 1A1	264402AK4	NUUQ308FT00800	6/3/2008	175,000,000	CDO	Credit desk	Open		
					9,688,239,910					
GSIL	ALTS 2005-2A A1	02149WAA5	NUUQ510L300800	11/10/2005	1,277,900,000	CDO	Credit desk	Terminated - ML3	491,285,394	11/21/2008 *
GSIL	BROD 2005-1A A1V	112021AA8	BUUQ51119008000000	12/13/2005	250,000	CDO	Credit desk	Terminated - ML3	236,020	11/24/2008 *
GSIL	BROD 2005-1A A1NA	112021AB6	BUUQ5111500800	12/13/2005	354,500,000	CDO	Credit desk	Terminated - ML3	116,616,781	11/21/2008 *
GSIL	BROD 2005-1A A1B1	112021AC4	BUUQ51116008000000	12/13/2005	485,000,000	CDO	Credit desk	Terminated - ML3	159,546,228	11/21/2008 *
GSIL	COOL 2005-1A	216444AA7	NUUQ506BO0420000A00	7/22/2005	274,700,000	CDO	Mortgage desk	Terminated - ML3	75,092,199	11/24/2008 *
GSIL	DUKEF 2004-7A 1A2	264403AJ5	NUUQ40741008000OB0	8/12/2004	129,650,000	CDO	Credit desk	Terminated - ML3	51,292,364	11/21/2008 *
GSIL	DUKEF 2004-7A 1A2V	264403AK2	NUUQ4075U087000000	8/12/2004	100,000	CDO	Credit desk	Terminated - ML3	76,514	11/24/2008 *
GSIL	DUNHL 2004-1A A1VA	26545QAA7	NUUQ4123O008000000	12/16/2004	250,000	CDO	Credit desk	Terminated - ML3	116,286	11/24/2008 *
GSIL	DUNHL 2004-1A A1NV	26545QAQ2	NUUQ4123N00800	12/16/2004	327,000,000	CDO	Credit desk	Terminated - ML3	68,359,135	11/21/2008 *
GSCM	TDS FORTS1 A1 JDE5 00 ATU 0	34958CAA2	SDB2012930412	3/8/2006	390,000,000	CDO	Credit desk	Terminated - ML3	103,048,148	11/21/2008 *
GSIL	GLCR 2004-2A A1V	37638VAA1	NUUQ409IN008000000	10/12/2004	100,000	CDO	Credit desk	Terminated - ML3	44,024	11/24/2008 *
GSIL	GLCR 2004-2A A1NV	37638VAG8	NUUQ409HR008000000	10/12/2004	324,800,000	CDO	Credit desk	Terminated - ML3	81,320,748	11/21/2008 *
GSIL	MDO HOUTB061 C T GSL4 00 R22 0	442451AA8	NUUQ605590240000000	5/19/2006	825,000,000	CDO	Credit desk	Terminated - ML3	300,488,409	12/21/2008 *
GSIL	HUNTN 2005-1A A1A	446279AA9	NUUQ5030K00800	3/29/2005	406,500,000	CDO	Credit desk	Terminated - ML3	168,077,315	11/21/2008 *
GSIL	HUNTN 2005-1A A1B	446279AC5	NUUQ5030L008000000	3/29/2005	250,000	CDO	Credit desk	Terminated - ML3	218,726	11/24/2008 *
GSIL	ICM 2005-2A A1A	46426RAA7	BUUQ5060J008000000	7/27/2005	213,750,000	CDO	Credit desk	Terminated - ML3	46,463,780	11/21/2008 *
GSIL	ICM 2005-2A A1B	46426RAB5	BUUQ5060K008000000	7/27/2005	50,000,000	CDO	Credit desk	Terminated - ML3	10,873,399	11/21/2008 *
GSIL	JPTR 2005-3A A1VA	48206AAA8	NUUQ507CD008000000	8/10/2005	250,000	CDO	Credit desk	Terminated - ML3	226,832	11/24/2008 *
GSIL	JPTR 2005-3A A1NV	48206AAG3	NUUQ507BS00800	8/10/2005	1,299,500,000	CDO	Credit desk	Terminated - ML3	369,371,511	11/21/2008 *
GSIL	KLROS 2006-2A A1V	498588AA0	NUUQ512BM008000000	1/10/2006	250,000	CDO	Credit desk	Terminated - ML3	227,493	11/24/2008 *
GSIL	KLROS 2006-2A A1NV	498588AC6	BUUQ5120L00800	1/10/2006	869,500,000	CDO	Credit desk	Terminated - ML3	341,855,112	11/21/2008 *
GSIL	LEXN 2005-1A A1AN	52902TAC0	NUUQ509IU008000000	10/25/2005	199,500,000	CDO	Credit desk	Terminated - ML3	33,634,883	11/21/2008 *
GSIL	LEXN 2005-1A A1B	52902TAE6	NUUQ509IV008000000	10/25/2005	250,000	CDO	Credit desk	Terminated - ML3	169,871	11/24/2008 *
GSIL	MKP 3A A1	G6177YAA0	NUUQ403JD0080000A0	4/7/2004	140,000,000	CDO	Credit desk	Terminated - ML3	6,647,722	11/21/2008 *
GSIL	MRCY 2004-1A A1VA	58936RAA5	NUUQ4102Q008000000	11/3/2004	100,000	CDO	Credit desk	Terminated - ML3	53,661	11/24/2008 *
GSIL	MRCY 2004-1A A1NV	58936RAB3	NUUQ4102N008000000	11/3/2004	299,800,000	CDO	Credit desk	Terminated - ML3	65,161,973	11/21/2008 *
GSIL	ORCHD 2005-2A A1	68571UAA7	NUUQ5035B008000000	4/19/2005	113,750,000	CDO	Credit desk	Terminated - ML3	19,911,850	11/21/2008 *
GSIL	ORPT 2005-1A A1V	68619MAJ0	NUUQ510DL008000000	10/25/2005	250,000	CDO	Credit desk	Terminated - ML3	247,024	11/24/2008 *
GSIL	ORPT 2005-1A A1VF	68619MAL5	NUUQ510DP00800	10/25/2005	647,250,000	CDO	Credit desk	Terminated - ML3	180,638,881	11/21/2008 *
GSIL	ORPT 2005-1A A1VB	68619MAQ4	NUUQ510DN00800	10/25/2005	649,750,000	CDO	Credit desk	Terminated - ML3	181,336,578	11/21/2008 *
GSIL	RESF 2004-1A A1V	76112CAA8	NUUQ409IP008000000	10/26/2004	100,000	CDO	Credit desk	Terminated - ML3	78,111	11/24/2008 *
GSIL	RESF 2004-1A A1NV	76112CAB4	NUUQ409HS008000000	10/26/2004	374,800,000	CDO	Credit desk	Terminated - ML3	121,458,544	11/21/2008 *
GSIL	RIVER 2005-1A A1	768277AA3	NUUQ4125H008000000	1/19/2005	149,750,000	CDO	Credit desk	Terminated - ML3	47,546,568	11/21/2008 *
GSIL	SATV 2005-1A A1	80410RAA4	NUUQ5055C008000000	6/9/2005	267,750,000	CDO	Credit desk	Terminated - ML3	45,068,197	11/21/2008 *
GSIL	SHERW 2005-2A A1	82437XAA6	BUUQ5111400800	12/15/2005	322,250,000	CDO	Credit desk	Terminated - ML3	68,070,564	11/21/2008 *
GSIL	SCF 8A A1AV	83743LAA9	NUUQ6014M008000000	1/25/2006	250,000	CDO	Credit desk	Terminated - ML3	192,111	11/24/2008 *
GSIL	SCF 8A A1NV	83743LAC5	NUUQ6013A008000000	1/25/2006	344,500,000	CDO	Credit desk	Terminated - ML3	62,476,848	11/21/2008 *
GSIL	SCF 7A A1B	83743YAB9	NUUQ504GE00800	5/25/2005	250,000	CDO	Credit desk	Terminated - ML3	142,942	11/24/2008 *
GSIL	SCF 7A A1AN	83743YAS2	NUUQ504GD008000000	5/25/2005	773,500,000	CDO	Credit desk	Terminated - ML3	120,810,907	11/21/2008 *
GSIL	TRIAX 2006-2A A1B1	896008AB5	SDB504492883 / SDB504678635	12/14/2006	999,850,000	CDO	Credit desk	Terminated - ML3	565,123,961	11/21/08, 12/17/08 **
GSIL	TRIAX 2006-2A A1B2	896008AC3	SDB504493409 / SDB504678806	12/14/2006	1,499,850,000	CDO	Credit desk	Terminated - ML3	859,318,463	11/21/2008 *
GSIL	WESTC 2006-1A A1A	952186AA2	SDB503565139	7/26/2006	1,187,950,000	CDO	Credit desk	Terminated - ML3	383,793,306	11/21/2008 *
GSIL	WESTC 2006-1A A1B	952186AB0	SDB503565518	7/26/2006	1,187,850,000	CDO	Credit desk	Terminated - ML3	387,878,256	11/24/08, 12/17/08 *
					18,388,550,000					

* These trades were terminated during 2008 as part of the Maiden Lane III transaction, all other trades remained open beyond December 2008.

** This trade was partially terminated in 2008 as part of the Maiden Lane III transaction, 500M original notional remained open / split reflected above

ATTACHMENT 16

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

LB 9: Do the negative positions in GS MBS 0000038789 represent short positions?

No. The negative positions in GS MBS 0000038789 represent protection sold by Goldman Sachs, and the positive positions represent protection purchased by Goldman Sachs.

Supplemental Response Received From Goldman Sachs

Privileged and Confidential - Attorney Client Privilege
AIG Credit Protection
January 1, 2006 - December 31, 2008

CDS

Trade Date	Deal	Notional Traded
7/27/2007	SDB506413265	100,000,000
7/30/2007	SDB506428762	100,000,000
8/2/2007	SDB506485022	100,000,000
8/2/2007	SDB506480246	55,000,000
8/2/2007	SDB506483869	70,000,000
8/3/2007	SDB506504143	100,000,000
8/9/2007	SDB506591558	50,000,000
8/24/2007	SDB506787402	28,500,000
8/29/2007	SDB506835337	3,000,000
8/29/2007	SDB506835310	140,000,000
8/29/2007	SDB506835366	2,500,000
9/13/2007	SDB506997016	700,000,000
11/8/2007	SDB507681392	145,000,000
11/9/2007	SDB507690665	30,000,000
11/13/2007	SDB507701834	45,000,000
11/13/2007	SDB507702114	50,000,000
11/13/2007	SDB507707129	20,000,000
11/14/2007	SDB507714559	25,000,000
11/15/2007	SDB507730397	10,000,000
11/16/2007	SDB507742454	100,000,000
11/27/2007	SDB507836730	(100,000,000)
1/25/2008	SDB508394922	20,000,000
1/29/2008	SDB508420675	90,000,000
1/30/2008	SDB508438416	40,000,000
1/31/2008	SDB508475234	55,000,000
2/1/2008	SDB508494972	80,000,000
2/6/2008	SDB508549159	50,000,000
2/6/2008	SDB508549986	10,000,000
2/6/2008	SDB508521409	30,000,000
3/24/2008	SDB509124043	25,000,000
3/24/2008	SDB509126126	25,000,000
3/25/2008	SDB509143043	75,000,000
3/26/2008	SDB509186684	25,000,000
3/27/2008	SDB509201519	20,000,000
3/31/2008	SDB509232740	25,000,000
3/31/2008	SDB509233251	25,000,000
4/1/2008	SDB509244691	200,000,000
4/2/2008	SDB509264289	200,000,000
4/3/2008	SDB509278192	150,000,000
4/9/2008	SDB509319658	25,000,000
4/24/2008	SDB509474033	(100,000,000)
5/8/2008	SDB509695059	(75,000,000)
5/13/2008	SDB509752644	100,000,000
5/13/2008	SDB509738313	90,000,000
5/13/2008	SDB509739755	25,000,000
5/16/2008	SDB509816476	50,000,000
5/20/2008	SDB509903675	30,000,000
5/21/2008	SDB509919651	15,000,000

5/22/2008	SDB509931923	20,000,000
5/29/2008	SDB509989336	20,000,000
5/30/2008	SDB925207681	34,000,000
5/30/2008	SDB925207688	(20,000,000)
6/17/2008	SDB925385261	(10,000,000)
6/18/2008	SDB925401780	(25,000,000)
6/19/2008	SDB925413246	(75,000,000)
6/20/2008	SDB925461770	(45,000,000)
6/23/2008	SDB925483016	(80,000,000)
6/23/2008	SDB925488843	(170,000,000)
6/24/2008	SDB925504839	(75,000,000)
6/25/2008	SDB925529066	(50,000,000)
6/27/2008	SDB925587707	(25,000,000)
7/22/2008	SDB925865679	15,000,000
7/23/2008	SDB925883371	35,000,000
7/25/2008	SDB925903379	30,000,000
7/30/2008	SDB925971987	25,000,000
8/1/2008	SDB926005478	25,000,000
8/4/2008	SDB926019724	35,000,000
8/4/2008	SDB926019729	(21,000,000)
8/5/2008	SDB926034774	225,000,000
8/5/2008	SDB926036962	50,000,000
8/5/2008	SDB926041326	25,000,000
9/13/2008	SDB926432077	(300,000,000)
9/18/2008	SDB926727961	(50,000,000)
9/19/2008	SDB926745244	(100,000,000)
9/19/2008	SDB926750305	(100,000,000)
9/22/2008	SDB926814339	(75,000,000)
9/23/2008	SDB926832889	(25,000,000)
9/25/2008	SDB926887827	(25,000,000)
9/26/2008	SDB926915189	(25,000,000)
11/10/2008	SDB927797131	(50,000,000)
11/10/2008	SDB927799036	(50,000,000)
11/10/2008	SDB927799174	(25,000,000)
11/12/2008	SDB927818877	(150,000,000)
11/13/2008	SDB927843741	(90,000,000)
11/19/2008	SDB927939880	(35,000,000)
11/20/2008	SDB927976561	(185,000,000)
11/21/2008	SDB927993686	(25,000,000)
11/26/2008	SDB928045971	(45,000,000)
12/9/2008	SDB928224278	35,000,000
12/9/2008	SDB928227391	34,000,000
12/9/2008	SDB928222015	(20,000,000)
12/10/2008	SDB928271988	(40,000,000)
Subtotal CDS		**1,676,000,000**

*downsized to 400MM 9/12/08

BONDS

Trade Date	Security Description	Notional Traded
12/7/2007	AIG 5.85 16Jan18	40,000,000
5/20/2008	AIG 8.175 15May58 (38 CA 100.00)	41,000,000
5/21/2008	AIG 8.175 15May58 (38 CA 100.00)	18,500,000
6/2/2008	AIG 8.175 15May58 (38 CA 100.00)	20,000,000

6/18/2008	AIG 8.175 15May58 (38 CA 100.00)	20,000,000
6/20/2008	AIG 8.175 15May58 (38 CA 100.00)	10,000,000
6/26/2008	AIG 8.175 15May58 (38 CA 100.00)	20,000,000
9/19/2008	AIG 8.25 15Aug18	61,940,000
11/13/2008	AIG 5.85 16Jan18	15,000,000
12/4/2008	AIG 4.25 15May13	10,000,000
12/5/2008	AIG 5.45 18May17	5,000,000
12/8/2008	AIG 5.6 18Oct16	5,000,000
12/9/2008	AIG 5.05 1Oct15	17,000,000
12/9/2008	AIG 8.25 15Aug18	(15,000,000)
12/10/2008	AIG 4.25 15May13	5,000,000
12/15/2008	AIG 4.25 15May13	5,000,000
12/16/2008	AIG 4.9 2Jun14 *	22,000,000
12/17/2008	AIG 4.9 2Jun14 *	20,000,000
12/18/2008	AIG 4.9 2Jun14 *	36,000,000
12/22/2008	AIG 5.85 16Jan18	7,000,000
12/23/2008	AIG 4.95 20Mar12	8,690,000
	Total Bonds	**372,130,000**

* CAD denominated bonds, all others are USD

Common Stock

Trade Date	Security Description	Quantity Traded
6/5/2007[1]	AMERICAN INTERNATIONAL GROUP, INC	(90,600)
6/6/2007[1]	AMERICAN INTERNATIONAL GROUP, INC	(1,000)
11/7/2007	AMERICAN INTERNATIONAL GROUP, INC	(3,514,600)
11/8/2007	AMERICAN INTERNATIONAL GROUP, INC	(2,300,000)
11/9/2007	AMERICAN INTERNATIONAL GROUP; INC	(1,000,000)
11/26/2007	AMERICAN INTERNATIONAL GROUP, INC	2,500,000
11/27/2007	AMERICAN INTERNATIONAL GROUP, INC	510,060
11/28/2007	AMERICAN INTERNATIONAL GROUP, INC	1,000,000
11/29/2007	AMERICAN INTERNATIONAL GROUP, INC	1,000,000
12/20/2007	AMERICAN INTERNATIONAL GROUP, INC	900,000
1/24/2008	AMERICAN INTERNATIONAL GROUP, INC	(1,000,000)
1/28/2008	AMERICAN INTERNATIONAL GROUP, INC	(1,000,000)
2/1/2008	AMERICAN INTERNATIONAL GROUP, INC	(1,000,000)
2/5/2008	AMERICAN INTERNATIONAL GROUP, INC	(68,700)
2/6/2008	AMERICAN INTERNATIONAL GROUP, INC	(1,500,000)
3/24/2008	AMERICAN INTERNATIONAL GROUP, INC	(1,500,000)
3/25/2008	AMERICAN INTERNATIONAL GROUP, INC	(1,500,000)
4/1/2008	AMERICAN INTERNATIONAL GROUP, INC	(1,500,000)
5/5/2008	AMERICAN INTERNATIONAL GROUP, INC	(30,000)
5/9/2008	AMERICAN INTERNATIONAL GROUP, INC	1,000,000
5/12/2008	AMERICAN INTERNATIONAL GROUP, INC	1,000,000
4/25/2008	AMERICAN INTERNATIONAL GROUP, INC	1,153,095
5/28/2008	AMERICAN INTERNATIONAL GROUP, INC	1,477,821
4/24/2008	AMERICAN INTERNATIONAL GROUP, INC	3,800,000
9/17/2008	AMERICAN INTERNATIONAL GROUP, INC	1,572,324
	Total Stocks	**(91,600)**

1 Equity trades were executed to sell long common stock positions sourced prior to the trades requested.

ATTACHMENT 17

Deal Name	Tranche Name	Notional	Current Notional No IWD	CUSIP	Effective Date	Termination Date	Transacted Spread	RefObl Issuer	External Trade ID	Counterparty
ADROC 2005-2A	C	10,000,000	9,455,167	007022AD8	3-Mar-06	6-Dec-41	150	Adirondack Ltd	SDB980001328	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
ADROC 2005-2A	C	10,000,000	9,455,167	007022AD8	23-Feb-06	6-Dec-41	150	Adirondack Ltd	SDB980001427	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
ALTS 2005-2A	C	10,000,000	9,552,699	02149WAD9	3-Mar-06	5-Dec-40	160	Altius Funding Ltd	SDB980001361	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
ALTS 2005-2A	C	10,000,000	9,552,699	02149WAD9	23-Feb-06	5-Dec-40	160	Altius Funding Ltd	SDB980001437	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
BFCGE 2006-1A	A3L	20,000,000	19,682,881	05539MAD2	23-Feb-06	10-Jan-41	185	BFC Genesee CDO Ltd	SDB980001480	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
CBCL 15A	C	15,000,000	15,000,000	124670AC4	23-Feb-06	16-Feb-41	135	Credit-Based Asset Servicing and Se	SDB980001506	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
DUKEF 2005-9A	A3V	10,000,000	10,000,000	26450AAC1	23-Feb-06	9-Mar-45	180	Duke Funding Ltd	SDB980001510	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
DUKEF 2005-9A	A3V	10,000,000	10,000,000	26450AAC1	3-Mar-06	9-Mar-45	180	Duke Funding Ltd	SDB980001368	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
FORTS 2006-1A	C	10,000,000	9,332,616	34958CAD6	3-Mar-06	12-Jul-41	150	Fortius Funding Ltd	SDB980001387	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
FORTS 2006-1A	C	10,000,000	9,332,616	34958CAD6	23-Feb-06	12-Jul-41	150	Fortius Funding Ltd	SDB980001531	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
GEMST 2005-2A	C	10,000,000	10,000,000	36867VAE7	23-Feb-06	9-May-40	170	Gemstone CDO Ltd	SDB980001536	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
GEMST 2005-2A	C	10,000,000	10,000,000	36867VAE7	3-Mar-06	9-May-40	170	Gemstone CDO Ltd	SDB980001397	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
GEMST 2005-3A	C	10,000,000	10,000,000	36868AAJ1	23-Feb-06	26-Jul-40	170	Gemstone CDO Ltd	SDB980001540	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
GEMST 2005-3A	C	10,000,000	10,000,000	36868AAJ1	3-Mar-06	26-Jul-40	170	Gemstone CDO Ltd	SDB980001403	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
GEMST 2005-4A	C	10,000,000	10,000,000	36868BAE0	23-Feb-06	12-Feb-41	170	Gemstone CDO Ltd	SDB980001543	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
GEMST 2005-4A	C	10,000,000	10,000,000	36868BAE0	3-Mar-06	12-Feb-41	170	Gemstone CDO Ltd	SDB980001413	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
GSCSF 2005-1A	A3	10,000,000	10,000,000	362470AC0	3-Mar-06	12-Nov-45	200	GSC ABS CDO Ltd	SDB980001418	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)
GSCSF 2005-1A	A3	10,000,000	10,000,000	362470AC0	23-Feb-06	12-Nov-45	200	GSC ABS CDO Ltd	SDB980001553	DeutscheLDN-Dealer (GSI, London, Deutsche Bank AG)

Confidential Treatment Requested by Goldman Sachs

LB 10: What does the term "financially sound" mean?

Goldman Sachs interpreted Question 10 posed to Mr. Blankfein to request information on instances in which the firm accepted CDS termination payments from "financially sound" counterparties in an amount that was less than what the firm believed that it was contractually entitled to receive. By "financially sound," Goldman Sachs meant counterparties that were solvent.

Supplemental Response Received From Goldman Sachs

ATTACHMENT 18

Estimated Balance Sheet
Trade Date Net Inventory
For the fiscal months ended Jan 2007 through Dec 2008

COMMON EQUITY
NET MARKET VALUE

Issuer/Entity	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
AIG	(40,561,868)	8,998,268	34,931,731	74,697,195	17,082,191	(2,200,480)	(22,089,819)	(71,152,781)	(4,718,948)	100,404,644	22,774,262	145,900,654
Lehman Brothers	8,172,696	23,529,468	(20,402,080)	(23,338,402)	11,025,227	(29,749,419)	(7,523,346)	6,655,280	49,045,417	48,391,367	(5,730,021)	46,400,442
National City	(18,115,600)	352,167	21,749,716	(47,417,584)	(5,588,488)	(39,281,931)	(22,248,762)	(62,467,064)	(36,757,800)	(47,397,271)	(24,742,557)	(15,413,620)
New Century	(587,974)	(1,461,596)	37,552	(116,138)	(97,781)	(106,712)	(87,157)	(3,797)	(3,913)	(3,212)	1,579	2,190
Washington Mutual	(79,428,936)	(69,627,423)	(27,952,971)	(33,539,184)	(32,664,569)	(62,204,816)	(87,129,870)	(70,280,499)	(41,358,807)	(89,999,384)	(86,297,323)	(112,704,561)
Merrill Lynch	(21,820,456)	(2,302,982)	(107,819,661)	(122,298,491)	(99,428,278)	(73,309,467)	15,375,674	19,798,843	27,070,972	89,480,430	244,851,010	320,509,456
Bear Stearns	8,185,217	5,824,737	(22,062,543)	(35,027,433)	(25,381,446)	(33,249,879)	(11,536,760)	(17,889,011)	(4,127,343)	4,778,465	(84,043,658)	(7,633,570)
Fremont	2,900,928	(3,872,606)	(2,167,628)	(4,055,522)	(6,636,690)	(7,480,804)	(6,342,465)	(3,587,819)	(3,066,660)	(2,197,351)	(1,825,234)	(2,980,510)

PSI_QFR_GS0408

Estimated Balance Sheet
Trade Date Net Inventory
For the fiscal months ended Jan 2007 through Dec 2008

COMMON EQUITY
NET MARKET VALUE

Issuer/Entity	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08
AIG	13,427,744	(148,910,708)	(240,549,230)	(147,813,141)	64,498,564	8,376,442	28,888,652	42,861,912	42,861,912	(2,128,719)	1,627,503	2,267,211
Lehman Brothers	14,395,637	11,747,670	20,336,009	37,272,542	(1,964,284)	23,719,665	20,097,824	10,318,498	10,318,498	74,321	76,822	21,203
National City	(65,891,525)	32,684,970	28,722,467	(3,107,585)	(21,312,694)	2,170,827	(49,449,809)	(65,240,482)	(65,240,482)	8,458,834	10,765,494	32,231,036
New Century	2,481	1,771	984	2,376	9,327	2,047	2,931	799	799	799	799	799
Washington Mutual	(143,467,661)	(97,755,159)	(10,063,325)	(111,761)	(37,901,882)	(79,415,428)	(13,529,514)	421,516	421,516	1,389,252	1,160,192	704,772
Merrill Lynch	275,585,572	210,871,241	188,772,478	180,012,602	143,972,312	258,150,006	212,550,666	250,696,959	250,696,959	78,529,766	67,484,669	27,190,504
Bear Stearns	4,884,999	8,889,036	5,587,404	6,148,221	7,877,187							
Fremont	(2,466,574)	(1,168,342)	(619,133)	(2,071)	36,962	57,172	126,730	142,473	142,473	33,102	12,160	106,693

Supplemental Response Received From Goldman Sachs

LB 11: GS MBS 0000038857 lists a positions of (84,043,658) for Bear Stearns in November 2007. Is this correct? If so, please explain the variation.

The data included in GS MBS 0000038857 lists Goldman Sachs' net common stock positions in several companies, including Bear Stearns, held in Goldman Sachs' inventory accounts that were included in the firm's balance sheet for each fiscal month-end during 2007 and 2008. At the end of November 2007, these Goldman Sachs' accounts had a short position of $84,043,658 in Bear Stearns common stock. This varied from the firm's common stock positions in Bear Stearns for both the preceding month (October 2007) and the following month (December 2007). Goldman Sachs' net cash position in Bear Stearns common stock became shorter in November 2007 relative to October 2007 by approximately $89 million, and became longer in December 2007 relative to November 2007 by approximately $76 million. In both instances, Goldman Sachs' equity franchise desk's exposure to Bear Stearns common stock changed in order to hedge equity derivative exposure to Bear Stearns.

ATTACHMENT 19

Proprietary Trading Business Units
Common Equity Activity for 2007 - 2008 (1) (2) (3)

	Buy		Sell		Net Total	
	Shares	Proceeds	Shares	Proceeds	Shares	Proceeds
AIG						
Common	1,967,000	(108,814,154)	(1,757,000)	94,322,751	210,000	(14,491,403)
2007 - Q1	420,000	(29,236,320)	(210,000)	14,798,770	210,000	(14,437,550)
2007 - Q2	-	-	-	-	-	-
2007 - Q3	515,000	(34,371,244)	(515,000)	33,431,818	-	(939,426)
2007 - Q4	70,000	(4,875,500)	(70,000)	4,856,575	-	(18,925)
2008 - Q1	685,000	(32,107,313)	(685,000)	33,352,657	-	1,245,343
2008 - Q2	127,000	(5,001,672)	(127,000)	4,829,021	-	(172,651)
2008 - Q3	150,000	(3,222,105)	(150,000)	3,053,911	-	(168,194)
2008 - Q4	-	-	-	-	-	-
BEAR STERNS						
Common	873,325	(104,799,851)	(826,925)	96,940,656	46,400	(7,859,195)
2007 - Q1	134,750	(21,347,766)	(79,150)	11,900,492	55,600	(9,447,274)
2007 - Q2	107,900	(15,740,962)	(139,500)	20,741,528	(31,600)	5,000,566
2007 - Q3	366,275	(43,644,635)	(309,500)	35,653,053	56,775	(7,991,581)
2007 - Q4	214,400	(20,743,442)	(133,200)	13,432,321	81,200	(7,311,121)
2008 - Q1	50,000	(3,323,047)	(165,575)	15,213,263	(115,575)	11,890,216
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
FREMONT						
Common	320,000	(3,060,577)	(277,700)	2,344,460	42,300	(716,117)
2007 - Q1	320,000	(3,060,577)	(277,700)	2,344,460	42,300	(716,117)
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	-	-	-	-
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
LEHMAN BROTHERS						
Common	6,677,720	(282,718,310)	(6,351,320)	270,026,143	326,400	(12,692,167)
2007 - Q1	505,000	(38,732,388)	(623,000)	46,893,773	(118,000)	8,161,385
2007 - Q2	474,500	(35,292,549)	(444,000)	34,214,776	30,500	(1,077,773)
2007 - Q3	928,400	(57,615,259)	(603,500)	37,304,350	324,900	(20,310,910)
2007 - Q4	655,100	(40,545,366)	(864,900)	51,318,101	(209,800)	10,772,734
2008 - Q1	887,100	(35,755,001)	(957,200)	42,396,663	(70,100)	6,641,662
2008 - Q2	1,860,000	(64,145,239)	(1,805,000)	49,411,718	55,000	(14,733,521)
2008 - Q3	1,313,720	(10,228,258)	(1,053,720)	8,486,763	260,000	(1,741,495)
2008 - Q4	53,900	(404,250)	-	-	53,900	(404,250)
MERRILL LYNCH						
Common	3,556,573	(222,813,847)	(3,428,913)	216,988,577	127,660	(5,825,270)
2007 - Q1	253,000	(17,213,241)	(112,800)	10,506,753	140,200	(6,706,488)
2007 - Q2	407,300	(36,508,423)	(528,100)	47,538,146	(120,800)	11,029,723
2007 - Q3	875,700	(66,177,260)	(932,100)	70,606,465	(56,400)	4,429,205
2007 - Q4	656,500	(43,839,428)	(496,000)	30,414,940	160,500	(13,424,489)
2008 - Q1	459,773	(20,750,331)	(883,773)	39,609,613	(424,000)	18,859,282
2008 - Q2	763,600	(32,301,891)	(349,837)	13,765,557	413,763	(18,536,434)
2008 - Q3	133,500	(5,283,173)	(126,303)	4,547,105	7,197	(736,069)
2008 - Q4	7,200	(540,000)	-	-	7,200	(540,000)
NATIONAL CITY						
Common	5,025,000	(92,098,295)	(4,650,000)	73,894,000	375,000	(18,204,295)
2007 - Q1	375,000	(13,910,213)	-	-	375,000	(13,910,213)
2007 - Q2	275,000	(9,383,000)	(550,000)	19,358,868	(275,000)	9,975,868
2007 - Q3	475,000	(14,113,594)	(600,000)	15,346,527	(125,000)	1,232,933
2007 - Q4	1,200,000	(29,002,423)	(800,000)	19,604,486	400,000	(9,397,937)
2008 - Q1	75,000	(5,201,428)	(75,000)	5,062,257	-	(139,171)
2008 - Q2	2,625,000	(20,487,637)	(805,000)	8,471,647	1,820,000	(12,015,990)
2008 - Q3	-	-	(1,820,000)	6,050,216	(1,820,000)	6,050,216
2008 - Q4	-	-	-	-	-	-
WASHINGTON MUTUAL						
Common	5,629,768	(124,386,393)	(5,399,768)	134,402,215	230,000	10,015,822
2007 - Q1	350,000	(15,093,645)	(330,000)	14,700,512	20,000	(393,134)
2007 - Q2	225,000	(9,834,878)	(115,000)	4,921,315	110,000	(4,913,563)
2007 - Q3	770,000	(27,634,841)	(1,070,000)	40,067,569	(300,000)	12,432,729
2007 - Q4	2,011,700	(45,191,947)	(1,611,700)	43,809,933	400,000	(1,382,014)
2008 - Q1	2,173,068	(26,379,221)	(2,173,068)	30,667,360	-	4,288,139
2008 - Q2	-	-	-	-	-	-
2008 - Q3	100,000	(251,862)	(100,000)	235,527	-	(16,336)
2008 - Q4	-	-	-	-	-	-

Proprietary Trading Business Units
Option Activity for 2007 - 2008 [1] [2] [3]

	Buy Contracts	Buy Proceeds	Sell Contracts	Sell Proceeds	Net Total Contracts	Net Total Proceeds
AIG						
Calls						
2007 - Q1	-	-	-	-	-	-
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	-	-	-	-
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
Puts	1,000	(165,591)	(750)	613,420	250	447,829
2007 - Q1	-	-	-	-	-	-
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	1,000	(165,591)	-	-	1,000	(165,591)
2008 - Q2	-	-	(750)	613,420	(750)	613,420
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
BEAR STERNS						
Calls	500	(222,500)	(1,350)	157,500	(850)	(65,000)
2007 - Q1	-	-	(350)	52,500	(350)	52,500
2007 - Q2	500	(222,500)	-	-	500	(222,500)
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	(1,000)	105,000	(1,000)	105,000
2008 - Q1	-	-	-	-	-	-
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
Puts	1,250	(606,723)	(5,350)	6,419,352	(4,100)	5,812,630
2007 - Q1	500	(124,300)	(1,850)	2,268,002	(1,350)	2,143,702
2007 - Q2	-	-	-	-	-	-
2007 - Q3	500	(480,000)	(750)	2,067,600	(250)	1,587,600
2007 - Q4	-	-	(1,250)	468,750	(1,250)	468,750
2008 - Q1	250	(2,423)	(1,500)	1,615,000	(1,250)	1,612,578
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
FREMONT						
Calls	500	(60,000)	(500)	8,750	-	(51,250)
2007 - Q1	500	(60,000)	(500)	8,750	-	(51,250)
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	-	-	-	-
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
Puts	2,050	(288,904)	(4,000)	2,349,000	(1,950)	2,060,096
2007 - Q1	2,050	(288,904)	(4,000)	2,349,000	(1,950)	2,060,096
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	-	-	-	-
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
LEHMAN BROTHERS						
Calls	11,590	(2,755,828)	(10,590)	1,932,141	1,000	(823,687)
2007 - Q1	690	(127,573)	(690)	96,600	-	(30,973)
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	-	-	-	-
2008 - Q2	6,200	(1,907,792)	(5,200)	1,489,953	1,000	(417,839)
2008 - Q3	4,700	(720,463)	(4,700)	345,588	-	(374,875)
2008 - Q4	-	-	-	-	-	-
Puts	34,990	(4,495,726)	(35,640)	4,365,599	(650)	(130,127)
2007 - Q1	21,000	(1,112,825)	(20,000)	1,450,000	1,000	337,175
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	(750)	330,000	(750)	330,000
2008 - Q2	8,950	(2,685,650)	(8,250)	1,607,896	700	(1,077,954)
2008 - Q3	5,040	(697,251)	(6,640)	977,903	(1,600)	280,652

	Buy		Sell		Net Total	
	Contracts	Proceeds	Contracts	Proceeds	Contracts	Proceeds
2008 - Q4	-	-	-	-	-	-
MERRILL LYNCH						
Calls	360	(129,169)	(1,460)	268,400	(1,100)	139,231
2007 - Q1	360	(129,169)	(460)	168,400	(100)	39,231
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	(1,000)	100,000	(1,000)	100,000
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	-	-	-	-
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
Puts	13,600	(3,220,271)	(14,037)	7,382,525	(437)	4,162,254
2007 - Q1	7,000	(1,149,910)	(2,100)	1,074,000	4,900	(75,910)
2007 - Q2	1,500	(285,300)	(3,500)	1,235,000	(2,000)	949,700
2007 - Q3	1,100	(953,500)	(2,500)	1,207,500	(1,400)	254,000
2007 - Q4	-	-	(2,500)	2,695,000	(2,500)	2,695,000
2008 - Q1	2,000	(550,000)	(2,237)	646,025	(237)	96,025
2008 - Q2	1,000	(155,731)	-	-	1,000	(155,731)
2008 - Q3	1,000	(125,830)	(1,200)	525,000	(200)	399,170
2008 - Q4	-	-	-	-	-	-
NATIONAL CITY						
Calls	-	-	-	-	-	-
2007 - Q1	-	-	-	-	-	-
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	-	-	-	-
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
Puts	-	-	-	-	-	-
2007 - Q1	-	-	-	-	-	-
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	-	-	-	-
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
WASHINGTON MUTUAL						
Calls	-	-	-	-	-	-
2007 - Q1	-	-	-	-	-	-
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	-	-	-	-	-	-
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-
Puts	26,000	(1,011,685)	(10,000)	1,444,000	16,000	432,315
2007 - Q1	6,000	(592,500)	-	-	6,000	(592,500)
2007 - Q2	-	-	-	-	-	-
2007 - Q3	-	-	-	-	-	-
2007 - Q4	-	-	-	-	-	-
2008 - Q1	20,000	(419,185)	(10,000)	1,444,000	10,000	1,024,815
2008 - Q2	-	-	-	-	-	-
2008 - Q3	-	-	-	-	-	-
2008 - Q4	-	-	-	-	-	-

(1.) Long Beach was a private subsidiary of Washington Mutual and we are not aware of trades on any public exchanges on a stand alone basis.
(2.) There was no activity we are aware of for New Century during this time frame on any public exchange.
(3.) We have not identified any futures trading activity on the CME for these financial names.

Confidential Treatment Requested by Goldman Sachs

LB 11(b): What proprietary units were involved in the trades outlined in GS MBS 0000038753?

Goldman Sachs has certain business units that solely engage in proprietary trading activities and are not customer facilitation in nature. These business units are principal equity strategies, credit principal investing and macro proprietary trading businesses.

Supplemental Response Received From Goldman Sachs

ATTACHMENT 20

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

POLICY FOR APPROVING NON-CORE TRADING PRODUCTS AND TRADING FLOW CHANGES

Effective Date: June 1, 2005
For: All Equities and FICC Franchise Traders

In the normal course of business, franchise desk traders may need to trade products outside of their primary markets. In order to ensure the non-core trading is in line with division objectives and the appropriate control infrastructure is established, approval is required.

The Equities and FICC Divisions have adopted the following policy for franchise desks to ensure an adequate assessment of all requests to trade outside primary markets and/or to add positions in similar products. Supporting these opportunities can result in changes to the existing trading flow, as well as create unique or additional firm, regulatory, legal or compliance requirements.

This policy applies globally to all Equities and FICC requests.

A. Required Approvals

Trading positions in similar products. Franchise and/or flow traders are expected to only trade products which fall within the scope of their primary markets. Primary markets in this case would mean products for which the trader has market making responsibility, though it is permissible for traders to take positions in similar products. For example, a yen trader may have positions in the euro. Business approval as specified in this policy is not required for this case. However, if infrastructure changes are needed (different trade entry system, new trading account, etc.) by taking positions in similar products, then an infrastructure review (as noted below) is required.

Hedging. It is understood that more efficient hedging vehicles may exist in markets completely different from the underlying franchise products. For example, a trader making markets in oil shares may want to hedge their positions with oil swaps. In these cases, business approval and infrastructure review is required.

Trading products outside the scope of primary markets. Occasionally, traders may want to trade products falling outside their primary markets. While this sort of non-core trading is generally discouraged, traders may seek permission by following the approval procedure. Business approval and infrastructure review is required.

B. Business Approval

For hedging and trading products outside the scope of primary markets, the desk supervisor must receive prior approval from both the Divisional Risk Manager and a FICC-Equities Operating Committee member. Requests for business approval should be provided in writing to the Divisional Risk Manager, Legal and Compliance and include the following:

- A description of the non-core product to be traded
- List of impacted trading flows / systems
- A description of any unique requirements or constraints

C. Infrastructure Review

Upon receipt of business approval, the trader is required to engage their appropriate support area contacts, complete an Infrastructure Control Assessment and inform their regional New Products Committee.

Traders are required to work with representatives from Trading Technology, Legal, Compliance, Market Risk Management Analysis, Strategies, Controllers and Operations to complete the checklist.

Please refer to Annex A for a list of the Divisional Risk Managers and regional New Products Committees and Annex B for an example of the Infrastructure Control Checklist.

Once complete, the checklist will be reviewed by the appropriate regional New Products Committee to ensure all appropriate impact areas are addressed and assist the desk in making sure the necessary infrastructure changes are implemented and issues are resolved.

D. Implementation

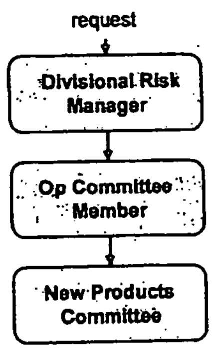
The desk is responsible for ensuring that all approvals and infrastructure control action items are completed prior to the start of trading.

ANNEX A

Divisional Risk Managers

Bill McMahon	(212) [redacted]
Bruce Petersen	(212 [redacted]
Ed Wilson	(212) [redacted]

Approval Chain



New Products Committees

Americas **New Products Committee**

Barry Goldman	(212 [redacted]
Dirk Kranenburg	(212) [redacted]
Walter Wanga	(212) [redacted]

Tokyo **Business Opportunity Review Group**

Craig Crossman	8 [redacted]
Catherine Wedgbury	8 [redacted]
Kent Garneau	8 [redacted]

Hong Kong **Asia ex-Japan New Business Initiative Committee**

Craig Crossman	8 [redacted]
Ian Clay	8 [redacted]
Samantha Yang	8 [redacted]

Europe **European New Business Initiative Committee**

Robert Charnley	8 [redacted]
Stephen Davies	8 [redacted]

ANNEX B

The following is an example of the Infrastructure Control Checklist:

Infrastructure Control Checklist (draft)
New Business / Non Core Trading and Trading Flow Changes

Prior to trading products outside primary markets (including for hedging purposes), implementing infrastructure changes or introducing new customer flow and execution venues, Business Managers are required to engage their Regional New Products Committee to complete the following Infrastructure Control Checklist.

The purpose of the checklist is to ensure the appropriate infrastructure is in place to enable compliance with all regulatory and firm controls.
Please return all completed checklists to your respective Regional New Products Committee.

Key Control Requirement	Key Control Point	Key Control Checklist Please check all that apply. (Not an exhaustive list.)	Key Control Sign-Off (Name)	Title/Group
Capture client & execution details accurately	Sales / Customer Trade Booking	Capture new product knowledge		Head of Sales Desk
		Ensure orders match executions		
		Ensure client/commission schedules/ allocation mechanism are configured		
		Investigate & understand all applicable rules and regulations that apply for all new activity		
		Ensure sales people are registered accordingly to conduct all required activity		
		Ensure trade entry of economic fields are captured completely & accurately		
	Trading	Capture new product knowledge		Head of Trading Desk
		Ensure orders match execution		
		Ensure new accounts / agg units are properly configured		
		Investigate & understand all applicable rules and regulations(including regulatory capital requirements) that apply for all new activity		
		Ensure traders are registered accordingly to conduct all required activity		
		Ensure trade entry of economic fields are captured completely & accurately		
	Front Office Systems	Ensure adequate performance and capacity		Trading Technology
		Ensure necessary exchange connectivity has been established		
		Ensure additional system access does not compromise the integrity of information barrier controls		
		Review of system architecture		
Satisfy all trading, position and transaction reporting requirements	Regulatory Reporting / Compliance	Define regulatory and compliance requirements for new products		Compliance, Regulatory Reporting
		All necessary training and competency requirements have been completed.		Compliance
		Automated capture & alerts for outliers		Legal
		Supervision over manual processing & date to automate process		ERG Operations
Reflect position, risk and P&L accurately w/in B&R	Position Management	Ensure proper product set-up/ mappings		Head of Trading Desk
		Trading systems provide real time feeds		
		Trading & Risk Management systems use an approved model and booking is in compliance w/ the firm policy		
	Risk Reporting	Ensure risk is correctly captured in B&R		Market Risk Mgmt Analysis
	Risk Management	Define notional / sovereign limits		Strats
		Alerts for outliers		
		Independent feed of risk analytics to MRMA & Div. Risk		Market Risk Mgmt Analysis
		Credit Risk Management due diligence		
		System displays aggregated risk management data for all products		
	P&L Reporting	Traders P&L adjustments to B&R correlate to Trade Support break resolution		Controllers
		Accurate pricing		
Establish automatic links to trade processing systems to ensure fully & accurately configured trades are passed to downstream systems	Trade Booking	Ensure straight-thru processing		Core Operations
		Accurate figuration of proceeds & middle monies		
		Trade event monitoring/notifications/processing agreed and understood		
	Trade Completion	Establish mandatory enrichments from common reference data		ETM Operations
	Settlements	Ensure proper payment & settlement instructions are appended to the transaction		Core Operations
				ETM Operations
	Core Technology	Ensure adequate performance and capacity		Core Technology
		Ensure necessary connectivity has been established		
		Appropriate system entitlements in place (as needed)		
		Review of system architecture		

ATTACHMENT 21

KNOW YOUR CUSTOMER: SUITABILITY AND AUTHORITY

Effective Date: March 31, 2005 (revised from July 1996)
For: FICC Division

Sales and trading personnel have an obligation to "know their customers" before recommending or entering into any securities transaction. This obligation includes the duty to exercise due diligence to learn the essential facts regarding the customer and the customer's orders and accounts.

Under GS&Co. policy and applicable regulations, before recommending a securities transaction to a customer, sales and trading personnel must determine that the transaction is suitable for the customer. In addition, the firm must determine that a customer has provided sufficient evidence of its authority to enter into a transaction (whether the transaction is recommended or not).

In addition to considering suitability and authority issues in the context of each securities transaction, you should observe the general trading patterns of each customer and recognize any trading activity which is unusual for a customer because of the size of the trades, the securities or markets involved, or any other reason. You should also be aware of market "rumors" about customers that may raise suitability or authority concerns.

Sales managers should regularly review sales activity for potential suitability problems. Sales and trading personnel should bring to the attention of a sales manager any unusual transactions, changes in client conditions or characteristics, significant losses experienced by customers, or other events that may affect the suitability of securities for a customer.

For a discussion of suitability requirements for transactions in municipal securities, see the policies and procedures memorandum entitled <u>Municipal Securities</u>.

For information regarding the documentation and other requirements and procedures applicable to opening new accounts, see the policies and procedures memorandum entitled <u>Documentation</u>.

In addition, various regulatory requirements may apply to the firm's communications with customers generally or in connection with specific securities. See the policies and procedures memorandum entitled <u>Customer Communications/Correspondence</u>.

A. *Suitability/Know Your Customer Requirements*

Traders and salespersons must comply with general "know your customer" and suitability requirements established by securities self-regulatory organizations, including the NYSE and the NASD.

Sales and trading personnel should be prepared to explain the basis for their suitability determinations and should consider, in consultation with their managers, whether to document such determinations in special or unusual circumstances.

1. Reasonable-Basis Suitability

The firm must have a reasonable basis to believe that the securities it recommends are suitable for at least some customers, based on a careful review and understanding of the terms and conditions of the securities being offered. In other words, the firm must have a reasonable basis to believe that the offered securities are reasonably suitable for investment in general. Of course, sales and trading personnel must always understand the relevant features of any securities in which they are trading, including the potential risks and rewards, so that they are in a position to conduct an appropriate suitability analysis.

The concept of a "recommendation" is discussed in <u>Section A.3</u> below. See also <u>Section A.5</u> (regarding "non-conventional investments") and <u>Section A.6</u> (regarding options).

2. Customer-Specific Suitability/Know Your Customer Requirement

In addition, in recommending any securities transaction to any particular customer (whether institutional or otherwise), sales and trading personnel must, under NASD Rule 2310, have reasonable grounds for believing that the recommendation is suitable for the customer. This determination must be based on facts, if any, that have been disclosed by such customer regarding the customer's other security holdings and regarding the customer's financial situation and needs. The concept of a "recommendation" is discussed in <u>Section A.3</u> below.

The NASD has cautioned against relying too heavily on a customer's financial status as a basis for making a recommendation, since a customer's net worth alone is not necessarily determinative of whether a particular security is suitable for that investor.

The NYSE's "know your customer" requirement under Rule 405 also requires that the firm use diligence to learn the essential facts relative to every customer, every order, every cash or margin account accepted or carried by the firm, and every person holding power of attorney over any account accepted or carried by the firm. The country of which a customer is a citizen is deemed to be an "essential fact."

(a) "Institutional Customers"

If a customer is an "institutional customer," that is, **any entity other than a natural person,** the obligation under NASD Rule 2310 to determine that a recommendation is suitable for the particular customer is fulfilled when a broker-dealer has reasonable grounds to conclude that:

- The customer is capable of independently evaluating investment risk.

AND

- The customer is making independent investment decisions.

Note, however, that the NASD has indicated that this guidance is more appropriately applied to customers with at least $10 million invested in securities. Where a customer has delegated decision-making authority to an agent, such as an investment advisor or a bank trust department, the obligations discussed under this section apply with respect to the agent.

(i) Capability to Evaluate Risk Independently

Sales and trading personnel should consider, based on the information ~~available to them, the customer's capability to evaluate investment risk,~~ including the resources available to the customer to make informed decisions. If a customer is either generally not capable of evaluating investment risk or lacks sufficient capability to evaluate a particular security, then the firm's customer-specific suitability obligation is not diminished by the fact that the member is dealing with an institutional customer.

Relevant considerations in determining capability to evaluate investment risk independently could include:

- The use of one or more consultants, investment advisers, or bank trust departments.
- The general level of experience of the institutional customer in financial markets and specific experience with the type of security under consideration.
- The customer's ability to understand the economic features of the security involved.
- The customer's ability to independently evaluate how market developments would affect the security.
- The complexity of the securities involved.

(ii) Exercise of Independent Judgment

Sales and trading personnel may conclude that a customer is exercising independent judgment if the customer's investment decision will be based on its own independent assessment of the opportunities and risks presented by the potential transaction, market factors, and other investment considerations.

A determination that a customer is making independent investment decisions depends on the nature of the relationship between the member and the customer. Relevant considerations could include:

- Any written or oral understanding that exists between the member and the customer regarding the nature of the relationship between the member and the customer and the services to be rendered by the member.
- The presence or absence of a pattern of acceptance of the member's recommendations.
- The use by the customer of ideas, suggestions, market views, and information obtained from other members or market professionals, particularly those relating to the same type of securities.
- The extent to which the member has received from the customer current comprehensive portfolio information in connection with discussing recommended transactions or has not been provided important information regarding its portfolio or investment objectives.

(b) Customers with Less than $50 Million in Assets

Under NASD Rule 2310(b), in the case of a transaction recommended to any customer (whether a natural person or otherwise) with total assets of under $50 million, sales and trading personnel must, prior to execution, make a reasonable effort to obtain information concerning:

- The customer's financial status.
- The customer's tax status.

- The customer's investment objectives.
- Such other information used or considered to be reasonable by sales and trading personnel in making recommendations to the customer.

This requirement does not apply to:

- A bank, savings and loan association, insurance company, or registered investment company.
- An investment adviser registered either with the SEC under Section 203 of the Advisers Act or with a state securities commission (or agency or office performing like functions).

(c) Individuals

Individual customers may be less sophisticated and less able to bear any losses from risky securities. Reasonable efforts should be made to obtain from these customers information regarding their financial background and objectives, and special caution should be exercised to determine the suitability of any securities for these customers in light of such information.

Even if a customer seeks to engage in, or has previously engaged in, highly speculative or otherwise aggressive trading, sales and trading personnel have a duty to refrain from making recommendations that are incompatible with the customer's financial profile and interests.

The NASD has expressed concern that some individual investors may not understand the risks and costs associated with bonds and bond funds, and has reiterated the responsibility of broker-dealers to take appropriate steps to ensure that their customers understand the risks, costs, and benefits of these securities.

3. "Recommendations"

The NASD's customer-specific suitability requirements apply only where the firm recommends a securities transaction to a customer. Whether a particular transaction is in fact "recommended" depends on an analysis of all the relevant facts and circumstances.

- The suitability rule ordinarily would not apply when the firm acts solely as an "order-taker" for customers who, on their own initiative, effect transactions without a recommendation from the firm.
- On the other hand, a broad range of circumstances may cause a transaction to be considered recommended; this determination does not depend on whether the salesperson classifies the trade as "solicited" or "unsolicited," nor does it depend on the mode of communication between the trader or salesperson and the customer.
- The NASD has stated more generally that an important factor is whether, in view of its content, context, and manner of presentation, a particular communication to a customer reasonably would be viewed as a "call to action" or suggestion that the customer engage in a securities transaction.
- In general, the more individually tailored the communication to a specific customer or a targeted group of customers about a security or group of

securities, the greater the likelihood that the communication may be viewed as a "recommendation."

- The suitability rule applies to all "recommendations" made to customers via e-mail or other electronic communications, including customer-specific electronic communications encouraging the purchase of a security, or e-mails to customers stating they should be invested in securities from a particular sector and urging them to buy securities from a list with "buy" recommendations.
- Although the firm cannot avoid or disclaim away its suitability obligation (and a particular communication may be deemed a "recommendation" notwithstanding the use of a disclaimer), the firm may properly disclose to customers that information is not based on a customer's particular financial situation or needs, or that opinions or recommendations expressed in research do not take into account individual investors' circumstances and are not intended to represent "recommendations" of particular securities to particular customers.

The NASD has also found that when a broker effects transactions in an account over which it has discretion, the transactions are implicitly recommended. Additional NASD guidance addresses the circumstances in which various online services or products (e.g., Web sites with research or analytical tools) may entail a "recommendation." For further information regarding whether any activities may constitute a "recommendation," consult the Compliance or Legal Departments.

4. Activities that May Raise Suitability or Other Issues

The NASD has identified certain activities that may raise special suitability or other concerns, including:

- Excessive trading activity in a customer's account ("churning" or "overtrading"). Whether activity is excessive depends on the objectives and financial situation of the customer involved.
- Trading in mutual fund shares, particularly on a short-term basis.
- Recommending the purchase of securities in amounts inconsistent with the reasonable expectation that the customer has the financial ability to meet such a commitment.
- Recommending or accepting orders for new financial products — members must make every effort to familiarize themselves with each customer's financial situation, trading experience, and ability to meet the risks involved with such securities, and should make customers aware of the pertinent information regarding the securities.

Other activities that may be fraudulent or impermissible are discussed in the policies and procedures memorandum entitled <u>'Parking' and Other Impermissible Trading Activities</u>.

5. Non-Conventional Investments

The NASD has expressed concern that investors, particularly retail investors, may seek greater yields or returns through what the NASD has termed "non-conventional investments" ("NCIs") without fully understanding the risks associated with these securities. For these purposes, NCIs include, among other securities, asset-backed securities, equity-linked notes, index-linked notes, non-traded REITs, multi-callable step up notes, redeemable secured notes, auction rate preferred securities, principal protected index-linked CDs, distressed debt, derivative products, and emerging market debt securities. The NASD has noted that NCIs may entail significant credit risks that are difficult to understand and assess; may have less market liquidity, and may have less transparency as to their pricing and value.

The NASD has noted that members should perform appropriate due diligence to ensure they understand the nature of an NCI, as well as the potential risks and rewards associated with it, in order to make a "reasonable-basis" suitability analysis (see Section A.1 above) — even if the security is intended only for institutional investors. The type of due diligence investigation that is appropriate will vary from security to security, but certain common features that sales and trading personnel should understand include, but are not limited to:

- The liquidity of the security.
- The existence of a secondary market and the prospective transparency of pricing in any secondary market transactions.
- The creditworthiness of the issuer.
- The creditworthiness and value of any underlying collateral.
- Where applicable, the creditworthiness of the counterparties.
- Principal, return, and/or interest rate risks and the factors that determine those risks.
- The tax consequences of the security.
- The costs and fees associated with purchasing and selling the security.

Broker-dealers may in good faith rely on representations concerning an NCI contained in a prospectus or disclosure document, but reliance on such materials alone may be insufficient where the materials do not provide sufficient information to fully evaluate the security's risks.

In addition, sales and trading personnel must make the types of customer-specific suitability determinations described in Section A.2 above when recommending an NCI to a customer.

6. Options on Fixed Income Securities

Special suitability rules apply with respect to customers trading securities options. GS&Co. sales and trading personnel may not recommend any option transaction to a customer unless there are reasonable grounds for believing (based on information furnished by the customer after reasonable inquiry concerning the customer's investment objectives, financial situation and needs, and any other information known by sales or trading personnel) that the recommended transaction is suitable for the customer.

In addition, sales or trading personnel may not recommend to the customer an opening transaction in an option contract unless the person making the recommendation has a reasonable basis for believing, at the time of the recommendation, that:

- The customer has such knowledge and experience in financial matters that the customer may reasonably be expected to be capable of evaluating the risks of the recommended transaction.

AND

- The customer is financially able to bear the risks of the recommended position in the option contract.

For information regarding the special documentation and disclosure requirements and procedures applicable when opening new options accounts, see the policies and procedures memorandum entitled Documentation.

7. Customers Subject to Specific Regulatory Regimes

Recommendations made to customers subject to specific regulatory regimes may raise additional suitability concerns. In case of any questions or concerns regarding such customers, trading and sales personnel should contact the Compliance or Legal Departments.

(a) Employee Benefit Plans

It is especially important to "know your customer" when dealing with employee benefit plans. Such plans are usually subject to the Employee Retirement Income Security Act of 1974 ("ERISA") and the rules thereunder, as well as rules and guidelines adopted by trustees or governing boards. Under ERISA, a fiduciary of a plan (i.e., the person managing the plan's assets) must diversify the assets of the plan to prevent large losses and must discharge its investment duties "with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. . . ." See the policies and procedures memorandum entitled Prohibited Transactions Under ERISA.

Although adherence to the "prudent man" rule cited above and other investment requirements under ERISA is primarily the responsibility of the pension plan's investment manager, salespersons and traders should be alert to circumstances indicating the need to raise questions with their manager or the Compliance or Legal Departments. You need to be sensitive to whether you believe the strategies are inconsistent with these basic duties. Other ERISA requirements discussed in the policies and procedures memorandum entitled Prohibited Transactions Under ERISA also may affect GS&Co.'s ability to enter into fixed income transactions with ERISA plans.

While public pension plans are not subject to ERISA, they are governed by state and local statutory schemes. These schemes vary greatly, sometimes including a "prudence" standard and at other times providing a list of prohibited and permitted investments. As in the case of ERISA plans, adherence to the investment standards applicable to public pension plans is primarily the responsibility of the investment manager for the plan. However, it is very important for GS&Co. that it not engage in any transaction with these plans that is prohibited by local law. GS&Co. is on constructive notice of these statutes, and there have been instances where broker-dealers have been held responsible in connection with transactions that have exceeded their authority. GS&Co. personnel should remain alert to circumstances indicating the need to raise questions with their manager or the Compliance or Legal Departments.

(b) State and Municipal Counterparties

Special caution should be exercised when dealing with state and municipal entities, even when such counterparties are sophisticated investors and understand the risks involved in the transaction.

B. Power and Authority

Before entering into a securities transaction, it is essential that the firm take appropriate measures to determine whether:

- A customer has the power, capacity and authority to enter into the proposed transactions (e.g., there are no legal or regulatory prohibitions against the customer entering into such transactions, such transactions are not prohibited under the customer's organizational or other constitutive documents, etc.)

AND

- The individuals with whom GS&Co. is dealing have authority to act for the customer in such transactions.

The appropriate measures to be taken will vary, depending both on the nature of the customer and the nature of the transaction. Factors which you should consider include whether your customer is acting as principal or agent, whether the proposed transaction falls within the institution's guidelines for permissible transactions, and whether the transaction is permitted by the regulators, if any, of that institution. In considering whether the individual with whom you are dealing has authority, you may look to evidence of actual authority or evidence of whether the person reasonably appears to have been given authority to act on behalf of the institution he or she purports to represent — e.g., whether the institution has held the individual out as having authority or has knowingly permitted the individual to act on its behalf.

Sales and trading personnel should contact the Compliance or Legal Departments if they have any doubts or questions regarding the power of a customer to enter into transactions or the authority of the individuals with whom they are dealing to act on behalf of the customer. Specific authority considerations for various categories of customers are discussed below.

1. Governments and Public-Sector Entities

It is especially important to consider whether state and local government entities, including public pension plans, have the power to enter into securities transactions and whether persons acting on behalf of such entities have obtained proper authorization. State and municipal organizations are often prohibited from engaging in certain types of transactions.

The power of an entity to enter into securities transactions generally flows from its charter and by-laws or, in some cases, the law under which it was created. Where sovereign or public-sector entities are concerned, a local or national constitution; charter or statute in the case of a public corporation; or investment management agreement, trust agreement, and related investment guidelines may also be relevant. Be aware, however, that while reviewing these documents is a necessary first step, the review should not end the inquiry. As additional protection, consider obtaining the opinion of counsel to the entity or including representations from the entity as to authority under applicable law in the transaction documents.

2. Cash or Margin Accounts; Agency, Estate or Trust Accounts

NYSE requires that certain information related to power and authority be maintained by the firm in connection with certain cash or margin accounts carried by the firm and certain agency accounts. For further information regarding account documentation and related requirements, see the policies and procedures memorandum entitled Documentation. Note in particular that when estate or trust accounts are involved, the Legal Department should be consulted as to the documents that should be obtained.

3. Financial Institutions

All transactions with federally insured depository institutions (i.e., commercial banks, savings banks) must meet certain "written agreement" and related requirements to be enforceable. These requirements are less stringent in the case of "securities contracts," "forward contracts," "commodity contracts," "repurchase agreements," "swap agreements," and "fed funds" transactions. In addition, the Federal Financial Institutions Examinations Council and other regulatory agencies restrict the permissible transactions of depository institutions. Sales and trading personnel should contact the Compliance or Legal Departments if they have any doubts regarding whether a transaction with a financial institution meets the applicable "written agreement" requirements.

4. ERISA Plans

For further information regarding power and authority issues arising in connection with ERISA plans, consult the policies and procedure memorandum entitled Prohibited Transactions Under ERISA.

5. Investment Companies

Investment companies must be specifically authorized under their constitutive documents to enter into transactions with respect to the type of security involved. GS&Co. must also be a permissible counterparty under those documents.

6. Insurance Companies

Insurance companies are subject to state regulatory requirements that vary by jurisdiction. As a result, when entering into transactions with insurance companies, sales and trading personnel should exercise special care regarding applicable laws or regulations that may limit or regulate the ability of the company to engage in the transaction.

ATTACHMENT 22

GOLDMAN SACHS/LLOYD BLANKFEIN
RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD

Appendix A: Presentations Regarding the Firm's Compliance Program

Date	Prepared for	Document
Nov 2004	Board	Global Compliance Function
Apr 2005	Audit Committee	Global Compliance Update
Sep 2005	Audit Committee	Update on CEO Certification (NASD Rule 3013) and Compliance and Surveillance Architecture
Nov 2005	Audit Committee	NASD Rule 3013 Update
Mar 2006	Audit Committee	NASD Rule 3013 Update
Sep 2006	Audit Committee	Compliance Testing Group Initiative
Mar 2007	Audit Committee	NASD Rule 3013 Update
Apr 2008	Audit Committee	Global Compliance Update and CEO Compliance Certifications and Compliance Reports
Jan 2009	Board	Compliance with CRMPG III Recommendations and Other Key Industry and Regulatory Reports
May 2009	Audit Committee	Global Compliance Update, Certifications and Risk Management Program and Approval of Risk Management Program

Appendix B: Board and Board Committee Governance Activities

Date	Prepared for	Document
Jan 2004	Board	Reapproval of Certain Governance Documents (Code of Business Conduct and Ethics, Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns)
Jan 2004	Corp Gov Committee	Annual Review of Code of Business Conduct and Ethics
Jan 2004	Audit Committee	Review of Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns
Jan 2005	Board	Approval of Amendment to Code of Business Conduct and Ethics
Jan 2005	Board	Reapproval of Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns
Jan 2005	Corp Gov Committee	Annual Review of the Code of Business Conduct and Ethics and Recommendation to the Board of Proposed Amendments
Jan 2005	Audit Committee	Review of Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns
Jan 2006	Board	Reapproval of Certain Governance Documents (Code of Business Conduct and Ethics, Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns)
Jan 2006	Corp Gov Committee	Annual Review of Code of Business Conduct and Ethics
Jan 2006	Audit Committee	Review of Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns
Jan 2007	Board	Approval of Amendments to the Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns)
Jan 2007	Board	Reapproval of Certain Governance Documents (Code of Business Conduct and Ethics)
Jan 2007	Corp Gov Committee	Annual Review of Code of Business Conduct and Ethics
Jan 2007	Audit Committee	Recommendation to the Board of Proposed Amendments to the Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns
Jan 2008	Board	Reapproval of Certain Governance Documents (Code of Business Conduct and Ethics, Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns)
Jan 2008	Corp Gov Committee	Annual Review of Code of Business Conduct and Ethics
Jan 2008	Audit Committee	Annual Review of Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns

Jan 2009	Board	Reapproval of Certain Governance Documents (Code of Business Conduct and Ethics, Policy on Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns)
Jan 2009	Corp Gov Committee	Annual Review of Code of Business Conduct and Ethics
Jan 2009	Audit Committee	Annual Review of Reporting of Concerns Regarding Accounting and Other Matters and Policy Regarding Escalation to, and Retention by, the Audit Committee of Accounting Complaints and the Non-Management Directors of Other Concerns
May 2009	Board	Approval of Amendment to Code of Business Conduct and Ethics
May 2009	Corp Gov Committee	Recommendation to the Board of Proposed Amendment to Code of Business Conduct and Ethics

Appendix C: Firmwide Business Practices Committee

- BPC Charter
- BPC Summary of Meetings/Topics (2003-2010)
- Firmwide Business Practices Committee Presentation to Board (Sep 2009)

Appendix D: Samples of Training and Communications Efforts

- New Hire Training (Materials used in June 2004 and Spring 2010)
- Anti-Money Laundering and Communications Modules (sample screenshots)
- Suspicious Activity Training
    - Suspicious Activity Presentation Exemplar (GS Bank)
    - Suspicious Activity Presentation to firm's Management Committee (May 2009)

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
SENATOR CLAIRE McCASKILL
Permanent Subcommittee on Investigations

to

LLOYD C. BLANKFEIN
Chairman and Chief Executive Officer
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
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April 27, 2010

1) How many partners of Goldman Sachs had investments with Paulson & Co at the time the Abacus AC-1 transaction was completed?

There were no Goldman Sachs partners who had investments with Paulson & Co. at the time the ABACUS 2007-AC1 transactions closed (April 26 2007). One retired partner invested $20,000 in the Paulson Enhanced Limited Fund, a leveraged fund that focuses on mergers and acquisitions, on May 23, 2007. No Goldman Sachs partners had investments with the Paulson Credit Opportunities Funds at the time of the ABACUS 2007-AC1 transaction.

2) How large was the short position that Goldman Sachs sold to Paulson & Co as a part of the Abacus AC-1 transaction in relation to all short positions sold to other clients through synthetic and hybrid CDO issuances in 2006 and 2007? Please express this as a percentage.

The purchase of protection by Paulson & Co. from Goldman Sachs in conjunction with ABACUS 2007-AC1 represented approximately 18% of all short positions sold to clients through synthetic and hybrid CDO issuances in 2006 and 2007.

3) Of clients to whom Goldman sold short positions from synthetic CDOs, as in the Abacus AC-1 transaction, how many employed former directors or employees of Goldman Sachs?

See 8.

4) Did any Goldman employees see their total compensation decline as a result of the ultimate poor performance of the mortgage backed securities and collateralized debt obligations that the firm issued in 2006 and 2007?

In general, Goldman Sachs' compensation structure is based on the firm's overall performance, the performance of the specific business in which the employee works and the personal performance of the employee. Further, the firm, and specifically the mortgage business, aggressively managed head count commensurate with performance of the business from 2006 through 2008. For employees within the mortgage business involved in the structuring, underwriting and trading of non-agency RMBS and CDOs, total headcount declined by approximately 50% during the period of 2006 through 2008. Additionally, for non-partner employees who remained with the firm during that period, compensation declined on average by approximately 47%.

5) **Please provide the context for the email in exhibit 77, in which a Goldman employee reviewed pool of mortgages originated by New Century. Were these loans subsequently packaged into securities? If so, how much of the pool discussed in exhibit 77 was "put back," to use the phrase from the analyst writing the document?**

The loans in Exhibit 77 were part of a securitization (GSAMP Home Equity Trust 2007-NC1) at the time the review described in Exhibit 77 was conducted. New Century, the loan seller, provided contractual protection for early payment defaults ("EPDs"). The securitization trust received the benefit of this EPD protection under the securitization documents. When an EPD occurred on a loan, New Century was obligated to repurchase the EPD loan and the securitization trust was entitled to the principal balance of and accrued interest on the EPD loan. After being notified of the EPD event, New Century asked Goldman Sachs to provide a bid to purchase the EPD loans from New Century once it repurchased the EPD loans. As is customary for loan purchases, in order to ascertain a price for the EPD loans, Goldman Sachs performed a review of the EPD loans as described in Exhibit 77.

All of the EPD loans discussed in Exhibit 77 (123 loans total) were repurchase obligations of New Century. The "put back" notation in Exhibit 77 identifies loans that Goldman Sachs was not willing to purchase from New Century as a result of review findings. However, New Century was still obligated to repurchase the EPD loans that were in the securitization trust. Goldman Sachs notes that due to New Century's financial difficulties and subsequent bankruptcy, New Century never fulfilled their EPD repurchase obligation, and Goldman Sachs never purchased any of the loans from New Century.

6) **Did Goldman Sachs perform a review similar to that found in Exhibit 77 of the pools of mortgages from which the Long Beach Mortgage Loan Trust 2006-A (LBMLT-A) residential mortgage backed securities were created? If so, please produce those reviews to the committee. How many loans showed evidence of potential fraud, noncompliance, foreclosure, or other risk factors? How many problem loans ended up in the pools for LBMLT-A that were then sold to investors? How were weaknesses in the pools disclosed to investors?**

Unlike the New Century loans discussed above, the LBMLT 2006-A securitization did not include a provision whereby the originator or seller (Long Beach) was required to repurchase EPD loans. Goldman Sachs, therefore, did not perform a review for LBMLT 2006-A similar to that found in Exhibit 77 for GSAMP Home Equity Trust 2007-NC1. The risks associated with the LBMLT 2006-A securitization were disclosed as part of the offering document at time of issuance.

7) How many customers contacted Goldman Sachs asking to take a short position with respect to housing related assets after your firm decided to make a concerted effort to "reduce risk" which reducing your net long position with respect to the housing market? To how many customers did you sell short positions? How many customers were turned away? Do you feel that your need to "reduce risk," prevented your firm, in its role as market maker, from serving customers who wanted to purchase short positions?

Goldman Sachs does not maintain records indicating: (i) the number of customers in aggregate who approached the firm during this period, seeking to sell cash assets or purchase credit protection on mortgage-related products; or (ii) the number of customers seeking to purchase credit protection on mortgage-related products who were "turned away" by the firm. Goldman Sachs notes, however, that the firm sold credit protection of more than $100 billion notional to over 500 customers, and that the firm is not aware of customers seeking bids or offers (whether for cash assets or credit protection referencing such assets) who did not receive such bids or offers.

Further, the firm's decision to "reduce risk" did not prevent it from serving its customers as a market maker. Although the prices that Goldman Sachs quoted to buyers and sellers varied with market levels, the firm continued to transact in mortgage-related products in response to client demand. Indeed, acting in its capacity as a market maker in cash and derivative mortgage-related products, Goldman Sachs stood ready on a daily basis in late 2006 and continuing through 2007 to provide bids or offers to customers on cash instruments and credit protection referencing such mortgage-related instruments.

8) Of the customers to whom you did sell short positions how many were companies that had hired former Goldman employees or with whom Goldman employees had investments?

Goldman Sachs encloses (i) a spreadsheet (bearing production number GS MBS 0000038772) providing information on individuals employed by Goldman Sachs as a Managing Director ("MD") in a front office division who left Goldman Sachs between January 1, 2000 and December 31, 2007 for a position at one of the firms listed below (in Table A) to which Goldman Sachs sold short positions on synthetic CDOs; and (ii) a spreadsheet (bearing production number GS MBS 0000038773) providing information on private investments made by Goldman Sachs MDs from January 1, 2000 through December 31, 2007 in any of the firms listed below (in Table A) to which Goldman Sachs sold short positions on synthetic CDOs.[1]

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[1] Goldman Sachs notes that the information in these spreadsheets was derived from data provided voluntarily by former Goldman Sachs employees at the time of departure or from information voluntarily provided by Goldman Sachs alumni.

Goldman Sachs also notes that (i) one former Goldman Sachs MD (Asif Khan) who worked on synthetic CDOs while at Goldman Sachs was subsequently employed by a broker-dealer identified in this response as a firm that was

The firms to which Goldman Sachs sold short positions on synthetic CDOs that were reviewed to provide the information in the enclosed spreadsheets include:

Aladdin Capital Management	Nomura
Calyon	Rabo Bank
Countrywide Financial	Natixis
FBR Capital Markets	Paulson
Fortis	Piper Jaffray
FTN Financial	RBS Greenwich
GSC Partners	Wachovia
Investec	The Winter Group
MacDonald Investments	Washington Mutual
Magnetar	Winchester Capital
Morgan Keegan	

Certain broker-dealers were excluded when examining this information because a large number of former Goldman Sachs employees have subsequently been employed by these firms, and Goldman Sachs has assumed that information concerning the employment of former Goldman Sachs employees at these firms would not necessarily be relevant to the Subcommittee's inquiry. These excluded broker-dealers include: Bank of America, Barclays Capital, Bear Stearns, Citigroup, Credit Suisse First Boston, Deutsche Bank, HSBC, JPMorgan Chase, Lehman Brothers, Merrill Lynch, Morgan Stanley and UBS. Should the Subcommittee want this information, Goldman Sachs will attempt to compile and produce it to the Subcommittee staff.

Goldman Sachs wishes to stress that it does not maintain a central repository of the requested information and, accordingly, used various technologies and manual resources to generate this spreadsheet for production to the Subcommittee in response to this Question. While Goldman Sachs believes that the spreadsheet is reasonably accurate, Goldman Sachs cannot make an absolute representation that it is complete or that there were not some inadvertent errors in its preparation, especially given the expedited timeframe within which it was generated and produced to you. Goldman Sachs also wishes to stress that the information used to generate this spreadsheet for production to you was maintained and used for limited, internal firm purposes, and not pursuant to or for purposes of regulatory or other reporting requirements, or for use by third parties.

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not searched to provide the information in the enclosed spreadsheet and (ii) two former Goldman Sachs MDs (Alfred Eckhert and Richard Hayden) who left Goldman Sachs prior to January 1, 2000 are currently partners at GSC Partners.

Name	GS_All Divisions	GS_Last Division	GS_Last Region	GS_Last Office	GS_Last Title	New Organization
[redacted]	IBD	IBD	Americas	New York	Advisory Director	GSC Group
	IBD	IBD	Americas	New York	Participating MD	FBR Capital Markets
	IBD	IBD	Americas	New York	Participating MD	FBR Capital Markets
	Finance/IBD	Finance	Americas	New York	Participating MD	FBR Capital Markets
	IBD/IMD	IBD	EMEA	London	Participating MD	GSC Group
	IBD	IBD	EMEA	London	Participating MD	Nomura
	IBD	IBD	Americas	New York	Extended MD	GSC Group
	IBD	IBD	Americas	Los Angeles	Advisory Director (retired); Consultant (current)	GSC Group
	IBD	IBD	AEJ	Hong Kong	Extended MD	Nomura
	IBD/Finance/IBD/Technology/Finance/Operations, Tec	IBD	EMEA	London	Extended MD	RBS
	EOSEquities	EO	Americas	New York	Senior Director	Wachovia Corporation

▬ = Redacted by the Permanent Subcommittee on Investigations

Emp Name	Emp Title	Currently Employed at GS (Yes or No)	Entity	Entity Description	InvAmount	Inv Date
[redacted]	AYCO Profession	Yes	Greenwich Capital Partners II	Private Equity Fund	$200,000	Jan-2000
	Extended Managing Director	Yes	Greenwich Street Investments II	Company	$50,000	Sep-2000
	Extended Managing Director	Yes	GCM 2007 OPPORTUNITY FUND, L.P.	Fund(Other)	$2,000,000	Oct-2007

▬▬ = Redacted by the Permanent Subcommittee on Investigations

Emp Name	Emp Title	Currently Employed at GS (Yes or No)	Entity	Entity Description	InvAmount	Inv Date
[redacted]	Extended Managing Director	No	GSC Recovery IIA, LP	Hedge Fund	$1,000,000	Jun-2002
	Extended Managing Director	No	GSC Recovery IIA, LP	Hedge Fund	$1,000,000	Jun-2002
	Advisory Director	No	GSC European Mezzanine Fund, LP	Private Equity Fund	$250,000	Jun-2000
	Senior Director	No	GSC Recovery IIA, LP	Hedge Fund	$2,500,000	May-2002
	Senior Director	No	GSC Recovery IIA, LP	Hedge Fund	$3,000,000	Jun-2002
	Extended Managing Director	No	GSC Credit Strategies Fund, L.P.	Hedge Fund	$1,000,000	Jul-2006
	Participating Managing Director	Yes	GSC Credit Strategies Fund, L.P.	Hedge Fund	$1,000,000	Jun-2006
	Extended Managing Director	No	GSC Credit Strategies Fund, L.P.	Hedge Fund	$5,000,000	Jul-2006
	Extended Managing Director	No	GSC Recovery IIA, LP	Hedge Fund	$3,000,000	Apr-2002
	ARCHON Professional	Yes	GSC Recovery III, Inc.	Private Equity Fund	$109,375	Jan-2005

▬▬ = Redacted by the Permanent Subcommittee on Investigations

Emp Name	Emp Title	Currently Employed at GS (Yes or No)	Entity	Entity Description	InvAmount	Inv Date
[redacted]	Participating Managing Director	Yes	Piper Private Equity	Private Equity Fund	1,500,000 GBP	Aug-2005

▬▬ = Redacted by the Permanent Subcommittee on Investigations

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations

to

DAVID A. VINIAR
Executive Vice President and
Chief Financial Officer
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

SUPPLEMENTAL QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations
to
DAVID A. VINIAR
Executive Vice President and
Chief Financial Officer
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

Please provide answers to the following questions by June 15, 2010:

1. Exhibit 26 from the Subcommittee's hearing on April 27, 2010, includes an email between you and Gary Cohn. Mr. Cohn informed you that Goldman Sach's ("Goldman") SPG Trading desk made $373 million while the CDO-CLO desk lost $230 million and the Residential Credit desk lost $92 million. You responded by writing: "Tells you what might be happening to people who don't have the big short."

   Describe in detail what you meant by your response and describe the "big short" to which you are referring, including the notional value of the position, when it was acquired, and when it was sold or covered.

2. For the period between December 14, 2006, and December 31, 2007, identify the 5 dates on which Goldman had the largest net short positions with respect to RMBS securities (including the ABX), and the notional size of those net short positions.

✧ ✧ ✧

Responses of Mr. David Viniar to the
<u>Supplemental Questions for the Record of the Permanent Subcommittee on Investigations</u>

1. **Exhibit 26 from the Subcommittee's hearing on April 27, 2010, includes an email between you and Gary Cohn. Mr. Cohn informed you that Goldman Sachs's ("Goldman") SPG Trading desk made $373 million while the CDO-CLO desk lost $230 million and the Residential Credit desk lost $92 million. You responded by writing: "Tells you what might be happening to people who don't have the big short."**

   Describe in detail what you meant by your response and describe the "big short" to which you are referring, including the notional value of the position, when it was acquired, and when it was sold or covered.

As I testified on April 27, 2010:

> [W]hat I meant . . . because I didn't give the full thought, which is: tells you what might happen to people who don't have the big short, when they do have a big long. This came, I believe, shortly after people had announced their second quarter results. Quite a number of people had disclosed how big their long inventory positions were and without basically balancing those positions, there would be significant losses which is what proved to happen across the industry.

Although I was aware that Goldman, Sachs & Co. ("Goldman Sachs") had obtained a significant short position in order to counterbalance its significant long mortgage-related inventory positions, which reduced the Firm's overall exposure to the mortgage market, I was not personally involved in the transactions. I also have no memory of any particular transactions or the overall notional value of this position at any point in time. I should add that totaling up long and short notional amounts for different assets and then netting the total long and short notional amounts will not reflect whether Goldman Sachs was net long or net short the mortgage market, because different assets vary considerably in their sensitivity to changes in market prices. Often, the only indicator of whether positions were net long or net short were the profits earned or losses sustained on those positions.

It is my understanding that Goldman Sachs is discussing with the Subcommittee staff how the Firm can provide the additional information called for by this Question on a schedule agreed with the Subcommittee staff.

2. **For the period between December 14, 2006, and December 31, 2007, identify the 5 dates on which Goldman had the largest net short positions with respect to RMBS securities (including the ABX), and the notional size of those net short positions.**

I do not know the information requested in this Question. I would not, in the ordinary course of business, have requested aggregate net short data on a notional basis. To the extent that this data can be compiled from Firm records, it is my understanding that Goldman Sachs will work with the Subcommittee staff to provide a response on behalf of the Firm.

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations

to

CRAIG W. BRODERICK
Chief Risk Officer
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

SUPPLEMENTAL QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations
to
CRAIG W. BRODERICK
Chief Risk Officer
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PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS: THE ROLE OF INVESTMENT BANKS
April 27, 2010

Please provide answers to the following questions by June 15, 2010:

1. Exhibit 48 from the Subcommittee's hearing on April 27, 2010, is a copy of a presentation that you made to the Goldman Sachs ("Goldman") Tax Department on October 29, 2007. Your presentation addressed "events in the credit markets over the past few months, as well as [Goldman's] own credit and trading performance."

   In the fourth full paragraph on page 2, you wrote:

   "So what happened to us? A quick word on our own market and credit risk performance in this regard. In market risk -- you saw in our 2nd and 3rd quarter results that we made money despite our inherently long cash positions – because starting early in '07 our mortgage trading desk started putting on big short positions, mostly using the ABX Index, which is a family of indices designed to replicate cash bonds. And did so in enough quantity that we were net short, and made money (substantial $$ in the 3rd quarter) as the subprime market weakened. (This remains our position today.)"

   (a) What was the notional value of the net short positions put on by the mortgage trading desk that you refer to in your presentation? For the period between December 14, 2006, and December 31, 2007, identify the 5 dates on which mortgage trading desk had the largest notional net short positions, and the notional value of those net short positions.

   (b) In your presentation, you wrote that the mortgage trading desk "started putting on big short positions. . .[a]nd did so in enough quantity that we were net short, and made money (substantial $$ in the 3rd quarter) as the subprime market weakened." How much money was made in 2007 as a result of the short positions put on by the mortgage trading desk? Also, quantify "substantial" – how much money was made in the third quarter of 2007? When stating those amounts, do not offset any money made by these net short positions with any losses or gains from or with respect to other transactions or assets.

(c) In addressing the short positions of the mortgage trading desk in the presentation referred to above, you write: "we were net short, and made money (substantial $$ in the 3rd quarter) as the subprime market weakened. (This remains our position today.)" As of the date you gave that presentation, what was the notional net short position of the mortgage trading desk?

✧ ✧ ✧

Responses of Mr. Craig Broderick to the
Supplemental Questions for the Record of the Permanent Subcommittee on Investigations

1. **Exhibit 48 from the Subcommittee's hearing on April 27, 2010, is a copy of a presentation that you made to the Goldman Sachs ("Goldman") Tax Department on October 29, 2007. Your presentation addressed "events in the credit markets over the past few months, as well as [Goldman's] own credit and trading performance."**

   In the fourth full paragraph on page 2, you wrote:

   "So what happened to us? A quick word on our own market and credit risk performance in this regard. In market risk – you saw in our 2nd and 3rd quarter results that we made money despite our inherently long cash positions – because starting early in '07 our mortgage trading desk started putting on big short positions, mostly using the ABX Index, which is a family of indices designed to replicate cash bonds. And did so in enough quantity that we were net short, and made money (substantial $$ in the 3rd quarter) as the subprime market weakened. (This remains our position today.)"

   (a) **What was the notional value of the net short positions put on by the mortgage trading desk that you refer to in your presentation? For the period between December 14, 2006, and December 31, 2007, identify the 5 dates on which mortgage trading desk had the largest notional net short positions, and the notional value of those net short positions.**

I was aware that the Goldman, Sachs & Co. ("Goldman Sachs") had acquired a substantial short position in order to counterbalance its long mortgage-related inventory positions and reduce its overall exposure to the mortgage market. I was not personally involved in the transactions through which that short position was acquired or covered, and have no recollection of any specific transactions or the overall notional value of this position at any time during this period. I was also aware that, while our VaR risk metrics showed us to be generally short, our credit spread widening measures generally indicated the contrary.

The presentation offered a year-to-date recap of Goldman Sachs' performance through the third quarter of 2007 and was, therefore, concerned primarily with quarterly trends or results. My statement in the presentation that we were net short was based largely on hindsight given the fact that the Firm had earned modest profits during a period of time during which the mortgage market declined.

Regarding notional exposures, during this period, the ABX index and other mortgage positions held by Goldman Sachs were constantly changing, sometimes on a daily basis. Further, and importantly, any calculation of net short positions based on the notional value of positions would be meaningless because prices of different instruments adjust differently depending on their underlying credit and other characteristics. For example, a downward movement in market prices resulting from overall credit deterioration would likely affect a position referencing BBB rated securities far more than a position referencing AAA rated securities. It is therefore not possible to ascribe a single notional value to the net short positions referred to in the presentation. Instead, the overall magnitude of the net short positions would have been assessed contemporaneously using available risk metrics (including the VaR and CSW measures referenced above) together with a retrospective analysis of profits and losses and market movements.

It is my understanding that Goldman Sachs is discussing with the Subcommittee Staff how the Firm can provide the Subcommittee with additional information on a schedule agreed with the Subcommittee staff.

(b) In your presentation, you wrote that the mortgage trading desk "started putting on big short positions. . .[a]nd did so in enough quantity that we were net short, and made money (substantial $$ in the 3rd quarter) as the subprime market weakened." How much money was made in 2007 as a result of the short positions put on by the mortgage trading desk? Also, quantify "substantial" – how much money was made in the third quarter of 2007? When stating those amounts, do not offset any money made by these net short positions with any losses or gains from or with respect to other transactions or assets.

I do not know the detailed information requested in this Question. Answering this question will require Goldman Sachs to calculate information that, to my understanding, is not readily maintained in the form the Question seeks. It is my understanding, however, that Goldman Sachs has had discussions with the Subcommittee Staff and is working to provide a response on behalf of the Firm.

(c) In addressing the short positions of the mortgage trading desk in the presentation referred to above, you write: "we were net short, and made money (substantial $$ in the 3rd quarter) as the subprime market weakened. (This remains our position today.)" As of the date you gave that presentation, what was the notional net short position of the mortgage trading desk?

I do not know the answer to this Question and do not possess in my files the detailed information necessary to respond. It is my understanding that Goldman Sachs is discussing this Question with the Subcommittee staff and, to the extent that this information can be calculated from Firm records, will provide a response on behalf of Goldman Sachs on a schedule agreed to with the Subcommittee staff.

<u>Confidential Treatment Requested by Goldman Sachs</u>

1. Exhibit 48 from the Subcommittee's hearing on April 27, 2010, is a copy of a presentation that you made to the Goldman Sachs ("Goldman") Tax Department on October 29, 2007. Your presentation addressed "events in the credit markets over the past few months, as well as [Goldman's] own credit and trading performance."

In the fourth full paragraph on page 2, you wrote:

"So what happened to us? A quick word on our own market and credit risk performance in this regard. In market risk – you saw in our 2nd and 3rd quarter results that we made money despite our inherently long cash positions – because starting early in '07 our mortgage trading desk started putting on big short positions, mostly using the ABX Index, which is a family of indices designed to replicate cash bonds. And did so in enough quantity that we were net short, and made money (substantial $$ in the 3rd quarter) as the subprime market weakened. (This remains our position today.)"

. . .

(b) In your presentation, you wrote that the mortgage trading desk "started putting on big short positions. . .[a]nd did so in enough quantity that we were net short, and made money (substantial $$ in the 3rd quarter) as the subprime market weakened." How much money was made in 2007 as a result of the short positions put on by the mortgage trading desk? Also, quantify "substantial" – how much money was made in the third quarter of 2007? When stating those amounts, do not offset any money made by these net short positions with any losses or gains from or with respect to other transactions or assets.

The Mortgage Department trades in both cash and synthetic products and manages its exposure in an integrated way. As a result, reviewing net revenues on a gross basis is not consistent with how the Mortgage Department is managed. The Mortgage Department earned net revenues of approximately $900 million in 2007, of which less than $500 million related to the non-agency residential mortgage business. Specifically, in the Third Quarter of 2007, the Mortgage Department earned net revenues of approximately $600 million, of which approximately $550 million related to the non-agency residential mortgage business. The $550 million amount is comprised of losses of approximately $2.4 billion on loan and security positions and gains of approximately $3.0 billion on derivative positions.

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations

to

DANIEL L. SPARKS
Former Partner
Head of Mortgages Department
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
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April 27, 2010

SUPPLEMENTAL QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations
to
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PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
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April 27, 2010

Please provide answers to the following questions by June 15, 2010:

1. Provide the following information regarding the sale of securities in each of the following transactions (each of which is hereinafter referred to in this question as a "Transaction" or, collectively, "the Transactions"):

   Abacus 2007-AC1;
   Anderson Mezzanine Funding 2007-1;
   Camber 7;
   Fort Denison Funding;
   Hudson Mezzanine Funding 2006-1;
   Hudson Mezzanine Funding 2006-2;
   Point Pleasant Funding 2007-1; and
   Timberwolf I.

   (a) Was Goldman Sachs ("Goldman") a placement agent?

   (b) Who was the issuer of any securities; what was the issuer's relationship to Goldman; who established the issuer; and who requested the establishment of the issuer?

   (c) In the sale of any securities, how and by what means did Goldman bring the specific securities to the attention of a client or potential investor? Identify each client or potential investor to whom Goldman presented any of the Transactions, describe each communication with that client, and state the substance of each communication. (In lieu of stating the substance of a communication, you may provide a copy of the communication.) If you are unable to provide complete responses to any of any of the foregoing matters, identify the persons within Goldman who would be able to provide the answers or information requested.

(d) Identify the persons within Goldman who would be able to provide copies of any offering circular or memorandum, mortgage capital committee memo, pitch book or marketing flip book or similar materials regarding the structuring or sale of interests (including securities) in the Transaction.

(e) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether Goldman held or planned to hold short positions with respect to assets referenced in the Transaction being considered by any potential investor?

(f) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether Goldman held or planned to hold a net short position with respect to RMBS related assets?

(g) In the Transactions in which Goldman acted as a placement agent, did Goldman advise potential investors whether it had taken steps or planned to use the offering to reduce its own inventory of RMBS or CDO securities or other holdings?

(h) Did Goldman conduct a suitability analysis in connection with soliciting clients or potential investors to purchase securities issued in any of the Transactions? If so, describe the suitability analysis conducted for each investor that purchased these securities. Identify the persons within Goldman who would know if Goldman retained a written record that reflects that such a analysis was conducted for any of these Transactions and would be able to provide a copy.

2. (a) In what capacity did Goldman act for Paulson & Co. (together with any of its affiliates, "Paulson") with respect to the Abacus 2007-AC1 transaction or a Credit Default Swap transaction that referenced the same entities or securities that were referenced in the Abacus 2007-AC1 transaction? Describe in detail Goldman's relationship to Paulson with respect to those transactions, its obligations to Paulson, the nature and amount of any fees or compensation received by Goldman from Paulson relating to those transactions, and whether Goldman advised investors or potential investors in Abacus 2007-AC1 of the existence and nature of its relationship with Paulson.

(b) If Goldman advised investors or potential investors of the nature or existence of the Paulson relationship, identity who so advised investors or potential investors, the date on which that person so advised investors or potential investors, the identity of the investors or potential investors so advised, the manner (i.e. verbal or in writing) in which the person was advised, and the substance of the communication (and, if in writing, provide a copy of the communication). If you are unable to provide complete responses to any of any of the foregoing matters, identify the persons within Goldman who would be able to provide the answers or information requested.

3. The attached document is a November 16, 2007, email from John McHugh to you. The topic is "2008 FICC business plan presentation to Firm."

(a) Mr. McHugh starts his message by writing:

> "Lahey's team is preparing Montag for this presentation on Monday and Tom asked for more color in several areas. ... here's what I've collected today, let me know if you want me to change anything ... thanks."

At the end of the email, under the sub-heading "Prop vs Flow," Mr. McHugh writes the following:

> "Prop/flow components of SPG Trading will be roughly equal
> Majority of CRE Loan Trading, Structured finance JV will be flow revenue
> Residential mortgage business will be more prop oriented due to dislocations in the securitization market:
>
> - Focus will be on establishing SSG JV (i.e., Litton purchase)
> - Distressed asset (loan pools, portfolios) purchases".

With respect to this email and its contents:

(i) Did you understand "prop" to mean proprietary? If not, what did you understand it to mean?

(ii) Did you understand "flow" to mean flow business -- transactions that Goldman facilitates on behalf of clients? If not, what did you understand it to mean?

(iii) Did you understand "Prop v. Flow" to mean the activities of SPG Trading that would be associated with Goldman's proprietary activities versus SPG Trading activities that would be associated with client-related activities? If not, what did you understand "Prop v. Flow" to mean?

(iv) What did you understand the "Prop" components of SPG Trading to be?

(v) What did you understand the "flow" components of SPG Trading to be?

(vi) Did you understand the phrase "Prop/flow components of SPG Trading will be roughly equal" to mean that the amount of proprietary activities of SPG Trading were anticipated to be equal to the amount of flow activities? If not, what did you understand the phrase to mean?

(vii) Did you understand the phrase, "Residential mortgage business will be more prop oriented," to mean that the residential mortgage business of SPG Trading would be more oriented to proprietary activities than flow activities? If not, what did you understand the phrase to mean?

(viii) Did SPG Trading plan or anticipate engaging in proprietary activities in 2008?

(ix) Did SPG Trading engage in proprietary activities in 2007? If so, what percentage of its activities by dollar amount were related to proprietary activities? What profits were derived from its proprietary activities in 2007?

(b) Earlier in the e-mail referenced in question 3(a) above, under the sub-heading "Assumptions/initiatives in ABS p&l," Mr. McHugh writes the following:

- "Capturing greater cash and synthetic market flows from weakened competitors
- Facilitating SIV/CDO liquidations and portfolio changes
- Good prop opportunity capitalizing on selling pressure, selective distressed asset purchases
- Expect prop flow split to be roughly 50/50".

(i) Did any activities of the ABS desk in any way involve or utilize any SIV that was in any way related to or affiliated with Goldman? If so, describe the activities, any SIV involved, the name and jurisdiction of incorporation of any SIV, the assets held by the SIV and the value of any assets held by the SIV during the period 2006-2008?

(ii) Did the activities of the ABS desk in any way facilitate SIV/CDO liquidations and portfolio changes in instances in which the SIV, CDO or portfolio contained assets provided or sold by Goldman? If so, for each SIV, CDO or portfolio liquidated or changed, describe the activities involved, the name and jurisdiction of incorporation of any SIV or CDO, the name of the sponsor, underwriter or majority owner of the SIV, CDO or portfolio, the assets held, and the value of any assets held, the assets provided or sold by Goldman, and the percentage of total assets provided by Goldman during the period 2006-2008?

(iii) Did you understand the phrase, "Good prop opportunity capitalizing on selling pressure, selective distressed asset purchases," to mean that selling assets and purchasing select distressed assets presented good opportunities for Goldman's proprietary activities? If not, what did you understand that phrase to mean?

(iv) Did you understand the phrase, "Expect prop flow split to be roughly 50/50," to mean that the ABS desk's profits and losses were expected to be divided approximately evenly between proprietary and flow activities? If not, what did you understand that phrase to mean?

(v) Did the ABS desk plan or anticipate engaging in proprietary activities in 2008?

(vi) Did the ABS desk engage in proprietary activities in 2007? If so, what percentage of its activities by dollar amount were related to proprietary activities? What profits were derived from its proprietary activities in 2007? If you are unable to provide complete responses to any of any of the foregoing matters, identify the persons within Goldman who would be able to provide the information requested.

4. For each quarter you were head of the Mortgages Department between January 1, 2006, and December 31, 2008, estimate the percentage of transactions involving proprietary trading versus customer flow. If you are unable to provide a complete response to this question, identify the persons within Goldman who would be able to provide the answers or information requested.

5. Throughout FY2007, it appears that Goldman's London office performed an analysis to estimate the percentage of transactions in its fixed income business involving proprietary trading versus customer flow. Did the Mortgages Department in New York perform a similar analysis of the percentage or dollar amount of transactions involving proprietary trading versus customer flow? If so, provide the following information.

(a) What was the analysis and resulting document called?

(b) How often was the document prepared, and to whom was it circulated?

(c) Did the document or its information become part of any larger document? If so what was that larger document called, and to whom and how frequently was it circulated?

6. Exhibit 47 from the Subcommittee's hearing on April 27, 2010 is a draft of your powerpoint presentation entitled, "Global Mortgages Townhall." It states that "the desk benefitted from a proprietary position in CDO and RMBS single names."

(a) What did the term "proprietary position" mean?

(b) Describe precisely the proprietary position referred to in the powerpoint, including the exact assets and total notional amounts involved.

(c) Identify by name and job title who authorized the acquisition of that proprietary position on behalf of Goldman.

(d) Describe the transactions involved in acquiring that proprietary position, including the source of the funding, the specific securities purchased or sold, the net profit or loss obtained from the transactions (including the nature and amount of any offsets applied in reaching the net number), and the specific accounts used to record relevant information.

(e) Explain how the desk "benefitted" from the proprietary position, including what transactions took place, the net profit obtained from those transactions (including the nature and amount of any offsets applied in reaching the net number), and the specific accounts used to record relevant information.

7. Did you prepare or authorize the preparation of a powerpoint presentation or other summary document similar to Exhibit 47 for a Mortgages Department Townhall regarding either:

   (a) the fourth quarter of FY 2007; or

   (b) the entire FY 2007?

8. Was a Mortgages Department Townhall Meeting held for either the fourth quarter of FY 2007, the entire FY 2007, or both? If so, what was the date and who were the speakers?

9. During your appearance before the Subcommittee on April 27, 2010, you engaged in the following exchange with Senator Levin:

> **Senator Levin.** By the way, that Anderson deal was downgraded from AAA to junk in 7 months. Did you make money on that deal, on the short position?
>
> **Mr. Sparks.** Well, I know in the longs that we took, we lost money.
>
> **Senator Levin.** I understand. I am asking about the short position you took.
>
> **Mr. Sparks.** But on the shorts, Mr. Chairman, I do not know how much of it we had, if any.
>
> **Senator Levin.** Okay.
>
> **Mr. Sparks.** And so I cannot – I just do not have that number.
>
> **Senator Levin.** Do you want to check your records and tell us how much money you made on that?
>
> **Mr. Sparks.** I will. I will have to get back to you and work with the people at Goldman. (Transcript, pp. 56-57)

How much money did Goldman make from the short positions it held in the Anderson transaction? When stating that amount, do not offset any money made from its short positions with any losses or gains from or with respect to other transactions or assets.

10. During your appearance before the Subcommittee on April 27, 2010, you engaged in the following exchange with Senator Levin:

> **Senator Levin.** Mr. Sparks, turn to 173. This is an email message, November 2006, between two Goldman employees in sales. It discusses selling Fremont securities. One salesperson sends to the other a client's explanation of why they do not want to buy the securities -- even after talking to Fremont, by the way. The client wrote: "...Fremont refused to make any forward-looking statements so we really got nothing from them on the crap pools" -- "the crap pools that are out there now." The salesperson wrote: "They are concerned about all the Fremont exposure they already have, and they are going to put Fremont `in the box' for the time being." Were you aware of the poor reputation that Fremont had, and that is, loans among the highest default rates in the country? Were you aware of it at the time?
>
> **Mr. Sparks.** Mr. Chairman, can I just read the e-mail?
>
> **Senator Levin.** Exhibit 173. Do you see it? "Fremont refused to make any forward-looking statements so we really got nothing from them on the crap pools that are out there now." Do you see that?
>
> **Mr. Sparks.** I do not want to slow you down. I have not read the whole thing, so I--
>
> **Senator Levin.** I am just asking you, look at the bottom paragraph there, the last two lines. "Fremont refused to make any forward-looking statements so we really got nothing from them on the crap pools that are out there now." Do you see that?
>
> **Mr. Sparks.** Yes, sir.
>
> **Senator Levin.** Okay. Now, were you aware of Fremont's poor reputation at the time?
>
> **Mr. Sparks.** This e-mail--
>
> **Senator Levin.** Were you aware? Do you remember whether you were aware at the time of their poor reputation? That is my question. Do you remember?
>
> **Mr. Sparks.** Whether they had a poor reputation in November?
>
> **Senator Levin.** Yes, with high default rates.
>
> **Mr. Sparks.** Fremont originated subprime loans. People understood that.

Senator Levin. Yes or no, were you aware of their poor reputation and high default rate.

Mr. Sparks. I do not recall at that time. (Transcript, pp. 58-59)

(a) Were you aware during your employment as head of the Goldman Mortgage Desk that Fremont had a reputation for issuing poor quality mortgage loans? If so, when did you become aware of that fact?

(b) With regard to Fremont, New Century, and Long Beach Mortgage, identify any assessments or reports regarding the condition of those lenders, or the quality of the mortgage loans they originated, that you or personnel who reported to you received, made, or sent to others within Goldman, provide the approximate date of those assessments or reports, and describe the nature of those assessments or reports. If you are unable to provide complete responses to the requests for information about such assessments or reports, identify the persons within Goldman who would be able to provide the information requested.

11. During your appearance before the Subcommittee on April 27, 2010, you engaged in the following exchange with Senator McCaskill regarding Hearing Exhibit 103, an email exchange between Mr. Mullen, Mr. Montag, Mr. Harvey Schwartz and you regarding the sales effort for Timberwolf. Senator McCaskill quoted the following portion of the email:

> "I doubt they will sell over weekend. And Harvey is concerned about the representations we may be making to clients as well as how we will price assets once we sell them to clients. I think we need to sort these things out before we make sales."

Senator McCaskill then stated:

> "What is clear here is that there did not seem to be a great deal of confidence in the long side of this particular instrument. But the salespeople were being pushed to move it, and, you know, it just looks like that you guys are not only making the market, you are playing in the market and mucking it up. Do you understand that?"

You responded:

> "Senator, I just read this particular e-mail, and the issue that was being discussed in this particular e-mail was when you make a sale on an illiquid asset, what is your bid price, you show that client, because oftentimes you marked it and sometimes you had financed it. So there is a bid-offer spread with respect to securities and market makers, and my recollection of this particular point was what are we going to show them as our bid after that, and

let us make sure we thought that through. And so on this particular e-mail, that is what I recall." (Transcript pp. 122-124)

(a) Was it your belief or understanding that the "Harvey" referred to in the email was Harvey Schwartz? If not, to whom did you understand "Harvey" referred?

(b) Your response to Senator McCaskill addresses concerns about pricing the assets in Timberwolf. Describe your understanding of the concerns that "Harvey" referenced in the email had about the representations Goldman may be making to clients.

12. Exhibit 86 from the Subcommittee's hearing on April 27, 2010, is an email dated September 19, 2006, from Peter Ostrem to the FICC-SPCDOGROUP. The email states:

> "We have been asked to do a CDO of $2bln for the ABS desk. Approx. $1.2bln will be CDS off single-names referenced from the ABS index 06-1 and 06-2. This is a trade we need to execute for the desk over the next 4-6 weeks and involves selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale). I would like everyone to work together on this one. We expect to charge ongoing 10bp liquidation agent fees and 1-1.5pts upfront. Equity will be offered around 22% no-loss yield. Obviously important to overall SP floor and Sobel and Sparks are focused on this happening . . ."

(a) Was the transaction described in this email carried out? Was the transaction Hudson Mezzanine Funding 2006-1 ("Hudson Mezzanine")? If not, what was the name of the transaction?

(b) Identify by name and job title the individuals in the Mortgages Department who were involved in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine, and the activities related to the transaction that each of them engaged in.

(c) Describe in detail any role you had in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.

(d) Describe in detail any role the ABS desk had in the origination, formulation, design, approval, or implementation of Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.

(e) Was the Hudson Mezzanine transaction a proprietary transaction?

(f) What did you understand the phrase "for the desk" to mean?

(g) Was the purpose of the transaction described in Mr. Ostrem's email to enable the ABS desk to reduce cash or swap positions (and the risk associated with those positions) that the ABS desk held? If not, what was the purpose of the transaction?

(h) Identify any committee or individual at Goldman that approved this transaction.

(i) Identify any employee of Goldman or its affiliates and any third parties who were involved in the identification and selection of the assets referenced in the Hudson Mezzanine transaction and describe in detail the nature of their involvement.

(j) List the criteria used to identify and select the assets that were referenced in the Hudson Mezzanine transaction.

(k) Based on your knowledge or belief, identify the reasons why Hudson Mezzanine was "a trade [Goldman] need[ed] to execute for the desk over the next 4-6 weeks."

(l) Based on your knowledge or belief, identify the reasons why the Hudson Mezzanine transaction "involve[d] selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale)."

(m) Was the Camber 7 transaction delayed to develop the Hudson Mezzanine transaction? If so, explain why.

13. Exhibit 30 from the Subcommittee's hearing on April 27, 2010, contains an email from you dated August 14, 2007. It is entitled "Post." Included in the email is the following paragraph:

> "(2) AAA ABX and RMBS may be the best opportunity to make a bunch of money. The losses implied from the ABX trading levels seem way too high (over 30% cum losses). We've been covering, but we will likely come to you soon and say we'd like to get long billions - and we'd stay short BBBish part. The potential for large liquidations may continue to put technical pressure on, but once it stops AAA should perform strongly."

(a) Was the transaction or series of transactions (hereinafter "transaction") that you identified in your email ("we will likely come to you soon and say we'd like to get long billions - and we'd stay short BBBish part"), or a transaction similar to the one you identified in your email, implemented by Goldman? If so, provide the following information.

(b) Describe the purpose of the transaction.

(c) Describe in detail your role in this transaction.

(d) Identify the assets involved.

(e) Identify any entity involved in the transaction and its role.

(f) Describe and state the notional value of each of the assets involved or referenced in the transaction.

(g) Identify when the transaction took place.

(h) Identify the Goldman personnel who participated in this transaction and the roles they performed.

(i) Identify the Goldman personnel who reviewed or approved this transaction.

(j) State the value when sold or, if retained, the current value of the assets involved in this transaction.

14. Exhibit 55b from the Subcommittee's hearing on April 27, 2010, is an excerpt from Mr. Swenson's 2007 EMD Review. On page 2, in the last sentence of point 3 under the Self-Review section, Mr. Swenson wrote:

> "I oversaw and directed the covering of $9bb of AAA ABX that the department was short and was able to monetize approx $250mm of p and l for the origination businesses."

(a) Is the transaction addressed in Question 13 above related to the transaction addressed in Mr. Swenson's 2007 EMD Review?

(b) If so, explain how they are related and whether they were separately implemented.

(c) If the transactions were not related, explain how they were different, and how the transaction identified by Mr. Swenson was implemented.

15. Exhibit 34 from the Subcommittee's hearing on April 27, 2010, is a series of emails dated August 21, 2007, and entitled "RE: Potential large subprime trade and impact on Firmwide VAR." The first email in the chain, at the bottom of the page, is from Mr. Birnbaum. It reads:

> "- The Mortgages Department thinks there is currently an extraordinary opportunity for those with dry powder to add AAA subprime risk in either cash or synthetic form.
> - We would like to be opportunistic buyers of up to $10Bln subprime AAAs in either cash or synthetic (ABX) form and run that long against our $3.5Bln in mezzanine subprime shorts.

- Mortgage dept VAR would be reduced by $75mm and Firmwide VAR would be reduced by $25mm.
- At current dollar prices, the implied losses at the AAA level are 2.5x higher than the implied losses at the BBB level where we have our shorts (the ratio is even cheaper for cash due to technicals). If AAAs were priced consistent with BBB implied loss levels, they would be trading 5-10pts higher in synthetics and 10-15pts higher in cash.
- On the supply side, we think we can source these assets from SIVs, SIV-lites, ABCP Conduits, Sec Lenders, total return accounts.
- On the demand side, we plan to share this trade quietly with selected risk partners. We began doing so yesterday when we sold 1/3 of the AAAs purchased off the [redacted] list to [redacted] and 100% of the AAAs from [redacted] to [redacted] and [redacted]."

(a) Is the transaction addressed in Question 13 above related to the transaction addressed in the email written by Mr. Birnbaum?

(b) If so, explain how they are related and whether they were separately implemented.

(c) If the transactions were not related, explain how they were different, and how the transaction identified by Mr. Birnbaum was implemented.

16. A Goldman graph entitled "RMBS Subprime Notional History" is Exhibit 56(a) in the Subcommittee's hearing on April 27, 2010. It shows that Goldman had a net short position of approximately $8 billion on a notional basis in November 2006 (hereafter the "short position") on the ABX AAA index (hereafter "ABX AAA").

(a) When did Goldman's short position in ABX AAA first reach approximately $8 billion on a notional basis?

(b) Who within Goldman had knowledge of the full extent of the notional short position in ABX AAA during FY 2006 and FY 2007?

(c) Who was responsible for reviewing and approving the size of the short position in ABX AAA?

(d) Whose capital was used to acquire the approximately $8 billion notional short position in ABX AAA?

(e) Did you understand the short position to be a Goldman proprietary position?

(f) Did the approximately $8 billion notional short position in ABX AAA include the short positions in ABX AAA held by the desks under the control of Messrs. Gasvoda, Nichols, and Finck?

(g) When did Goldman begin to monetize the $8 billion notional short position in ABX AAA? How was this accomplished?

17. (a) In 2007, did the Mortgages Department cover the ABX AAA short position and then, after August 1, go long on the ABX AAA?

(b) If so, identify the specific trades that resulted in the long ABX AAA position, including the dates of the trades, the amounts involved, and the identity of each counterparty.

(c) Did the Mortgages Department hedge its long ABX AAA position? If so, how and when?

18. Identify the greatest total notional amount by which the Mortgages Department went long on the ABX AAA after August 1, 2007, and the date on which that position was reached.

19. Did the Mortgages Department monetize or unwind its ABX AAA long position during the period August 1, 2007 through the end of FY 2007? If so, provide that date of each transaction used to monetize or unwind the long position, and the notional amount by which the long position was reduced.

20. Provide the total net profit or loss to the Mortgages Department from the ABX AAA transactions during the fourth quarter of FY 2007.

21. Describe in detail your understanding (when you worked at Goldman) of Goldman's legal duties of disclosure, pursuant to securities laws and regulations, including rules prescribed by the SEC or FINRA, to purchasers of securities when Goldman acts in any of the following capacities: (a) market maker; (b) underwriter; (b) placement agent; (d) broker (when making a solicitation or recommendation of a security); or (e) a dealer. Include your definition of a "market maker."

22. (a) Does the fact that an investor or a potential investor with whom Goldman is transacting business is an "accredited" investor, a "qualified institutional buyer" or a "qualified purchaser" (as those terms are used in the U.S. federal securities laws) affect the duties and obligations of Goldman when acting in any of the capacities described in Question 21? If so, describe how any of Goldman's duties when acting in any of these capacities are affected by the status of the investor or potential investor.

(b) Does Goldman have a duty to conduct a suitability analysis when making a recommendation to any of the types of investors listed in question 22(a)? If so, describe the nature and extent of the analysis to be conducted.

(c) Does Goldman owe a duty to disclose any adverse interest that it may have when recommending a security to any of the types of investors listed in question 22(a)?

✧ ✧ ✧

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VIA E-MAIL

June 18, 2010

Senator Carl Levin, Chairman
Permanent Subcommittee on Investigations
Homeland Security & Governmental Affairs Committee
United States Senate
199 Russell Senate Office Building
Washington, DC 20510-6200

Senator Tom Coburn, M.D., Ranking Member
Permanent Subcommittee on Investigations
Homeland Security & Governmental Affairs Committee
United States Senate
199 Russell Senate Office Building
Washington, DC 20510-6200

Dear Chairman Levin & Ranking Member Coburn:

Enclosed please find the answers of Daniel L. Sparks to the Supplemental Questions for the Record submitted to him following the April 27, 2010 hearing. Mr. Sparks is no longer employed by Goldman Sachs and therefore does not have access to the documents and other sources of information that are needed to answer some of the supplemental questions (or to refresh his recollection). He has tried to give the best answers possible with the information that is available to him. Mr. Sparks continues to believe that a clear understanding of the causes of the financial crisis is extremely important for our country.

Sincerely,

Paul Shechtman

PS:wr
Enclosure

Responses to Supplemental Questions for the Record

1. Specific information regarding these transactions can be found in the disclosures provided in the final offering memoranda (also called the Offering Circular, Private Placement Memorandum or Prospectus and Prospectus Supplement, depending on the deal). Transactions were often fluid, so early versions of flip books, term sheets and offering memoranda may not reflect the final transaction. Goldman acted as a placement agent in connection with the marketing and sales of the securities issued in these transactions. Generally, the issuer of the securities was a special purpose vehicle created for the purposes of each transaction. Goldman brought transactions to the attention of potential investors through a variety of means, including emails (to individuals and via distribution lists), telephone calls, in-person meetings and mail. Also, investors often approached Goldman with specific transaction characteristics and asked Goldman to offer or create securities that met those criteria. Goldman typically provided all of the short risk to these transactions, which would be disclosed in the offering memorandum as part of the credit risk. Goldman could hedge or sell its short position, before or after the transaction, separate from the deal. On some of these transactions, Goldman told potential investors that it intended to hold portions of the CDO equity but that it was under no obligation to do so. There were suitability requirements for the transactions. Typically, the investors were large financial institutions, insurance companies, hedge funds, and other entities with significant resources and access to pertinent information.

A clarification on the Timberwolf deal: There was much discussion at the hearing about Tom Montag's email to me in which he referred to the Timberwolf deal with an expletive. The email was written months after the transaction priced, and it probably reflected Mr. Montag's overall assessment of the deal, including the net monetary loss to Goldman. A question at the hearing suggested that Goldman had sold $600 million of Timberwolf CDO Securities after the date of the email. I believe that Goldman sold less than $10 million after the email, and that the sales were priced at a substantial discount from face value.

2. I believe that Goldman entered into one or more separate credit default swaps with Paulson & Co. effectively referencing certain securities from the Abacus-2007-AC1 transaction. The swap(s) allowed Goldman to hedge the short risk it was taking on as part of the transaction. You should contact Goldman for further details. It was not Goldman's general practice to identify buyers and sellers in a transaction to one another.

3. "Prop" or "proprietary" can mean different things to different people. Here, it seems to refer to buying assets with the intention of holding them for a long period - months or years. "Flow" or "flow business" seems to refer to trading with shorter holding periods. Defined this way, both "prop" and "flow" trades can involve customers, although sometimes the term "proprietary" is used to describe business that does not involve a customer. (Sometimes "proprietary" is used to describe any activity that involves use of a firm's own capital.) For 2008, the anticipation was that the overall residential mortgage business, which included loans, securities and derivatives (and not just SPG trading), would likely look to go long distressed assets, resulting in a larger component of positions with a planned lengthy holding period than in prior years. Goldman explored different strategies for doing so, including having businesses outside the Mortgage Department participate more actively. To my knowledge, Goldman did not operate its own SIVs; it did trade with SIVs, including buying assets from SIV liquidations. "50/50" in the email seems to relate to revenue projections for the upcoming year. In a volatile trading business, such projections are suspect.

with synthetic reference assets, Goldman was the sole protection buyer (the party going short), and this fact was disclosed as part of the credit risk on the deal. Goldman could trade or hedge the protection if and when it chose to.

10. I was aware that Fremont, New Century and Long Beach were originators of subprime mortgage loans, which by their nature have higher delinquency and default rates than other types of mortgage loans. Goldman performed due diligence on these institutions and loan packages; it should be able to provide relevant information. There was a question at the hearing suggesting that Goldman had acted as underwriter for a Long Beach originated mortgage loan securitization which contained 90% "stated income" loans and that this information was not disclosed. The percentage of stated income loans was 64% and that fact was disclosed in the publicly available offering documents; the nature of the loans was disclosed in the aggregate and on a loan-by-loan basis. The offering materials also disclosed Long Beach's origination practices and its stated income loan program. (This clarification is not meant to challenge the basic point that income verification is a sound practice for loan originators.) At the hearing, I was also asked how Goldman responded to a question relating to its getting comfort with New Century's collateral. The customer's focus, I believe, related to New Century's ability to perform on-going servicing, and not to the quality of the loans it originated.

11. The "Harvey" referred to in the email was Harvey Schwartz, who was then the head of Fixed Income Sales. Harvey's concern seemed to be that markets were particularly volatile, and therefore we needed to think through how we would adjust future client marks. At the time, marks could change sharply due to changes in the ABX index, bid-offer spreads, other CDO trade prices, and other events.

4. I do not recall generally labeling Mortgage Department transactions as "prop" and "flow."

5. As noted above, I do not recall tracking transactions as "prop" or "flow." For me, any such division would not be meaningful.

6. The presentation should have used the words "net short position," and not "proprietary position." Goldman should have specific details regarding what its positions were at the close of each day.

7. There was probably a Mortgage Department Townhall after the fourth quarter of FY 2007. If so, there was most likely a PowerPoint presentation.

8. If there was a Mortgage Department Townhall after the fourth quarter of FY 2007, I would have spoken at it, if I was available. There were often a few other speakers.

9. I do not believe that one can meaningfully talk about how much money Goldman made on any short positions related to the Anderson deal. As disclosed in the offering documents, Goldman shorted 100% of the risk into the CDO. The CDO team then attempted to cover this short risk with other parties, including the Goldman secondary trading desk. The CDO team tracked its profit by deal — the difference between the purchase price of the CDO liabilities and their sale price. By contrast, the secondary trading desk did not usually track profit by deal. That is because any position that a trader takes affects his subsequent trading strategy. Thus, in my view, one generally cannot calculate the profit that the secondary trading desk made related to a CDO new issue; it would be a fictitious number.

At the hearing, it was suggested that Goldman was short 50% of the deal and did not disclose its short position. As mentioned above, potential investors knew that Goldman shorted 100% of the reference risks in the deal. In the Anderson deal, as in most Goldman CDOs

12. The transaction referred to in the email was Hudson Mezzanine I. It was one of many CDO transactions involving the CDO team and sold through the sales force. Goldman should be able to identify team members. One goal of the transaction was to reduce a net ABX long position for the SPG trading desk, and I helped formulate that goal. The transaction was also designed to structure an ABX-based CDO in a way that would appeal to investors: some customers wanted credit enhanced ABX risk; some wanted levered ABX; and some wanted additionally diversified ABX. This was similar to all securitizations, the purpose of which is to restructure loans, securities and/or derivatives in ways that appeal to investors. If the restructured sale is not more efficient, the transaction will usually not occur. As with other deals, it was disclosed that Goldman took on 100% of the short risk on this transaction. Goldman should be able to determine whether the Mortgage Capital Committee approved the transaction. The Hudson Mezzanine I transaction was done without a customer acting as a collateral manager or selection agent. Goldman typically retained equity and other risks on CDOs, with the amounts factoring in accounting issues. I do not recall the timing of the different deals. Because it was a static synthetic deal without a manager and one which met specific investing demand, the Hudson Mezzanine I transaction could move quickly. The actively-managed Camber 7 deal grew from $500 million to $900 million during this period. The increase in size was beneficial to the customer, which increased its fees and assets under management by 180% of the planned amount.

13. I do not recall Goldman executing the specific transaction described in the email. During this period, Goldman did purchase substantial quantities of RMBS and residential loans.

14. Mike Swenson should be able to better identify the transactions referred to in his self review.

15. I do not recall Goldman executing the specific transaction described in the email.

16. The graph contained in Exhibit 56(a) does not reflect the risk of the department, which was net long in November 2006. Along with members of the risk team, I had knowledge of, and was responsible for, all Mortgage Department risk, including the size of the position in ABX AAA in FY 2006 and FY 2007. Goldman would be better able to answer specific details asked for in this question.

17-20. The ABX index was used as a core hedge for many products. It therefore made little sense to separately calculate ABX net revenue (or ABX risk), and we did not generally focus on it. It would be counting only one side of our positions. I do not recall specifically what our positions in ABX AAA were in 2007, and they could change daily. Goldman should be able to better provide this information.

21. Broker dealers serve customers as market makers by providing them with opportunities to buy and sell financial products. Market makers commit their own capital in taking the opposite side of transactions from customers. A market maker has a duty to be honest and fair with its customers and to transact at prices in the context of the market. Broker dealers can be positioned differently than their customers, and it would be foolish to assume that customers with different views are wrong. The broker dealer part of Goldman where I worked was neither a fiduciary nor an investment advisor to its customers. I do not believe that a broker dealer has a duty to disclose how it is positioned. As a practical matter, positions change often, and different traders at a firm can have different positions in the same market. In my view, such a disclosure rule would be unworkable. More fundamentally, each market participant should make his own independent investment decision as to the positions and risks that he wants and at what prices. With regard to its role as underwriter and placement agent, Goldman has a duty to

disclose the material information that investors need in order to decide whether to invest in a product. For mortgage backed securities, that disclosure usually focused on the assets involved, the structural mechanics of the deal and the potential risks to investors. Goldman's Legal and Compliance Department should be able to answer these questions more fully.

22. This question calls for a legal analysis and would be better directed to Goldman's Legal and Compliance Departments.

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations

to

MICHAEL J. SWENSON
Managing Director
Structured Products Group Trading
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

SUPPLEMENTAL QUESTIONS FOR THE RECORD
FROM
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to
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PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

Please provide answers to the following questions by June 15, 2010:

1. Exhibit 86 from the Subcommittee's hearing on April 27, 2010, is an email dated September 19, 2006, from Peter Ostrem to the FICC-SPCDOGROUP. The email states:

   "We have been asked to do a CDO of $2bln for the ABS desk. Approx. $1.2bln will be CDS off single-names referenced from the ABS index 06-1 and 06-2. This is a trade we need to execute for the desk over the next 4-6 weeks and involves selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale). I would like everyone to work together on this one. We expect to charge ongoing 10bp liquidation agent fees and 1-1.5pts upfront. Equity will be offered around 22% no-loss yield. Obviously important to overall SP floor and Sobel and Sparks are focused on this happening . . ."

   (a) Was the transaction described in this email carried out? Was the transaction Hudson Mezzanine Funding 2006-1 ("Hudson Mezzanine")? If not, what was the name of the transaction?

   (b) Identify by name and job title the individuals in the Mortgages Department who were involved in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine, and the activities related to the transaction that each of them engaged in.

   (c) Describe in detail any role you had in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.

(d) Describe in detail any role the ABS desk had in the origination, formulation, design, approval, or implementation of Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.

(e) Was the Hudson Mezzanine transaction a proprietary transaction?

(f) What did you understand the phrase "for the desk" to mean?

(g) Was the purpose of the transaction described in Mr. Ostrem's email to enable the ABS desk to reduce cash or swap positions (and the risk associated with those positions) that the ABS desk held? If not, what was the purpose of the transaction?

(h) Identify any committee or individual at Goldman Sachs ("Goldman") that approved this transaction.

(i) Identify any employee of Goldman or its affiliates and any third parties who were involved in the identification and selection of the assets referenced in the Hudson Mezzanine transaction and describe in detail the nature of their involvement.

(j) List the criteria used to identify and select the assets that were referenced in the Hudson Mezzanine transaction.

(k) Based on your knowledge or belief, identify the reasons why Hudson Mezzanine was "a trade [Goldman] need[ed] to execute for the desk over the next 4-6 weeks."

(l) Based on your knowledge or belief, identify the reasons why the Hudson Mezzanine transaction "involve[d] selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale)."

(m) Was the Camber 7 transaction delayed to develop the Hudson Mezzanine transaction? If so, explain why.

2. Exhibit 55b from the Subcommittee's hearing on April 27, 2010, is an excerpt from your 2007 EMD Review. On page 2, in the last sentence of point 3 under the Self-Review section, you wrote:

> "I oversaw and directed the covering of $9bb of AAA ABX that the department was short and was able to monetize approx $250mm of p and l for the origination businesses."

(a) Describe the purpose of the transaction or series of transactions (hereinafter "transaction").

(b) Describe in detail your role in this transaction.

(c) Identify the assets involved

(d) Identify any entity involved in the transaction and its role.

(e) Describe and state the notional value of each the assets involved or referenced in the transaction.

(f) Identify when the transaction took place.

(g) Identify the Goldman personnel who participated in this transaction and the roles they performed.

(h) Identify the Goldman personnel who reviewed or approved this transaction.

(i) State the value when sold or, if retained, the current value of the assets involved in this transaction.

3. Exhibit 30 from the Subcommittee's hearing on April 27, 2010, contains an email from Dan Sparks dated August 14, 2007. It is entitled "Post." Included in the email is the following paragraph written by Mr. Sparks:

> "(2) AAA ABX and RMBS may be the best opportunity to make a bunch of money. The losses implied from the ABX trading levels seem way too high (over 30% cum losses). We've been covering, but we will likely come to you soon and say we'd like to get long billions - and we'd stay short BBBish part. The potential for large liquidations may continue to put technical pressure on, but once it stops AAA should perform strongly."

(a) Is the trade addressed in Question 2, above, related to the transaction addressed in the email written by Mr. Sparks?

(b) If so, explain how they are related and whether they were separately implemented.

(c) If the transactions were not related, explain how they were different, and whether and how the transaction identified by Mr. Sparks was implemented.

4. Exhibit 34 from the Subcommittee's hearing on April 27, 2010, is a series of emails dated August 21, 2007 and entitled "RE: Potential large subprime trade and impact on Firmwide VAR." The first email in the chain, at the bottom of the page, is from Mr. Birnbaum. It reads:

   "- The mortgage department thinks there is currently an extraordinary opportunity for those with dry powder to add AAA subprime risk in either cash or synthetic form.
   - We would like to be opportunistic buyers of up to $10Bln subprime AAAs in either cash or synthetic (ABX) form and run that long against our $3.5Bln in mezzanine subprime shorts.
   - Mortgage dept VAR would be reduced by $75mm and Firmwide VAR would be reduced by $25mm.
   - At current dollar prices, the implied losses at the AAA level are 2.5x higher than the implied losses at the BBB level where we have our shorts (the ratio is even cheaper for cash due to technicals). If AAAs were priced consistent with BBB implied loss levels, they would be trading 5-10pts higher in synthetics and 10-15pts higher in cash.
   - On the supply side, we think we can source these assets from SIVs, SIV-lites, ABCP Conduits, Sec Lenders, total return accounts.
   - On the demand side, we plan to share this trade quietly with selected risk partners. We began doing so yesterday when we sold 1/3 of the AAAs purchased off the [redacted] list to [redacted] and 100% of the AAAs from [redacted] to [redacted] and [redacted]."

   (a) Is the trade addressed in Question 2, above, related to the transaction addressed in the e-mail written by Mr. Birnbaum?

   (b) If so, explain how they are related and whether they were separately implemented.

   (c) If the transactions were not related, explain how they were different, and whether and how the transaction identified by Mr. Birnbaum was implemented.

5. A Goldman graph entitled "RMBS Subprime Notional History" is Exhibit 56(a) in the Subcommittee's hearing on April 27, 2010. It shows that Goldman had a net short position of approximately $8 billion on a notional basis in November 2006 (hereafter the "short position") in the ABX AAA index (hereinafter "ABX AAA").

   (a) When did Goldman's short position in ABX AAA first reach approximately $8 billion on a notional basis?

   (b) Who within Goldman had knowledge of the full extent of the notional short position in ABX AAA during FY 2006 and FY 2007?

(c) Who was responsible for reviewing and approving the size of the short position in ABX AAA?

(d) Whose capital was used to acquire the approximately $8 billion notional short position in ABX AAA?

(e) Did you understand the short position to be a Goldman proprietary position?

(f) Did the approximately $8 billion notional short position in ABX AAA include the short positions in ABX AAA held by the desks under the control of Messrs. Gasvoda, Nichols, and Finck?

(g) When did Goldman begin to monetize the $8 billion notional short position in ABX AAA? How was this accomplished?

6. (a) In 2007, did the Mortgages Department cover the ABX AAA short position and then, after August 1, go long on the ABX AAA?

   (b) If so, identify the specific trades that resulted in the long ABX AAA position, including the dates of the trades, the amounts involved, and the identity of each counterparty.

   (c) Did the Mortgages Department hedge its long ABX AAA position? If so, how and when?

7. Identify the greatest total notional amount by which the Mortgages Department went long on the ABX AAA after August 1, 2007, and the date on which that position was reached.

8. Did the Mortgages Department monetize or unwind its ABX AAA long position during the period August 1, 2007 through the end of FY 2007? If so, provide that date of each transaction used to monetize or unwind the long position, and the notional amount by which the long position was reduced.

9. Provide the total net profit or loss to the Mortgages Department from the ABX AAA transactions during the 4th quarter of FY 2007.

✧ ✧ ✧

Responses of Mr. Michael Swenson to the
<u>Supplemental Questions for the Record of the Permanent Subcommittee on Investigations</u>

1. **Exhibit 86 from the Subcommittee's hearing on April 27, 2010, is an email dated September 19, 2006, from Peter Ostrem to the FICC-SPCDOGROUP. The email states:**

> **"We have been asked to do a CDO of $2bln for the ABS desk. Approx. $1.2bln will be CDS off single-names referenced from the ABS index 06-1 and 06-2. This is a trade we need to execute for the desk over the next 4-6 weeks and involves selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale). I would like everyone to work together on this one. We expect to charge ongoing 10bp liquidation agent fees and 1-1.5pts upfront. Equity will be offered around 22% no-loss yield. Obviously important to overall SP floor and Sobel and Sparks are focused on this happening . . ."**

(a) **Was the transaction described in this email carried out? Was the transaction Hudson Mezzanine Funding 2006-1 ("Hudson Mezzanine")? If not, what was the name of the transaction?**

I was not in the "FICC-SPCDOGROUP" to which this email was sent and have no recollection of having seen or received it around the time it was sent. However, based on the description in the document, it appears that the transaction matches many of the characteristics of Hudson Mezzanine Funding 2006-1 ("HM1"). HM1 was carried out.

(b) **Identify by name and job title the individuals in the Mortgages Department who were involved in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine, and the activities related to the transaction that each of them engaged in.**

HM1 was originated by the CDO Origination Desk, which was headed by Peter Ostrem. I do recall interacting with Mr. Ostrem in connection with this transaction, including discussing with him the possibility of packaging ABX securities into CDOs, as was being done by competitors of Goldman, Sachs & Co. ("Goldman Sachs" or the "Firm"). I do not recall who initiated the conversation. The ABS Desk, which I headed, supplied some and possibly all of the securities for the transaction.

(c) **Describe in detail any role you had in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.**

Please see my answer to Question 1(b).

(d) Describe in detail any role the ABS desk had in the origination, formulation, design, approval, or implementation of Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.

Please see my answer to Question 1(b). In addition, after HM1 was marketed, certain parts of the structure remained in the inventory of the CDO Origination Desk at Goldman Sachs. Late in the second quarter of 2007, those retained positions were moved to the ABS Desk. The ABS Desk may have subsequently tried to sell some of those positions.

(e) Was the Hudson Mezzanine transaction a proprietary transaction?

I do not believe that HM1 was designed as a proprietary transaction.

(f) What did you understand the phrase "for the desk" to mean?

As noted above, I was not in the "FICC-SPCDOGROUP" to which this email was sent and have no recollection of having seen or received it around the time it was sent. In addition, I do not know what Peter Ostrem meant when he wrote "for the desk." In reading the email, it appears that the phrase could have a number of possible meanings, including Mr. Ostrem's CDO Origination Desk

(g) Was the purpose of the transaction described in Mr. Ostrem's email to enable the ABS desk to reduce cash or swap positions (and the risk associated with those positions) that the ABS desk held? If not, what was the purpose of the transaction?

Assuming that the transaction described in Exhibit 86 is HM1, the transaction was implemented by the CDO Origination Desk, headed by Peter Ostrem, and I believe that it was his desk's purpose to identify and pursue a positive arbitrage opportunity. The ABS Desk benefited from HM1 because HM1 provided a buyer for certain long swap positions held by the ABS Desk at the time.

(h) Identify any committee or individual at Goldman Sachs ("Goldman") that approved this transaction.

Assuming that the transaction described in Exhibit 86 is HM1, I do not know whether this transaction was approved by any committee or individual at Goldman Sachs because the HM1 transaction was not implemented by the ABS Desk but rather the CDO Origination Desk. However, I believe that the Mortgage Capital Committee ("MCC") typically was involved in the approval process for new issue CDO transactions.

(i) Identify any employee of Goldman or its affiliates and any third parties who were involved in the identification and selection of the assets referenced in the Hudson Mezzanine transaction and describe in detail the nature of their involvement.

I do not recall who identified or selected the assets referenced in the HM1 transaction, although I believe it is likely that there would have been discussions between the ABS Desk and the CDO Desk about the willingness of the ABS Desk to supply risk for the HM1 transaction. Peter Ostrem would have had the ultimate authority to decide on the assets that were included in the transaction.

(j) List the criteria used to identify and select the assets that were referenced in the Hudson Mezzanine transaction.

I do not recall the criteria used to identify and select the assets referenced in the HM1 transaction. The desk responsible for designing this transaction, the CDO Origination Desk, likely would have worked with the rating agencies and determined the criteria for selecting assets. Those criteria would have related to, among other things, originators, servicers and issuers of the underlying transactions but I do not recall specifics.

(k) Based on your knowledge or belief, identify the reasons why Hudson Mezzanine was "a trade [Goldman] need[ed] to execute for the desk over the next 4-6 weeks."

I do not know why HM1 was a trade that Peter Ostrem thought Goldman Sachs "need[ed] to execute for the desk over the next 4-6 weeks." In general, I believe that when a new issue CDO transaction is fully ramped (*i.e.*, the warehouse is filled), it is in the interest of the transaction originator and underwriter to complete the transaction as quickly as possible to reduce its market risk associated with those assets.

(l) Based on your knowledge or belief, identify the reasons why the Hudson Mezzanine transaction "involve[d] selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale)."

To me, "true sale" is an accounting concept but I am not certain of the specific accounting rules that would apply to the transaction described in the email.

(m) Was the Camber 7 transaction delayed to develop the Hudson Mezzanine transaction? If so, explain why.

I do not recall whether Camber 7 was affected by the development of HM1.

2. Exhibit 55b from the Subcommittee's hearing on April 27, 2010, is an excerpt from your 2007 EMD Review. On page 2, in the last sentence of point 3 under the Self-Review section, you wrote:

> **"I oversaw and directed the covering of $9bb of ABX AAA that the department was short and was able to monetize approx $250mm of p and l for the origination businesses."**

(a) Describe the purpose of the transaction or series of transactions (hereinafter "transaction").

In this excerpt from my EMD Review, I am describing my efforts to help the RMBS Origination Desk cover a number of its short positions.

(b) Describe in detail your role in this transaction.

As a market maker, the ABS Desk purchased the securities that enabled the RMBS Origination Desk to cover some of its short positions.

(c) Identify the assets involved.

Though I cannot identify all such assets, I believe that ABX 06-1 and 06-2 AAAs were, at least, involved in these trades.

(d) Identify any entity involved in the transaction and its role.

I do not recall from whom the ABS Desk purchased the securities. Goldman Sachs' trading records will likely provide responsive information.

(e) Describe and state the notional value of each the assets involved or referenced in the transaction.

I do not recall the notional value of the purchased securities. Goldman Sachs' trading records will likely provide responsive information.

(f) Identify when the transaction took place.

I do not recall when the trades took place. I believe that most if not all occurred in the third quarter of 2007. Goldman Sachs' trading records will likely provide responsive information.

(g) Identify the Goldman personnel who participated in this transaction and the roles they performed.

I do not recall who executed the trades. I believe that I or Josh Birnbaum, Deeb Salem, and/or Edwin Chin were involved, along with a number of sales people.

(h) Identify the Goldman personnel who reviewed or approved this transaction.

Responsibility generally resided with the trading desk and its supervisors, acting within their risk and product limits.

(i) State the value when sold or, if retained, the current value of the assets involved in this transaction.

I do not recall the value of the assets involved in these trades. Goldman Sachs' trading records will likely provide responsive information.

3. Exhibit 30 from the Subcommittee's hearing on April 27, 2010, contains an email from Dan Sparks dated August 14, 2007. It is entitled "Post." Included in the email is the following paragraph written by Mr. Sparks:

"(2) ABX AAA and RMBS may be the best opportunity to make a bunch of money. The losses implied from the ABX trading levels seem way too high (over 30% cum losses). We've been covering, but we will likely come to you soon and say we'd like to get long billions - and we'd stay short BBBish part. The potential for large liquidations may continue to put technical pressure on, but once it stops AAA should perform strongly."

(a) Is the trade addressed in Question 2, above, related to the transaction addressed in the email written by Mr. Sparks?

I do not believe that I received this email. However, from its context, it appears that it was not a transaction but, instead, a precursor to the transaction proposed in Exhibit 34 (the subject of Question 4, below). I am also not certain what is meant by "related to" in this question. The decision whether to implement the trades referenced in Exhibits 30 and 34 did not depend on the decision to implement the trades I described in the excerpt quoted in Question 2.

(b) If so, explain how they are related and whether they were separately implemented.

Please see the answer to Question 3(a).

(c) If the transactions were not related, explain how they were different, and whether and how the transaction identified by Mr. Sparks was implemented.

I do not believe that I received this email. However, from its context, it appears that it was not a transaction but, instead, a precursor to the transaction proposed in Exhibit 34 (the subject of Question 4, below). I do not believe that the transaction proposed in Exhibit 34 was implemented, as I indicate in my response to Question 4(c), below. In addition, it appears from the context of Exhibit 30, that Mr. Sparks is proposing that Goldman Sachs acquire a longer position in certain ABX securities. In my EMD Review, I am describing trades that were designed to cover a short position held by the RMBS Origination Desk that served as a hedge.

4. **Exhibit 34 from the Subcommittee's hearing on April 27, 2010, is a series of emails dated August 21, 2007 and entitled "RE: Potential large subprime trade and impact on Firmwide VAR." The first email in the chain, at the bottom of the page, is from Mr. Birnbaum. It reads:**

"- The mortgage department thinks there is currently an extraordinary opportunity for those with dry powder to add AAA subprime risk in either cash or synthetic form.

- We would like to be opportunistic buyers of up to $10Bln subprime AAAs in either cash or synthetic (ABX) form and run that long against our $3.5Bln in mezzanine subprime shorts.

- Mortgage dept VAR would be reduced by $75mm and Firmwide VAR would be reduced by $25mm.

- At current dollar prices, the implied losses at the AAA level are 2.5x higher than the implied losses at the BBB level where we have our shorts (the ratio is even cheaper for cash due to technicals). If AAAs were priced consistent with BBB implied loss levels, they would be trading 5-10pts higher in synthetics and 10-15pts higher in cash.

- On the supply side, we think we can source these assets from SIVs, SIV-lites, ABCP Conduits, Sec Lenders, total return accounts.

- On the demand side, we plan to share this trade quietly with selected risk partners. We began doing so yesterday when we sold 1/3 of the AAAs purchased off the [redacted] list to [redacted] and 100% of the AAAs from [redacted] to [redacted] and [redacted]."

(a) Is the trade addressed in Question 2, above, related to the transaction addressed in the email written by Mr. Birnbaum?

I am not certain what is meant by "related to" in this question. The decision whether to implement the trades referenced in Exhibits 30 and 34 did not depend on the decision to implement the trades I described in the excerpt quoted in Question 2.

(b) If so, explain how they are related and whether they were separately implemented.

Please see the answer to Question 4(a).

(c) If the transactions were not related, explain how they were different, and whether and how the transaction identified by Mr. Birnbaum was implemented.

I recall Mr. Birnbaum proposing that Goldman Sachs acquire a longer position in certain ABX securities. In my EMD Review, I am describing trades that were designed to cover a short position held by the RMBS Origination Desk that served as a hedge. I do not believe that Mr. Birnbaum's proposed transaction was implemented.

5. A Goldman graph entitled "RMBS Subprime Notional History" is Exhibit 56(a) in the Subcommittee's hearing on April 27, 2010. It shows that Goldman had a net short position of approximately $8 billion on a notional basis in November 2006 (hereafter the "short position") in the ABX AAA index (hereinafter "ABX AAA").

(a) When did Goldman's short position in ABX AAA first reach approximately $8 billion on a notional basis?

I did not develop this graph and I do not recall reviewing it in the normal course of business. I do not believe, however, that the positions in the graph accurately depict the "Mtg Dept – Mtg NYC SPG Portfolio" because such a chart would reflect the combined positions of the desks headed by me (ABS Desk), David Lehman (CMBS Desk), and Jonathan Egol (Correlation Desk), and at no time in 2006-2007 was that combined position short $8 billion in ABX AAA. I do recall that the RMBS Origination Desk held short positions in ABX AAA that totaled approximately $9 billion, but I do not know when that level was first reached.

(b) Who within Goldman had knowledge of the full extent of the notional short position in ABX AAA during FY 2006 and FY 2007?

I did not develop this graph and I do not recall reviewing it in the normal course of business. I do not believe, however, that the positions in the graph accurately depict the "Mtg Dept – Mtg NYC SPG Portfolio" because such a chart would reflect the combined positions of the desks headed by me, David Lehman, and Jonathan Egol, and at no time in 2006-2007 was that combined position short $8 billion in ABX AAA. I also do not recall who in Goldman Sachs knew of the full extent of the notional short position in ABX AAA in FY 2006 and 2007. Dan Sparks or any member of the ABS Desk would have had access to the information described in this question, but I do not recall whether I accessed that information.

(c) Who was responsible for reviewing and approving the size of the short position in ABX AAA?

I did not develop this graph and I do not recall reviewing it in the normal course of business. I do not believe, however, that the positions in the graph accurately depict the "Mtg Dept – Mtg NYC SPG Portfolio" because such a chart would reflect the combined positions of the desks headed by me, David Lehman, and Jonathan Egol, and at no time in 2006-2007 was that combined position short $8 billion in ABX AAA. I also do not know who in Goldman Sachs was responsible for reviewing and approving the size of the hedge in ABX AAA. To the extent any particular desk held a short position, I believe that it would have been, at a minimum, the responsibility of the head of that desk to review that position.

(d) Whose capital was used to acquire the approximately $8 billion notional short position in ABX AAA?

I did not develop this graph and I do not recall reviewing it in the normal course of business. I do not believe, however, that the positions in the graph accurately depict the "Mtg Dept – Mtg NYC SPG Portfolio" because such a chart would reflect the combined positions of the desks headed by me, David Lehman, and Jonathan Egol, and at no time in 2006-2007 was that combined position short $8 billion in ABX AAA. I also do not recall whose capital was used or allocated to acquire the short positions. In general, without knowing the specific short position of each desk, I do not know which desk's capital was used.

(e) Did you understand the short position to be a Goldman proprietary position?

I did not develop this graph and I do not recall reviewing it in the normal course of business. I do not believe, however, that the positions in the graph accurately depict the "Mtg Dept – Mtg NYC SPG Portfolio" because such a chart would reflect the combined positions of the desks headed by me, David Lehman, and Jonathan Egol, and at no time in 2006-2007 was that combined position short $8 billion in ABX AAA. In addition, the short position referenced in this graph would not be a proprietary position because the short position was largely a hedge against the long loan and securities positions held by the RMBS Origination Desk.

(f) Did the approximately $8 billion notional short position in ABX AAA include the short positions in ABX AAA held by the desks under the control of Messrs. Gasvoda, Nichols, and Finck?

I did not develop this graph and I do not recall reviewing it in the normal course of business. I do not believe, however, that the positions in the graph accurately depict the "Mtg Dept – Mtg NYC SPG Portfolio" because such a chart would reflect the combined positions of the desks headed by me, David Lehman, and Jonathan Egol, and at no time in 2006-2007 was that combined position short $8 billion in ABX AAA. I also do not know whose short positions could have been involved in the graph's depiction of short positions because I was not involved in the development of this graph. To the extent the graph depicts the overall short position of the Mortgage Department, it should include the short position of the desks in that department, including the desk under the control of Mr. Gasvoda, under whom Matt Nichols and Greg Finck worked.

(g) When did Goldman begin to monetize the $8 billion notional short position in ABX AAA? How was this accomplished?

I did not develop this graph and I do not recall reviewing it in the normal course of business. I do not believe, however, that the positions in the graph accurately depict the "Mtg Dept – Mtg NYC SPG Portfolio" because such a chart would reflect the combined positions of the desks headed by me, David Lehman, and Jonathan Egol, and at no time in 2006-2007 was that combined position short $8 billion in ABX AAA. Also, please see my answer to Question 2(f), above. I recall that during the third quarter, the ABS Desk executed some trades to begin monetizing the short position in the securities held by the RMBS Origination Desk. Within the ABS Desk, I believe that I or Josh Birnbaum, Deeb Salem, and/or Edwin Chin were involved, along with a number of sales people.

6. (a) In 2007, did the Mortgages Department cover the ABX AAA short position and then, after August 1, go long on the ABX AAA?

Please see my answer to Question 2(f), above. I recall that the ABS Desk covered a AAA short position that was held as a hedge by the RMBS Origination Desk. I believe that the ABS Desk went longer ABX AAA after covering the short position that was held as a hedge by the RMBS Origination Desk. I do not recall the extent to which the ABS Desk went longer ABX AAA. Goldman Sachs' trading records will likely provide responsive information.

(b) If so, identify the specific trades that resulted in the long ABX AAA position, including the dates of the trades, the amounts involved, and the identity of each counterparty.

Goldman Sachs' trading records will likely provide responsive information.

(c) Did the Mortgages Department hedge its long ABX AAA position? If so, how and when?

From my perspective as head of the ABS Desk, I believe that the Mortgage Department did not hedge the ABX AAA referenced in Question 6(a). However, the longer

ABX AAA position acquired by the ABS Desk after covering the short position that was held by the RMBS Origination Desk served as an offset to the short BBB ABX position held by the ABS Desk and reduced the Mortgage Department's VAR.

7. **Identify the greatest total notional amount by which the Mortgages Department went long on the ABX AAA after August 1, 2007, and the date on which that position was reached.**

I do not recall the total notional amount that the Mortgage Department went long on ABX AAA after August 1. To the extent that this information can be obtained from Goldman Sachs' trading records, it is my understanding that the Firm is working to provide this information to the Subcommittee promptly.

8. **Did the Mortgages Department monetize or unwind its ABX AAA long position during the period August 1, 2007 through the end of FY 2007? If so, provide that date of each transaction used to monetize or unwind the long position, and the notional amount by which the long position was reduced.**

I do not recall how long it took the Mortgage Department to unwind its ABX AAA long position or how it did so because the Department's positions changed daily (even intraday) as trades were done and these positions were not segregated in a separate account. To the extent that this information can be obtained from Goldman Sachs' trading records, it is my understanding that the Firm is working to provide this information to the Subcommittee promptly.

9. **Provide the total net profit or loss to the Mortgages Department from the ABX AAA transactions during the 4th quarter of FY 2007.**

I do not recall the total net profit or loss to the Mortgage Department from ABX AAA during that time period. To the extent that this information can be obtained from the Goldman Sachs' trading records, it is my understanding that the Firm is working to provide this information to the Subcommittee promptly.

SUPPLEMENTAL INFORMATION FOR MR. SWENSON'S RESPONSES SUPPLIED BY GOLDMAN SACHS

Confidential Treatment Requested by Goldman Sachs

1. **Exhibit 86 from the Subcommittee's hearing on April 27, 2010, is an e-mail dated September 19, 2006, from Peter Ostrem to the FICC-SPCDOGROUP. The e-mail states:**

   "We have been asked to do a CDO of $2bln for the ABS desk. Approx. $1.2bln will be CDS off single-names referenced from the ABS index 06-1 and 06-2. This is a trade we need to execute for the desk over the next 4-6 weeks and involves selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale). I would like everyone to work together on this one. We expect to charge ongoing 10bp liquidation agent fees and 1-1.5pts upfront. Equity will be offered around 22% no-loss yield. Obviously important to overall SP floor and Sobel and Sparks are focused on this happening . . ."

   (a) Was the transaction described in this e-mail carried out? Was the transaction Hudson Mezzanine Funding 2006-1 ("Hudson Mezzanine")? If not, what was the name of the transaction?

   The facts reflected in the e-mail are consistent with the Hudson Mezzanine Funding 2006-1 transaction.

   (b) Identify by name and job title the individuals in the Mortgages Department who were involved in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine, and the activities related to the transaction that each of them engaged in.

   The names and job titles of the individuals in the Mortgage Department who were involved in the Hudson Mezzanine 2006-1 transaction are set forth in the marketing flip book and term sheet for the transaction, which were previously produced to the Subcommittee (bearing production numbers GS MBS-E-001557726 – 59 and GS MBS-E-001557869 – 73). For the Subcommittee staff's convenience, additional copies of these materials are enclosed herewith.

   (c) Describe in detail any role you had in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.

   Please see Mr. Swenson's response to this Question.

   (d) Describe in detail any role the ABS desk had in the origination, formulation, design, approval, or implementation of Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.

   The Structured Products Trading desk entered into credit default swaps with the SPV in the Hudson Mezzanine 2006-1 transaction that had the effect of reducing a long position in the ABX index held by the desk.

   (e) Was the Hudson Mezzanine transaction a proprietary transaction?

   This transaction was not a proprietary transaction. The Mortgage Department does not engage in proprietary trading.

   (f) What did you understand the phrase "for the desk" to mean?

   Please see Mr. Swenson's response to this Question.

   (g) Was the purpose of the transaction described in Mr. Ostrem's e-mail to enable the ABS desk to reduce cash or swap positions (and the risk associated with those positions) that the ABS desk held? If not, what was the purpose of the transaction?

Please see Mr. Swenson's response to this Question.

(h) Identify any committee or individual at Goldman Sachs ("Goldman") that approved this transaction.

Typically, transactions of this type would have been reviewed and approved by members of the Mortgage Capital Committee through either a formal or informal meeting. The Hudson Mezzanine 2006-1 transaction appears to have been reviewed and approved through an informal meeting, likely conducted by telephone conference.

(i) Identify any employee of Goldman or its affiliates and any third parties who were involved in the identification and selection of the assets referenced in the Hudson Mezzanine transaction and describe in detail the nature of their involvement.

Goldman Sachs selected the portfolio of reference obligations because there was no collateral manager or selection agent engaged for this transaction. As noted in our response to Question 1(b) posed to Mr. Swenson, the Goldman Sachs employees involved in the origination and structuring of the transaction are set forth in the marketing flip book and term sheets for the transaction.

(j) List the criteria used to identify and select the assets that were referenced in the Hudson Mezzanine transaction.

Please see Goldman Sachs' response to Question 1(i) posed to Mr. Swenson.

(k) Based on your knowledge or belief, identify the reasons why Hudson Mezzanine was "a trade [Goldman] need[ed] to execute for the desk over the next 4-6 weeks."

Please see Mr. Swenson's response to this Question.

(l) Based on your knowledge or belief, identify the reasons why the Hudson

Mezzanine transaction "involve[d] selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale)."

Please see Mr. Swenson's response to this Question.

(m) Was the Camber 7 transaction delayed to develop the Hudson Mezzanine transaction? If so, explain why.

Goldman Sachs does not believe that the Camber 7 transaction was delayed to develop the Hudson Mezzanine 2006-1 transaction. Because the Hudson Mezzanine 2006-1 transaction (i) had a static portfolio, (ii) referenced the highly-liquid ABX indices and (iii) did not employ a collateral manager, it moved quickly to market. The actively-managed Camber 7 transaction, by contrast, took much longer to complete. During this period, however, Camber 7 grew from $500 million to $900 million.

<u>Confidential Treatment Requested by Goldman Sachs</u>

5. A Goldman graph entitled "RMBS Subprime Notional History" is Exhibit 56(a) in the Subcommittee's hearing on April 27, 2010. It shows that Goldman had a net short position of approximately $8 billion on a notional basis in November 2006 (hereafter the "short position") in the ABX AAA index (hereinafter "ABX AAA").

(a) When did Goldman's short position in ABX AAA first reach approximately $8 billion on a notional basis?

On October 12, 2006, the Mortgage Department's ABX AAA position reached approximately $8 billion on a notional basis. The majority of that position was held by the Residential Prime and Credit Origination desks. The position offset long prime and subprime whole loan inventory of approximately $10 billion. The two exposures would net to a long position.

(b) Who within Goldman had knowledge of the full extent of the notional short position in ABX AAA during FY 2006 and FY 2007?

(c) Who was responsible for reviewing and approving the size of the short position in ABX AAA?

The Mortgage Department (as well as other trading businesses within Goldman Sachs) managed the size of its exposures and inventory in line with risk limits established by senior management. These risk limits ensured that regardless of the opinion of an individual or a business unit about market direction, risk remains within prescribed levels. The specific risk limits relevant to the Mortgage Department included VaR, credit spread widening and balance sheet size.

The ABX AAA position was one of many positions incorporated into all of the long and short exposures maintained by the Mortgage Department and reviewed by senior leadership within the department. Risk was managed within the risk limits approved by the Securities Division Risk Committee. Senior traders within the Mortgage Department and Risk Management were generally aware of the increasing size of the short position (as well as the offsetting long position) during this period.

(d) Whose capital was used to acquire the approximately $8 billion notional short position in ABX AAA?

As a market maker, Goldman Sachs assumed risk positions and put its own capital at risk. The firm's capital consisted of shareholder equity, supplemented by long-term debt issued by the firm. Goldman Sachs has long had well-established procedures to set risk limits by business units and to ensure that the firm has appropriate levels of capital to support those levels of activity.

(e) Did you understand the short position to be a Goldman proprietary position?

Please see Mr. Swenson's response to this Question.

(f) Did the approximately $8 billion notional short position in ABX AAA include the short positions in ABX AAA held by the desks under the control of Messrs. Gasvoda, Nichols, and Finck?

The majority of the approximately $8 billion of notional short position in ABX AAA included hedges maintained by the Residential Mortgage Origination business.

(g) When did Goldman begin to monetize the $8 billion notional short position in ABX AAA? How was this accomplished?

Commensurate with the reduction in long residential loan inventory, the Mortgage Department began reducing its short ABX AAA position during the Third Quarter of 2007. This was executed through trades, primarily with dealers, where Goldman Sachs sold protection on ABX AAA.

6. (a) In 2007, did the Mortgages Department cover the ABX AAA short position and then, after August 1, go long on the ABX AAA?

Yes. In the latter portion of the third Quarter of 2007, in conjunction with reducing its long residential loan inventory, the Mortgage Department reduced its short ABX AAA position and ultimately had a long ABX AAA position in the Fourth Quarter of 2007.

(b) If so, identify the specific trades that resulted in the long ABX AAA position, including the dates of the trades, the amounts involved, and the identity of each counterparty.

Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 0000038761) providing information for ABX AAA trades executed in July and August 2007.

(c) Did the Mortgages Department hedge its long ABX AAA position? If so, how and when?

The Mortgage Department's ABX AAA position was part of the Department's exposures and was managed in conjunction with other positions held by the Department. For example, in the Fourth Quarter of 2007, the Department was short single-name credit default swap positions in lower-rated securities, which offset the long exposures including the AAA ABX.

7. Identify the greatest total notional amount by which the Mortgages Department went long on the ABX AAA after August 1, 2007, and the date on which that position was reached.

The largest notional long ABX AAA position held by the Mortgage Department after August 1, 2007 was on September 25, 2007. The position was long approximately $1.8 billion notional.

8. Did the Mortgages Department monetize or unwind its ABX AAA long position during the period August 1, 2007 through the end of FY 2007? If so, provide that date of each transaction used to monetize or unwind the long position, and the notional amount by which the long position was reduced.

The Mortgage Department reduced its long ABX AAA position from September 25, 2007 through the end of 2007. Goldman Sachs encloses a spreadsheet (bearing production number GS MBS 0000038761) providing information on trades during that period.

9. Provide the total net profit or loss to the Mortgages Department from the ABX AAA transactions during the 4th quarter of FY 2007.

During the Fourth Quarter of 2007, the Mortgage Department lost approximately $152 million on its ABX AAA position. These losses were offset by gains on other positions in the mortgage department resulting in a gain of approximately $107 million in non-agency residential mortgages for the Quarter.

Book	Leaf	External Trade ID	Notional	Net effect	Trade Date	Counterparty
TG02130	MDX ABX.HE.AAA.07-1 LP0 JDD50	SDB982423739	25,000,000	25,000,000	30-Nov-07	[redacted]
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982423746A	25,000,000	25,000,000	30-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982423753A	50,000,000	50,000,000	30-Nov-07	
TG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982423761A	25,000,000	25,000,000	30-Nov-07	
TG02130	MDX ABX.HE.AAA.07-1 LP0 JDD50	SDB982423771A	25,000,000	25,000,000	30-Nov-07	
TG02130	MDX ABX.HE.AAA.06-2 A50 KMYR0	SDB982423772A	25,000,000	25,000,000	30-Nov-07	
TG02130	MDX ABX.HE.AAA.07-1 LP0 JDD50	SDB982423797	10,000,000	10,000,000	30-Nov-07	
TG02130	MDX ABX.HE.AAA.07-1 LP0 JDD50	SDB982424148A	60,000,000	60,000,000	30-Nov-07	
TG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982424236A	(25,000,000)	(25,000,000)	30-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DUZ0	SDB982418814.1A	(8,000,000)	(8,000,000)	29-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982421393A	5,000,000	5,000,000	29-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982421417A	5,000,000	5,000,000	29-Nov-07	
TG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB981330261A	(20,000,000)	(20,000,000)	28-Nov-07	
TG02130	MDX ABX.HE.AAA.07-1 LP0 EY820	SDB981330261A	(100,000,000)	100,000,000	28-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982129551A	500,000,000	(500,000,000)	28-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982129551A	340,000,000	340,000,000	28-Nov-07	
TG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982418231A	(55,000,000)	(55,000,000)	28-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DUZ0	SDB982418814A	(7,000,000)	(7,000,000)	28-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DUZ0	SDB982418841A	(20,000,000)	(20,000,000)	28-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DUZ0	SDB982418886A	25,000,000	25,000,000	28-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982419444A	160,000,000	160,000,000	28-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982151686A	50,000,000	(50,000,000)	26-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982414338A	25,000,000	25,000,000	26-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982414376A	25,000,000	25,000,000	26-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DXB50	SDB982414612.1A	18,000,000	18,000,000	26-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DXB50	SDB982414612.2A	1,200,000	1,200,000	26-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DXB50	SDB982414612A	800,000	800,000	26-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DXB50	SDB982414917.1A	1,681,000	1,681,000	26-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DXB50	SDB982414917.2A	4,250,600	4,250,600	26-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DXB50	SDB982414917A	4,068,400	4,068,400	26-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982152284.3A	2,000,000	(2,000,000)	23-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982152284A	13,750,000	(13,750,000)	23-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982152284A	7,015,000	7,015,000	23-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982152284.1A	65,500,000	(65,500,000)	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982152284.1A	33,418,000	33,418,000	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982152284.2A	13,000,000	(13,000,000)	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982152284.2A	6,633,000	6,633,000	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982152284.4A	5,750,000	(5,750,000)	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982152284.4A	2,934,000	2,934,000	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982154232.1A	25,000,000	(25,000,000)	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982154232.1A	5,000,000	5,000,000	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982154232A	25,000,000	(25,000,000)	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982154232A	5,000,000	5,000,000	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982403981A	5,000,000	5,000,000	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982404054A	5,000,000	5,000,000	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982404645A	32,082,000	32,082,000	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982404650A	6,367,000	6,367,000	21-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982152736A	100,000,000	(100,000,000)	20-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982152736A	95,000,000	95,000,000	20-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982400668A	5,000,000	5,000,000	20-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982402100.1A	22,500,000	22,500,000	20-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982402100.2A	1,500,000	1,500,000	20-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982402100A	1,000,000	1,000,000	20-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982402340	30,000,000	30,000,000	20-Nov-07	
TG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982402373A	1,000,000	1,000,000	20-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982397281A	10,000,000	10,000,000	19-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982397317A	10,000,000	10,000,000	19-Nov-07	
TG02130	MDX ABX.HE.AAA.06-2 A50 CN3N0	SDB982049765A	50,000,000	(50,000,000)	15-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982118395A	25,000,000	(25,000,000)	15-Nov-07	
TG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982377305A	25,000,000	25,000,000	15-Nov-07	
TG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982377343A	10,000,000	10,000,000	15-Nov-07	
TG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982377353A	25,000,000	25,000,000	15-Nov-07	
TG02130	MDX ABX.HE.AAA.06-2 A50 CN3N0	SDB982071617.8A	6,700,000	(6,700,000)	14-Nov-07	
TG02130	MDX ABX.HE.AAA.06-2 A50 CN3N0	SDB982136112.3A	(6,700,000)	6,700,000	14-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.10A	(3,520,000)	(3,520,000)	14-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.11A	(1,452,000)	(1,452,000)	14-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.12A	(623,000)	(623,000)	14-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.13A	(534,000)	(534,000)	14-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.14A	(1,228,000)	(1,228,000)	14-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.15A	(430,000)	(430,000)	14-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.16A	(170,000)	(170,000)	14-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.17A	(72,000)	(72,000)	14-Nov-07	
TG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.18A	(2,167,000)	(2,167,000)	14-Nov-07	

━ = **Redacted by the Permanent Subcommittee on Investigations**

MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.1A	(2,934,000)	(2,934,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.20A	(628,000)	(628,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.21A	(644,000)	(644,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.22A	(541,000)	(541,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.23A	(202,000)	(202,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.24A	(110,000)	(110,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.25A	(98,000)	(98,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.26A	(105,000)	(105,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.27A	(14,000)	(14,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.28A	(92,000)	(92,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.29A	(141,000)	(141,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.2A	(1,194,000)	(1,194,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.30A	(67,000)	(67,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.31A	(22,000)	(22,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.32A	(1,367,000)	(1,367,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.33A	(23,000)	(23,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.34A	(38,000)	(38,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.35A	(482,000)	(482,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.36A	(24,000)	(24,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.3A	(668,000)	(668,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.4A	(94,000)	(94,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.5A	(46,000)	(46,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.6A	(39,000)	(39,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.7A	(1,015,000)	(1,015,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.8A	(1,163,000)	(1,163,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604.9A	(748,000)	(748,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982375604A	(741,000)	(741,000)	14-Nov-07
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982373754A	(25,000,000)	(25,000,000)	13-Nov-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982152647A	10,000,000	(10,000,000)	9-Nov-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982363118A	5,000,000	5,000,000	9-Nov-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982363126A	5,000,000	5,000,000	9-Nov-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982363608A	10,000,000	10,000,000	9-Nov-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982363698A	10,000,000	10,000,000	9-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982363768.1A	(18,000,000)	(18,000,000)	9-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982363768A	(12,000,000)	(12,000,000)	9-Nov-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 CN3N0	SDB982086848A	50,000,000	(50,000,000)	8-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982361590.1A	(3,000,000)	(3,000,000)	8-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982361590A	(2,000,000)	(2,000,000)	8-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982361775.1A	(18,000,000)	(18,000,000)	8-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982361775A	(12,000,000)	(12,000,000)	8-Nov-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982360432A	(10,000,000)	(10,000,000)	7-Nov-07
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982360810A	(6,500,000)	(6,500,000)	7-Nov-07
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982360818A	(18,500,000)	(18,500,000)	7-Nov-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982358934A	10,000,000	10,000,000	6-Nov-07
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982359139.1A	(2,500,000)	(2,500,000)	6-Nov-07
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982359139A	(2,500,000)	(2,500,000)	6-Nov-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982359182A	25,000,000	25,000,000	6-Nov-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982074489.0A	110,000,000	(110,000,000)	5-Nov-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982074489.1A	90,000,000	(90,000,000)	5-Nov-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982345508.1A	(11,000,000)	(11,000,000)	2-Nov-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982345508.2A	(9,000,000)	(9,000,000)	2-Nov-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982345508A	(5,000,000)	(5,000,000)	1-Nov-07
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982345628.1A	(7,193,000)	(7,193,000)	1-Nov-07
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982345628A	(2,807,000)	(2,807,000)	1-Nov-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB981933829A	(100,000)	100,000	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982325793A	(100,000,000)	(100,000,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982326288.1A	(110,000)	(110,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982326288.2A	(90,000)	(90,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982326288.3A	(9,030,000)	(9,030,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982326288.4A	(20,000)	(20,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982326288.5A	(1,650,000)	(1,650,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982326288.6A	(1,000,000)	(1,000,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982326288.7A	(1,700,000)	(1,700,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982326288A	(1,400,000)	(1,400,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982326532A	(10,000,000)	(10,000,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982326537A	(20,000,000)	(20,000,000)	31-Oct-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982055840.0A	774,000	(774,000)	30-Oct-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982055840.1A	9,356,000	(9,356,000)	30-Oct-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982055840.2A	9,870,000	(9,870,000)	30-Oct-07
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982324825A	10,000,000	10,000,000	30-Oct-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982324966A	774,000	774,000	30-Oct-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982324975A	9,356,000	9,356,000	30-Oct-07
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982324991A	9,870,000	9,870,000	30-Oct-07
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982325164A	(25,000,000)	(25,000,000)	30-Oct-07
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982311050.1A	(375,000,000)	(375,000,000)	29-Oct-07

[redacted]

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MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	[illegible]	[illegible]	[illegible]	[illegible]	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982311112A	(10,000,000)	(10,000,000)	29-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982312389A	4,600,000	4,600,000	29-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982312397A	850,000	850,000	29-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982312432A	3,000,000	3,000,000	29-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982312471A	1,250,000	1,250,000	29-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982312496A	1,750,000	1,750,000	29-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982312529A	7,250,000	7,250,000	29-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982312560A	6,300,000	6,300,000	29-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982122528A	25,000,000	(25,000,000)	26-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982125443A	25,000,000	(25,000,000)	26-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982306991.1A	(4,450,000)	(4,450,000)	26-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982308745A	25,000,000	25,000,000	26-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982308757A	25,000,000	25,000,000	26-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982305954A	(25,000,000)	(25,000,000)	25-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982306991A	(550,000)	(550,000)	25-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982152477A	20,000,000	(20,000,000)	24-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982295257A	5,000,000	5,000,000	23-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982295375A	35,000,000	35,000,000	23-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982292604A	(10,000,000)	(10,000,000)	22-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982293113A	(50,000,000)	(50,000,000)	22-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982293758A	5,000,000	5,000,000	22-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982288852A	25,000,000	25,000,000	19-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982289464A	25,000,000	25,000,000	19-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-2 SX0 G32N0	SDB982123431A	(25,000,000)	25,000,000	18-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982286570A	(5,000,000)	(5,000,000)	18-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982286621A	25,000,000	25,000,000	18-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982287158A	25,000,000	25,000,000	18-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-2 SX0 6DCZ0	SDB982287215A	(25,000,000)	(25,000,000)	18-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982287291A	(25,000,000)	(25,000,000)	18-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982281223A	25,000,000	25,000,000	16-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982117406A	200,000,000	(200,000,000)	15-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982117406A	25,000,000	25,000,000	15-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982279633A	(50,000,000)	(50,000,000)	15-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982279635A	(50,000,000)	(50,000,000)	15-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982279821A	50,000,000	50,000,000	15-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982278379A	10,000,000	10,000,000	12-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 EY820	SDB982038368A	15,000,000	(15,000,000)	11-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 A3VK1	SDB982119249A	50,000,000	(50,000,000)	11-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982277371A	15,000,000	15,000,000	11-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982277660A	15,000,000	15,000,000	11-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-1 5D0 DZB50	SDB982275253A	(50,000,000)	(50,000,000)	9-Oct-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 EY820	SDB982119037.1A	10,000,000	(10,000,000)	28-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 EY820	SDB982119037A	5,000,000	(5,000,000)	28-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982243442A	10,000,000	10,000,000	28-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 3BPR0	SDB982243451A	5,000,000	5,000,000	28-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.07-1 LP0 EY820	SDB982128693A	25,000,000	(25,000,000)	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.10B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.11A	600,000	600,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.12B	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.13B	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.14A	2,800,000	2,800,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.15A	800,000	800,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.16B	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.17A	400,000	400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.18A	700,000	700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.19A	1,500,000	1,500,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.1A	100,000	100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.20A	1,200,000	1,200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.21A	500,000	500,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.22A	100,000	100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.23A	1,200,000	1,200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.24A	400,000	400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.25A	5,500,000	5,500,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.26B	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.27B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.28B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.29A	2,200,000	2,200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.2A	1,100,000	1,100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.30A	100,000	100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.31A	400,000	400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.32B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.33A	1,300,000	1,300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.34A	900,000	900,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.35A	1,300,000	1,300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.36A	400,000	400,000	27-Sep-07	[redacted]

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MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.37A	100,000	100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.38A	1,200,000	1,200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.39A	900,000	900,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.3B	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.40A	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.41A	400,000	400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.42A	4,700,000	4,700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.43A	1,000,000	1,000,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.44A	1,400,000	1,400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.45A	1,300,000	1,300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.46B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.47A	500,000	500,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.48A	1,600,000	1,600,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.49A	500,000	500,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.4A	2,700,000	2,700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.50A	700,000	700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.51B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.52A	1,900,000	1,900,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.53A	2,200,000	2,200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.54A	1,400,000	1,400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.55A	100,000	100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.56A	2,500,000	2,500,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.57A	600,000	600,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.58A	900,000	900,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.59A	100,000	100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.5B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.60A	1,000,000	1,000,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.61A	6,000,000	6,000,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.62A	1,200,000	1,200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.63A	900,000	900,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.64A	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.65A	1,100,000	1,100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.66A	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.67A	500,000	500,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.68A	700,000	700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.69A	600,000	600,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.6A	100,000	100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.70A	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.71A	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.72B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.73A	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.74A	4,600,000	4,600,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.75B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.76A	400,000	400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.77A	900,000	900,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.78A	700,000	700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.79A	2,700,000	2,700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.7A	400,000	400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.80A	600,000	600,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.81A	800,000	800,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.82A	100,000	100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.83A	1,700,000	1,700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.84A	400,000	400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.85B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.86B	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.87A	400,000	400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.88A	1,300,000	1,300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.89A	1,500,000	1,500,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.8A	2,800,000	2,800,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.90A	4,700,000	4,700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.91A	700,000	700,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.92B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.93A	1,100,000	1,100,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.94A	1,300,000	1,300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.95A	1,400,000	1,400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.96B	300,000	300,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.97B	200,000	200,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413.9A	400,000	400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 KMUR0	SDB982238413A	2,400,000	2,400,000	27-Sep-07	[redacted]
MTG02130	MDX ABX.HE.AAA.06-2 A50 CN3N0	LTAA0982233571	100,000,000	(100,000,000)	26-Sep-07	[redacted]

▬ = Redacted by the Permanent Subcommittee on Investigations

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations

to

JOSHUA S. BIRNBAUM
Former Managing Director
Structured Products Group Trading
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

SUPPLEMENTAL QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations
to
JOSHUA S. BIRNBAUM
Former Managing Director
Structured Products Group Trading
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

Please provide answers to the following questions by June 15, 2010:

1. Is it, or was it, your understanding or belief that one or more individuals within Goldman Sachs ("Goldman") believed that the ABS desk made money in 2007 primarily from a single short trade (the "Trade")? If so, provide the following information.

   (a) Identify by name and job title any individuals that you understood held that belief.

   (b) Describe in detail the Trade to which you understood any such individuals to be referring.

   (c) State the notional value of the Trade.

   (d) Describe in detail the assets or positions that were included or referenced in the Trade.

   (e) Describe in detail how Goldman unwound or covered the positions acquired in the Trade.

   (f) State when Goldman unwound or covered the positions acquired in the Trade.

   (g) State the amount of profit made, or loss avoided, by Goldman from the Trade.

   If you are unable to provide complete answers to any of the foregoing questions, identify the persons within Goldman who would be able to provide the answers or information requested.

2. Is it or was it your understanding or belief that by June 2007, all CDO and RMBS positions retained by SPG Trading were identified and already hedged?

3. Is it or was it your understanding or belief that after the Bear Stearns Asset Management (BSAM) unwind in 2007, SPG Trading initiated shorts on an outright basis, with no accompanying CDO or RMBS retained position longs? If so, what was the dollar value of the short position acquired as a result off that activity?

4. Is it or was it your understanding or belief that the shorts referenced in Question 3, above, were not a hedge?

5. Exhibit 86 from the Subcommittee's hearing on April 27, 2010, is an email dated September 19, 2006, from Peter Ostrem to the FICC-SPCDOGROUP. The email states:

> "We have been asked to do a CDO of $2bln for the ABS desk. Approx. $1.2bln will be CDS off single-names referenced from the ABS index 06-1 and 06-2. This is a trade we need to execute for the desk over the next 4-6 weeks and involves selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale). I would like everyone to work together on this one. We expect to charge ongoing 10bp liquidation agent fees and 1-1.5pts upfront. Equity will be offered around 22% no-loss yield. Obviously important to overall SP floor and Sobel and Sparks are focused on this happening . . ."

(a) Was the transaction described in this email carried out? Was the transaction Hudson Mezzanine Funding 2006-1 ("Hudson Mezzanine")? If not, what was the name of the transaction?

(b) Identify by name and job title the individuals in the Mortgages Department who were involved in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine, and the activities related to the transaction that each of them engaged in.

(c) Describe in detail any role you had in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.

(d) Describe in detail any role the ABS desk had in the origination, formulation, design, approval, or implementation of Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.

(e) Was the Hudson Mezzanine transaction a proprietary transaction?

(f) What did you understand the phrase "for the desk" to mean?

(g) Was the purpose of the transaction described in Mr. Ostrem's email to enable the ABS desk to reduce cash or swap positions (and the risk associated with those positions) that the ABS desk held? If not, what was the purpose of the transaction?

(h) Identify any committee or individual at Goldman that approved this transaction.

(i) Identify any employee of Goldman or its affiliates and any third parties who were involved in the identification and selection of the assets referenced in the Hudson Mezzanine transaction and describe in detail the nature of their involvement.

(j) List the criteria used to identify and select the assets that were referenced in the Hudson Mezzanine transaction.

(k) Based on your knowledge or belief, identify the reasons why Hudson Mezzanine was "a trade [Goldman] need[ed] to execute for the desk over the next 4-6 weeks."

(l) Based on your knowledge or belief, identify the reasons why the Hudson Mezzanine transaction "involve[d] selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale)."

(m) Was the Camber 7 transaction delayed to develop the Hudson Mezzanine transaction? If so, explain why.

6. During your tenure in the Mortgages Department at Goldman, did you ever intentionally fail to respond to a request for a bid or an offer to purchase from a customer or another broker-dealer? If so, explain the circumstances.

7. During your tenure in the Mortgages Department at Goldman, did you ever knowingly make a non-competitive response to a request for a bid or an offer to purchase?

8. During your tenure in the Mortgages Department at Goldman, did you ever inform a customer or a broker-dealer that Goldman did not make a market in any ABX product in order to avoid selling or purchasing that product?

9. Exhibit 34 from the Subcommittee's hearing on April 27, 2010, is a series of emails dated August 21, 2007, and entitled "RE: Potential large subprime trade and impact on Firmwide VAR." The first email in the chain, at the bottom of the page, was written by you. It reads:

> "- The mortgage department thinks there is currently an extraordinary opportunity for those with dry powder to add AAA subprime risk in either cash or synthetic form.

- We would like to be opportunistic buyers of up to $10Bln subprime AAAs in either cash or synthetic (ABX) form and run that long against our $3.5Bln in mezzanine subprime shorts.
- Mortgage dept VAR would be reduced by $75mm and Firmwide VAR would be reduced by $25mm.
- At current dollar prices, the implied losses at the AAA level are 2.5x higher than the implied losses at the BBB level where we have our shorts (the ratio is even cheaper for cash due to technicals). If AAAs were priced consistent with BBB implied loss levels, they would be trading 5-10pts higher in synthetics and 10-15pts higher in cash.
- On the supply side, we think we can source these assets from SIVs, SIV-lites, ABCP Conduits, Sec Lenders, total return accounts.
- On the demand side, we plan to share this trade quietly with selected risk partners. We began doing so yesterday when we sold 1/3 of the AAAs purchased off the [redacted] list to [redacted] and 100% of the AAAs from [redacted] to [redacted] and [redacted]."

(a) Was the transaction or series of transactions (hereinafter "transaction") you proposed in your email ("We would like to be opportunistic buyers of up to $10Bln subprime AAAs in either cash or synthetic (ABX) form and run that long against our $3.5Bln in mezzanine subprime shorts"), or a transaction similar to the one you identified in your email, implemented? If so, provide the following information.

(b) Describe the purpose of the transaction.

(c) Describe in detail your role in this transaction.

(d) Identify the assets involved.

(e) Identify any entity involved in the transaction and its role.

(f) Describe and state the notional value of each the assets involved or referenced in the transaction.

(g) Identify when the transaction took place.

(h) Identify the Goldman personnel who participated in this transaction and the roles they performed.

(i) Identify the Goldman personnel who reviewed or approved this transaction.

(j) State the value when sold or, if retained, the current value of the assets involved in this transaction.

10. Exhibit 30 from the Subcommittee's hearing on April 27, 2010, contains an email from Mr. Sparks, dated August 14, 2007. It is entitled "Post." Included in the email is the following paragraph written by Mr. Sparks:

> "(2) AAA ABX and RMBS may be the best opportunity to make a bunch of money. The losses implied from the ABX trading levels seem way too high (over 30% cum losses). We've been covering, but we will likely come to you soon and say we'd like to get long billions - and we'd stay short BBBish part. The potential for large liquidations may continue to put technical pressure on, but once it stops AAA should perform strongly."

(a) Is the transaction addressed in Question 9, above, related to the transaction addressed in the email written by Mr. Sparks?

(b) If so, explain how they are related and whether they were separately implemented.

(c) If the transactions were not related, explain how they were different, and how the transaction identified by Mr. Sparks was implemented.

11. Exhibit 55b from the Subcommittee's hearing on April 27, 2010, is an excerpt from Mr. Swenson's 2007 EMD Review. On page 2, in the last sentence of point 3 under the Self-Review section, Mr. Swenson wrote:

> "I oversaw and directed the covering of $9bb of AAA ABX that the department was short and was able to monetize approx $250mm of p and l for the origination businesses."

(a) Is the transaction addressed in Question 9, above, related to the transaction addressed in Mr. Swenson's 2007 EMD Review?

(b) If so, explain how they are related and whether they were separately implemented.

(c) If the transactions were not related, explain how they were different, and how the transaction identified by Mr. Swenson was implemented.

12. A Goldman graph entitled "RMBS Subprime Notional History" is Exhibit 56(a) in the Subcommittee's hearing on April 27, 2010. It shows that Goldman had a net short position of approximately $8 billion on a notional basis in November 2006 (hereafter the "short position") on the ABX AAA index (hereafter "ABX AAA").

(a) When did Goldman's short position in ABX AAA first reach approximately $8 billion on a notional basis?

(b) Who within Goldman had knowledge of the full extent of the notional short position in ABX AAA during FY 2006 and FY 2007?

(c) Who was responsible for reviewing and approving the size of the short position in ABX AAA?

(d) Whose capital was used to acquire the approximately $8 billion notional short position in ABX AAA?

(e) Did you understand the short position to be a Goldman proprietary position?

(f) Did the approximately $8 billion notional short position in ABX AAA include the short positions in ABX AAA held by the desks under the control of Messrs. Gasvoda, Nichols, and Finck?

(g) When did Goldman begin to monetize the $8 billion notional short position in ABX AAA? How was that accomplished?

13. (a) In 2007, did the Mortgages Department cover the ABX AAA short position and then, after August 1, go long on the ABX AAA?

(b) If so, identify the specific trades that resulted in the long ABX AAA position, including the dates of the trades, the amounts involved, and the identity of each counterparty.

(c) Did the Mortgages Department hedge its long ABX AAA position? If so, how and when?

14. Identify the greatest total notional amount by which the Mortgages Department went long on the ABX AAA after August 1, 2007, and the date on which that position was reached.

15. Did the Mortgages Department monetize or unwind its ABX AAA long position during the period August 1, 2007 through the end of FY 2007? If so, provide the date of each transaction used to monetize or unwind the long position, and the notional amount by which the long position was reduced.

16. Provide the total net profit or loss to the Mortgages Department from the ABX AAA transactions during the 4th quarter of FY 2007.

✧ ✧ ✧

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June 21, 2010

VIA EMAIL (mary_robertson@hsgac.senate.gov)

The Honorable Carl Levin
c/o Mary Robertson, Chief Clerk
United States Senate
Committee on Homeland Security and Governmental Affairs
Washington, DC 20510-6250

Re: Permanent Subcommittee on Investigations' Follow Up Questions

Dear Senator Levin:

Enclosed please find, on behalf of Joshua S. Birnbaum, responses to the questions posed in your letter dated May 24, 2010 following the April 27, 2010 hearing. As you are aware, Mr. Birnbaum is no longer employed by Goldman Sachs and therefore does not have access to the documents and other sources of information needed to answer many of the supplemental questions.

Should you have any further questions, please contact me.

Sincerely,

Peter H. White

Enclosure

DOC ID-11208193.1

Responses of Joshua S. Birnbaum to
Additional Questions Posed by the
Permanent Subcommittee on Investigations

1. I do not believe that the profitability of the ABS desk in 2007 was driven primarily by a single short trade, and do not know of anyone at Goldman Sachs ("Goldman") who thought it was.

2. I do not know whether all CDO and RMBS positions retained by SPG Trading were identified and already hedged by June 2007. I did not retain the records from my time with Goldman relevant to making such a determination. In any event, as I testified, there was significant debate within Goldman regarding the extent of our CDO and RMBS exposures and how to hedge them in part because hedging in this space is not subject to discrete, clear-cut mapping. Goldman would be better able to provide the details asked for in this question.

3. In late June and July 2007, SPG Trading sold the ABX index and bought protection in the single name market, thereby lessening that book's long exposure and increasing its short exposures. Because I did not retain records from my time at Goldman, I do not know the dollar value of the short position acquired as a result of that activity. Goldman would be better able to provide the details asked for in this question.

4. I do not know whether "the shorts referenced in Question 3" were a hedge because I do not recall the extent of those positions or the other long investments Goldman held at that time, and do not have the records necessary to make such a determination. Goldman would be better able to provide the details asked for in this question.

5. I did not receive the email and do not know what is meant by the various phrases the Subcommittee has quoted from that message. Though I do not have access to all of the documents that might help refresh my recollection at this time, I believe the concept referenced in this email became the Hudson Mezzanine Funding 2006-1 transaction. Other than Peter Ostrem, who sent this email, I do not remember who else was involved in the origination, formulation, design, approval or implementation of this transaction, or in the sale of securities issued by the Hudson Mezzanine. I do not recall having any role in that process, other than perhaps providing pricing for the ABX Index, and do not remember whether anyone else on the ABS desk had such a role. I do not know who approved the transaction or selected its referenced assets, or what the criteria for selection were. I believe that the purpose of the transaction was to provide clients interested in purchasing subprime risk exposure with a diversified portfolio that included CDS from the single names that were included in the 06-1 and 06-2 ABX Index and other single name CDS which, if attractive to investors, could also reduce the ABS trading desk's long position in the ABX Index. I do not know what the Subcommittee means by the term "proprietary," but this was not a proprietary transaction as I understand the meaning ascribed to that term by Goldman and the broader Wall Street community. I do not recognize the name "Camber 7."

6. During my tenure at the Mortgage Department at Goldman, in connection with our role as a market maker, we provided liquidity to customers who requested bids or offers in the context of the market. I do not recall intentionally failing to respond to a customer request for a bid or an offer. It would not be unusual for a broker to not respond to another broker's requests and market practice does not dictate any obligation to provide liquidity to counterparties that are not clients.

7. As I do not understand what is meant by "a non-competitive response to a request for a bid or an offer to purchase," I cannot answer the Committee's question as posed.

8. I do not recall informing any customers that Goldman did not make a market in any ABX product in order to avoid selling or purchasing that product.

9. The transaction I proposed in this email was not implemented. Its purpose would have been to hedge our desk's existing mezzanine subprime BBB short position by purchasing a significant AAA long position.

10. The transaction addressed in the email from Mr. Sparks dated August 14, 2007 was related to the transaction addressed in Question 9, but I do not believe either was implemented as described.

11. The transaction referenced in Mr. Swenson's 2007 EMD review was not related to the transaction addressed in Question 9. The transaction referenced in the emails referenced in Questions 9 and 10 proposed to purchase AAA long positions to offset existing BBB short positions. The transaction described in Mr. Swenson's EMD review covered short AAA positions held outside the SPG Trading group.

12. The graph entitled "RMBS Subprime Notional History" is misleading to the extent that it purports to amalgamate positions that cannot be offset against one another from a risk management perspective. *See* Transcript of Proceedings, United States Senate, Permanent Subcommittee on Investigations, April 27, 2010, at 75-76. Combining these very different positions in this way does not reflect the firm's position or what would happen to the firm's profit and loss statement to the extent the market moved up and down. I do not have access to the records necessary to determine when Goldman's short position in ABX AAA reached any particular level on a notional basis, and do not believe this number to be particularly meaningful from a risk management perspective. I cannot answer the question further as I did not take those records with me when I left Goldman. Goldman would be better able to provide the details asked for in this question.

13. I recall that the Mortgage Department covered many of its ABX AAA short positions in mid 2007, but do not recall whether the Department went net long after August 1, 2007. As I am not certain there was a long ABX AAA position after August 1, 2007, and as I did not retain the relevant documents after leaving Goldman, I cannot provide the information requested regarding trading and hedging activity. Goldman would be better able to provide the details asked for in this question.

14. As I did not retain the documents relevant to this issue after leaving Goldman, I cannot determine the greatest total notional amount by which the Mortgage Department went

long on the ABX AAA after August 1, 2007. In fact, as mentioned above, I do not even know whether the Department actually went long on the ABX AAA after August 1, 2007. Goldman would be better able to provide the details asked for in this question.

15. Without access to the relevant records, I cannot answer whether the Mortgage Department monetized or unwound some or all of its ABX AAA position between August 1, 2007 and the end of the year. Goldman would be better able to provide the details asked for in this question.

16. I do not know the total net profit or loss to the Mortgage Department from the ABX AAA transactions during the fourth quarter of FY 2007. Goldman would be better able to provide the details asked for in this question.

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October 20, 2010

VIA COURIER

The Honorable Carl Levin
Attn: Mr. Bob Roach
United States Senate
Committee on Homeland Security and Governmental Affairs
199 Russell Senate Office Building
Washington, DC 20510-6250

Re: Supplemental Responses to Selected Permanent Subcommittee on Investigations Follow Up Questions

Dear Senator Levin:

We write on behalf of Joshua S. Birnbaum to supplement responses to certain questions posed in your May 24, 2010 letter following his testimony at the April 27, 2010 hearing. During Mr. Birnbaum's second interview with your staff on October 1, 2010, it was revealed that a draft of a document Mr. Birnbaum wrote in 2007 (SPG Trading - 2007, GS MBE-E-015654036-50, copy attached) was quoted extensively, without citation, in certain follow up questions posed to Mr. Birnbaum (specifically Questions 1-4). Unfortunately, Mr. Birnbaum did not have a copy of that document at the time he responded to the May 24 questions and, therefore, could not use it to refresh his recollection of events that occurred several years ago. Curiously, nothing in the questions indicated that your staff had incorporated quotations from a document, unlike the many other questions posed where the your staff clearly indicated that it was quoting from documents that had been provided to Mr. Birnbaum. We cannot understand what legitimate reason the staff would have for neither providing the document nor even disclosing that it was quoting a particular document in posing these questions. Without the benefit of that document, Mr. Birnbaum was not able to answer all of the questions in his written responses. In fact, his response to the questions at issue specifically noted that he did not have the documents necessary to refresh his recollection.

Having now reviewed the document quoted in the questions posed, Mr. Birnbaum's recollection is refreshed regarding certain events that occurred during 2006 and 2007. Accordingly, even though nothing contained in the document is inconsistent with Mr. Birnbaum's June 21, 2010 responses, we wish to supplement those responses as follows:

1. ***Question**: Is it, or was it, your understanding or belief that one or more individuals at Goldman Sachs ("Goldman") believed that the ABS desk made money in 2007 primarily from a single short trade (the "Trade")? If so, provide the following information.*

   (a) Identify by name and job title any individuals that you understood held that belief.

   (b) Describe in detail the Trade to which you understood any such individuals to be referring.

   (c) State the notional value of the Trade.

   (d) Describe in detail the assets or positions that were included or referenced in the Trade.

   (e) Describe in detail how Goldman unwound or covered the positions acquired in the Trade.

   (e) State when Goldman unwound or covered the positions acquired in the Trade.

   (f) State the amount of profit made, or loss avoided, by Goldman from the Trade.

   If you are unable to provide complete answers to any of the foregoing questions, identify the persons within Goldman who would be able to provide the answers or information requested.

   Previous Answer: I do not believe that the profitability of the ABS desk in 2007 was driven primarily by a single short trade, and do not know of anyone at Goldman Sachs ("Goldman") who thought it was.

   Supplemental Answer: In late 2007, I drafted a deck of PowerPoint slides entitled "SPG Trading - 2007" for possible use in the compensation process at Goldman. GS MBS-E-015654036-050 (attached). We ultimately decided not to use that document in connection with the 2007 compensation process and, at the time I responded to the Subcommittee's written questions, I did not recall even having created an unused draft of it. In that document, there was a slide dedicated to debunking the potential misimpression about SPG Trading that "2007 was a unique event, desk made money primarily from a single short trade, results not likely to be repeatable." GS MBS-E-015654041. This is the document which the Subcommittee was quoting in Question #1 (*"desk made money in 2007 primarily from a single short trade"*). The document goes on to state: "Revenues in 2007 were diversified across many different strategies (directional both long and short, capital structure, index/SN [ABX Index/Single Names] basis, tiering, idiosyncratic, flow trading). We switched direction several times with well-timed calls relative to subsequent market moves." *Id.* Having now reviewed the document quoted in this question, which was not available to me at the time I answered the Subcommittee's questions previously, I stand by my prior answer.

2. *Question: Is it or was it your understanding or belief that by June 2007, all CDO and RMBS positions retained by SPG Trading were identified and already hedged?*

Previous Answer: I do not know whether all CDO and RMBS positions retained by SPG Trading were identified and already hedged by June 2007. I did not retain the records from my time with Goldman relevant to making such a determination. In any event, as I testified, there was significant debate within Goldman regarding the extent of our CDO and RMBS exposures and how to hedge them in part because hedging in this space is not subject to discrete, clear-cut mapping. Goldman would be better able to provide the details asked for in this question.

Supplemental Answer: As noted in my previous answer, because I did not have access to the records in the possession of the Subcommittee and Goldman when I answered this question, I did not know whether all CDO and RMBS positions retained by SPG Trading were identified and already hedged, nor did I recall whether I held that belief as of June 2007. Without the benefit of the PowerPoint slides entitled "SPG Trading - 2007," my initial answer was based on what I was able to recall. The staff recently showed me the deck of "SPG Trading - 2007" PowerPoint slides that helped refresh my recollection. In that document, which we ultimately decided not to use in the compensation process, I stated: "By June, all retained CDO and RMBS positions [retained by SPG Trading] were identified and already hedged." GS MBS-E-015654044. Having now reviewed the document, I recall that I did believe, in late 2007, that all CDO and RMBS positions retained by SPG Trading were identified and already hedged by June 2007. As I testified, though, there was significant debate within Goldman regarding the extent of our CDO and RMBS exposures and how to hedge them in part because hedging in this space is not subject to discrete, clear-cut mapping.

3. *Question: Is it or was it your understanding or belief that after the Bear Stearns Asset Management (BSAM) unwind in 2007, SPG Trading initiated shorts on an outright basis, with no accompanying CDO or RMBS retained position longs? If so, what was the dollar value of the short position acquired as a result of that activity?*

Previous Answer: In late June and July 2007, SPG Trading sold the ABX index and bought protection in the single name market, thereby lessening that book's long exposure and increasing its short exposures. Because I did not retain records from my time at Goldman, I do not know the dollar value of the short position acquired as a result of that activity. Goldman would be better able to provide the details asked for in this question.

Supplemental Answer: In late 2007, in the deck of PowerPoint slides entitled "SPG Trading - 2007" that we ultimately did not use in the compensation process, I stated that "SPG trading reinitiated shorts post BSAM unwind on an outright basis with no accompanying CDO or RMBS retained position longs." GS MBS-E-015654044. Having reviewed the document the staff did not previously identify, I can now recall that, as of late June and July 2007, I believed that this SPG Trading activity resulted in the initiation of shorts on an outright basis with no accompanying CDO or RMBS retained position longs following the Bear Stearns Asset Management unwind in 2007. Even without the benefit of the document quoted by the Subcommittee without citation in this question, my previous answer was accurate.

4. **Question**: *Is it or was it your understanding or belief that the shorts referenced in Question 3, above, were not a hedge?*

Previous Answer: I do not know whether "the shorts referenced in Question 3" were a hedge because I do not recall the extent of those positions or the other long investments Goldman held at that time, and do not have the records necessary to make such a determination. Goldman would be better able to provide the details asked for in this question.

Supplemental Answer to Questions 3 and 4: In late 2007, in the deck of PowerPoint slides entitled "SPG Trading - 2007" that we ultimately did not use in the compensation process, I stated that "SPG trading reinitiated shorts post BSAM unwind on an outright basis with no accompanying CDO or RMBS retained position longs. In other words, the shorts *were not a hedge*." GS MBS-E-015654044 (emphasis in original). Having reviewed the document the staff did not previously provide me, I can now recall that, as of late June and July 2007, I believed that this SPG Trading activity resulted in the initiation of shorts on an outright basis with no accompanying CDO or RMBS retained position longs following the Bear Stearns Asset Management unwind in 2007, and that these short positions were not a hedge. At the time, as I previously testified, my desk traded, within firm-established risk parameters, with a short bias, resulting in a net short position for the SPG Trading desk. Opening Statement of Josh Birnbaum, United States Senate, Permanent Subcommittee on Investigations, April 27, 2010, at 2-3. Even without the benefit of the document quoted by the Subcommittee without citation in these questions, my previous answers were accurate.

5. *Question: Exhibit 86 from the Subcommittee's hearing on April 27, 2010, is an email dated September 19, 2006, from Peter Ostrem to the FICC-SPCDOGROUP. The email states:*

> *"We have been asked to do a CDO of \$2bln for the ABS desk. Approx. \$1.2bln will be CDS off single-names referenced from the ABS index 06-1 and 06-2. This is a trade we need to execute for the desk over the next 4-6 weeks and involves selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale). I would like everyone to work together on this one. We expect to charge ongoing 10bp liquidation agent fees and 1-1. 5pts upfront. Equity will be offered around 22% no-loss yield. Obviously important to overall SP floor and Sobel and Sparks are focused on this happening . . ."*

(a) *Was the transaction described in this email carried out? Was the transaction Hudson Mezzanine Funding 2006-1 ("Hudson Mezzanine")? If not, what was the name of the transaction?*

(b) *Identify by name and job title the individuals in the Mortgages Department who were involved in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine, and the activities related to the transaction that each of them engaged in.*

(c) *Describe in detail any role you had in the origination, formulation, design, approval, or implementation of the Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.*

(d) *Describe in detail any role the ABS desk had in the origination, formulation, design, approval, or implementation of Hudson Mezzanine transaction, or in the sale of securities issued by Hudson Mezzanine.*

(e) *Was the Hudson Mezzanine transaction a proprietary transaction?*

(f) *What did you understand the phrase "for the desk" to mean?*

(g) *Was the purpose of the transaction described in Mr. Ostrem's email to enable the ABS desk to reduce cash or swap positions (and the risk associated with those positions) that the ABS desk held? If not, what was the purpose of the transaction?*

(h) *Identify any committee or individual at Goldman that approved this transaction.*

(i) *Identify any employee of Goldman or its affiliates and any third parties who were involved in the identification and selection of the assets referenced in the Hudson Mezzanine transaction and describe in detail the nature of their involvement.*

(j) *List the criteria used to identify and select the assets that were referenced in the Hudson Mezzanine transaction.*

(k) *Based on your knowledge or belief, identify the reasons why Hudson Mezzanine was "a trade [Goldman] need[ed] to execute for the desk over the next 4-6 weeks."*

(l) *Based on your knowledge or belief, identify the reasons why the Hudson Mezzanine transaction "involve[d] selling half the equity (at least 30mm to sell) and the seniors and the mezz (at least half the BBBs to get true sale)."*

(m) *Was the Camber 7 transaction delayed to develop the Hudson Mezzanine transaction? If so, explain why.*

Previous Answer: I did not receive the email and do not know what is meant by the various phrases the Subcommittee has quoted from that message. Though I do not have access to all of the documents that might help refresh my recollection at this time, I believe the concept referenced in this email became the Hudson Mezzanine Funding 2006-1 transaction. Other than Peter Ostrem, who sent this email, I do not remember who else was involved in the origination, formulation, design, approval or implementation of this transaction, or in the sale of securities issued by the Hudson Mezzanine. I do not recall having any role in that process, other than perhaps providing pricing for the ABX Index, and do not remember whether anyone else on the ABS desk had such a role. I do not know who approved the transaction or selected its referenced assets, or what the criteria for selection were. I believe that the purpose of the transaction was to provide clients interested in purchasing subprime risk exposure with a diversified portfolio that included CDS from the single names that were included in the 06-1 and 06-2 ABX Index and other single name CDS which, if attractive to investors, could also reduce the ABS trading desk's long position in the ABX Index. I do not know what the Subcommittee means by the term "proprietary," but this was not a proprietary transaction as I understand the meaning ascribed to that term by Goldman and the broader Wall Street community. I do not recognize the name "Camber 7."

Supplemental Answer: The previous answer is accurate. I do not recall having an active role in the origination, formulation, design, approval or implementation of Hudson Mezzanine Funding 2006-1, or in the sale of securities issued by that transaction. Having reviewed additional documents regarding the transaction, it appears that I passed along information and a point of contact for the transaction to another Goldman employee, and that I may have also provided pricing levels for the ABX Index, which may have been used by the Goldman employee(s) in charge of pricing the transaction. I am not sure how others at Goldman prioritized the motivations for performing the Hudson transaction, but I continue to believe the purpose was as I described above. I, along with most other Wall Street professionals I know, define the term "proprietary trading" to include only those trades which involve no customers. Under that definition, street facing desks like Goldman's ABS and CDO desks do not engage in proprietary trading.

12. *Question: A Goldman graph entitled "RMBS Subprime Notional History" is Exhibit 56(a) in the Subcommittee's hearing on April 27, 2010. It shows that Goldman had a net short position of approximately $8 billion on a notional basis in November 2006 (hereafter the "short position") on the ABX AAA index (hereafter "ABX AAA").*

(a) *When did Goldman's short position in ABX AAA first reach approximately $8 billion on a notional basis?*

(b) *Who within Goldman had knowledge of the full extent of the notional short position in ABX AAA during FY 2006 and FY 2007?*

(c) *Who was responsible for reviewing and approving the size of the short position in ABX AAA?*

(d) *Whose capital was used to acquire the approximately $8 billion notional short position in ABX AAA?*

(e) *Did you understand the short position to be a Goldman proprietary position?*

(f) *Did the approximately $8 billion notional short position in ABX AAA include the short positions in ABX AAA held by the desks under the control of Messrs. Gasvoda, Nichols, and Finck?*

(g) *When did Goldman begin to monetize the $8 billion notional short position in ABX AAA? How was that accomplished?*

Previous Answer: The graph entitled "RMBS Subprime Notional History" is misleading to the extent that it purports to amalgamate positions that cannot be offset against one another from a risk management perspective. *See* Transcript of Proceedings, United States Senate, Permanent Subcommittee on Investigations, April 27, 2010, at 75-76. Combining these very different positions in this way does not reflect the firm's position or what would happen to the firm's profit and loss statement to the extent the market moved up and down. I do not have access to the records necessary to determine when Goldman's short position in ABX AAA reached any particular level on a notional basis, and do not believe this number to be particularly meaningful from a risk management perspective. I cannot answer the question further as I did not take those records with me when I left Goldman. Goldman would be better able to provide the details asked for in this question.

Supplemental Answer: The previous answer is accurate. To explain further, the graph entitled "RMBS Subprime Notional History" is misleading in the context for which it was used at the Permanent Subcommittee on Investigations ("PSI") hearing for two reasons. First, the graph fails to include non-synthetic positions, like cash and loans, some of which were hedged by the short positions noted in the graph. As these excluded positions are long positions, this graph is an incomplete depiction of the risk position held in the Mortgage Department at any given time, overstating the extent to which the Department was short the market. Second, as noted previously, the graph purports to amalgamate positions that cannot be offset against one another from a risk management perspective. As such, I believe that this graph is not particularly meaningful from a risk management perspective and does not accurately depict how long or short Goldman or its Mortgage Department was during 2007. While the chart which is PSI Exhibit #162 (Goldman Sachs Mortgage Department Total New Short Position, February - December 2007 in $ Billions (Including All Synthetic and Cash Positions in Mortgage Related Products), Prepared by the U.S. Senate PSI, April 2010) appears to fix the first of these problems, even it does not account for the second problem, as it too amalgamates positions that cannot be offset against one another from a risk management perspective. For example, one cannot tell from this amalgamated position alone whether the firm would make or lose money in a declining market.

We appreciate this opportunity to supplement the record. Should you have any further questions, please contact me.

Sincerely,

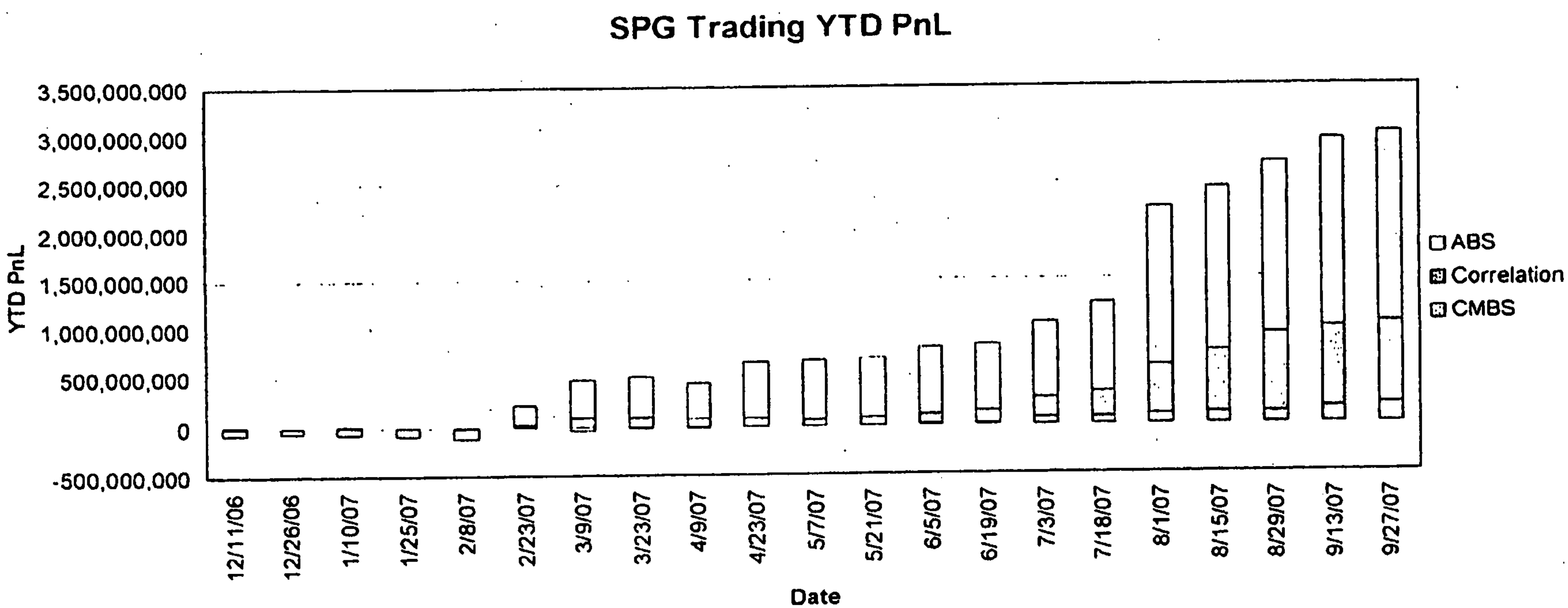
Peter H. White/KEK

Peter H. White

SPG Trading - 2007

Highlights: Revenue

- YTD: $3.0Bln, with revenue growing steadily over the year with little fluctuation. RMBS-related revenues: #1 on the street by a wide margin. #2 in the world behind Paulson Partners.



Highlights: Franchise

- #1 Franchise on the street, perceived as *the* thought leaders by the customer base.
- Largest market share: est 30-40%
- Voted #1 franchise in ABS CDS based on *Risk Magazine* end user survey of institutional investors.

Highlights: Assumed responsibility for CDOs

- SPG Trading assumed responsibility for the CDO business and risk while the market was collapsing, helping mitigate losses and reduce risk (Warehouse and retained positions) before our competitors.

- Results out of DB, Citi, UBS, Bear, Lehman, etc. all bear evidence that we were far ahead of our competition in marking down positions and moving CDO risk before the market cratered and came to a standstill post-BSAM.

Potential qualifications

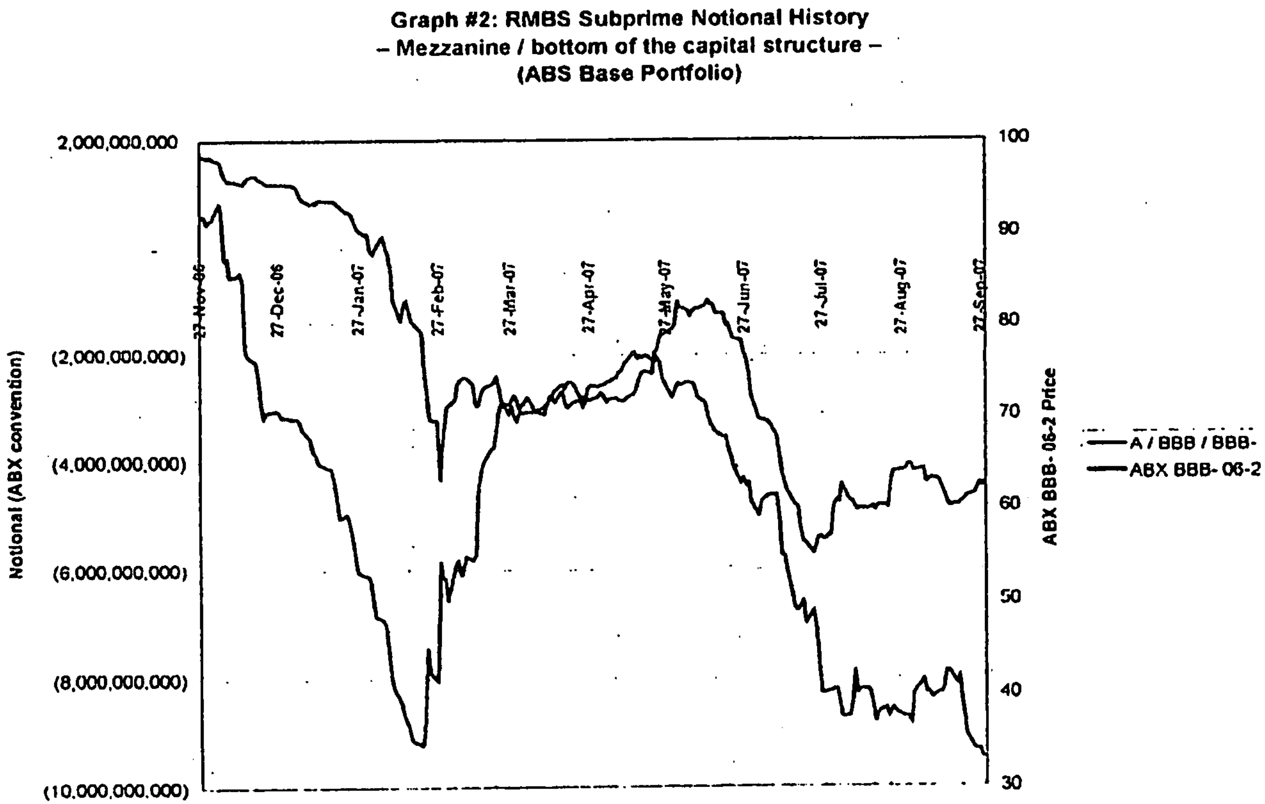
- 1. “2007 was a unique event, desk made money primarily from a single short trade, results not likely to be repeatable.”
- 2. “SPG trading would not have been permitted to be as short, if management was not attempting to offset risk in retained longs in other parts of department.”
- 3. “Revenue was achieved taking very significant risk. Results less impressive when risk-adjusted.”
- 4. “Discussing a HFE (hedge fund equivalent) percentage payout is inappropriate because much of the revenue came from the franchise, i.e. sitting in the seat.”
- 5. “Cannot pay SPG trading team based on stand-alone p&l, must consider the results for the entire mortgage department.”

Responses to qualifications

- 1. "2007 was a unique event, desk made money primarily from a single short trade, results not likely to be repeatable."

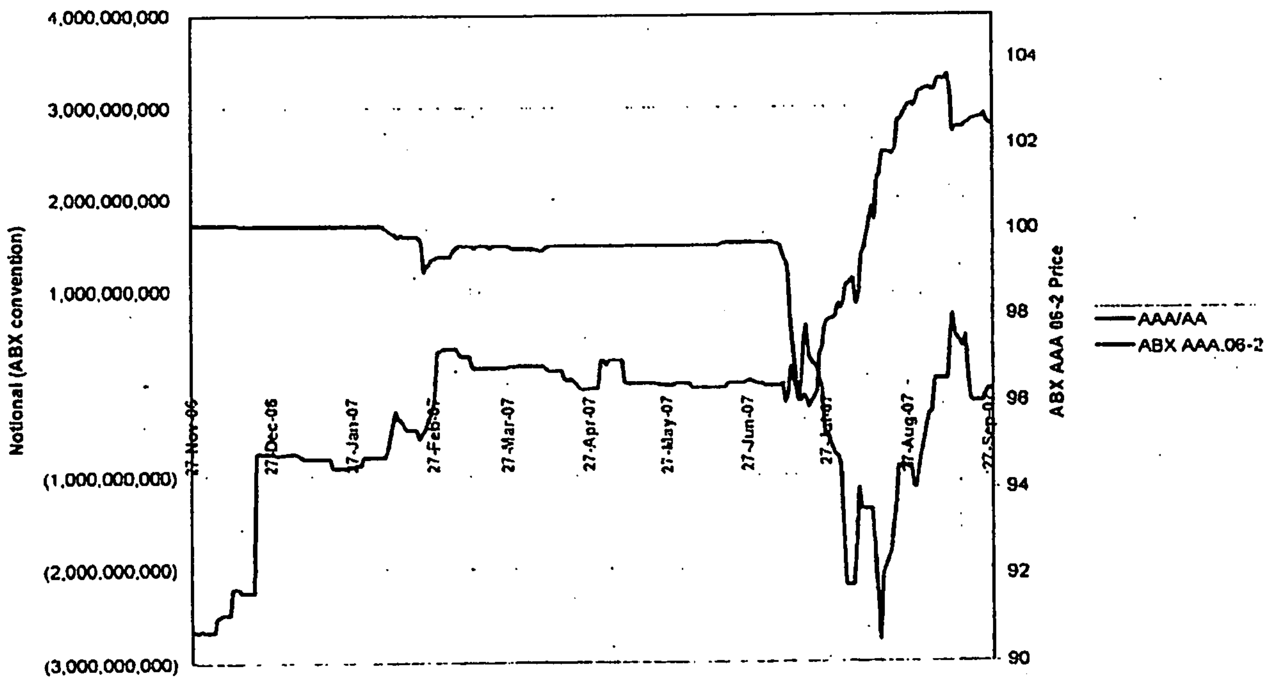
- FALSE. Revenues in 2007 were diversified across many different strategies (directional both long and short, capital structure, index/SN basis, tiering, ideosyncratic, flow trading). We switched direction several times with well-timed calls relative to subsequent market moves (Graphs #1, #2). Most of these opportunities are in place for 2008. Revenue projection for 2008 is $1.2 Bln reflecting a diverse set of opportunities. The opportunity set is much more than simply buying/trading distressed.

Graph #1


Graph #2: RMBS Subprime Notional History
– Mezzanine / bottom of the capital structure –
(ABS Base Portfolio)
2,000,000,000
(2,000,000,000)
(4,000,000,000)
(6,000,000,000)
(8,000,000,000)
(10,000,000,000)
Notional (ABX convention)
100
90
80
70
60
50
40
30
ABX BBB- 06-2 Price
27-Nov-06
27-Dec-06
27-Jan-07
27-Feb-07
27-Mar-07
27-Apr-07
27-May-07
27-Jun-07
27-Jul-07
27-Aug-07
27-Sep-07
A / BBB / BBB-
ABX BBB- 06-2

Graph #2

Graph #1: RMBS Subprime Notional History
– Top of the capital structure –
(ABS Base Portfolio)



Responses to qualifications

- 2. "SPG trading would not have been permitted to be as short, if management was not attempting to offset risk in retained longs in other parts of department."

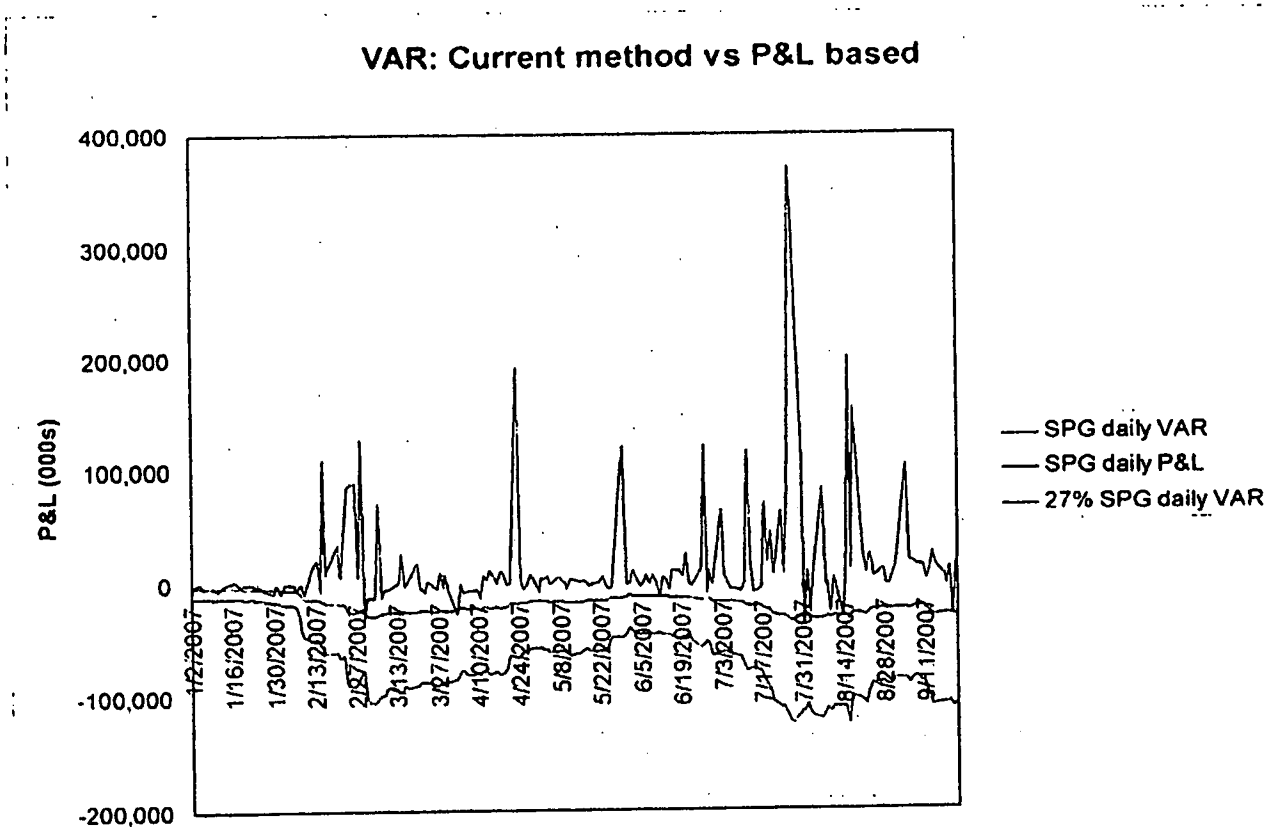
- FALSE. This statement is inconsistent with how the position evolved. By June, all retained CDO and RMBS positions were identified already hedged. As Graph #1 indicates, SPG trading re-initiated shorts post BSAM unwind on an outright basis with no accompanying CDO or RMBS retained position longs. In other words, the shorts *were not a hedge*.

Responses to qualifications

- 3. "Revenue was achieved taking very significant risk. Results less impressive when risk-adjusted."

  FALSE. SPG Trading's largest down day in 2007 was ($38mm) and SPG trading NEVER came close to losing more money than the daily VAR (Graph #2). In fact, to lose more money than the daily VAR 1 out of 20 times, SPG trading reported VAR would have to be 27% of the what has been reported. The ratio of profit / empirical VAR likely higher for SPG Trading than for the firm as a whole.

Graph #3


VAR: Current method vs P&L based
P&L (000s)
400,000
300,000
200,000
100,000
0
-100,000
-200,000
1/2/2007
1/16/2007
1/30/2007
2/13/2007
2/27/2007
3/13/2007
3/27/2007
4/10/2007
4/24/2007
5/8/2007
5/22/2007
6/5/2007
6/19/2007
7/3/2007
7/17/2007
7/31/2007
8/14/2007
8/28/2007
9/11/2007
SPG daily VAR
SPG daily P&L
27% SPG daily VAR

Responses to qualifications

- 4. "Discussing a HFE (hedge fund equivalent) percentage payout is inappropriate because much of the revenue came from the franchise, i.e. sitting in the seat."

- FALSE. If the seat is so valuable, why did no other street firm come close to our performance?

Responses to qualifications

- 5. "Cannot pay SPG trading team based on stand-alone p&l, must consider the results for the entire mortgage department."

- TRUE. SPG trading recognizes that compensation needs to fit rationally within the confines of the Mortgage Department compensation pool.

Proposed Mortgage Department Compensation Breakdown

- SPG trading accounts for 250%-300% of the department's revenue.
- SPG trading seeks ~150mm total comp pool, or roughly 40%-50% of the estimated department-wide pool.
- 141mm equates to a 4.0% payout on estimated revenues.
- The 4 businesses consisting of SPG Trading, CDOs, Resi Prime, Resi Credit account for 76% of dept revenue. Total proposed compensation for 4 businesses = $240mm = 66% of dept revenue.
- Proposed net profit = $441mm vs $316mm in 2006.
- Proposed net profit margin = 36% vs 35% in 2006.

Proposed Mortgage Department Compensation Breakdown

	2006	2007								
	Q1-Q4 Actual	Q1-Q4 Budget	Q1-Q3 Actual	Sep Actual	Oct-Nov Estimated	Q4 Estimated	Q1-Q4 Estimated	% of Dept	% payout	Notes
Net Revenues	[illegible]	[illegible]	840	121	200	371	1211	100%		
[illegible] Res Prime			478	-6	0	-5	481	74%		
Res Credit			686	36	0	36	722	60%		
CRE Loan Trading			68	8	0	8	[illegible]	5%		
ABS Loans & Finance			34	-1	0	-1	[illegible]	3%		
SPG Trading			2701	201	250	451	3202	268%		
CDO			-1498	-15	0	-15	-1513	-125%		
Warehouse Lending			16	1	0	1	[illegible]	2%		
Europe			41	[illegible]	0	0	40	3%		
Advisory			2	0	0	0	2	0%		
GSSG Transfers			28			0	28	2%		
Other			66			0	66	5%		
Res Prime+Res Credit+SPG+CDO							926	76%		
Mtg Dept Net Comp Exp	257	260	217				362	100%		
Origination										
Res Prime traders							29	8%		manual
CDO Desk traders							6	1%		manual
Other [illegible]							[illegible]	10%		comm 15% [illegible]
Archon							41	11%		current accrual rate
CRE Loan Trading							[illegible]	6%		current accrual rate
ABS Loans & Finance							[illegible]	4%		current accrual rate
SPG Trading							141	39%	4.0%	manual
Warehouse Lending							4	1%		current accrual rate
Europe							1	0%		current accrual rate
Advisory							[illegible]	[illegible]		current accrual rate
Other							(1)	[illegible]		manual
[illegible]										
[illegible]										
[illegible] Structuring & Analytics										
Res Prime+Res Credit+SPG+CDO							[illegible]	68%		
Mtg Dept Net Comp Ratio	[illegible]	[illegible]	[illegible]				[illegible]			
Other Expenses	321	355	300				408			
Total Expenses	[illegible]	[illegible]	[illegible]				770			
Net profit	316	427	[illegible]				441			
Profit margin	[illegible]	[illegible]	[illegible]				[illegible]			

RESPONSES TO QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations

to

FABRICE P. TOURRE
Executive Director
Structured Products Group Trading
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS:
THE ROLE OF INVESTMENT BANKS
April 27, 2010

SUPPLEMENTAL QUESTIONS FOR THE RECORD
FROM
SENATOR CARL LEVIN
Permanent Subcommittee on Investigations
to
FABRICE P. TOURRE
Executive Director
Structured Products Group Trading
The Goldman Sachs Group, Inc.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
WALL STREET AND THE FINANCIAL CRISIS: THE ROLE OF INVESTMENT BANKS
April 27, 2010

Please provide answers to the following questions by June 15, 2010:

1. (a) In the sale of the securities in the Abacus 2007-AC1 transaction ("transaction"), was Goldman Sachs ("Goldman") a placement agent?

   (b) Who was the issuer of any securities; what was the issuer's relationship to Goldman; who established the issuer; and who requested the establishment of the issuer?

   (c) In the sale of any securities, how and by what means did Goldman bring the specific securities to the attention of a client or potential investor? Identify each client or potential investor to whom Goldman presented the transaction, describe each communication with that client, and state the substance of each communication. (In lieu of stating the substance of a communication, you may provide a copy of the communication.)

   (d) Provide copies of any offering circular or memorandum, mortgage capital committee memo, pitch book or marketing flip book or similar materials regarding the structuring or sale of interests (including securities) in the transaction. It is not necessary to provide duplicates of the same material, but provide the identity of all persons who received such material.

   (e) Did Goldman advise potential investors whether it had taken steps or planned to use the offering to reduce its own inventory of RMBS or CDO securities or other holdings?

   (f) Did Goldman conduct a suitability analysis in connection with soliciting clients or potential investors to purchase securities issued in the transaction? If so, describe the suitability analysis conducted for each investor that purchased these securities. If

Goldman retained a written record that reflects that such a analysis was conducted provide a copy.

2. (a) In what capacity did Goldman act for Paulson & Co. (together with any of its affiliates, "Paulson") with respect to the Abacus 2007-AC1 transaction or a Credit Default Swap transaction that referenced any or all of the same entities or securities that were referenced in the Abacus 2007-AC1 transaction? Describe in detail Goldman's relationship to Paulson with respect to those transactions, its obligations to Paulson, the nature and amount of any fees or compensation received by Goldman from Paulson relating to those transactions, and whether Goldman advised investors or potential investors in Abacus 2007-AC1 of the existence and nature of its relationship with Paulson.

   (b) If Goldman did so advise investors or potential investors of the nature or existence of the Paulson relationship, identity who so advised investors or potential investors, the date on which that person so advised investors or potential investors, the identity of the investors or potential investors so advised, the manner (i.e. verbal or in writing) in which the person was advised, and the substance of the communication (and, if in writing, provide a copy of the communication).

3. During your appearance before the Subcommittee on April 27, 2010, you engaged in the following exchange with Senator Levin:

   Senator Levin. You did not disclose to ACA that Paulson was on the short side of this deal. Is that correct?

   Mr. Tourre. I did mention to ACA that the expectation was that Paulson was going to buy protection on senior layers of risk in the transaction.

   Senator Levin. That they were going to be only on the short side.

   Mr. Tourre. Yes. (Transcript, pp. 210-211)

   Describe in detail what information was provided to ACA regarding the fact that Paulson was going to be only on the short side, identify to whom at ACA the information was provided, and identify each Goldman representative who provided that information.

4. (a) Did you or any representative of Goldman state to ACA that Paulson would not be an equity investor or otherwise not take any long position in or with respect to the Abacus 2007- AC1 transaction?

(b) If your answer to Question 4(a) is "yes," describe in detail what information was provided to ACA, identify to whom at ACA the information was provided, and identify each Goldman representative who provided that information.

5. Provide a list of any Abacus bonds, from Abacus 2007-AC1 or other Abacus transactions, that Goldman repurchased from the market. List each bond by name, size, and the party from whom it was repurchased.

6. Provide a list of all CDOs containing bonds from Abacus 2007-AC1 or other Abacus transactions. List each bond by name, size, and the CDO that purchased the bond.

7. Provide any document possessed by, generated by, or provided to you related to obtaining a credit rating related to any Abacus transaction by any credit rating agency, including any correspondence, emails, memoranda, or other analysis or exchanges of information.

8. Describe in detail your understanding of Goldman's legal duties of disclosure, pursuant to securities laws and regulations, including rules prescribed by the SEC or FINRA, to purchasers of securities when Goldman acts in any of the following capacities: (a) market maker; (b) underwriter; (b) placement agent; (d) broker (when making a solicitation or recommendation of a security); or (e) a dealer. Include your definition of a "market maker."

9. (a) Does the fact that an investor or a potential investor with whom Goldman is transacting business is an "accredited" investor, a "qualified institutional buyer" or a "qualified purchaser" (as those terms are used in the U.S. federal securities laws) affect the duties and obligations of Goldman when acting in any of the capacities described in Question 8? If so, describe how any of Goldman's duties when acting in any of these capacities are affected by the status of the investor or potential investor.

   (b) Does Goldman have a duty to conduct a suitability analysis when making a recommendation to any of the types of investors listed in Question 9(a)? If so, describe the nature and extent of the analysis to be conducted.

   (c) Does Goldman owe a duty to disclose any adverse interest that it may have when recommending a security to any of the types of investors listed in Question 9(a)?

✧ ✧ ✧

Responses of Mr. Fabrice P. Tourre to the
Supplemental Questions for the Record of the Permanent Subcommittee on Investigations

1. (a) In the sale of the securities in the Abacus 2007-AC1 transaction ("transaction"), was Goldman Sachs ("Goldman") a placement agent?

As explained in the ABACUS 2007-AC1 offering circular, which I believe was produced previously to the Subcommittee staff, Goldman, Sachs & Co. ("Goldman Sachs") acted as the Initial Purchaser and underwriter, Goldman Sachs Capital Markets, L.P. acted as the Protection Buyer and Basis Swap Provider and Goldman Sachs International acted as the Collateral Put Provider. I do not know if Goldman Sachs was considered a "placement agent."

(b) Who was the issuer of any securities; what was the issuer's relationship to Goldman; who established the issuer; and who requested the establishment of the issuer?

The co-issuers of securities for the ABACUS 2007-AC1 transaction were ABACUS 2007-AC1, Ltd. and ABACUS 2007-AC1, Inc., special purpose vehicles ("SPVs") established by or at the request of a Goldman Sachs affiliate for the purpose of the transaction.

(c) In the sale of any securities, how and by what means did Goldman bring the specific securities to the attention of a client or potential investor? Identify each client or potential investor to whom Goldman presented the transaction, describe each communication with that client, and state the substance of each communication. (In lieu of stating the substance of a communication, you may provide a copy of the communication.)

In connection with ABACUS transactions, both the syndicate group and the sales force within the Mortgage Department assisted in distributing offering materials to Goldman Sachs clients and potential investors. In addition, Goldman Sachs salespeople were sometimes approached, via phone or e-mail, by clients or potential clients interested in purchasing securities. Offering materials were often transmitted via e-mail, and hard copies were also often sent via U.S. Mail or Federal Express. With respect to the ABACUS 2007-AC1 transaction, ACA Management LLC ("ACA") was contacted to serve as portfolio selection agent and potential investor. I also recall that IKB Deutsche Industriebank AG ("IKB") was approached to determine their interest in potentially investing in the transaction. As I did not work in the syndicate or sales aspect of Goldman Sachs' business, I do not know the identity of each client or potential investor to whom Goldman Sachs presented the 2007-AC1 transaction. To the extent that such communications are memorialized, they would likely be in documents maintained by Goldman Sachs. I believe that some of these documents have been produced to the Subcommittee by Goldman Sachs.

(d) Provide copies of any offering circular or memorandum, mortgage capital committee memo, pitch book or marketing flip book or similar materials regarding the structuring or sale of interests (including securities) in the transaction. It is not necessary to provide duplicates of the same material, but provide the identity of all persons who received such material.

I believe that the requested materials previously were produced to the Subcommittee staff.

Neither I nor, to my knowledge, Goldman Sachs recorded in a single file or central location each instance in which offering materials were transmitted to potential investors.

Regarding the mortgage capital committee memo, I do not know the identity of all persons who received this memo. A partial list of intended recipients may be found on the memo itself, which I believe has already been produced to the Subcommittee.

(e) Did Goldman advise potential investors whether it had taken steps or planned to use the offering to reduce its own inventory of RMBS or CDO securities or other holdings?

I recall that the ABACUS 2007-AC1 transaction was not planned to reduce Goldman Sachs' "inventory of RMBS or CDO securities or other assets." Although the SPV in the ABACUS 2007-AC1 transaction ultimately purchased the collateral securities from Goldman Sachs, the firm retained material economic interest in those securities.

(f) Did Goldman conduct a suitability analysis in connection with soliciting clients or potential investors to purchase securities issued in the transaction? If so, describe the suitability analysis conducted for each investor that purchased these securities. If Goldman retained a written record that reflects that such a analysis was conducted provide a copy.

I do not know the specific information sought in this Request. I believe that Goldman Sachs did, however, establish suitability requirements for transactions involving mortgage-related products, and I have no reason to believe that these requirements were not adhered to in connection with the ABACUS 2007-AC1 transaction. Generally, the investors with whom Goldman Sachs transacted in these products were large, global financial institutions, insurance companies and hedge funds with significant resources, relationships with multiple financial intermediaries, and access to extensive information and research flow. Further, as I testified to the Subcommittee, the only two investors in 2007-AC1, ACA and IKB, were institutions with significant resources and extensive experience in this market. Indeed, at the time of 2007-AC1, each institution had managed more than $16 billion of CDOs or CLOs. ACA and IKB were also both longstanding clients of Goldman Sachs and had each invested into numerous ABACUS-type transactions with Goldman Sachs prior to 2007-AC1.

2. (a) In what capacity did Goldman act for Paulson & Co. (together with any of its affiliates, "Paulson") with respect to the Abacus 2007-AC1 transaction or a Credit

Default Swap transaction that referenced any or all of the same entities or securities that were referenced in the Abacus 2007-AC1 transaction? Describe in detail Goldman's relationship to Paulson with respect to those transactions, its obligations to Paulson, the nature and amount of any fees or compensation received by Goldman from Paulson relating to those transactions, and whether Goldman advised investors or potential investors in Abacus 2007-AC1 of the existence and nature of its relationship with Paulson.

Goldman Sachs, as market maker, was facing Paulson & Co. ("Paulson") as a counterparty in several credit default swap ("CDS") transactions in which Paulson purchased credit protection on layers of risk referencing a portfolio of Baa2-rated RMBS from the 2006 and 2007 vintage. Goldman Sachs received upfront and running premium payments from Paulson as compensation for this protection. Goldman Sachs partially offset the credit risk taken in these transactions by buying CDS protection from ACA (intermediated by ABN Amro) and the SPV on the same portfolio but with either different attachment/detachment points or different settlement mechanics. Upon almost simultaneous execution of these CDS transactions, Goldman Sachs recognized trading revenue of approximately $15 million. A detailed description of the ABACUS 2007-AC1 transaction is set forth in the Mortgage Capital Committee Memorandum regarding the ABACUS 2007-AC1 transaction and Goldman Sachs' Wells Submissions to the Securities and Exchange Commission, which I believe have already been produced to the Subcommittee.

Regarding my personal knowledge about whether Goldman Sachs advised investors or potential investors of the existence and nature of its relationship with Paulson, please see my response to Request 2(b).

(b) If Goldman did so advise investors or potential investors of the nature or existence of the Paulson relationship, identity who so advised investors or potential investors, the date on which that person so advised investors or potential investors, the identity of the investors or potential investors so advised, the manner (i.e. verbal or in writing) in which the person was advised, and the substance of the communication (and, if in writing, provide a copy of the communication).

Because communications with investors or potential investors were made by many different people within Goldman Sachs, I do not know all of the detailed information necessary to respond to this Request. I do not know what information other individuals at Goldman Sachs provided to potential investors regarding the nature or existence of the Paulson relationship, who they communicated it to, or how they communicated it. I believe, however, that ACA, which invested in 2007-AC1, was fully aware of Paulson's role in suggesting securities for inclusion in the portfolio. Also, as I testified to the Subcommittee, I informed ACA that Paulson was expected to buy credit protection on some of the senior tranches of the 2007-AC1 transaction. I further note that, as disclosed in the ABACUS 2007-AC1 offering circular, Goldman Sachs Capital Markets, L.P., was the original protection buyer for the 2007-AC1 transaction but could enter into offsetting hedging transactions to convey to other parties the credit protection it purchased via CDSs with the ABACUS 2007-AC1 SPVs.

3. **During your appearance before the Subcommittee on April 27, 2010, you engaged in the following exchange with Senator Levin:**

   Senator Levin. You did not disclose to ACA that Paulson was on the short side of this deal. Is that correct?

   Mr. Tourre. I did mention to ACA that the expectation was that Paulson was going to buy protection on senior layers of risk in the transaction.

   Senator Levin. That they were going to be only on the short side.

   Mr. Tourre. Yes. (Transcript, pp. 210-211)

   Describe in detail what information was provided to ACA regarding the fact that Paulson was going to be only on the short side, identify to whom at ACA the information was provided, and identify each Goldman representative who provided that information.

As I testified on April 27, 2010, although I do not recall the exact words I used, I did inform Laura Schwartz at ACA that Paulson was expected to purchase credit protection on some of the senior tranches of the ABACUS 2007-AC1 transaction, which necessarily meant that Paulson was expected to take some short exposure in the deal. As I further testified to the Subcommittee, I never told ACA that Paulson would be an equity investor in 2007-AC1 or take any long position in the deal.

Moreover, the negotiations for this transaction occurred during a six-month period between January and June 2007. Until the CDSs between Paulson and Goldman Sachs actually closed in April and June 2007, Paulson was not obligated to purchase credit protection on any specific tranches or indeed on any tranches at all, and Goldman Sachs was not obligated to sell the protection to Paulson. Market conditions were volatile throughout this period, and all parties were free to change their views and intended positions until the transactions actually closed.

I do not know what other representatives of Goldman Sachs may have discussed with ACA.

4. (a) **Did you or any representative of Goldman state to ACA that Paulson would not be an equity investor or otherwise not take any long position in or with respect to the Abacus 2007- AC1 transaction?**

I do not recall stating to ACA that Paulson would not be an equity investor or otherwise not take any long position with respect to 2007-AC1, nor do I recall ACA ever asking me if Paulson intended to take an equity or long position in the deal. As I testified to the Subcommittee, I am surprised that ACA could ever have thought that Paulson intended to take an equity or long position, given that numerous drafts of the offering documents, as well as the final versions of those documents, made clear that the equity tranche was not being offered. Moreover, as far as I am aware, Paulson's expectation was always to purchase protection on senior layers of risk and I conveyed this expectation to Laura Schwartz at ACA.

As I further testified to the Subcommittee, ACA had every opportunity to ask questions about Paulson's position to Paulson's representatives directly. Indeed, representatives of Paulson participated in all my meetings with ACA. Moreover, ACA and Paulson had several discussions about the transaction and at least one meeting without any Goldman Sachs representatives present.

I do not know what other representatives of Goldman Sachs may have discussed with ACA.

(b) If your answer to Question 4(a) is "yes," describe in detail what information was provided to ACA, identify to whom at ACA the information was provided, and identify each Goldman representative who provided that information.

Please see my response to Request 4(a).

5. Provide a list of any Abacus bonds, from Abacus 2007-AC1 or other Abacus transactions, that Goldman repurchased from the market. List each bond by name, size, and the party from whom it was repurchased.

I am not aware of the ABACUS bonds that Goldman Sachs as a firm repurchased from the market, but I believe that Goldman Sachs could address this question. As such, this Request is properly directed to Goldman Sachs.

6. Provide a list of all CDOs containing bonds from Abacus 2007-AC1 or other Abacus transactions. List each bond by name, size, and the CDO that purchased the bond.

I am not aware of the CDOs containing bonds from 2007-AC1 or other ABACUS transactions, but I believe that Goldman Sachs could address this question. As such, this Request is properly directed to Goldman Sachs.

7. Provide any document possessed by, generated by, or provided to you related to obtaining a credit rating related to any Abacus transaction by any credit rating agency, including any correspondence, emails, memoranda, or other analysis or exchanges of information.

I do not personally maintain in readily accessible form the requested documents;[1] this Request is more properly directed to Goldman Sachs and my understanding is that Goldman Sachs is working to address this Request.

8. Describe in detail your understanding of Goldman's legal duties of disclosure, pursuant to securities laws and regulations, including rules prescribed by the SEC or FINRA, to purchasers of securities when Goldman acts in any of the following capacities: (a)

[1] I also note for the record that I am currently on paid administrative leave from Goldman Sachs International and I am not reporting to my office or performing my regular duties.

market maker; (b) underwriter; (b) placement agent; (d) broker (when making a solicitation or recommendation of a security); or (e) a dealer. Include your definition of a "market maker."

Regarding Goldman Sachs' legal duties of disclosure, I am not a lawyer and am not qualified to describe the legal duties of Goldman Sachs as a firm. Goldman Sachs has a well-established institutional review process for securities offerings that includes review of potential transactions by its Legal and Compliance departments, and I always relied on that process to ensure adequate legal disclosures.

However, my personal understanding of a "market maker" is a financial intermediary that stands ready to make an offer to buy or sell a given financial instrument whenever a seller or a buyer enters the market. A market maker connects buyers and sellers – and thereby provides critical liquidity – through its willingness and ability to commit its own capital in taking the other side of transactions that its customers wish to execute. While the transactions executed by a market maker are often initiated by a customer looking to make a specific purchase or sale, a market maker may also frequently propose transactions to its customers, based on their previously expressed investment interests or needs.

As I testified on April 27, I believe that, in my capacity as a market maker, I had a duty to serve my clients, and with respect to Goldman Sachs' role as market maker, Goldman Sachs has a duty to show prices to its clients and offer them liquidity.

With regard to the role of an underwriter and placement agent, I believe that disclosure with respect to the assets and the structure of the transaction is required, and that the specific information that underwriters and issuers have a duty to disclose is governed by disclosure rules that are meant to provide an investor with what they need to make their decision in investing in that particular product. But, as noted above, the precise nature of those disclosure obligations are best addressed by others within Goldman Sachs.

9. (a) **Does the fact that an investor or a potential investor with whom Goldman is transacting business is an "accredited" investor, a "qualified institutional buyer" or a "qualified purchaser" (as those terms are used in the U.S. federal securities laws) affect the duties and obligations of Goldman when acting in any of the capacities described in Question 8? If so, describe how any of Goldman's duties when acting in any of these capacities are affected by the status of the investor or potential investor.**

As noted above, I am not a lawyer and thus not in a position to speak with authority on the legal duties imposed on Goldman Sachs to transact business in the circumstances described above. However, I do know that Goldman Sachs has a duty to be truthful. In addition, I believe that for the sophisticated investors who dealt with my desk, such as ACA and IKB, we were able to show them more sophisticated potential transactions. However, to the extent that this request calls for a legal analysis of the implications of "accredited investor," "qualified institutional buyer" and "qualified purchaser" status under state and federal securities laws, this Request is better directed to the members of Goldman Sachs' Legal and Compliance Departments who covered my desk.

(b) Does Goldman have a duty to conduct a suitability analysis when making a recommendation to any of the types of investors listed in Question 9(a)? If so, describe the nature and extent of the analysis to be conducted.

I believe that Goldman Sachs has implemented controls to ensure that certain restricted transactions are sold only to certain types of investors, but I was not personally involved in such analysis. However, the investors with which I did business were all sophisticated institutions with significant resources and expertise in the relevant markets. As I noted in my response to Request 9(a), I believe that sophisticated investors, such as those I dealt with on my desk, may be shown more sophisticated potential transactions. To the extent that this Request calls for a legal analysis under state and federal securities laws, it is better directed to Goldman Sachs' Legal and Compliance Departments.

(c) Does Goldman owe a duty to disclose any adverse interest that it may have when recommending a security to any of the types of investors listed in Question 9(a)?

As an initial matter, I am not clear about the definition of "adverse interest" as used by the Subcommittee in this Request. In the absence of such an understanding, I am not certain that I can properly address the Request. Moreover, as I am not a lawyer, this Request is better directed to Goldman Sachs' Legal and Compliance Departments.

However, as a general matter, my understanding is that Goldman Sachs regularly discloses certain conflicts of interest that arise when Goldman Sachs assumes multiple roles in a transaction. I believe that such disclosure may sometimes include a description of certain adverse interests. For example, in the 2007-AC1 transaction, a Goldman Sachs affiliate, Goldman Sachs Capital Markets, L.P., was disclosed in the offering documents as the Protection Buyer that bought CDS protection from the SPV; this role as Protection Buyer meant that a Goldman Sachs affiliate had an interest adverse to investors in 2007-AC1, and this adverse interest was fully disclosed.

Regarding Goldman Sachs "recommending" a security, I am unclear about the definition of "recommending" as used by the Subcommittee; as I understand the term, however, I do not know whether Goldman Sachs' "recommendation" of a security impacts its duties of disclosure.

1. (a) In the sale of the securities in the Abacus 2007-AC1 transaction ("transaction"), was Goldman Sachs ("Goldman") a placement agent?

Goldman, Sachs & Co. acted as the Initial Purchaser and underwriter, Goldman Sachs Capital Markets, L.P. acted as the Protection Buyer and Basis Swap Provider and Goldman Sachs International acted as the Collateral Put Provider

(b) Who was the issuer of any securities; what was the issuer's relationship to Goldman; who established the issuer; and who requested the establishment of the issuer?

Please see Mr. Tourre's response to this Question and Goldman Sachs' response to Question 2(a) posed to Mr. Blankfein.

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Tourre 1(c) & (d):

1. (c) In the sale of any securities, how and by what means did Goldman bring the specific securities to the attention of a client or potential investor? Identify each client or potential investor to whom Goldman presented the transaction, describe each communication with that client, and state the substance of each communication. (In lieu of stating the substance of a communication, you may provide a copy of the communication.)

1. (d) Provide copies of any offering circular or memorandum, mortgage capital committee memo, pitch book or marketing flip book or similar materials regarding the structuring or sale of interests (including securities) in the transaction. It is not necessary to provide duplicates of the same material, but provide the identity of all persons who received such material.

Blankfein 2(b):

2. Provide the following information regarding the sale of securities in each of the following transactions (each of which is hereinafter referred to in this question as a "Transaction" or, collectively, "the Transactions"): Abacus 2007-AC1; Anderson Mezzanine Funding 2007-1; Camber 7; Fort Denison Funding; Hudson Mezzanine Funding 2006-1; Hudson Mezzanine Funding 2006-2; Point Pleasant Funding 2007-1; and Timberwolf I.

. . .

(b) In the sale of any securities, how and by what means did Goldman bring the specific securities to the attention of a client or potential investor? Identify each client or potential investor to whom Goldman presented any of the Transactions, describe each communication with that client, and state the substance of each communication. (In lieu of stating the substance of a communication, you may provide a copy of the communication.)

The requested materials for ABACUS 2007-AC1 were previously produced to the Subcommittee staff. The following chart sets forth the production numbers of the requested materials.

Transaction Document	Production Number
Offering Circular	GS MBS-E-013100361 – 13100556
Term Sheet	GS MBS-E-019710908 – 19710916; GS MBS-E-002507886 – 2507894
Flip Book	GS MBS-E-005954146 – 5954211; GS MBS-E-002407580 – 2407645
Mortgage Capital Committee Memo	GS MBS-E-005974542 – 5974549

As discussed with the Subcommittee staff, Goldman Sachs also encloses a CD-ROM containing e-mail (bearing production numbers GS-MBS-E-021019055 – 21020015) from October 1, 2006 through December 31, 2007 reflecting communications concerning potential investors to whom Goldman Sachs marketed ABACUS 2007-AC1.[1] Goldman Sachs notes that in general the firm marketed CDOs solely to qualified purchasers within the meaning of Securities and Exchange Commission Rule 144A, and that the firm's salespeople discussed securities via phone or e-mail with clients or potential clients known to have an interest in the particular products in which they dealt. Marketing materials were often transmitted, upon request, to interested clients or potential clients via e-mail. Hard copies were sent via U.S. Mail or Federal Express.

Goldman Sachs also notes that it previously produced to the Subcommittee a spreadsheet (bearing production number GS MBS 0000038771) listing investors to whom Anderson Mezzanine Funding 2007-1, Camber 7, Fort Denison Funding, Hudson Mezzanine Funding 2006-1, Hudson Mezzanine Funding 2006-2, Point Pleasant Funding 2007-1 and Timberwolf I were marketed.

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1 To locate these communications, Goldman Sachs reviewed e-mail sent to or from the Exchange user accounts of Goldman Sachs employees from the period October 1, 2007 through December 31, 2007 containing the search terms "collateral disposal agent" and "ABACUS."

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6. Provide a list of all CDOs containing bonds from Abacus 2007-AC1 or other Abacus transactions. List each bond by name, size, and the CDO that purchased the bond.

Goldman Sachs encloses a spreadsheet, which sets forth the initial and current mortgage-related CDOs underwritten by Goldman Sachs (bearing production numbers GS MBS 0000035823) which include bonds from Abacus 2007-AC1 or other Abacus transactions.

Current balances

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CDO Asset Details (Current)

Type of collateral	CDO Deal	Cusip	DEFAULT FLAG	Description	Current Face Amount	Intex Deal Name	Intex Tranche Name	RATING FITCH	RATING MOODY	RATING S&P	Source	SYNTHETIC	As Of	Closing Date
ABS	ADIR052	00256GAB1	N	ABAC 2005-4A A2	30,000,000.0C	ABAC054	A2	NR	Baa3	CCC-	Intex	N	17-Jun-10	15-Nov-05
ABS	ADIR052	00256PAC9	N	ABAC 2005-4A C	15,000,000.0C	ABAC054	C	NR	Ba1	CCC-	Intex	N	17-Jun-10	15-Nov-05
ABS	ALTIUS1	00256GAB1	N	ABAC 2005-4A A2	20,000,000.0C	ABAC054	A2	NR	Baa3	CCC-	Intex	N	17-Jun-10	24-Aug-05
ABS	ALTIUS1	00256GAC9	N	ABAC 2005-4A B	40,000,000.0C	ABAC054	B	NR	Ba1	CCC-	Intex	N	17-Jun-10	24-Aug-05
CMBS	ALTIUS3	00257AAC1	N	ABAC 2006-10A - C Libor+0.52% 10/2045	4,750,000.00	ABAC0610	C	NA	B2	CCC-	Intex	N	17-Jun-10	28-Sep-06
CMBS	ALTIUS3	00257AAD9	N	ABAC 2006-10A - D Libor+0.65% 10/2045	5,250,000.00	ABAC0610	D	NA	B2	CCC-	Intex	N	17-Jun-10	28-Sep-06
CMBS	ALTIUS3	00257HAB8	Y	ABAC 2006-13A - B Libor+0.43% 09/2046	11,718,750.0C	ABAC0613	B	CCC	C	CCC	Intex	N	17-Jun-10	28-Sep-06
CMBS	ALTIUS3	00257HAC6	Y	ABAC 2006-13A - C Libor+0.46% 09/2046	5,931,250.00	ABAC0613	C	CCC	C	CCC	Intex	N	17-Jun-10	28-Sep-06
CMBS	ALTIUS3	00257HAD4	Y	ABAC 2006-13A - D Libor+0.50% 09/2046	2,000,000.00	ABAC0613	D	CCC	C	CCC	Intex	N	17-Jun-10	28-Sep-06
CMBS	ALTIUS3	00257HAE2	Y	ABAC 2006-13A - E Libor+0.65% 09/2046	7,925,000.00	ABAC0613	E	CCC	C	CCC	Intex	N	17-Jun-10	28-Sep-06
CMBS	ALTIUS3	00257HAG7	Y	ABAC 2006-13A - G Libor+0.80% 09/2046	2,950,000.00	ABAC0613	G	CCC	C	CCC	Intex	N	17-Jun-10	28-Sep-06
CMBS	ALTIUS4	002578AF9	Y	ABACUS 2006-17, Ltd. (ABAC 2006-17A E)	13,500,000.0C	ABAC0617	E	NA	C	CC	Intex	N	17-Jun-10	31-May-07
CDO	DAVISQ3	002550AA9	Y	ABACUS 2004-1 Ltd (ABAC 2004-1A A)	9,687,959.33	ABAC041	A	NA	C	CCC-	Intex	N	17-Jun-10	21-Oct-04
CDO	DAVISQ3	00256LAC8	Y	ABACUS 2005-3, Ltd. (ABAC 2005-3 CS2)	5,000,000.00	ABAC053	C	NA	C	CCC-	Intex	N	17-Jun-10	21-Oct-04
CDO	DAVISQ4	002550AA9	Y	ABACUS 2004-1 Ltd (ABAC 2004-1A A)	24,219,898.32	ABAC041	A	NA	C	CCC-	Intex	N	17-Jun-10	6-Apr-05
CDO	DAVISQ4	00256LAC8	Y	ABACUS 2005-3, Ltd. (ABAC 2005-3 CS2)	8,000,000.00	ABAC053	C	NA	C	CCC-	Intex	N	17-Jun-10	6-Apr-05
ABS	DAVISQ7	00257AAA5	N	ABAC 2006-10A - A Libor+.40% 10/2045	40,000,000.0C	ABAC0610	A	AAA	Ba2	CCC-	Intex	N	17-Jun-10	5-Dec-06
ABS	DAVISQ7	00257AAB3	N	ABAC 2006-10A - B Libor+0.47% 10/2045	15,000,000.0C	ABAC0610	B	AA+	B1	CCC-	Intex	N	17-Jun-10	5-Dec-06
ABS	DAVISQ7	00257AAC1	N	ABAC 2006-10A - C Libor+0.52% 10/2045	5,000,000.00	ABAC0610	C	NA	B2	CCC-	Intex	N	17-Jun-10	5-Dec-06
ABS	FORTIU1	00256PAA3	N	ABAC 2005-4A - D Libor+2.50% 08/2046	4,500,000.00	ABAC054	D	NA	Baa1	CCC-	Intex	N	17-Jun-10	8-Mar-06
ABS	FORTIU1	00256PAB1	N	ABAC 2005-4A - E Libor+5.0% 08/2046	2,500,000.00	ABAC054	E1	NA	Baa1	CCC-	Intex	N	17-Jun-10	8-Mar-06
CMBS	FORTIU2	00257HAH5	Y	ABAC 2006-13A - H Libor+1.30% 09/2046	4,000,000.00	ABAC0613	H	CCC	C	CCC	Intex	N	17-Jun-10	7-Dec-06
CMBS	FORTIU2	002563AB0	Y	ABAC 2006-NS1A - J Libor+1.80% 08/2046	5,000,000.00	ABAC06N1	J	NA	C	CCC	Intex	N	17-Jun-10	7-Dec-06
CMBS	FORTIU2	002563AC8	Y	ABAC 2006-NS1A - K Libor+2.20% 08/2046	2,000,000.00	ABAC06N1	K	NA	C	CCC	Intex	N	17-Jun-10	7-Dec-06
CDO	GSTFIN	00256GAB1	N	ABACUS 2005-4, Ltd. (ABAC 2005-4A A2)	10,000,000.0C	ABAC054	A2	NA	Baa3	CCC-	Intex	N	17-Jun-10	20-Oct-05
CMBS	HOUTB061	00257AAA5	N	ABACUS 2006-10, Ltd. (ABAC 2006-10A A)	43,000,000.0C	ABAC0610	A	NA	Ba2	CCC-	Intex	N	17-Jun-10	2-May-06

Current balances

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CDO Asset Details (Original)

Type of Collateral	CDO Deal	Cusip	DEFAULT_FLAG	Description	Current Face Amount	Intex Deal Name	Intex Tranche Name	RATING_FITCH	RATING_MOODY	RATING_S&P	Source	SYNTHETIC	As Of	Closing Date
CMBS	ADIR052	00256GAB1	N	ABACUS 2005-4, Ltd. (ABAC 2005-4A A2)	30,000,000.00	ABAC054	A2	NA	Aaa	AAA	Intex	N	17-May-06	15-Nov-05
CMBS	ADIR052	00256PAC9	N	ABACUS 2005-4, Ltd. (ABAC 2005-4A C)	15,000,000.00	ABAC054	C	NA	A3	A+	Intex	N	17-May-06	15-Nov-05
CMBS	ALTIUS1	00256GAB1	N	ABACUS 2005-4, Ltd. (ABAC 2005-4A A2)	20,000,000.00	ABAC054	A2	NA	Aaa	AAA	Intex	N	29-May-06	24-Aug-05
CMBS	ALTIUS1	00256GAC9	N	ABACUS 2005-4, Ltd. (ABAC 2005-4A B)	40,000,000.00	ABAC054	B	NA	Aa3	AA-	Intex	N	29-May-06	24-Aug-05
CDO	ALTIUS3	00257AAC1	N	ABAC 2006-10A - C Libor+0.52% 10/2045	4,750,000.00	ABAC0610	C	NA	Aa2	AA	Intex	N	29-Jan-07	28-Sep-06
CMBS	ALTIUS3	00257AAD9	N	ABAC 2006-10A - D Libor+0.65% 10/2045	5,250,000.00	ABAC0610	D	NA	Aa3	AA-	Intex	N	29-Jan-07	28-Sep-06
RMBS	ALTIUS3	002559AB6	N	ABAC 2006-11A - A2 Libor+0.60% 09/2045	20,000,000.00	ABAC0611	A2	NA	Aa1	AAA	Intex	N	29-Jan-07	28-Sep-06
RMBS	ALTIUS3	002559AC8	N	ABAC 2006-11A - B Libor+0.78% 09/2045	19,375,000.00	ABAC0611	B	NA	Aa3	AA-	Intex	N	29-Jan-07	28-Sep-06
RMBS	ALTIUS3	002559AD4	N	ABAC 2006-11A - C Libor+1.80% 09/2045	18,750,000.00	ABAC0611	C	NA	A2	A-	Intex	N	29-Jan-07	28-Sep-06
CMBS	ALTIUS3	00257HAB8	N	ABAC 2006-13A - B Libor+0.43% 09/2046	11,718,750.00	ABAC0613	B	NA	Aa1	AA+	Intex	N	29-Jan-07	28-Sep-06
CMBS	ALTIUS3	00257HAC6	N	ABAC 2006-13A - C Libor+0.46% 09/2046	5,931,250.00	ABAC0613	C	NA	Aa2	AA	Intex	N	29-Jan-07	28-Sep-06
CMBS	ALTIUS3	00257HAD4	N	ABAC 2006-13A - D Libor+0.50% 09/2046	2,000,000.00	ABAC0613	D	NA	Aa3	AA-	Intex	N	29-Jan-07	28-Sep-06
CMBS	ALTIUS3	00257HAE2	N	ABAC 2006-13A - E Libor+0.65% 09/2046	7,925,000.00	ABAC0613	E	NA	A1	A+	Intex	N	29-Jan-07	28-Sep-06
CMBS	ALTIUS3	00257HAG7	N	ABAC 2006-13A - G Libor+0.80% 09/2046	2,950,000.00	ABAC0613	G	NA	A3	A-	Intex	N	29-Jan-07	28-Sep-06
RMBS	ALTIUS3	002560AB8	N	ABAC 2006-14A - A2 Libor+0.58% 10/2045	20,000,000.00	ABAC0614	A2	NA	Aa1	AAA	Intex	N	29-Jan-07	28-Sep-06
RMBS	ALTIUS3	002560AC4	N	ABAC 2006-14A - B Libor+0.70% 10/2045	20,000,000.00	ABAC0614	B	NA	Aa3	AA-	Intex	N	29-Jan-07	28-Sep-06
RMBS	ALTIUS3	00257MAA9	N	ABAC 2006-14A - C Libor+1.50% 10/2045	20,000,000.00	ABAC0614	C	NA	A2	A-	Intex	N	29-Jan-07	28-Sep-06
CMBS	ALTIUS4	002576AF9	N	ABACUS 2006-17, Ltd. (ABAC 2006-17A E)	13,500,000.00	ABAC0617	E	A+	A1	A+	Intex	N	30-Aug-07	31-May-07
CDO	DAVISQ3	002550AA9	N	ABACUS 2004-1 Ltd (ABAC 2004-1A A)	12,000,000.00	ABAC041	A	AAA	Aaa	AAA	Intex	N	25-May-05	21-Oct-04
CDO	DAVISQ4	002550AA9	N	ABACUS 2004-1 Ltd (ABAC 2004-1A A)	30,000,000.00	ABAC041	A	NA	Aaa	AAA	Intex	N	10-Oct-05	6-Apr-05
ABS	DAVISQ7	00257AAA5	N	ABAC 2006-10A - A Libor+.40% 10/2045	40,000,000.00	ABAC0610	A	AAA	Aaa	AAA	Intex	N	10-Oct-07	5-Dec-06
ABS	DAVISQ7	00257AAB3	N	ABAC 2006-10A - B Libor+0.47% 10/2045	15,000,000.00	ABAC0610	B	AA+	Aa1	AA+	Intex	N	10-Oct-07	5-Dec-06
ABS	DAVISQ7	00257AAC1	N	ABAC 2006-10A - C Libor+0.52% 10/2045	5,000,000.00	ABAC0610	C	NA	Aa2	AA	Intex	N	10-Oct-07	5-Dec-06
CDO	DAVISQ7	00257BAB1	N	ABAC 2006-12A - A2 Libor+.63% 07/2038	14,900,000.00	ABAC0612	A2	AA	Aa2	AAA	Intex	N	10-Oct-07	5-Dec-06
CDO	DAVISQ7	00257BAC9	N	ABAC 2006-12A - B Libor+.72% 07/2038	10,100,000.00	ABAC0612	B	AA-	Aa3	AAA	Intex	N	10-Oct-07	5-Dec-06
CDO	DAVISQ7	00257DAA9	N	ABAC 2006-12A - C Libor+1.60% - 07/2038	12,000,000.00	ABAC0612	C	NA	A3	A-	Intex	N	10-Oct-07	5-Dec-06
CDO	DAVISQ7	00257KAB1	N	ABAC 2006-15A - A2 Libor+.52% 04/2045	10,000,000.00	ABAC0615	A2_ISSUED	AAA	Aaa	AAA	Intex	N	10-Oct-07	5-Dec-06
CDO	DAVISQ7	00257KAC9	N	ABAC 2006-15A - A3 Libor+0.60% 04/2046	20,000,000.00	ABAC0615	A3_ISSUED	NA	Aa1	AAA	Intex	N	10-Oct-07	5-Dec-06
CDO	DAVISQ7	00257LAA1	N	ABAC 2006-15A - CS1 Libor+1.67% 04/2045	20,000,000.00	ABAC0615	C_SERIES1	NA	A3	A-	Intex	N	10-Oct-07	5-Dec-06
ABS	FORTIU1	00256PAA3	N	ABAC 2005-4A - D Libor+2.50% 08/2046	4,500,000.00	ABAC054	D	NA	Baa1	BBB	Intex		12-Jun-06	8-Mar-06
ABS	FORTIU1	00256PAB1	N	ABAC 2005-4A - E Libor+5.0% 08/2046	2,500,000.00	ABAC054	E1	NA	Baa1	BB+	Intex		12-Jun-06	8-Mar-06
RMBS	FORTIU2	00257WAA7	N	ABAC 2006-11A - D Libor+3.30% 09/2045	10,000,000.00	ABAC0611	D	NA	Baa1	BBB	Intex	N	9-May-07	7-Dec-06
CMBS	FORTIU2	00257HAH5	N	ABAC 2006-13A - H Libor+1.30% 09/2046	4,000,000.00	ABAC0613	H	BBB+	Baa1	BBB+	Intex	N	9-May-07	7-Dec-06
CMBS	FORTIU2	002563AB0	N	ABAC 2006-NS1A - J Libor+1.80% 08/2046	5,000,000.00	ABAC06N1	J	NA	Baa2	BBB	Intex	N	9-May-07	7-Dec-06
CMBS	FORTIU2	002563AC8	N	ABAC 2006-NS1A - K Libor+2.20% 08/2046	2,000,000.00	ABAC06N1	K	NA	Baa3	BBB-	Intex	N	9-May-07	7-Dec-06
CDO	GSCA063G	00257AAG2	N	ABACUS 2006-10, Ltd. (ABAC 2006-10 G)	4,500,000.00	ABAC0610	G	NA	A3	A-	Intex	N	21-May-07	18-Jan-07
CDO	GSTFIN	00256GAB1	N	ABACUS 2005-4, Ltd. (ABAC 2005-4A A2)	10,000,000.00	ABAC054	A2	NA	Aaa	AAA	Intex	N	24-Apr-06	20-Oct-05
CMBS	HOUTB061	00257AAA5	N	ABACUS 2006-10, Ltd. (ABAC 2006-10 A)	43,000,000.00	ABAC0610	A	NA	Aaa	AAA	Intex	N	4-Oct-06	2-May-06
ABS	LOCHS	00257AAF4	N	ABAC 2006-10A - F Libor+0.85% 10/2045	10,000,000.00	ABAC0610	F	NA	A2	A	Intex	Y	9-May-07	4-Oct-06
ABS	LOCHS	00257HAF9	N	ABAC 2006-13A - F Libor+0.70% 09/2046	7,000,000.00	ABAC0613	F	NA	A2	A	Intex	Y	9-May-07	4-Oct-06
CDO	TIMBW1	002561AD0	N	ABAC 2006-HG1A C	6,000,000.00	ABAC06H1	C	NA	A2	A	Intex	N	30-Aug-07	27-Mar-07
CDO	TIMBW1	002561AE8	N	ABAC 2006-HG1A D	9,000,000.00	ABAC06H1	D	NA	A3	A-	Intex	N	30-Aug-07	27-Mar-07

SPG Trading

Mortgages Weekly Metrics 30-November-2007

INTERNAL USE ONLY

Desk	P&L ($000) WTD	PWA	Variance %	07 YTD	YTD Annl	2006 FYE	Sales Credits 07 YTD	YTD Annl	2006 FYE
SPG Trading (Swenson, Lehman, Birnbaum)									
CMBS Securities	(20,598)	(1,356)	1420%	(91,087)	(89,368)	29,623	101,024	101,024	61,419
CMBS Synthetics	22,067	7,033	214%	387,762	380,446	18,688		n/a	-
CRE CDO	0	51	-100%	2,651	2,601	3,283		n/a	-
ABS Securities	(67,379)	(20,081)	236%	(1,111,597)	(1,090,624)	20,602	307,997	307,997	141,613
ABS Synthetics	75,446	63,873	18%	3,396,855	3,332,763	36,150		n/a	-
Property Derivatives	0	0	n/a	0	n/a	0		n/a	-
Correlation	27,304	21,270	28%	1,133,355	1,111,971	118,519	162,251	162,251	76,226
Gross Total	36,840	70,790	-48%	3,717,939	3,647,789	226,865	571,272	571,272	279,258
Exit Price	0	0	n/a	0	n/a	(52,958)	-	n/a	-
Transfers	8,113	(8)	-98111%	7,682	7,537	(10,504)	-	n/a	-
Net Total	44,953	70,782	-36%	3,725,621	3,655,326	163,403	571,272	571,272	279,258

Actual P&L as of 29-November-2007

As of 23-November-2007 (week lag)

Desk	P&L ($000) WTD	PWA	Variance %	07 YTD	YTD Annl	2006 FYE	Sales Credits 07 YTD	YTD Annl	2006 FYE
CDO/CLO	(3,150)	(33,516)	-91%	(1,745,974)	(1,713,031)	173,863	71,877	71,877	149,023

Actual P&L as of 29-November-2007

As of 23-November-2007 (week lag)

Risk Measures ($mm)*	VaR	Stress Test	SDV01
SPG Trading	83.2	596.0	(172)

As of 29-November-2007 / VaR is not additive due to portfolio diversification benefit

Balance Sheet ($m)*	Long	Limit	Short
SPG Trading	5,953	10,000	(345)

As of 29-November-2007

** Risk, and Balance Sheet include SP CDOs*

Redacted by the Permanent Subcommittee on Investigations

Commercial Mortgage Backed Securities

CMBS Cash/TRS

[redacted]

CMBS Synthetics (CMBX/CDS)

[redacted]

Asset Backed Securities

ABS Cash

In ABX, the desk had $700mm in total flows (GS buys $300mm, GS sells $400mm). Volumes picked up prior to remit data as fast money shorts coupled with dealer selling pushed the market wider. Even at these lows, we continue to see short interest. Post remits, we have seen short covering from macro accounts. We have also seen several capital structure trades put on as macro players speculate on convergence.

ABS Single-Names

Single-name volume remained light this week. The desk saw roughly $500mm in BWIC/OWIC activity. We continue to see large amounts of short interest even at these all time wides with many line items trading north of 90 points upfront. Dealers remain risk-averse in terms of offering protection.

ABS Index

In cash trading, we saw active selling up the capital structure. Real money accounts continue to sell short, AAA securities. Non-resi ABS continues to widen, specifically cards and autos. The desk saw over $1bn in non-resi cash up for the bid. Overall, the lack of liquidity has increased frustration amongst investors.

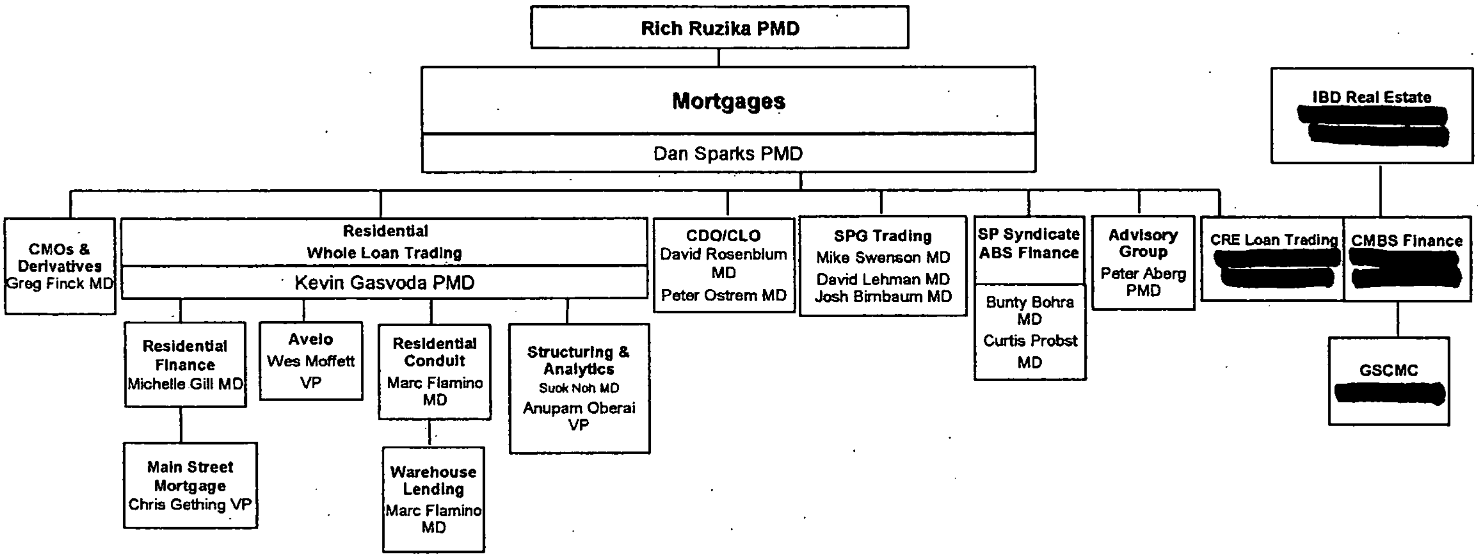
Tranche Risk

Correlation & CDO

[redacted] n Friday MS asked us to indicate the bid side for the full size of the $1.8bn ABX Quadrant super senior tranche and the $1.2bn Hudson Mezz I super senior tranche. We think MS may look to trade both positions next week.

In cash CDOs, a number of trustees have put out bid lists relating to CDOs experiencing events of default, to judge liquidation value. We have been hit on small pieces (trading has been sporadic).

North America Mortgages



= Redacted by the Permanent Subcommittee on Investigations

Prepared at the request of Counsel

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1531

From: O'Brien, Brian
Sent: Tuesday, June 27, 2006 11:26 AM
To: Cassidy, John
Cc: Peterson, Linda
Subject: RE: Conduit Sellers and u'writing guides - ~ INTERNAL

John - Do you have a full list of all approved Conduit accounts? It's important that I get all on here, and looks like two came up today that are not:

CLC Home Loans and
Comunity First Bank.

[redacted] = Redacted by the Permanent Subcommittee on Investigations

From: O'Brien, Brian
Sent: Tuesday, June 27, 2006 11:00 AM
To: Cassidy, John
Subject: FW: Conduit Sellers and u'writing guides - ~ INTERNAL

FYI - it's a read only file.

<< File: GSMC Conduit - Sellers and UW Guides 2006.xls >>

From: Gething, Christopher
Sent: Tuesday, June 27, 2006 10:56 AM
To: O'Brien, Brian; gs-whole-loan-florida; Hood, Kris
Cc: Flamino, Marc
Subject: RE: Conduit Sellers and u'writing guides - ~ INTERNAL

Let's get this to Flamino as well and let him decide how to distribute

From: O'Brien, Brian
Sent: Monday, June 26, 2006 11:22 AM
To: gs-whole-loan-florida
Subject: RE: Conduit Sellers and u'writing guides - ~ INTERNAL

The following file should be used by all TM's and CRM's to identify:

- Active Conduit Sellers
- Which underwriting guidelines are used for each Seller (and guideline exceptions).
- Sampling amounts for each Seller.

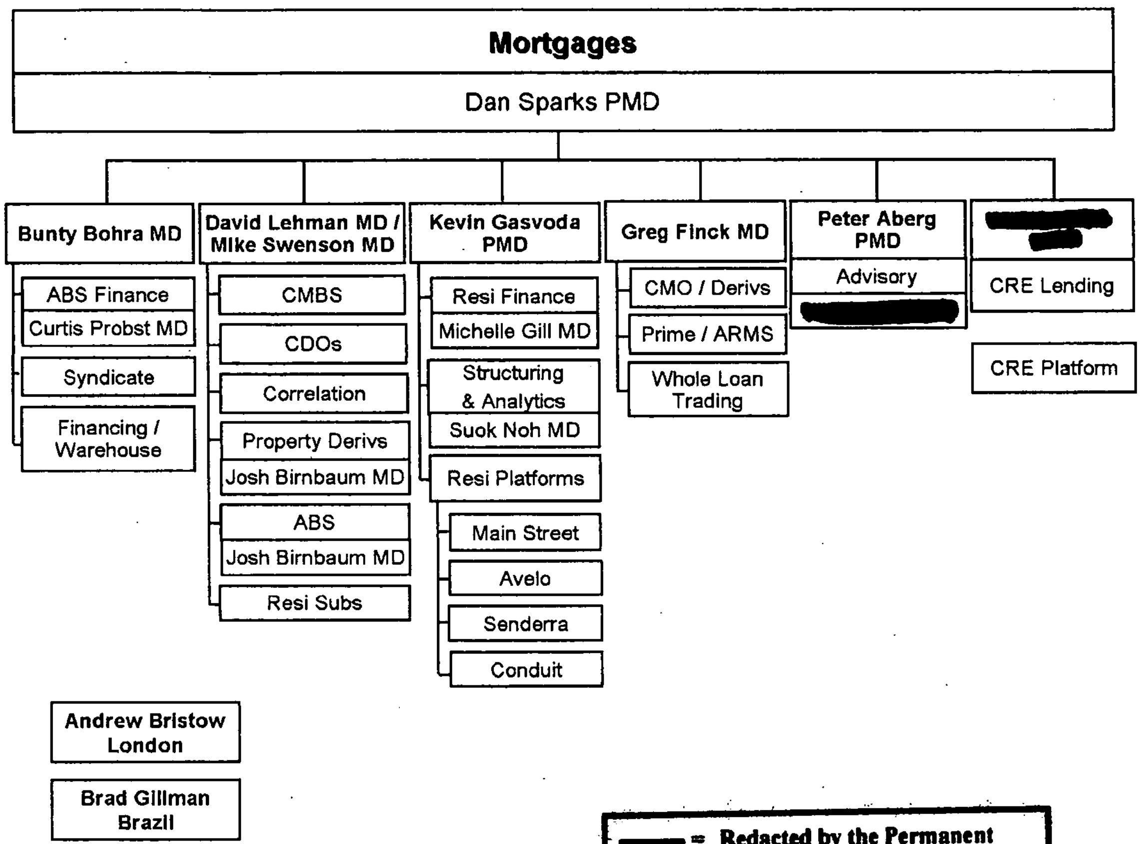
<[redacted]Obrien Brian\Conduit Underwriting\Conduit UW to sellers guides \GSMC Conduit - Sellers and UW Guides 2006.xls> Please open as a READ-ONLY and do not save the document. It should never be distributed externally.

If anyone on this list needs the file, but cannot access this link then please let me know.

thanks

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1533

Mortgages Organizational Structure



[redacted] = **Redacted by the Permanent Subcommittee on Investigations**

Public

Private

Above the wall

1

Permanent Subcommittee on Investigations

Wall Street & The Financial Crisis

Report Footnote #1539

RMBS

Trustees:
Bank of New York
Citibank
Deutsche Bank
HSBC
JPMorgan Chase Bank
LaSalle Bank
U.S. Bank
Wachovia Bank
Wells Fargo Bank

Rating Agencies:
S&P
Moody's
Fitch
DBRS
If multiple, separate by* ***comma*

Collateral Type:
Alt-A
HELOC
Option ARM
Prime Fixed
Prime Hybrid
S&D
Seconds
Subprime

RMBS

Transaction Name:	FFML 2004-FF3	FFML 2005-FF2
Closing Date	May 27, 2004	April 28, 2005
Issuer	FFMLT Trust 2004-FF3	FFMLT Trust 2005-FF2
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's, Fitch	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$982,174,000	A-1	$783,060,000
A-2A	$199,443,000	A-2A	$329,624,000
A-2B	$64,957,000	A-2B	$174,940,000
A-2C	$58,365,000	A-2C	$91,981,000
M-1	$95,775,000	M-1	$65,240,000
M-2	$79,813,000	M-2	$59,151,000
M-3	$23,944,000	M-3	$34,794,000
M-4	$21,549,000	M-4	$29,576,000
B-1	$19,156,000	M-5	$28,705,000
B-2	$17,558,000	M-6	$25,226,000
B-3	$15,963,000	B-1	$22,617,000
X	100%	B-2	$20,007,000
P	$1	B-3	$14,788,000
R	N/A	B-4	$13,048,000
		B-5	$17,397,000
		R-1	$100
		R-2	$100
		X	N/A
		P	N/A

RMBS

Transaction Name:	**FFML 2005-FF8**	**FFML 2005-FFA**
Closing Date	September 29, 2005	July 21, 2005
Issuer	FFMLT Trust 2005-FF8	FFMLT Trust 2005-FFA
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Seconds

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$304,713,000	A-1	$300,687,000
A-2A	$388,977,000	A-2A	$146,433,000
A-2B	$105,951,000	A-2B	$92,053,000
A-2C	$197,892,000	M-1	$69,618,000
A-2D	$131,311,000	M-2	$40,364,000
M-1	$101,834,000	M-3	$16,294,000
M-2	$31,778,000	M-4	$14,813,000
M-3	$46,945,000	B-1	$15,553,000
M-4	$18,778,000	B-2	$11,109,000
B-1	$20,945,000	B-3	$14,442,000
B-2	$15,889,000	B-4	$11,850,000
B-3	$12,278,000	B-5	$7,406,000
B-4	$14,444,000	X	$740,622,812
B-5	$20,945,000	X-1	N/A
R-1	$50	P	N/A
R-2	$100	R-1	N/A
R-3	$50	R-2	N/A
X	N/A		
P	N/A		
C	N/A		

RMBS

Transaction Name:	FFNT 2005-FF11	FFML 2006-FF13
Closing Date	January 23, 2006	September 28, 2006
Issuer	FFMLT Trust 2005-FF11	FFMLT Trust 2006-FF13
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$240,920,000	A-1	$241,582,000
A-2A	$162,968,000	A-2A	$266,689,000
A-2B	$65,054,000	A-2B	$121,873,000
A-2C	$62,808,000	A-2C	$115,439,000
A-2D	$71,578,000	A-2D	$48,975,000
M-1	$46,612,000	M-1	$41,491,000
M-2	$15,412,000	M-2	$38,379,000
M-3	$21,803,000	M-3	$22,820,000
M-4	$9,398,000	M-4	$19,190,000
M-5	$9,773,000	M-5	$19,190,000
M-6	$6,766,000	M-6	$17,634,000
B-1	$5,263,000	M-7	$17,115,000
B-2	$4,887,000	M-8	$14,003,000
B-3	$7,518,000	M-9	$11,410,000
R-1	$50	B-1	$10,373,000
R-2	$100	B-2	$10,373,000
R-3	$50	R	$50
X	$21,051,171	RC	$100
P	N/A	RX	$50
C	N/A	X	$20,745,778
		P	$100

RMBS

Transaction Name:	**FFML 2006-FF3**	**FFML 2006-FF4**
Closing Date	February 23, 2006	March 30, 2006
Issuer	FFMLT Trust 2006-FF3	FFMLT Trust 2006-FF4
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	A-1	$241,651,000	A-1	$631,866,000
	A-2A	$280,279,000	A-2	$517,371,000
	A-2B	$245,124,000	A-3	$67,566,000
	A-2C	$31,616,000	M-1	$54,894,000
	M-1	$33,712,000	M-2	$49,556,000
	M-2	$30,737,000	M-3	$29,734,000
	M-3	$17,847,000	M-4	$25,922,000
	M-4	$16,361,000	M-5	$24,397,000
	M-5	$14,872,000	M-6	$22,872,000
	M-6	$14,377,000	M-7	$21,348,000
	M-7	$12,890,000	M-8	$18,298,000
	M-8	$10,411,000	B-1	$12,961,000
	M-9	$7,932,000	B-2	$15,248,000
	B-1	$6,941,000	R	$50
	B-2	$9,915,000	RC	$100
	R	$50	RX	$50
	RC	$100	X	$32,783,744
	RX	$50	P	$100
	X	$16,856,656	C	$100
	P	$100		
	C	N/A		

RMBS

Transaction Name:	**FFML 2006-FF6**	**FFML 2007-FFBS**
Closing Date	May 16, 2006	April 26, 2007
Issuer	FFMLT Trust 2006-FF6	FFMLT 2007-FFB-SS
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Seconds

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A1	$144,738,000	A	$295,150,000
A2	$59,157,000	M1	$32,394,000
A3	$64,915,000	M2	$9,740,000
A4	$30,598,000	M3	$17,997,000
M1	$23,930,000	M4	$8,257,000
M2	$18,551,000	M5	$7,622,000
M3	$5,008,000	M6	$6,987,000
M4	$5,009,000	M7	$12,280,000
M5	$3,710,000	X	$33,030,324
M6	$3,154,000	P	$100
M7	$1,855,000	X1	$100
B1	$3,710,000	R	$100
X	$6,678,790		
P	$100		
C	$100		
R	$50		
RC	$100		
RX	$50		

RMBS

Transaction Name:	GPMF 2006-OH1	GSAA 2004-3
Closing Date	December 29, 2006	May 28, 2004
Issuer	GreenPoint Mortgage Funding Trust 2006-OH1	GSAA Home Equity Trust 2004-3
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$261,887,000	AV-1	$156,061,000
A-2	$109,119,000	AF-2	$96,866,000
A-3	$65,472,000	AF-3	$30,018,000
M-1	$12,948,000	AF-4	$62,106,000
M-2	$3,532,000	AF-5	$38,340,000
M-3	$2,589,000	M-1	$14,395,000
M-4	$2,590,000	M-2	$11,644,000
M-5	$2,590,000	B-1	$7,409,000
M-6	$2,354,000	B-2	$3,176,000
M-7	$3,060,000	X	N/A
M-8	$2,355,000	P	$0
R	$100	R	N/A
RC	$100		
RX	$100		
X	N/A		
P	$0		

RMBS

Transaction Name:	**GSAA 2004-4**	**GSAA 2004-5**
Closing Date	June 28, 2004	June 29, 2004
Issuer	GSAA Home Equity Trust 2004-4	GSAA Home Equity Trust 2004-5
Trustee	JPMorgan Chase Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	A1	$145,084,000	AV-1	$106,867,000
	A2A	$102,801,000	AF-2	$67,382,000
	A2B	$42,282,000	AF-3	$21,554,000
	M-1	$6,431,000	AF-4	$44,497,000
	M-2	$9,411,000	AF-5	$26,700,000
	M-3	$4,704,000	AV-2	$11,319,000
	X	$2,980,872	M-1	$8,669,000
	R	$100	M-2	$6,540,000
	P	$100	B-1	$5,932,000
			B-2	$1,825,000
			X	N/A
			P	$0
			R	N/A

RMBS

Transaction Name:	**GSAA 2004-6**	**GSAA 2004-7**
Closing Date	July 29, 2004	August 31, 2004
Issuer	GSAA Home Equity Trust 2004-6	GSAA Home Equity Trust 2004-7
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	Moodys, Fitch
Collateral Type	Alt-A	Alt-A

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	A-1	$124,177,000	AV-1	$107,665,000
	A-2	$75,359,000	AF-2	$65,734,000
	M-1	$6,312,000	AF-3	$26,718,000
	M-2	$4,708,000	AF-4	$45,360,000
	M-3	$3,423,000	AF-5	$27,275,000
	X	N/A	M-1	$5,598,000
	P	$0	M-2	$3,875,000
	R	N/A	B-1	$3,301,000
			B-2	$1,581,000
			X	N/A
			R	N/A

RMBS

Transaction Name:	**GSAA 2004-8**	**GSAA 2004-9**
Closing Date	September 23, 2004	October 28, 2004
Issuer	GSAA Home Equity Trust 2004-8	GSAA Home Equity Trust 2004-9
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A1	$96,837,000	A-1	$217,272,000
A2	$139,498,000	A-2	$114,355,000
A3-A	$197,534,000	M-1	$25,668,000
A3-B	$7,165,000	M-2	$20,739,000
M1	$12,093,000	M-3	$6,161,000
M2	$9,247,000	M-4	$5,133,000
B-1	$7,351,000	M-5	$4,928,000
B-2	$2,845,000	B-1	$3,491,000
P	$0	B-2	$4,107,000
X	N/A	P	$0
R	N/A	X	N/A
		R	N/A

RMBS

Transaction Name:	**GSAA 2004-10**	**GSAA 2004-11**
Closing Date	November 24, 2004	December 30, 2004
Issuer	GSAA Home Equity Trust 2004-10	GSAA Home Equity Trust 2004-11
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
AV1	$128,552,000	1A1	$141,041,000
AF2	$83,109,000	2A1	$188,816,000
AF3	$18,644,000	2A2	$100,000,000
AF4	$48,836,000	2A3	$11,112,000
AF5	$31,016,000	M1	$13,885,000
M1	$14,301,000	M2	$11,251,000
M2	$10,905,000	B1	$8,379,000
B1	$8,938,000	B2	$4,309,000
B2	$2,682,000	X	$3,112,161
B3	$4,290,000	P	$0
X	$6,257,500	R	$0
P	$0		
R	$0		

RMBS

Transaction Name:	**GSAA 2004-CW1**	**GSAA 2004-NC1**
Closing Date	April 29, 2004	February 26, 2004
Issuer	GSAA Trust 2004-CW1	GSAA Trust 2004-NC1
Trustee	JPMorgan Chase Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	Moody's, Fitch
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
IA-1	$16,718,000	AV-1	$48,506,000
IIA-1	$100,000,000	AF-2	$17,874,000
IIA-2	$102,068,000	AF-3	$34,264,000
IIA-3	$15,000,000	AF-4	$20,851,000
A-R	$190,424	AF-5	$23,009,000
A-X	$23,934,320	AF-6	$16,056,000
B1	$8,629,000	AV-2A	$71,370,000
B2	$2,626,000	AV-2B	$17,835,000
B3	$1,751,000	M-1	$11,584,000
B4	$1,376,000	M-2	$10,860,000
B5	$875,000	B-1	$7,963,000
B6	$875,953	B-2	$2,896,000
R	$0	X	N/A
		P	$0
		R	N/A

RMBS

Transaction Name:	GSAA 2005-1	GSAA 2005-2
Closing Date	January 28, 2005	January 28, 2005
Issuer	GSAA Home Equity Trust 2005-1	GSAA Home Equity Trust 2005-2
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
AV1	$144,436,000	1A1	$89,370,000
AV2	$40,000,000	1A2	$9,930,000
AF2	$123,802,000	2A1	$188,756,000
AF3	$32,913,000	2A2	$57,207,000
AF4	$76,351,000	2A3	$48,160,000
AF5	$46,389,000	M1	$17,191,000
M1	$16,494,000	M2	$15,226,000
M2	$12,370,000	M3	$8,596,000
B1	$6,185,000	M4	$8,595,000
B2	$5,154,000	M5	$8,595,000
B3	$5,154,000	M6	$7,367,000
X	$6,186,980	B1	$6,140,000
P	$0	B2	$6,140,000
R	$0	B3	$4,912,000
		B4	$6,385,000
		X	$8,595,811
		P	$0
		R	$0

RMBS

Transaction Name:	**GSAA 2005-3**	**GSAA 2005-4**
Closing Date	February 25, 2005	March 30, 2005
Issuer	GSAA Home Equity Trust 2005-3	GSAA Home Equity Trust 2005-4
Trustee	HSBC	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A1	$214,158,000	A1	$185,000,000
A2	$63,889,000	A2	$56,332,000
A3	$66,764,000	A3	$59,769,000
M1	$19,177,000	A4	$6,640,000
M2	$9,781,000	A5	$214,912,000
B1	$4,219,000	A6	$23,879,000
B2	$1,342,000	M1	$16,958,000
B3	$1,918,000	M2	$11,306,000
X	$2,301,932	B1	$6,248,000
P	$0	B2	$2,975,000
R	$0	B3	$2,975,000
		B4	$2,975,000
		X	$5,058,322
		P	$100
		R1	$100
		R2	$100

RMBS

Transaction Name:	**GSAA 2005-5**	**GSAA 2005-6**
Closing Date	April 28, 2005	May 27, 2005
Issuer	GSAA Home Equity Trust 2005-5	GSAA Home Equity Trust 2005-6
Trustee	HSBC	HSBC
Rating Agencies	S&P, Fitch, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A1	$392,187,000	A1	$588,972,000
A2	$91,518,000	A2	$187,119,000
A3	$77,000,000	A3	$214,886,000
A4	$59,755,000	M1	$31,186,000
M1	$27,234,000	M2	$6,990,000
M2	$17,807,000	M3	$10,753,000
M3	$15,712,000	M4	$5,376,000
M4	$3,491,000	B1	$5,376,000
B1	$3,491,000	B2	$5,376,000
B2	$3,491,000	B3	$5,376,000
B3	$3,491,000	B4	$5,376,000
X	$3,146,730	X	$8,609,664
P	$100	P	$0
R-1	$100	C	$0
R-2	$100	R-1	$100
		R-2	$100

RMBS

Transaction Name:	**GSAA 2005-7**	**GSAA 2005-8**
Closing Date	June 29, 2005	June 29, 2005
Issuer	GSAA Home Equity Trust 2005-7	GSAA Home Equity Trust 2005-8
Trustee	HSBC	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
AV-1	$306,700,000	A1	$159,755,000
AF-2	$163,242,000	A2	$48,442,000
AF-3	$46,526,000	A3	$55,732,000
AF-4	$66,316,000	A4	$256,500,000
AF-5	$64,754,000	A5	$28,500,000
M-1	$10,085,000	M1	$20,230,000
M-2	$9,389,000	M2	$4,831,000
M-3	$4,868,000	M3	$7,850,000
M-4	$4,868,000	M4	$3,321,000
M-5	$4,173,000	B1	$3,019,000
M-6	$2,086,000	B2	$3,019,000
B-1	$2,086,000	B3	$3,019,000
B-2	$1,738,000	B4	$4,529,000
B-3	$1,738,000	X	$5,136,376
B-4	$3,477,000	P	$0
X	$3,483,643	C	$0
P	$100	R-1	$100
C	$100	R-2	$100
R1	$100		
R2	$100		

RMBS

Transaction Name:	GSAA 2005-9	GSAA 2005-10
Closing Date	July 28, 2005	August 26, 2005
Issuer	GSAA Home Equity Trust 2005-9	GSAA Home Equity Trust 2005-10
Trustee	HSBC	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$119,458,000	1A1	$149,186,000
1A2	$13,273,000	2A1	$254,412,000
2A1	$393,886,000	2A2	$57,699,000
2A2	$125,468,000	2A3	$6,412,000
2A3	$132,504,000	2A4	$36,079,000
2A4	$14,722,000	2A5	$4,010,000
M1	$11,621,000	M1	$25,109,000
M2	$8,608,000	M2	$23,457,000
M3	$4,304,000	M3	$13,876,000
M4	$4,304,000	M4	$12,224,000
M5	$4,304,000	M5	$11,233,000
M6	$4,304,000	M6	$10,241,000
B1	$4,304,000	B1	$9,250,000
B2	$4,304,000	B2	$8,259,000
B3	$4,304,000	B3	$7,598,000
B4	$4,304,000	B4	$15,197,000
X	$6,890,883	X	$16,523,860
P	$100	P	$100
C	$100	C	$100
R-1	$100	R-1	$100
R-2	$100	R-2	$100

RMBS

Transaction Name:	**GSAA 2005-11**	**GSAA 2005-12**
Closing Date	September 29, 2005	October 28, 2005
Issuer	GSAA Home Equity Trust 2005-11	GSAA Home Equity Trust 2005-12
Trustee	Wachovia	HSBC
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$103,804,000	AV-1	$253,054,000
1A2	$11,534,000	AF-2	$21,174,000
2A1	$99,780,000	AF-3	$18,492,000
2A2	$11,087,000	AF-3W	$75,000,000
3A1	$300,000,000	AF-4	$64,211,000
3A2	$33,334,000	AF-5	$42,067,000
3A3	$168,833,000	AF-6	$52,666,000
3A4	$53,085,000	M-1	$7,105,000
3A5	$62,868,000	M-2	$7,105,000
M1	$23,668,000	M-3	$3,979,000
M2	$7,737,000	M-4	$3,694,000
M3	$7,282,000	M-5	$3,694,000
M4	$4,551,000	M-6	$2,842,000
B1	$4,551,000	B-1	$2,558,000
B2	$4,551,000	B-2	$1,989,000
B3	$4,551,000	B-3	$2,842,000
B4	$4,551,000	B-4	$3,126,000
X	$4,557,243	X	$2,847,284
P	$100	P	$100
C	$100	R1	$100
R-1	$100	R2	$100
R-2	$100		

RMBS

Transaction Name:	**GSAA 2005-14**
Closing Date	November 22, 2005
Issuer	GSAA Home Equity Trust 2005-14
Trustee	Wachovia
Rating Agencies	S&P, Moody's
Collateral Type	Alt-A

Capital Structure:

Tranche	Orig. Balance
1A1	$168,059,000
1A2	$18,674,000
2A1	$393,599,000
2A2	$134,713,000
2A3	$133,800,000
2A4	$14,887,000
M1	$18,554,000
M2	$8,349,000
M3	$4,638,000
M4	$4,638,000
M5	$4,638,000
M6	$4,638,000
B1	$4,638,000
B2	$4,638,000
B3	$4,638,000
X	$4,644,183
P	$100
R-1	$100
R-2	$100

RMBS

Transaction Name:	**GSAA 2005-15**	**GSAA 2005-MTR1**
Closing Date	December 29, 2005	October 28, 2005
Issuer	GSAA Home Equity Trust 2005-15	GSAA Home Equity Trust 2005-MTR1
Trustee	HSBC	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	1A1	$168,059,000	A1	$239,254,000
	1A2	$18,674,000	A2	$66,874,000
	2A1	$393,599,000	A3	$7,431,000
	2A2	$134,713,000	A4	$77,094,000
	2A3	$133,800,000	A5	$8,566,000
	2A4	$14,867,000	M1	$7,202,000
	M1	$18,554,000	M2	$6,548,000
	M2	$8,349,000	M3	$4,365,000
	M3	$4,638,000	M4	$6,329,000
	M4	$4,638,000	M5	$2,837,000
	M5	$4,638,000	B1	$3,055,000
	M6	$4,638,000	B2	$2,183,000
	B1	$4,638,000	B3	$2,401,000
	B2	$4,638,000	X	$2,404,480
	B3	$4,638,000	P	$100
	X	$4,644,183	R-1	$100
	P	$100	R-2	$100
	R-1	$100		
	R-2	$100		

RMBS

Transaction Name:	**GSAA 2006-1**	**GSAA 2006-2**
Closing Date	January 27, 2006	February 6, 2006
Issuer	GSAA Home Equity Trust 2006-1	GSAA Home Equity Trust 2006-2
Trustee	U.S. Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$498,836,000	1A1	$148,331,000
A-2	$165,814,000	1A2	$16,482,000
A-3	$176,445,000	2A1	$444,704,000
A-4	$19,606,000	2A2	$85,046,000
M-1	$13,658,000	2A3	$9,450,000
M-2	$4,554,000	2A4	$48,946,000
M-3	$4,554,000	2A5	$5,439,000
M-4	$4,554,000	M-1	$41,283,000
M-5	$4,554,000	M-2	$38,225,000
B-1	$4,555,000	M-3	$23,445,000
B-2	$4,556,000	M-4	$20,387,000
B-3	$4,555,000	M-5	$19,367,000
X	$4,554,506	M-6	$17,839,000
P	$100	B-1	$16,820,000
R-1	$100	B-2	$14,271,000
R-2	$100	B-3	$10,704,000
		B-4	$20,386,000
		X	$38,228,439
		P	$100
		R	$100
		RC	$100

RMBS

Transaction Name:	GSAA 2006-3	GSAA 2006-4
Closing Date	February 24, 2006	March 2, 2006
Issuer	GSAA Home Equity Trust 2006-3	GSAA Home Equity Trust 2006-4
Trustee	U.S. Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A1	$548,029,000	1A1	$223,080,000
A2	$186,047,000	1A2	$24,787,000
A3	$190,366,000	2A1	$81,053,000
A4	$21,152,000	3A1	$101,396,000
M-1	$16,624,000	4A1	$201,218,000
M-2	$5,038,000	4A2	$84,122,000
M-3	$5,038,000	4A3	$116,263,000
M-4	$5,038,000	B-1	$22,304,000
M-5	$5,038,000	B-2	$13,828,000
B-1	$5,038,000	B-3	$8,921,000
B-2	$5,038,000	B-4	$6,691,000
B-3	$5,038,000	B-5	$4,906,000
B-4	$5,038,000	B-6	$3,570,172
X	$5,041,393	4A-IO	$285,340,000
P	$100	P	$100
R	$100	R	$100
RC	$100	RC	$100

RMBS

Transaction Name:	GSAA 2006-5	GSAA 2006-6
Closing Date	March 30, 2006	April 28, 2006
Issuer	GSAA Home Equity Trust 2006-5	GSAA Home Equity Trust 2006-6
Trustee	U.S. Bank	U.S. Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$188,376,000	AV-1	$198,417,000
2A1	$569,877,000	AF-2	$28,298,000
2A2	$178,462,000	AF-3	$69,317,000
2A3	$193,964,000	AF-4	$58,335,000
2A4	$21,552,000	AF-5	$34,500,000
M-1	$22,819,000	AF-6	$38,886,000
M-2	$9,866,000	AF-7	$4,321,000
M-3	$6,168,000	M-1	$6,399,000
M-4	$6,168,000	M-2	$6,162,000
M-5	$6,168,000	M-3	$3,792,000
B-1	$6,168,000	M-4	$3,317,000
B-2	$6,168,000	M-5	$3,317,000
B-3	$12,334,000	M-6	$2,371,000
X	$7,402,284	B-1	$2,371,000
P	$100	B-2	$2,371,000
R	$100	B-3	$2,371,000
RC	$100	B-4	$3,081,000
RX	$100	R	$100
		RC	$100
		RX	$100
		X	$6,399,528
		P	N/A

RMBS

Transaction Name:	GSAA 2006-7	GSAA 2006-8
Closing Date	April 28, 2006	April 28, 2006
Issuer	GSAA Home Equity Trust 2006-7	GSAA Home Equity Trust 2006-8
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
AV-1	$193,351,000	1A1	$199,053,000
AF-2	$133,519,000	2A1	$599,904,000
AF-3	$43,105,000	2A2	$189,774,000
AF-4A	$82,067,000	2A3A	$197,853,000
AF-4B	$9,119,000	2A3B	$24,265,000
AF-5A	$36,832,000	M-1	$16,309,000
AF-5B	$14,409,000	M-2	$16,309,000
M-1	$8,504,000	M-3	$9,133,000
M-2	$5,484,000	M-4	$16,309,000
M-3	$2,744,000	M-5	$6,524,000
M-4	$2,744,000	B-1	$7,828,000
M-5	$2,744,000	B-2	$6,524,000
B-1	$2,744,000	B-3	$6,524,000
B-2	$2,744,000	R	$100
B-3	$3,072,000	RC	$100
R	$100	RX	$100
RC	$100	X	$8,485,206
RX	$100	P	N/A
X	$5,487,316		
P	$100		

RMBS

Transaction Name:	**GSAA 2006-9**	**GSAA 2006-10**
Closing Date	May 26, 2006	June 29, 2006
Issuer	GSAA Home Equity Trust 2006-9	GSAA Home Equity Trust 2006-10
Trustee	U.S. Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P / Moodys
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$724,918,000	AV1	$296,280,000
A-2	$237,590,000	AF2	$40,496,000
A-3	$255,442,000	AF3	$117,039,000
A-4-A	$244,624,000	AF4	$67,727,000
A-4-B	$27,181,000	AF5	$60,523,000
M-1	$28,726,000	AF6	$64,679,000
M-2	$14,363,000	M1	$9,158,000
M-3	$10,373,000	M2	$8,454,000
M-4	$12,765,000	M3	$4,931,000
M-5	$7,980,000	M4	$4,579,000
B-1	$7,980,000	M5	$3,874,000
B-2	$7,980,000	M6	$3,523,000
B-3	$7,980,000	B1	$3,523,000
R	$100	B2	$3,523,000
RC	$100	B3	$3,523,000
RX	$100	B4	$3,523,000
X	$7,979,637	X	$9,160,209
P	N/A	P	N/A
		R	$100
		RC	$100
		RX	$100

RMBS

Transaction Name:	GSAA 2006-11	GSAA 2006-12
Closing Date	June 30, 2006	July 28, 2006
Issuer	GSAA Home Equity Trust 2006-11	GSAA Home Equity Trust 2006-12
Trustee	Deutsche Bank	U.S. Bank
Rating Agencies	S&P / Moodys	S&P / Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$242,367,000	A1	$567,989,000
2A1	$707,406,000	A2A	$165,021,000
2A2	$221,428,000	A2B	$18,336,000
2A3-A	$240,727,000	A3A	$195,407,000
2A3-B	$26,748,000	A3B	$21,712,000
M1	$27,013,000	M-1	$13,975,000
M2	$13,118,000	M-2	$9,317,000
M3	$7,719,000	M-3	$10,352,000
M4	$7,719,000	M-4	$6,211,000
M5	$7,719,000	B-1	$10,352,000
B1	$7,719,000	B-2	$5,177,000
B2	$7,719,000	B-3	$5,177,000
B3	$16,208,000	X	$6,212,069
R	$100	P	N/A
RC	$100	R	$100
RX	$100	RC	$100
X	$10,034,369	RX	$100
P	$100		

RMBS

Transaction Name:	**GSAA 2006-13**	**GSAA 2006-14**
Closing Date	August 25, 2006	August 25, 2006
Issuer	GSAA Home Equity Trust 2006-13	GSAA Home Equity Trust 2006-14
Trustee	Deutsche Bank	LaSalle Bank
Rating Agencies	S&P / Moody's	S&P / Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
AV1	$181,651,000	A-1	$726,454,000
AF2	$34,050,000	A-2	$221,318,000
AF3	$78,527,000	A-3A	$277,524,000
AF4	$61,500,000	A-3B	$30,837,000
AF5	$60,721,000	M-1	$19,325,000
AF6	$46,272,000	M-2	$9,995,000
M1	$7,439,000	M-3	$12,661,000
M2	$3,720,000	M-4	$6,664,000
M3	$2,976,000	B-1	$12,661,000
M4	$2,480,000	R	$100
M5	$3,223,000	RC	$100
B1	$2,480,000	RX	$100
B2	$2,976,000	B-2	$6,664,000
B3	$2,480,000	X	N/A
R	$100	P	$100
RC	$100		
RX	$100		
X	$5,455,599		
P	$100		

RMBS

Transaction Name:	GSAA 2006-15	GSAA 2006-16
Closing Date	September 28, 2006	September 28, 2006
Issuer	GSAA Home Equity Trust 2006-15	GSAA Home Equity Trust 2006-16
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P / Moody's	S&P / Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
AV1	$222,508,000	A1	$797,539,000
AF2	$39,820,000	A2	$216,239,000
AF3-A	$78,811,000	A3_A	$302,442,000
AF3-B	$8,757,000	A3_B	$33,605,000
AF4	$62,948,000	M1	$18,878,000
AF5	$48,004,000	M2	$18,153,000
AF6	$51,206,000	M3	$10,165,000
M1	$6,286,000	M4	$9,440,000
M2	$2,736,000	M5	$14,522,000
M3	$2,736,000	B1	$8,711,000
M4	$2,736,000	B2	$7,262,000
M5	$2,736,000	B3	$7,262,000
M6	$2,736,000	R	$100
B1	$2,736,000	RC	$100
B2	$2,736,000	RX	$100
B3	$2,736,000	X	$7,987,705
B4	$2,736,000	P	$100
R1	$100		
RC	$100		
RX	$100		
X	$4,103,164		
P	$100		

RMBS

Transaction Name:	**GSAA 2006-17**	**GSAA 2006-18**
Closing Date	October 30, 2006	November 30, 2006
Issuer	GSAA Home Equity Trust 2006-17	GSAA Home Equity 2006-18
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P / Moodys	S&P / Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A1	$589,300,000	A-1	$218,347,000
A2	$155,750,000	A-2A	$25,075,000
A-3A	$223,873,000	A-2B	$2,787,000
A-3B	$24,875,000	A-3A	$76,557,000
M1	$13,899,000	A-3B	$8,507,000
M2	$13,365,000	A-4A	$50,337,000
M3	$7,484,000	A-4B	$5,593,000
M4	$6,950,000	A-5A	$25,963,000
M5	$5,346,000	A-5B	$6,491,000
M6	$5,346,000	A-6	$46,629,000
B1	$5,880,000	M-1	$11,047,000
B2	$5,346,000	M-2	$7,707,000
B3	$5,346,000	M-3	$4,367,000
R	$100	M-4	$3,597,000
RC	$100	M-5	$3,083,000
RX	$100	M-6	$2,826,000
X	$6,415,901	B-1	$4,109,000
P	$100	B-2	$2,570,000
		B-3	$3,340,000
		R	$100
		RC	$100
		RX	$100
		X	$4,881,756
		P	$100

RMBS

Transaction Name:	GSAA 2006-19	GSAA 2006-20
Closing Date	November 24, 2006	December 29, 2006
Issuer	GSAA Home Equity 2006-19	GSAA Home Equity 2006-20
Trustee	U.S. Bank	U.S. Bank
Rating Agencies	S&P / Moodys	S&P / Moodys
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A1	$452,682,000	1A1	$584,602,000
A2	$129,034,000	1A2	$158,240,000
A3-A	$172,006,000	2A1A	$144,680,000
A3-B	$19,112,000	2A1B	$16,076,000
M1	$11,231,000	A4A	$276,744,000
M2	$10,399,000	A4B	$30,750,000
M3	$6,239,000	M1	$23,925,000
M4	$4,574,000	M2	$12,286,000
M5	$4,160,000	M3	$6,467,000
M6	$4,160,000	M4	$6,467,000
B1	$4,160,000	M5	$6,467,000
B2	$4,991,000	B1	$6,467,000
B3	$4,160,000	B2	$6,467,000
R	$100	B3	$6,467,000
RC	$100	P	$100
RX	$100	X	$7,112,705
X	$4,991,428	R	$100
P	$100	RC	$100
		RX	$100

RMBS

Transaction Name:	**GSAA 2006-S1**	**GSAA 2007-1**
Closing Date	December 28, 2006	January 30, 2007
Issuer	GSAA Home Equity Trust 2006-S1	GSAA Home Equity Trust 2007-1
Trustee	Deutsche Bank	U.S. Bank
Rating Agencies	S&P / Moody's	S&P / Moody's
Collateral Type	Seconds	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
I-A-1	$240,924,000	1A1	$515,268,000
I-A-IO	$147,920,000	1A2	$199,818,000
I-M-1	$32,770,000	2A1A	$82,495,000
I-M-2	$6,520,000	2A1B	$9,167,000
I-M-3	$15,048,000	A4A	$158,851,000
I-M-4	$5,350,000	A4B	$17,651,000
I-M-5	$5,350,000	M1	$13,715,000
I-M-6	$4,180,000	M2	$12,659,000
I-M-7	$5,183,000	M3	$7,913,000
I-B-1	$5,183,000	M4	$5,802,000
I-X	$334,385,335	M5	$5,275,000
I-X-1	$100	M6	$5,275,000
I-P	$100	B1	$5,275,000
I-R	$100	B2	$5,275,000
II-A-1	$42,135,000	B3	$5,275,000
II-M-1	$6,533,000	R1	$100
II-M2	$5,576,000	RC	$100
II-M-3	$1,716,000	RX	$100
II-M-4	$3,267,000	X	$5,275,378
II-M-5	$1,319,000	P	$100
II-X	$65,991,160		
II-X-1	$100		
II-P	$100		
II-R	$100		

RMBS

Transaction Name:	**GSAA 2007-2**	**GSAA 2007-3**
Closing Date	February 23, 2007	February 23, 2007
Issuer	GSAA Home Equity Trust 2007-2	GSAA Home Equity Trust 2007-3
Trustee	Deutsche Bank	U.S. Bank
Rating Agencies	S&P / Moody's	S&P / Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
AV1	$240,623,000	1A1A	$561,842,000
AF2	$32,032,000	1A1B	$62,428,000
AF3	$115,066,000	1A2	$209,413,000
AF4A	$53,131,000	2A1A	$100,000,000
AF4B	$12,000,000	2A1B	$11,112,000
AF5A	$48,351,000	A4A	$233,360,000
AF5B	$5,373,000	A4B	$25,930,000
AF6A	$50,658,000	M1	$17,544,000
AF6B	$5,629,000	M2	$16,895,000
M1	$7,627,000	M3	$7,142,000
M2	$6,711,000	M4	$6,499,000
M3	$4,271,000	M5	$6,499,000
M4	$3,661,000	M6	$6,499,000
M5	$3,661,000	B1	$6,499,000
M6	$3,661,000	B2	$6,499,000
B1	$3,051,000	B3	$6,499,000
B2	$4,576,000	B4	$7,148,000
B3	$3,051,000	R	$100
R	$100	RC	$100
RC	$100	RX	$100
RX	$100	X	$7,798,289
X	$7,017,029	P	$100
P	$100		

RMBS

Transaction Name:	**GSAA 2007-4**	**GSAA 2007-5**
Closing Date	March 29, 2007	April 30, 2007
Issuer	GSAA Home Equity Trust 2007-4	GSAA Home Equity Trust 2007-5
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P / Moody's	S&P / Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A1	$535,274,000	1AV1	$144,477,000
A2	$143,692,000	1AF2A	$25,614,000
A-3A	$201,942,000	1AF2B	$2,847,000
A-3B	$25,381,000	1AF3A	$39,256,000
M1	$12,648,000	1AF3B	$9,815,000
M2	$11,189,000	1AF4A	$47,947,000
M3	$5,831,000	1AF4B	$5,328,000
M4	$4,866,000	1AF5A	$23,661,000
M5	$4,866,000	1AF5B	$2,629,000
M6	$4,866,000	1AF6	$8,000,000
B1	$4,866,000	1AF7A	$20,407,000
B2	$4,866,000	1AF7B	$5,102,000
B3	$6,811,000	1M1	$6,116,000
R	$100	1M2	$3,057,000
RC	$100	1M3	$2,159,000
RX	$100	1M4	$1,975,000
X	$5,837,672	1M5	$1,260,000
P	$100	1M6	$1,260,000
		1B1	$1,260,000
		1B2	$1,260,000
		1B3	$1,619,000
		1R	$100
		1RC	$100
		1RX	$100
		1X	$4,676,370

RMBS

	GSAA 2007-6	GSAA 2007-7
Transaction Name:	**GSAA 2007-6**	**GSAA 2007-7**
Closing Date	May 30, 2007	June 28, 2007
Issuer	GSAA Home Equity Trust 2007-6	GSAA Home Equity Trust 2007-7
Trustee	Deutsche Bank	U.S. Bank
Rating Agencies	S&P / Moody's	S&P / Moody's
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$275,766,000	1A1	$161,141,000
1A2	$102,718,000	1A2	$63,314,000
2A1	$112,825,000	2A1	$110,428,000
3A1A	$78,936,000	A4	$72,188,000
3A1B	$8,771,000	A5	$45,231,000
A4	$113,496,000	M1	$8,998,000
A5	$67,202,000	M2	$4,620,000
M1	$15,096,000	M3	$3,161,000
M2	$7,344,000	M4	$3,162,000
M3	$5,301,000	M5	$1,945,000
M4	$4,081,000	M6	$1,702,000
M5	$4,081,000	B1	$2,432,000
M6	$2,857,000	B2	$2,918,000
B1	$4,081,000	R	$100
B2	$4,896,000	RC	$100
R	$100	RX	$100
RC	$100	X	$5,107,189
RX	$100	P	$100
X	$8,568,478		
P	$100		

RMBS

Transaction Name:	GSAA 2007-8	GSAA 2007-9
Closing Date	July 30, 2007	September 28, 2007
Issuer	GSAA Home Equity Trust 2007-8	GSAA Home Equity Trust 2007-9
Trustee	Citibank	Citibank
Rating Agencies	S&P / Moody's	Fitch / S&P
Collateral Type	Alt-A	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A1	$118,546,000	A1A	$188,341,000
A2	$89,339,000	A1B	$12,842,000
A3	$91,082,000	A2A	$148,538,000
A4	$33,219,000	A2B	$10,128,000
M1	$6,658,000	A3A	$61,312,000
M2	$3,419,000	A3B	$4,181,000
M3	$2,519,000	B1	$10,662,000
M4	$2,158,000	B2	$5,898,000
M5	$1,440,000	B3	$2,495,000
M6	$1,440,000	B4	$2,949,000
B1	$1,440,000	B5	$2,495,000
B2	$1,260,000	B6	$2,722,759
B3	$1,800,000	A-PO	$1,120,302
R	$100	A-IO	$3,890,509
RC	$100	R	$100
RX	$100	RC	$100
X	$5,578,664	P	$100
P	$100		

RMBS

Transaction Name:	**GSAA 2007-10**	**GSAA 2007-S1**
Closing Date	October 30, 2007	February 28, 2007
Issuer	GSAA Home Equity Trust 2007-10	GSAA Home Equity Trust 2007-S1
Trustee	Citibank	Deutsche Bank
Rating Agencies	Fitch / S&P	S&P / Moody's
Collateral Type	Alt-A	Seconds

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	A1A	$40,846,000	A-1	$277,251,000
	A1B	$3,380,000	A-IO	$114,658,000
	A2A	$104,746,000	R	$100
	A2B	$8,668,000	X	$21,189,360
	B1	$4,852,000	P	$100
	B2	$2,554,000	X-1	$100
	B3	$1,021,000		
	B4	$1,277,000		
	B5	$1,106,000		
	B6	$1,277,337		
	A-PO	$499,776		
	A-IO	$6,838,067		
	R	$100		
	RC	$100		
	P	$1,000		

RMBS

Transaction Name:	**GSAMP 2004-AHL**	**GSAMP 2004-AR1**
Closing Date	October 28, 2004	July 12, 2004
Issuer	GSAMP Trust 2004-AHL	GSAMP Trust 2004-AR1
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's, Fitch
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1A	$148,594,000	A-1A	$639,127,000
A-1B	$37,149,000	A-1B	$27,023,000
A-2A	$77,099,000	A-2A	$218,483,000
A-2B	$41,803,000	A-2B	$45,774,000
A-2C	$23,637,000	A-2C	$60,000,000
A-2D	$74,388,000	M-1	$52,160,000
M-1	$28,585,000	M-2	$31,421,000
M-2	$24,359,000	M-3	$21,367,000
M-3	$7,209,000	M-4	$15,711,000
B-1	$5,965,000	M-5	$15,711,000
B-2	$4,971,000	M-6	$25,137,000
B-3	$4,972,000	B-1	$16,339,000
B-4	$5,965,000	B-2	$16,339,000
N	$27,913,000	B-3	$12,569,000
X	N/A	B-4	$15,711,000
R-1	N/A	B-5	$12,568,000
R-2	N/A	X	N/A
		P	N/A
		R	N/A

RMBS

Transaction Name:	**GSAMP 2004-AR2**	**GSAMP 2004-FM1**
Closing Date	August 31, 2004	January 28, 2004
Issuer	GSAMP Trust 2004-AR2	GSAMP Trust 2004-FM1
Trustee	Deutsche Bank	Wells Fargo
Rating Agencies	Moody's, Fitch	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1A	$273,942,000	A-1	$374,015,000
A-1B	$30,438,000	A-2A	$191,161,000
A-2A	$267,588,000	A-2B	$45,858,000
A-2B	$29,732,000	M-1	$49,959,000
A-3A	$78,744,000	M-2	$42,273,000
A-3B	$53,228,000	M-3	$13,450,000
A-3C	$20,661,000	B-1	$11,529,000
M-1	$45,865,000	B-2	$11,529,000
M-2	$31,715,000	B-3	$11,529,000
M-3	$18,054,000	X	$17,293,884
M-4	$14,637,000	P	N/A
M-5	$15,126,000	R	N/A
M-6	$16,102,000		
B-1	$16,589,000		
B-2	$12,198,000		
B-3	$9,759,000		
B-4	$14,638,000		
X	N/A		
P	N/A		
R	N/A		

RMBS

Transaction Name:	**GSAMP 2004-FM2**	**GSAMP 2004-HE1**
Closing Date	March 30, 2004	April 30, 2004
Issuer	GSAMP Trust 2004-FM2	GSAMP Trust 2004-HE1
Trustee	Wells Fargo	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$241,162,000	A-1A	$251,136,000
A-2A	$271,687,000	A-1B	$27,905,000
A-2B	$30,188,000	A-2A	$115,639,000
A-3A	$210,187,000	A-2B	$16,549,000
A-3B	$44,069,000	M-1	$37,023,000
M-1	$67,695,000	M-2	$31,735,000
M-2	$55,159,000	M-3	$9,256,000
M-3	$17,550,000	M-4	$9,256,000
B-1	$15,044,000	B-1	$7,405,000
B-2	$14,542,000	B-2	$7,405,000
B-3	$13,037,000	B-3	$6,347,000
B-4	$12,536,000	A-IO	$188,497,000
X	$10,029,496	A-INV	$528,911,975
P	N/A	X	100%
R	N/A	P	$1
		R	$1

RMBS

Transaction Name:	**GSAMP 2004-HE2**	**GSAMP 2004-NC1**
Closing Date	July 30, 2004	April 29, 2004
Issuer	GSAMP Trust 2004-HE2	GSAMP Trust 2004-NC1
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$284,714,000	A-1	$201,244,000
A-2	$236,934,000	A-2	$70,956,000
A-3A	$117,719,000	A-3	$51,672,000
A-3B	$45,371,000	M-1	$27,673,000
A-3C	$32,809,000	M-2	$23,573,000
M-1	$58,510,000	M-3	$7,174,000
M-2	$31,750,000	B-1	$5,125,000
M-3	$13,607,000	B-2	$4,715,000
M-4	$13,607,000	B-3	$5,124,000
B-1	$13,607,000	N	$20,574,000
B-2	$9,072,000	X	N/A
B-3	$9,071,000	R	N/A
B-4	$20,411,000		
X	100%		
P	N/A		
R	N/A		

RMBS

Transaction Name:	**GSAMP 2004-NC2**	**GSAMP 2004-OPT**
Closing Date	October 28, 2004	December 28, 2004
Issuer	GSAMP Trust 2004-NC2	GSAMP Trust 2004-OPT
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Fitch	S&P, Moody's, Fitch
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A -1A	$263,769,000	A-1	$354,000,000
A-1B	$29,308,000	A-2	$110,970,000
A-2A	$67,249,000	A-3	$71,427,000
A-2B	$49,195,000	A-4	$37,929,000
A-2C	$25,730,000	M-1	$43,424,000
M-1	$38,007,000	M-2	$34,320,000
M-2	$13,536,000	M-3	$9,805,000
M-3	$7,810,000	B-1	$7,004,000
B-1	$4,425,000	B-2	$7,004,000
B-2	$5,206,000	B-3	$6,304,000
B-3	$4,686,000	B-4	$7,004,000
N	$28,811,000	X	$1
X	N/A	P	$1
R-1	N/A	R	N/A
R-2	N/A		

RMBS

Transaction Name:	**GSAMP 2004-SD1**	**GSAMP 2004-SEA1**
Closing Date	July 30, 2004	March 30, 2004
Issuer	GSAMP Trust 2004-SD1	GSAMP Trust 2004-SEA1
Trustee	Wachovia	Wachovia
Rating Agencies	S&P, Moody's	S&P
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$59,000,000	A-1A	$82,409,000
A-2	$24,140,000	A-1B	$15,790,000
A-3	$16,094,000	A-2	$17,329,000
A-4	$43,000,000	M-1	$7,702,000
A-5	$43,000,000	M-2	$2,246,000
M-1	$27,212,000	B-1	$642,000
M-2	$14,322,000	B-2	$642,000
B-1	$4,774,000	B-3	$642,000
B-2	$3,581,000	X	$128,365,405
B-3	$3,580,000	P	$1
X	100%	R	$1
P	$100		
R	$100		

RMBS

Transaction Name:	GSAMP 2004-SEA2	GSAMP 2004-WF
Closing Date	June 29, 2004	November 23, 2004
Issuer	GSAMP Trust 2004-SEA2	GSAMP Trust 2004-WF
Trustee	JPMorgan Chase Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$52,000,000	A-1A	$145,492,000
A-2A	$355,360,000	A-1B	$36,373,000
A-2B	$69,040,000	A-2A	$42,349,000
M-1	$46,554,000	A-2B	$27,782,000
M-2	$43,450,000	A-2C	$13,777,000
M-3	$15,518,000	A-2D	$100,000,000
M-4	$10,863,000	M-1	$31,321,000
M-5	$9,931,000	M-2	$16,426,000
B-1	$11,794,000	M-3	$4,381,000
B-2	$6,207,000	B-1	$4,381,000
A-IO	$220,093,000	B-2	$4,380,000
X	100%	B-3	$4,381,000
R	N/A	B-4	$4,380,000
		X	100%
		P	N/A
		R	N/A

RMBS

Transaction Name:	**GSAMP 2005-AHL**	**GSAMP 2005-AHL2**
Closing Date	May 26, 2005	December 28, 2005
Issuer	GSAMP Trust 2005-AHL	GSAMP Trust 2005-AHL2
Trustee	Deutsche Bank	LaSalle Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$269,282,000	A-1A	$108,759,000
A-2	$145,242,000	A-1B	$27,190,000
A-3	$77,440,000	A-2A	$156,886,000
M-1	$46,190,000	A-2B	$65,607,000
M-2	$31,620,000	A-2C	$63,603,000
M-3	$9,300,000	A-2D	$25,693,000
M-4	$7,749,000	M-1	$43,526,000
M-5	$5,580,000	M-2	$11,317,000
M-6	$5,270,000	M-3	$19,152,000
B-1	$4,340,000	M-4	$8,995,000
B-2	$6,200,000	M-5	$8,415,000
R-1	$100	B-1	$6,094,000
R-2	$100	B-2	$5,803,000
X	N/A	B-3	$5,804,000
P	N/A	B-4	$5,803,000
		R-1	$100
		R-2	$100
		R-3	$100
		X	$17,700,621
		P	N/A
		C	N/A

RMBS

Transaction Name:	GSAMP 2005-HE1	GSAMP 2005-HE2
Closing Date	January 27, 2005	March 30, 2005
Issuer	GSAMP Trust 2005-HE1	GSAMP Trust 2005-HE2
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1A	$248,741,000	A-1	$297,636,000
A-1B	$62,185,000	A-2	$169,463,000
A-2A	$91,591,000	A-3	$79,117,000
A-2B	$49,331,000	M-1	$49,720,000
A-2C	$25,890,000	M-2	$40,265,000
A-2D	$147,210,000	M-3	$11,555,000
M-1	$54,086,000	B-1	$10,154,000
M-2	$44,216,000	B-2	$8,403,000
M-3	$11,844,000	B-3	$8,754,000
B-1	$12,238,000	B-4	$9,804,000
B-2	$9,475,000	R-1	$100
B-3	$7,896,000	R-2	$100
B-4	$9,475,000	X	N/A
X	N/A	P	N/A
P	N/A		
R	N/A		

RMBS

Transaction Name:	**GSAMP 2005-HE3**	**GSAMP 2005-HE4**
Closing Date	June 30, 2005	August 25, 2005
Issuer	GSAMP Trust 2005-HE3	GSAMP Trust 2005-HE4
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's, Fitch, DBRS	S&P, Moody's, Fitch
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1A	$256,997,000	A-1	$371,030,000
A-1B	$64,249,000	A-2A	$385,189,000
A-2A	$382,945,000	A-2B	$255,843,000
A-2B	$197,691,000	A-2C	$93,538,000
A-2C	$93,421,000	M-1	$57,881,000
M-1	$96,487,000	M-2	$54,951,000
M-2	$75,117,000	M-3	$37,366,000
M-3	$20,722,000	M-4	$26,376,000
M-4	$19,427,000	M-5	$26,376,000
B-1	$18,780,000	M-6	$23,446,000
B-2	$16,189,000	B-1	$24,911,000
B-3	$14,894,000	B-2	$18,316,000
R-1	$100	B-3	$19,782,000
R-2	$100	B-4	$18,317,000
X	$38,206,194	R-1	$50
P	N/A	R-2	$100
		R-3	$50
		X	N/A
		P	N/A
		C	N/A

RMBS

Transaction Name:	**GSAMP 2005-HE5**	**GSAMP 2005-HE6**
Closing Date	November 22, 2005	December 29, 2005
Issuer	GSAMP Trust 2005-HE5	GSAMP Trust 2005-HE6
Trustee	Deutsche Bank	LaSalle Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$405,564,000	A-1	$341,242,000
A-2A	$148,016,000	A-2A	$137,997,000
A-2B	$45,362,000	A-2B	$71,346,000
A-2C	$53,218,000	A-2C	$18,060,000
A-2D	$46,405,000	M-1	$31,355,000
M-1	$36,888,000	M-2	$29,032,000
M-2	$33,660,000	M-3	$20,516,000
M-3	$23,516,000	M-4	$15,097,000
M-4	$16,600,000	M-5	$15,097,000
M-5	$16,599,000	M-6	$13,161,000
M-6	$14,294,000	M-7	$12,774,000
M-7	$15,217,000	M-8	$9,290,000
M-8	$11,527,000	B-1	$10,839,000
B-1	$11,528,000	B-2	$10,065,000
B-2	$10,144,000	R-1	$50
R-1	$50	R-2	$100
R-2	$100	R-3	$50
R-3	$50	X	$46,356,023
X	$33,660,672	P	$100
P	$100	C	N/A

RMBS

Transaction Name:	**GSAMP 2005-NC1**	**GSAMP 2005-S1**
Closing Date	February 25, 2005	April 7, 2005
Issuer	GSAMP Trust 2005-NC1	GSAMP Trust 2005-S1
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's, Fitch	Moody's, Fitch
Collateral Type	Subprime	Seconds

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A -1	$189,636,000	A1	$187,366,000
A-2	$129,754,000	M1	$21,530,000
A-3	$49,572,000	M2	$19,993,000
M 1	$45,170,000	B1	$16,917,000
M 2	$23,298,000	B2	$4,742,000
M 3	$4,754,000	B3	$5,510,000
B-1	$4,755,000	R	$256,315,158
B-2	$4,755,000		
B-3	$4,754,000		
B-4	$4,750,000		
X	N/A		
N	$28,053,000		
R1	N/A		
R2	N/A		

RMBS

Transaction Name:	**GSAMP 2005-S2**	**GSAMP 2005-WMC1**
Closing Date	May 13, 2005	September 28, 2005
Issuer	GSAMP Trust 2005-S2	GSAMP Trust 2005-WMC1
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	Moody's, Fitch	Moody's, S&P
Collateral Type	Seconds	Subprime

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	A	$315,407,000	A-1	$331,764,000
	M-1	$38,966,000	A-2	$117,392,000
	M-2	$28,359,000	A-3	$123,367,000
	M-3	$11,040,000	A-4	$116,671,000
	M-4	$8,226,000	M-1	$64,542,000
	B-1	$8,443,000	M-2	$20,762,000
	B-2	$8,659,000	M-3	$30,239,000
	B-3	$6,494,000	M-4	$13,089,000
	X	$432,954,843	M-5	$13,540,000
	X-1	$0	M-6	$10,381,000
	P	$0	B-1	$8,124,000
	R	$0	B-2	$9,478,000
			B-3	$8,124,000
			B-4	$9,930,000
			B-5	$11,735,000
			R-1	$100
			R-2	$100
			X	$13,539,989
			P	$100
			C	$100

RMBS

Transaction Name:	**GSAMP 2005-WMC2**	**GSAMP 2005-WMC3**
Closing Date	November 23, 2005	December 28, 2005
Issuer	GSAMP Trust 2005-WMC2	GSAMP Trust 2005-WMC3
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	Moody's, S&P	Moody's, S&P
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1A	$266,290,000	A-1A	$238,899,000
A-1B	$66,572,000	A-1B	$26,545,000
A-2A	$261,433,000	A-2A	$159,198,000
A-2B	$190,321,000	A-2B	$121,835,000
A-2C	$66,596,000	A-2C	$12,360,000
M-1	$80,187,000	M-1	$52,207,000
M-2	$26,355,000	M-2	$15,074,000
M-3	$37,570,000	M-3	$26,104,000
M-4	$16,822,000	M-4	$11,397,000
M-5	$17,944,000	M-5	$10,295,000
M-6	$13,458,000	M-6	$6,617,000
B-1	$12,897,000	B-1	$8,456,000
B-2	$12,337,000	B-2	$6,986,000
R-1	$100	B-3	$7,353,000
R-2	$100	R-1	$100
X	$52,710,111	R-2	$100
P	$100	X	$31,986,672
		P	$100

RMBS

Transaction Name:	**GSAMP 2006-FM1**	**GSAMP 2006-FM2**
Closing Date	April 27, 2006	September 29, 2006
Issuer	GSAMP Trust 2006-FM1	GSAMP Trust 2006-FM2
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	Moody's, S&P	Moody's, S&P
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$245,164,000	A-1	$351,611,000
A-2A	$250,071,000	A-2A	$225,825,000
A-2B	$110,276,000	A-2B	$95,613,000
A-2C	$101,913,000	A-2C	$99,392,000
A-2D	$42,914,000	A-2D	$53,666,000
M-1	$34,646,000	M-1	$34,230,000
M-2	$30,849,000	M-2	$29,631,000
M-3	$18,034,000	M-3	$19,414,000
M-4	$16,611,000	M-4	$16,349,000
M-5	$16,136,000	M-5	$15,837,000
M-6	$14,713,000	M-6	$15,838,000
M-7	$13,763,000	M-7	$14,305,000
B-1	$12,340,000	M-8	$11,750,000
B-2	$9,492,000	M-9	$9,196,000
B-3	$8,543,000	B-1	$6,131,000
B-4	$9,492,000	B-2	$10,217,000
R	$50	X	$12,772,822
RC	$100	P	$100
RX	$50	C	$100
X	$14,237,951	R	$50
P	$100	RC	$100
C	$100	RX	$50

RMBS

Transaction Name:	**GSAMP 2006-FM3**	**GSAMP 2006-HE1**
Closing Date	December 21, 2006	February 17, 2006
Issuer	GSAMP Trust 2006-FM3	GSAMP Trust 2006-HE1
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	Moody's, S&P	Moody's, S&P
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$257,050,000	A-1	$210,928,000
A-2A	$154,772,000	A-2A	$300,225,000
A-2B	$59,281,000	A-2B	$85,326,000
A-2C	$63,186,000	A-2C	$95,696,000
A-2D	$37,996,000	A-2D	$30,102,000
M-1	$28,759,000	M-1	$38,167,000
M-2	$26,601,000	M-2	$35,268,000
M-3	$12,581,000	M-3	$21,258,000
M-4	$11,504,000	M-4	$18,842,000
M-5	$11,143,000	M-5	$17,876,000
M-6	$7,190,000	M-6	$15,943,000
M-7	$8,627,000	M-7	$15,460,000
M-8	$4,674,000	M-8	$13,528,000
M-9	$7,908,000	B-1	$10,629,000
B-1	$8,627,000	B-2	$11,595,000
B-2	$6,831,000	B-3	$10,629,000
X	$12,221,818	R	$50
P	$100	RC	$100
C	$100	RX	$50
R	$50	X	$55,213,918
RC	$100	P	$100
RX	$50		

RMBS

Transaction Name:	GSAMP 2006-HE2	GSAMP 2006-HE3
Closing Date	April 6, 2006	May 26, 2006
Issuer	GSAMP Trust 2006-HE2	GSAMP Trust 2006-HE3
Trustee	U.S. Bank	LaSalle Bank
Rating Agencies	Moody's, S&P	Moody's, S&P
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$282,460,000	A-1	$304,472,000
A-2	$181,748,000	A-2A	$517,353,000
A-3	$21,005,000	A-2B	$176,107,000
M-1	$24,214,000	A-2C	$151,980,000
M-2	$22,327,000	A-2D	$49,697,000
M-3	$13,207,000	M-1	$63,053,000
M-4	$12,264,000	M-2	$59,063,000
M-5	$11,321,000	M-3	$35,916,000
M-6	$10,377,000	M-4	$31,926,000
B-1	$11,635,000	M-5	$29,531,000
B-2	$10,377,000	M-6	$27,137,000
B-3	$7,547,000	M-7	$25,540,000
B-4	$7,233,000	M-8	$22,348,000
B-5	$6,289,000	M-9	$19,156,000
CE	$6,918,615	B-1	$19,155,000
P	$0	B-2	$17,559,000
R	$0	R	$50
RX	$0	RC	$100
		RX	$50
		X	$46,292,971
		P	$100

RMBS

Transaction Name:	**GSAMP 2006-HE4**	**GSAMP 2006-HE5**
Closing Date	June 29, 2006	August 25, 2006
Issuer	GSAMP Trust 2006-HE4	GSAMP Trust 2006-HE5
Trustee	LaSalle Bank	LaSalle Bank
Rating Agencies	Moody's, S&P	Moody's, S&P
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$352,415,000	A-1	$241,582,000
A-2A	$208,415,000	A-2A	$266,689,000
A-2B	$94,519,000	A-2B	$121,873,000
A-2C	$87,368,000	A-2C	$115,439,000
A-2D	$34,923,000	A-2D	$48,975,000
M-1	$40,100,000	M-1	$41,491,000
M-2	$37,055,000	M-2	$38,379,000
M-3	$21,319,000	M-3	$22,820,000
M-4	$19,289,000	M-4	$19,190,000
M-5	$18,781,000	M-5	$19,190,000
M-6	$15,200,000	M-6	$17,634,000
M-6	$1,551,000	M-7	$17,115,000
M-7	$16,243,000	M-8	$14,003,000
M-8	$14,720,000	M-9	$11,410,000
M-9	$11,167,000	B-1	$10,373,000
B-1	$10,152,000	B-2	$10,373,000
B-2	$10,152,000	R	$50
R	$50	RC	$100
RC	$100	RX	$50
RX	$50	X	$20,745,778
X	$21,827,150	P	$100
P	$100		

RMBS

Transaction Name:	**GSAMP 2006-HE6**	**GSAMP 2006-HE7**
Closing Date	September 14, 2006	October 31, 2006
Issuer	GSAMP Trust 2006-HE6	GSAMP Trust 2006-HE7
Trustee	U.S. Bank	LaSalle Bank
Rating Agencies	Moody's, S&P, Fitch, DBRS	Moody's, S&P
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$300,146,000	A-1	$333,098,000
A-2	$64,689,000	A-2A	$184,027,000
A-3	$104,712,000	A-2B	$46,214,000
A-4	$41,994,000	A-2C	$73,637,000
M-1	$26,834,000	A-2D	$43,787,000
M-2	$32,608,000	M-1	$34,900,000
M-3	$12,568,000	M-2	$39,317,000
M-4	$11,888,000	M-3	$13,695,000
M-5	$13,927,000	M-4	$16,787,000
M-6	$8,152,000	M-5	$16,345,000
M-7	$8,152,000	M-6	$10,161,000
M-8	$6,793,000	M-7	$10,602,000
B-1	$12,228,000	M-8	$7,069,000
B-2	$11,889,000	M-9	$11,486,000
B-3	$10,869,000	B-1	$11,927,000
CE	N/A	B-2	$11,928,000
CL-R	$50	R	$50
CL-RX	$100	RC	$100
P	$100	RX	$50
		X	$18,554,474
		P	$100

RMBS

Transaction Name:	**GSAMP 2006-HE8**	**GSAMP 2006-NC1**
Closing Date	December 27, 2006	February 28, 2006
Issuer	GSAMP Trust 2006-HE8	GSAMP Trust 2006-NC1
Trustee	LaSalle Bank	U.S. Bank
Rating Agencies	Moody's, S&P	Moody's, S&P
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$353,741,000	A-1	$310,299,000
A-2A	$230,823,000	A-2	$224,955,000
A-2B	$65,795,000	A-3	$42,565,000
A-2C	$85,335,000	M-1	$23,213,000
A-2D	$33,516,000	M-2	$21,784,000
M-1	$45,700,000	M-3	$12,857,000
M-2	$41,593,000	M-4	$11,070,000
M-3	$25,161,000	M-5	$10,714,000
M-4	$21,567,000	M-6	$9,642,000
M-5	$20,539,000	B-1	$9,285,000
M-6	$16,431,000	B-2	$10,000,000
M-7	$12,837,000	B-3	$6,428,000
M-8	$8,729,000	B-4	$5,357,000
M-9	$11,811,000	B-5	$7,142,000
B-1	$16,945,000	CE	$8,928,486
B-2	$14,892,000	P	$0
R	$50	R	$0
RC	$100	RX	$0
RX	$50		
X	$21,840,703		
P	$100		

RMBS

Transaction Name:	GSAMP 2006-NC2	GSAMP 2006-S1
Closing Date	June 29, 2006	January 27, 2006
Issuer	GSAMP Trust 2006-NC2	GSAMP Trust 2006-S1
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	Moody's, S&P	Moody's, Fitch
Collateral Type	Subprime	Seconds

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$239,618,000	A-1	$273,339,000
A-2A	$214,090,000	A-2A	$53,999,000
A-2B	$102,864,000	A-2B	$13,500,000
A-2C	$99,900,000	M-1	$47,546,000
A-2D	$42,998,000	M-2	$41,087,000
M-1	$35,700,000	M-3	$12,662,000
M-2	$28,649,000	M-4	$13,695,000
M-3	$16,748,000	M-5	$12,146,000
M-4	$14,986,000	M-6	$9,561,000
M-5	$14,545,000	B-1	$9,819,000
M-6	$13,663,000	B-2	$8,786,000
M-7	$12,341,000	X	$20,672,865
M-8	$11,019,000	X-1	$100
M-9	$7,052,000	P	$100
B-1	$6,170,000	R	$100
B-2	$8,815,000		
X	$12,341,301		
P	$100		
R	$50		
C	$100		
RC	$100		
RX	$50		

RMBS

Transaction Name:	**GSAMP 2006-S2**	**GSAMP 2006-S3**
Closing Date	March 30, 2006	April 27, 2006
Issuer	GSAMP Trust 2006-S2	GSAMP Trust 2006-S3
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	Moody's, S&P, Fitch	Moody's, S&P
Collateral Type	Seconds	Seconds

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1A	$130,000,000	A-1	$240,613,000
A-1B	$32,500,000	A-2	$74,961,000
A-2	$243,151,000	A-3	$19,989,000
A-3	$100,000,000	M-1	$47,196,000
M-1	$79,333,000	M-2	$12,603,000
M-2	$16,682,000	M-3	$23,721,000
M-3	$35,217,000	M-4	$11,367,000
M-4	$12,975,000	M-5	$10,625,000
M-5	$15,570,000	M-6	$7,907,000
M-6	$11,863,000	M-7	$9,885,000
M-7	$21,131,000	B-1	$12,849,000
B-1	$12,604,000	B-2	$8,401,000
B-2	$12,604,000	X	$14,085,219
X	$17,794,403	X-1	$100
X-1	$100	P	$100
P	$100	R	$100
R	$100		

RMBS

Transaction Name:	**GSAMP 2006-S4**	**GSAMP 2006-S5**
Closing Date	June 9, 2006	August 18, 2006
Issuer	GSAMP Trust 2006-S4	GSAMP Trust 2006-S5
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	Moody's, S&P	Moody's, S&P
Collateral Type	Seconds	Seconds

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$340,283,000	A-1	$164,416,000
A-2	$100,116,000	A-2	$67,155,000
A-3	$20,295,000	M-1	$27,789,000
M-1	$70,148,000	M-2	$8,601,000
M-2	$12,725,000	M-3	$15,879,000
M-3	$29,691,000	M-4	$7,609,000
M-4	$12,724,000	M-5	$8,436,000
M-5	$11,746,000	M-6	$7,278,000
M-6	$10,441,000	M-7	$4,962,000
M-7	$10,440,000	B-1	$6,451,000
B-1	$12,399,000	B-2	$5,624,000
B-2	$8,809,000	X	$6,616,322
X	$12,724,566	X-1	$100
X-1	$100	P	$100
P	$100	R	$100
R	$100		
RC	$100		

RMBS

	GSAMP 2006-S6	GSAMP 2007-FM1
Transaction Name:	**GSAMP 2006-S6**	**GSAMP 2007-FM1**
Closing Date	October 20, 2006	January 30, 2007
Issuer	GSAMP Trust 2006-S6	GSAMP Trust 2007-FM1
Trustee	Deutsche Bank	Deutsche Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Seconds	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1A	$76,000,000	A-1	$315,873,000
A-1B	$19,000,000	A-2A	$131,536,000
A-1C	$95,531,000	A-2B	$28,394,000
A-2	$62,603,000	A-2C	$46,057,000
A-3	$19,053,000	A-2D	$28,008,000
M-1	$35,241,000	M-1	$31,825,000
M-2	$8,324,000	M-2	$28,289,000
M-3	$13,281,000	M-3	$12,376,000
M-4	$6,376,000	M-4	$12,377,000
M-5	$7,260,000	M-5	$10,962,000
M-6	$5,667,000	M-6	$8,133,000
M-7	$5,844,000	M-7	$7,426,000
X	$354,180,830	M-8	$6,011,000
X-1	$100	M-9	$6,719,000
P	$100	B-1	$10,962,000
R	$100	B-2	$8,487,000
		X	$13,790,579
		P	$100
		C	$100
		R	$50
		RC	$100
		RX	$50

RMBS

Transaction Name:	**GSAMP 2007-FM2**	**GSAMP 2007-H1**
Closing Date	February 21, 2007	January 31, 2007
Issuer	GSAMP Trust 2007-FM2	GSAMP Trust 2007-H1
Trustee	Deutsche Bank	LaSalle Bank
Rating Agencies	S&P, Moody's	Fitch, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$351,823,000	A-1A	$39,569,000
A-2A	$230,215,000	A-1B	$26,640,000
A-2B	$62,864,000	A-1C	$10,651,000
A-2C	$83,578,000	A-2A1	$42,000,000
A-2D	$45,285,000	A-2A2S	$30,472,000
M-1	$42,570,000	A-2A2M	$10,157,000
M-2	$44,072,000	A-2B	$61,559,000
M-3	$16,527,000	A-2C	$12,480,000
M-4	$17,027,000	M-1	$11,532,000
M-5	$15,025,000	M-2	$10,622,000
M-6	$11,018,000	M-3	$6,069,000
M-7	$12,020,000	M-4	$5,615,000
M-8P	$4,106,000	M-5	$5,614,000
M-8D	$3,907,000	M-6	$5,007,000
M-9	$12,019,000	M-7	$4,553,000
B-1	$14,524,000	M-8	$4,248,000
B-2	$14,023,000	M-9	$4,401,000
X	$21,034,651	R	$50
P	$100	RC	$100
C	$100	RX	$50
R	$50	X	$12,291,039
RC	$100	P	$100
RX	$50		

RMBS

Transaction Name:	**GSAMP 2007-HE1**	**GSAMP 2007-HE2**
Closing Date	February 23, 2007	April 20, 2007
Issuer	GSAMP Trust 2007-HE1	GSAMP Trust 2007-HE2
Trustee	LaSalle Bank	LaSalle Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$205,454,000	A-1	$370,801,000
A-2A	$149,399,000	A-2A	$216,267,000
A-2B	$44,191,000	A-2B	$50,045,000
A-2C	$59,585,000	A-2C	$74,161,000
A-2D	$15,726,000	A-2D	$28,668,000
M-1	$25,691,000	M-1	$42,961,000
M-2	$32,668,000	M-2	$39,423,000
M-3	$13,367,000	M-3	$24,261,000
M-4	$12,063,000	M-4	$21,228,000
M-5	$14,019,000	M-5	$19,206,000
M-6	$9,129,000	M-6	$17,184,000
M-7	$9,129,000	M-7	$18,196,000
M-8	$8,150,000	M-8	$16,173,000
M-9	$9,129,000	M-9	$15,162,000
B-1	$10,772,000	R	$50
B-2	$9,455,000	RC	$100
R	$50	RX	$50
RC	$100	C	$100
RX	$50	X	$57,114,094
X	$24,125,896	P	$100
P	$100		

RMBS

Transaction Name:	**GSAMP 2007-HS1**	**GSAMP 2007-NC1**
Closing Date	August 30, 2007	February 20, 2007
Issuer	GSAMP Trust 2007-HSBC1	GSAMP Trust 2007-NC1
Trustee	Deutsche Bank	LaSalle Bank
Rating Agencies	S&P, Moody's	S&P, Moody's
Collateral Type	Subprime	Subprime

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
A-1	$522,538,000	A-1	$479,787,000
M-1	$6,361,000	A-2A	$482,234,000
M-2	$12,403,000	A-2B	$145,757,000
M-3	$12,722,000	A-2C	$196,365,000
M-4	$11,449,000	A-2D	$79,824,000
M-5	$11,132,000	M-1	$76,022,000
M-6	$9,859,000	M-2	$75,106,000
M-7	$6,679,000	M-3	$40,301,000
M-8	$7,633,000	M-4	$38,469,000
M-9	$6,360,000	M-5	$34,805,000
R	$50	M-6	$24,730,000
RC	$100	M-7	$22,898,000
RX	$50	M-8	$15,571,000
C	$100	M-9	$21,982,000
X	$28,992,502	B-1	$32,058,000
P	$100	B-2	$26,562,000
		R	$50
		RC	$100
		RX	$50
		X	$39,384,621
		P	$100

RMBS

Transaction Name:	GSR 2004-2F	GSR 2004-3F
Closing Date	January 30, 2004	February 27, 2004
Issuer	GSR Mortgage Loan Trust 2004-2F	GSR Mortgage Loan Trust 2004-3F
Trustee	Wachovia	Wachovia
Rating Agencies	S&P, Fitch	S&P, Fitch
Collateral Type	Prime Fixed	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
I-A1	$23,285,625	I-A1	$37,754,000
I-A2	$23,285,625	IIA-1	$85,576,000
I-A3	$38,809,375	IIA-2	$19,449,090
I-A4	$16,715,000	IIA-3	$31,137,000
I-A5	$35,673,000	IIA-4	$21,213,000
I-A6	$12,972,000	IIA-5	$5,675,000
I-A7	$14,483,000	IIA-6	$38,353,334
II-A1	$100,000,000	IIA-7	$38,353,334
II-A2	$38,461,538	IIA-8	$16,000,000
II-A3	$40,156,188	IIA-9	$15,444,734
II-A4	$40,156,188	IIA-10	$19,562,932
II-A5	$38,505,188	IIA-11	$26,277,000
II-A6	$18,152,624	IIA-12	$500,000
III-A1	$100,000,000	IIIA-1	$87,000,000
III-A2	$40,769,230	IIIA-2	$32,842,500
III-A3	$53,120,438	IIIA-3	$36,845,894
III-A4	$53,120,438	IIIA-4	$36,845,894
III-A5	$38,096,500	IIIA-5	$30,332,571
III-A6	$21,050,062	IIIA-6	$19,995,535
IV-A1	$76,198,000	IIIA-7	$19,578,582
IV-A2	$76,198,000	IIIA-8	$440,418
V-A1	$35,524,000	A-P	$114,266
VI-A1	$94,581,000	A-X	$862,716
VII-A1	$53,305,000	B-1	$7,606,000
VII-A2	$53,305,000	B-2	$2,788,000
VIII-A1	$32,814,000	B-3	$1,775,000
IX-A1	$14,146,000	B-4	$1,268,000
X-A1	$41,137,000	B-5	$1,014,000
XI-A1	$27,838,000	B-6	$760,550
XII-A1	$55,415,000	R	$0
XIII-A1	$43,680,000		
XIV-A1	$45,060,000		
I-B1	$9,103,000		
I-B2	$2,896,000		
I-B3	$1,654,000		
I-B4	$1,241,000		
I-B5	$827,000		
I-B6	$827,817		
II-B1	$1,057,000		
II-B2	$528,000		
II-B3	$395,000		
II-B4	$264,000		
II-B5	$264,000		
II-B6	$131,965		
R	$0		
A-X	$4,724,122		
A-P	$929,495		

RMBS

Transaction Name:	**GSR 2004-4**
Closing Date	February 27, 2004
Issuer	GSR Mortgage Loan Trust 2004-4
Trustee	Wachovia
Rating Agencies	S&P, Fitch
Collateral Type	Prime Hybrid

Capital Structure:

Tranche	Orig. Balance
1A1	$61,126,000
2A1	$25,000,000
2A2	$50,000,000
2A3	$50,000,000
2A4	$112,438,000
2A5	$112,438,000
3A1	$45,000,000
3A2	$37,914,000
3A3	$37,914,000
4A1	$20,551,000
B1	$6,862,000
B2	$722,000
B3	$541,000
B4	$361,000
B5	$361,000
B6	$181,353
R	$100

RMBS

Transaction Name:	**GSR 2004-5**	**GSR 2004-6F**
Closing Date:	April 30, 2004	May 27, 2004
Issuer:	GSR Mortgage Loan Trust 2007-5	GSR Mortgage Loan Trust 2004-6F
Trustee:	JPMorgan Chase Bank	Wachovia
Rating Agencies:	S&P, Moody's	S&P, Fitch
Collateral Type:	Prime Hybrid	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$80,000,000	IA-1	$24,017,000
1A2	$1,702,000	IA-2	$3,180,000
1A3	$86,621,000	IA-3	$3,107,000
2A1	$192,070,000	IIA-1	$139,984,000
3A1	$98,403,000	IIA-2	$17,870,000
3A2	$36,888,000	IIA-3	$12,870,000
3A3	$32,113,000	IIA-4	$21,859,000
1AX	$168,323,000	IIA-5	$25,453,000
2AX	$192,070,000	IIA-6	$684,000
B1	$10,996,000	IIA-7	$1,000,000
B2	$4,123,000	IIA-8	$35,246,000
B3	$2,199,000	IIIA-1	$70,000,000
B4	$1,925,000	IIIA-2	$20,461,538
B5	$1,649,000	IIIA-3	$11,700,000
B6	$1,099,886	IIIA-4	$13,817,000
R	$100	IIIA-5	$34,032,267
		IIIA-6	$5,235,733
		IVA-1	$65,529,000
		VA-1	$43,263,000
		A-P	$115,381
		A-X	$3,031,408
		B1	$6,510,000
		B2	$2,711,000
		B3	$1,356,000
		B4	$1,084,000
		B5	$1,085,000
		B6	$542,329
		R	$0

RMBS

Transaction Name:	**GSR 2004-7**	**GSR 2004-8F**
Closing Date:	June 30, 2004	July 30, 2004
Issuer:	GSR Mortgage Loan Trust 2004-7	GSR Mortgage Loan Trust 2004-8F
Trustee:	JPMorgan Chase Bank	Wachovia
Rating Agencies:	S&P	S&P, Fitch
Collateral Type:	Prime Hybrid	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$125,590,000	IA-1	$165,993,000
1A2	$12,560,000	IA-2	$3,932,000
1A3	$105,000,000	IIA-1	$133,700,000
2A1	$99,089,000	IIA-2	$33,425,000
3A1	$237,742,000	IIA-3	$59,159,000
4A1	$96,059,000	IIIA-1	$61,611,000
B1	$11,899,000	IIIA-2	$62,740,000
B2	$4,899,000	IIIA-3	$1,129,000
B3	$2,099,000	A-X	$151,398
B4	$2,100,000	B1	$6,345,000
B5	$1,749,000	B2	$1,969,000
B6	$1,050,537	B3	$1,531,000
R	$100	B4	$875,000
		B5	$875,000
		B6	$438,507
		R	$0

RMBS

Transaction Name:	**GSR 2004-8**	**GSR 2004-10F**
Closing Date:	July 30, 2004	August 26, 2004
Issuer:	GSR Mortgage Loan Trust 2007-9	GSR Mortgage Loan Trust 2004-10F
Trustee:	Wachovia	Wachovia
Rating Agencies:	S&P, Moody's, Fitch	S&P, Fitch
Collateral Type:	Prime Hybrid	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$30,000,000	1A-1	$50,000,000
1AX	$30,000,000	1A-2	$2,027,000
1A2	$41,207,000	1A-3	$28,475,000
2A1	$232,398,000	1A-4	$14,051,000
3A1	$155,295,000	1A-5	$64,617,000
3A2	$4,760,000	1A-6	$50,000,000
4A1	$90,711,000	1A-7	$847,000
5A1	$37,692,000	2A-1	$86,228,000
5A2	$44,352,000	2A-2	$6,228,000
5A3	$20,439,000	2A-3	$10,000,000
5A4	$16,080,000	2A-4	$138,953,000
5A5	$12,319,000	2A-5	$406,000
5A6	$21,373,000	3A-1	$63,654,000
5A7	$25,229,000	4A-1	$55,211,000
5A8	$1,640,000	5A-1	$21,434,000
6A1	$144,471,000	6A-1	$142,460,000
7A1	$51,075,000	7A-1	$192,798,000
B1	$16,480,000	8A-1	$147,700,000
B2	$9,208,000	8A-2	$36,925,000
B3	$4,846,000	8A-3	$69,955,000
B4	$3,877,000	9A-1	$36,926,000
B5	$1,938,000	A-P	$1,906,837
B6	$3,878,611	A-X	$223,222
R	$100	B1	$12,145,000
		B2	$4,832,000
		B3	$2,416,000
		B4	$1,812,000
		B5	$1,811,000
		B6	$1,208,819
		R	$0

RMBS

Transaction Name:	GSR 2004-11	GSR 2004-12
Closing Date:	August 27, 2004	October 29, 2004
Issuer:	GSR Mortgage Loan Trust 2007-11	GSR Mortgage Loan Trust 2004-12
Trustee:	Wachovia	U.S. Bank
Rating Agencies:	S&P, Moody's	Moody's, Fitch
Collateral Type:	Prime Hybrid	Prime Hybrid

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	1A1	$381,670,000	1A1	$299,849,000
	1A2	$50,000,000	1A2	$6,518,000
	2A1	$200,000,000	2AR	$100
	2A2	$200,000,000	2A1	$96,813,000
	2A3	$197,041,000	2A2	$150,000,000
	3A1	$28,864,000	2A3	$60,000,000
	4A1	$12,475,000	3A1	$90,841,000
	5A1	$106,126,000	3A2	$35,697,000
	B1	$22,054,000	3A3	$63,505,000
	B2	$9,801,000	3A4	$38,519,000
	B3	$4,901,000	3A5	$32,825,000
	B4	$5,513,000	3A6	$88,679,000
	B5	$4,288,000	1B1	$8,800,000
	B6	$2,451,068	1B2	$3,585,000
	1AX	$50,000,000	1B3	$2,770,000
	2AX1	$200,000,000	1B4	$1,467,000
	2AX2	$200,000,000	1B5	$815,000
	R	$100	1B6	$2,118,829
			2B1	$12,873,000
			2B2	$8,507,000
			2B3	$3,082,000
			2B4	$2,055,000
			2B5	$1,370,000
			2B6	$2,397,983
			1AX	$321,522,000
			2A1X	$96,813,000
			2A2X	$150,000,000
			2A3X	$60,000,000
			R	$100

RMBS

Transaction Name:	GSR 2004-13F	GSR 2004-14
Closing Date:	October 29, 2004	November 26, 2004
Issuer:	GSR Mortgage Loan Trust 2004-13F	GS Mortgage Loan Trust 2004-14
Trustee:	Wachovia	U.S. Bank
Rating Agencies:	S&P, Moody's	S&P, Moody's
Collateral Type:	Prime Fixed	Prime Hybrid

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A-1	$16,518,000	AR	$100
2A-1	$100,000,000	1A1	$106,377,000
2A-2	$29,166,666	1AX	$106,377,000
2A-3	$29,883,000	2A1	$201,853,000
3A-1	$65,000,000	2AX	$201,853,000
3A-2	$21,666,666	3A1	$119,431,000
3A-3	$19,677,000	3A2	$75,000,000
4A-1	$97,379,000	3AX	$194,431,000
4A-2	$97,379,000	4A1	$43,651,000
A-P	$40,902	5A1	$100,000,000
A-X	$249,347	5AX	$100,000,000
B1	$4,359,000	5A2	$92,218,000
B2	$1,006,000	1BX	$16,482,000
B3	$502,000	1B1	$9,890,000
B4	$336,000	1B2	$4,120,000
B5	$167,000	1B3	$2,472,000
B6	$335,918	1B4	$2,307,000
R	$0	1B5	$1,648,000
		1B6	$991,856
		2B1	$6,518,000
		2B2	$4,494,000
		2B3	$3,595,000
		2B4	$1,797,000
		2B5	$1,573,000
		2B6	$1,125,047
		R	$100

RMBS

Transaction Name:	**GSR 2004-15F**	**GSR 2005-1F**
Closing Date:	December 17, 2004	January 31, 2005
Issuer:	GSR Mortgage Loan Trust 2004-15F	GSR Mortgage Loan Trust 2005-1F
Trustee:	Wachovia	Wachovia
Rating Agencies:	S&P. Moody's	S&P, Fitch
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$86,047,000	1A-1	$79,000,000
1A2	$19,854,000	1A-2	$17,489,000
1A3	$11,376,000	1A-3	$10,790,000
1A4	$391,000	1A-4	$25,439,000
2A1	$75,423,000	1A-5	$19,857,000
2A2	$91,099,000	1A-6	$24,080,000
2A3	$15,183,166	1A-7	$38,617,000
2A4	$13,373,000	1A-8	$345,000
3A1	$44,939,000	1A-9	$369,000
3A2	$44,939,000	2A-1	$145,000,000
4A1	$38,507,000	2A-2	$32,302,000
5A1	$101,668,000	2A-3	$19,700,000
6A1	$40,123,000	3A-1	$143,000,000
7A1	$12,052,000	3A-2	$41,708,333
7A2	$12,052,000	3A-3	$56,327,000
AX	$695,498	4A-1	$57,599,000
AP	$686,163	4A-2	$57,599,000
B1	$8,492,000	AX	$149,363
B2	$2,743,000	AP	$1,000,989
B3	$1,097,000	B1	$9,685,000
B4	$1,372,000	B2	$4,150,000
B5	$822,000	B3	$2,767,000
B6	$549,590	B4	$1,383,000
R	$0	B5	$1,729,000
		B6	$1,038,251
		R	$0

RMBS

	GSR 2005-2F		GSR 2005-3F	
Transaction Name:	GSR 2005-2F		GSR 2005-3F	
Closing Date:	February 25, 2005		March 30, 2005	
Issuer:	GSR Mortgage Loan Trust 2005-2F		GSR Mortgage Loan Trust 2005-3F	
Trustee:	Wachovia		Wachovia	
Rating Agencies:	S&P, Fitch		Fitch, Moody's	
Collateral Type:	Prime Fixed		Prime Fixed	
Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	1A-1	$13,167,000	1A-1	$26,522,000
	1A-2	$89,774,000	1A-2	$40,868,000
	1A-3	$23,258,000	1A-3	$67,380,000
	1A-4	$23,258,000	1A-4	$28,661,000
	1A-5	$12,456,000	1A-5	$3,128,000
	1A-6	$7,209,000	1A-6	$1,120,000
	2A-1	$105,000,000	1A-7	$848,000
	2A-2	$30,625,000	1A-8	$1,112,000
	2A-3	$45,860,000	1A-9	$2,988,000
	3A-1	$13,172,000	1A-10	$4,000,000
	3A-2	$13,172,000	1A-11	$6,760,000
	A-P	$1,199,835	1A-12	$5,000,000
	A-X	$127,206	1A-13	$4,056,000
	B-1	$5,431,000	1A-14	$24,087,066
	B-2	$1,961,000	1A-15	$6,049,140
	B-3	$1,207,000	1A-16	$2,709,794
	B-4	$754,000	1A-17	$6,000,000
	B-5	$452,000	2A-1	$53,899,000
	B-6	$754,798	2A-2	$13,474,750
	R1	$0	2A-3	$20,056,000
	R2	$0	2A-4	$17,792,000
			2A-5	$1,295,000
			A-P	$983,627
			A-X	$33,360
			B-1	$6,739,000
			B-2	$1,853,000
			B-3	$1,179,000
			B-4	$674,000
			B-5	$505,000
			B-6	$674,619
			C	$0
			R1	$0
			R2	$0

RMBS

Transaction Name:	**GSR 2005-4F**	**GSR 2005-5F**
Closing Date:	April 29, 2005	May 26, 2005
Issuer:	GSR Mortgage Loan Trust 2005-4F	GSR Mortgage Loan Trust 2005-5F
Trustee:	Wachovia	Wachovia
Rating Agencies:	S&P, Moody's	S&P, Moody's
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:	**Tranche**	**Orig. Balance**	**Tranche**	**Orig. Balance**
	1A1	$20,683,000	1A-1	$28,202,000
	2A1	$100,230,000	1A-2	$5,351,000
	3A1	$49,232,000	2A-1	$32,844,000
	4A1	$40,333,000	2A-2	$35,468,000
	4A2	$21,667,000	2A-3	$138,000,000
	4A3	$30,556,000	2A-4	$8,170,000
	4A4	$10,082,000	2A-5	$18,714,000
	4C	$40,689,478	2A-6	$7,721,000
	4A5	$1,849,522	2A-7	$3,000,000
	5A1	$142,047,000	2A-8	$41,802,000
	5A2	$4,938,000	2A-9	$6,000,000
	6A1	$31,568,000	2A-10	$29,779,468
	AX	$414,279	2A-11	$10,000,000
	AP	$1,913,141	2A-12	$5,214,588
	B1	$6,831,000	2A-13	$1,977,946
	B2	$2,549,000	2A-14	$17,600,000
	B3	$1,529,000	2A-15	$6,400,000
	B4	$1,275,000	2A-16	$628,571
	B5	$1,019,000	2A-17	$146,287
	B6	$765,397	2A-18	$25,142
	R	$0	2A-19	$27,942,000
			3A-1	$12,959,000
			3A-2	$90,570,000
			3A-3	$2,942,125
			3A-4	$13,358,875
			3A-5	$13,358,875
			3A-6	$14,517,000
			3A-7	$1,001,000
			4A-1	$201,751,250
			4A-2	$201,751,250
			4A-3	$100,000,000
			4A-4	$3,249,000
			4A-5	$14,374,000
			4A-6	$1,110,000
			4A-7	$127,063,000
			4A-8	$7,579,750
			5A-1	$8,913,000
			6A-1	$74,022,000
			7A-1	$7,084,000
			7A-2	$7,084,000
			8A-1	$164,000,000
			8A-2	$25,000,000
			8A-3	$225,845,000
			8A-4	$389,845,000
			8A-5	$25,000,000
			8A-6	$49,147,000
			8A-7	$49,147,000
			8A-8	$2,233,854
			8A-9	$2,000,000
			8A-10	$7,591,000
			A-P	$385,956
			A-X	$468,232
			B-1	$24,570,000
			B-2	$10,057,000
			B-3	$5,028,000
			B-4	$4,190,000
			B-5	$3,352,000
			B-6	$2,517,964
			X	$0
			C	$0
			R1	$0
			R2	$0

RMBS

Transaction Name:	**GSR 2005-6F**	**GSR 2005-7F**
Closing Date:	June 30, 2005	August 26, 2005
Issuer:	GSR Mortgage Loan Trust 2005-6F	GSR Mortgage Loan Trust 2005-7F
Trustee:	Wachovia	Wachovia
Rating Agencies:	S&P, Moody's	S&P, Moody's
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A-1	$177,583,875	1A-1	$13,807,000
1A-2	$50,000,000	1A-2	$1,515,000
1A-3	$25,369,125	1A-3	$1,515,000
1A-4	$25,369,125	2A-1	$83,000,000
1A-5	$48,830,000	2A-2	$2,714,286
1A-6	$31,272,000	2A-3	$14,285,714
1A-7	$2,259,000	2A-4	$14,285,714
2A-1	$25,343,000	2A-5	$26,879,000
2A-2	$25,343,000	2A-6	$29,530,000
3A-1	$45,000,000	2A-7	$2,190,000
3A-2	$30,000,000	3A-1	$20,000,000
3A-3	$45,000,000	3A-2	$35,000,000
3A-4	$30,000,000	3A-3	$20,000,000
3A-5	$15,684,000	3A-4	$35,000,000
3A-6	$86,000,000	3A-5	$10,142,000
3A-7	$86,000,000	3A-6	$2,608,000
3A-8	$3,237,000	3A-7	$105,000,000
3A-9	$89,237,000	3A-8	$20,125,000
3A-10	$3,086,000	3A-9	$33,250,000
3A-11	$31,036,875	3A-10	$16,380,000
3A-12	$31,036,875	3A-11	$1,212,000
3A-13	$100,000,000	3A-12	$1,000,000
3A-14	$32,878,000	4A-1	$8,707,000
3A-15	$52,150,000	4A-2	$8,707,000
3A-16	$52,383,000	A-P	$11,045
3A-17	$23,586,000	B-1	$7,826,000
3A-18	$23,586,125	B-2	$2,537,000
3A-19	$29,490,000	B-3	$1,268,000
3A-20	$2,130,000	B-4	$1,268,000
4A-1	$20,000,000	B-5	$634,000
4A-2	$20,000,000	B-6	$636,750
4A-3	$5,048,000	X	$0
A-P	$716,232	C	$0
B-1	$15,200,000	R1	$0
B-2	$7,124,000	R2	$0
B-3	$3,325,000		
B-4	$3,325,000		
B-5	$2,849,000		
B-6	$1,425,763		
X	$0		
C	$0		
R1	$0		
R2	$0		

RMBS

Transaction Name:	GSR 2005-6F	GSR 2005-9F
Closing Date:	October 28, 2005	December 29, 2005
Issuer:	GSR Mortgage Loan Trust 2005-6F	GSR Mortgage Loan Trust 2005-9F
Trustee:	Wachovia	U.S. Bank
Rating Agencies:	S&P, Fitch	S&P, Fitch
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	1A-1	$38,721,000	1A-1	$265,973,000
	2A-1	$57,940,000	1A-2	$30,000,000
	2A-2	$35,513,000	1A-3	$30,000,000
	2A-3	$57,429,000	1A-4	$7,012,000
	2A-4	$61,664,000	1A-5	$488,000
	2A-5	$45,000,000	1A-6	$203,973,000
	2A-6	$59,945,000	1A-7	$125,632,000
	2A-7	$32,769,000	1A-8	$45,692,000
	2A-8	$2,508,000	1A-9	$79,940,000
	3A-1	$6,250,000	1A-10	$78,341,000
	3A-2	$25,000,000	1A-11	$42,846,000
	3A-3	$25,000,000	1A-12	$21,191,000
	3A-4	$165,395,000	1A-13	$21,655,000
	3A-5	$34,319,000	1A-14	$17,910,000
	3A-6	$20,642,000	1A-15	$1,244,000
	3A-7	$1,549,000	1A-16	$8,270,000
	4A-1	$100,895,000	2A-1	$92,404,565
	5A-1	$39,063,000	2A-2	$175,000,000
	5A-2	$39,063,000	2A-3	$53,065,000
	6A-1	$38,242,000	2A-4	$19,928,414
	7A-1	$107,712,000	2A-5	$18,244,393
	A-P	$30,582	2A-6	$15,512,986
	A-X	$2,783,432	2A-7	$1,077,600
	B-1	$13,573,000	2A-8	$7,095,042
	B-2	$5,744,000	3A-1	$17,629,000
	B-3	$2,872,000	3A-2	$17,629,000
	B-4	$2,872,000	3A-3	$17,629,000
	B-5	$2,872,000	4A-1	$42,898,000
	B-6	$960,258	4A-2	$2,813,000
	X	$0	5A-1	$65,420,000
	C	$0	5A-2	$4,289,000
	R1	$0	6A-1	$15,578,000
	R2	$0	6A-2	$1,022,000
			7A-1	$23,892,520
			7A-2	$23,892,520
			1-AP	$1,202,541
			2-AP	$182,012
			1-AX	$268,602
			2-AX	$147,187
			1-B1	$14,397,000
			1-B2	$4,113,000
			1-B3	$2,742,000
			2-B1	$2,552,000
			2-B2	$1,240,000
			2-B3	$551,000
			1-B4	$1,713,000
			1-B5	$1,028,000
			1-B6	$1,715,711
			2-B4	$551,000
			2-B5	$344,000
			2-B6	$416,447
			1-R1	$0
			1-R2	$0
			2-R1	$0
			2-R2	$0
			3-R	$0
			X	$0

RMBS

Transaction Name:	GSR 2005-AR1	GSR 2005-AR2
Closing Date:	January 31, 2005	March 31, 2005
Issuer:	GSR Mortgage Loan Trust 2005-AR1	GSR Mortgage Loan Trust 2005-AR2
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	S&P, Fitch	S&P, Moody's
Collateral Type:	Prime Hybrid	Prime Hybrid

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
AR	$100	1A1	$88,117,000
1A1	$211,732,000	1A2	$172,225,000
2A1	$154,594,000	1A3	$8,208,000
3A1	$193,750,000	2A1	$222,753,000
3A2	$7,855,000	3A1	$50,885,000
4A1	$86,006,000	4A1	$136,791,000
4A2	$5,973,000	5A1	$181,967,000
B1	$12,686,000	R	$100
B2	$4,456,000	RH	$100
B3	$3,088,000	RS	$100
B4	$2,057,000	1B1	$10,648,000
B5	$2,057,000	1B2	$7,454,000
B6	$1,371,276	1B3	$4,614,000
R	$100	1B4	$4,259,000
		1B5	$2,129,000
		1B6	$1,775,131
		2B1	$1,205,000
		2B2	$927,000
		2B3	$464,000
		2B4	$556,000
		2B5	$93,000
		2B6	$185,758
		R	$100
		RH	$100
		RS	$100

RMBS

Transaction Name:	**GSR 2005-AR3**	**GSR 2005-AR4**
Closing Date:	May 27, 2005	June 30, 2005
Issuer:	GSR Mortgage Loan Trust 2005-AR3	GSR Mortgage Loan Trust 2005-AR4
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	S&P, Moody's	S&P, Fitch
Collateral Type:	Prime Hybrid	Prime Hybrid

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$133,284,000	1A1	$70,927,000
2A1	$169,571,000	2A1	$132,353,000
3A1	$181,240,000	3A1	$28,000,000
3A2	$20,138,000	3A2	$50,000,000
4A1	$278,440,000	3A3	$3,500,000
5A1	$188,605,000	3A4	$205,630,000
6A1	$360,482,000	3A5	$68,208,000
6A2	$11,168,000	4A1	$42,548,000
7A1	$34,039,000	5A1	$230,375,000
8A1	$67,807,000	6A1	$411,115,000
8A2	$3,655,000	1B1	$14,680,000
1B1	$7,790,000	1B2	$6,044,000
1B2	$2,544,000	1B3	$3,886,000
1B3	$1,271,000	1B4	$3,022,000
1B4	$1,431,000	1B5	$2,591,000
1B5	$1,272,000	1B6	$1,727,144
1B6	$795,489	2B1	$5,498,000
2B1	$28,335,000	2B2	$2,538,000
2B2	$13,262,000	2B3	$1,269,000
2B3	$7,234,000	2B4	$1,057,000
2B4	$6,028,000	2B5	$846,000
2B5	$4,220,000	2B6	$635,219
2B6	$3,014,910	X	$411,115,000
X	$317,958,489	R	$100
R	$100	RT1	$100
RSR	$100	RT2	$100
RH	$100		

RMBS

	GSR 2005-AR5	GSR 2005-AR6
Transaction Name:	**GSR 2005-AR5**	**GSR 2005-AR6**
Closing Date:	August 26, 2005	September 30, 2005
Issuer:	GSR Mortgage Loan Trust 2005-AR5	GSR Mortgage Loan Trust 2005-AR6
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	S&P, Fitch, DBRS	S&P, Fitch, DBRS
Collateral Type:	Prime Hybrid	Prime Hybrid

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$140,821,000	1A1	$559,193,000
2A1	$25,000,000	1A2	$22,634,000
2A2	$1,998,000	1A3	$60,000,000
2A3	$273,002,000	1A4	$90,000,000
2A4	$245,693,000	2A1	$1,068,165,000
2A5	$81,897,000	2A2	$96,015,000
3A1	$112,212,000	3A1	$398,180,000
4A1	$167,173,000	3A2	$12,708,000
B1	$26,938,000	4A1	$125,000,000
B2	$9,345,000	4A2	$6,081,000
B3	$4,397,000	4A3	$175,492,000
B4	$4,947,000	4A4	$34,552,000
B5	$3,848,000	4A5	$70,000,000
B6	$2,201,856	B1	$53,241,000
R-1	$100	B2	$14,010,000
R-2	$100	B3	$5,604,000
		B4	$4,203,000
		B5	$4,203,000
		B6	$2,803,665
		R1	$100
		R2	$100

RMBS

Transaction Name:	**GSR 2005-AR7**	**GSR 2005-HEL1**
Closing Date:	October 31, 2005	December 29, 2005
Issuer:	GSR Mortgage Loan Trust 2005-AR7	GSR Trust 2005-HEL1
Trustee:	U.S. Bank	Deutsche Bank
Rating Agencies:	S&P, Fitch	S&P, Moody's
Collateral Type:	Prime Hybrid	HELOC

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$114,582,000	A-1	$370,469,000
1A2	$4,379,000	A-2A	$163,150,000
2A1	$435,290,000	A-2B	$68,078,000
2A2	$16,634,000	M-1	$47,736,000
3A1	$107,172,000	M-2	$38,485,000
4A1	$132,045,000	M-3	$11,102,000
4A2	$5,048,000	M-4	$10,731,000
5A1	$141,747,000	M-5	$8,511,000
5A2	$5,417,000	M-6	$8,141,000
6A1	$775,768,000	B-1	$6,291,000
1B1	$16,464,000	B-2	$3,000,000
1B2	$6,485,000	B-2	$4,401,000
1B3	$4,490,000	R-1	$0
1B4	$3,492,000	R-2	$0
1B5	$2,494,000	R-3	$0
1B6	$1,996,047	X	$0
2B1	$11,197,000	S	$0
2B2	$4,798,000		
2B3	$2,799,000		
2B4	$2,400,000		
2B5	$1,599,000		
2B6	$1,200,356		
R	$100		
RT1	$100		
RT2	$100		

RMBS

Transaction Name:	**GSR 2006-1F**	**GSR 2006-2F**
Closing Date:	January 30, 2006	February 24, 2006
Issuer:	GSR Mortgage Loan Trust 2006-1F	GSR Mortgage Loan Trust 2006-2F
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	S&P, Moody's, Fitch	S&P, Fitch
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:	**Tranche**	**Orig. Balance**	**Tranche**	**Orig. Balance**
	1A-1	$103,279,000	1A1	$38,766,000
	1A-2	$91,070,000	2A1	$110,830,000
	1A-3	$10,383,000	2A2	$20,000,000
	1A-4	$82,623,000	2A3	$8,560,000
	1A-5	$11,818,165	2A4	$8,284,000
	1A-6	$65,000,015	2A5	$16,844,000
	1A-7	$8,271,800	2A6	$9,703,000
	1A-8	$4,000	2A7	$690,000
	1A-9	$19,542,000	2A8	$2,498,000
	1A-10	$1,388,000	2A9	$109,000
	1A-11	$71,654,000	2A10	$917,000
	1A-12	$10,969,000	2A11	$2,842,274
	1A-13	$5,427,000	2A12	$10,240,726
	1A-14	$5,542,000	2A13	$29,923,000
	1A-15	$19,304,000	2A14	$1,995,000
	1A-16	$1,352,000	2A15	$39,776,000
	1A-17	$3,843,000	2A16	$7,949,000
	2A-1	$226,937,000	2A17	$32,865,000
	2A-2	$100,000,000	2A18	$47,725,000
	2A-3	$16,666,666	2A19	$4,000,000
	2A-4	$38,011,000	2A20	$4,000,000
	2A-5	$14,331,000	3A1	$86,000,000
	2A-6	$1,004,000	3A2	$10,750,000
	2A-7	$50,000,000	3A3	$32,336,000
	2A-8	$50,000,000	3A4	$12,843,000
	2A-9	$10,965,000	3A5	$857,000
	2A-10	$770,000	3A6	$115,000,000
	2A-11	$765,000	4A1	$49,148,000
	2A-12	$156,139,000	4A2	$49,148,000
	2A-13	$25,411,000	5A1	$11,422,000
	2A-14	$13,269,000	6A1	$20,514,000
	2A-15	$12,142,000	7A1	$46,652,000
	2A-16	$42,417,000	AX	$783,564
	2A-17	$2,970,000	M1	$8,493,000
	3A-1	$39,964,000	B1	$9,228,000
	3A-2	$39,964,000	B2	$4,429,000
	4A-1	$134,763,000	B3	$2,583,000
	4A-2	$8,610,000	B4	$1,845,000
	4A-3	$84,557,000	B5	$1,107,000
	4A-4	$23,253,000	B6	$1,848,497
	4A-5	$12,500,000	RC	$0
	4A-6	$10,753,000	R	$0
	4A-7	$26,953,000		
	5A-1	$100,000,000		
	5A-2	$19,920,000		
	5A-3	$129,587,000		
	5A-4	$37,299,000		
	5A-5	$21,096,000		
	5A-6	$16,203,000		
	5A-7	$41,722,000		
	5A-8	$208,608,000		
	5A-9	$3,152,000		
	6A-1	$40,394,000		
	6A-2	$40,394,000		
	6A-3	$800,000		
	7A-1	$18,311,000		
	7A-2	$18,311,000		
	1-AP	$2,124,269		
	2-AP	$238,095		
	AX	$224,309		
	1-M1	$10,164,000		
	1-B1	$9,315,000		
	1-B2	$5,081,000		
	1-B3	$2,117,000		
	2-M1	$8,628,000		
	2-B1	$8,470,000		
	2-B2	$2,965,000		
	2-B3	$1,887,000		
	1-B4	$1,693,000		
	1-B5	$1,270,000		
	1-B6	$1,896,737		
	2-B4	$1,078,000		
	2-B5	$808,000		
	2-B6	$1,081,558		
	R	$0		
	1-RC	$0		
	2-RC	$0		
	X	$0		

RMBS

Transaction Name:	**GSR 2006-3F**	**GSR 2006-4F**
Closing Date:	March 30, 2006	April 28, 2006
Issuer:	GSR Mortgage Loan Trust 2006-3F	GSR Mortgage Loan Trust 2006-4F
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	S&P, Fitch	S&P, Fitch
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$50,105,000	1A1	$32,589,000
1A2	$37,383,000	2A1	$145,607,000
1A3	$3,815,000	2A2	$109,412,000
1A4	$3,896,000	2A3	$26,886,000
1A5	$7,711,000	2A4	$39,957,000
1A6	$4,691,000	2A5	$42,569,000
1A7	$320,000	2A6	$66,843,000
2A1	$174,888,000	2A7	$10,697,000
2A2	$122,054,000	2A8	$10,937,000
2A3	$133,060,000	2A9	$21,634,000
2A4	$11,006,000	2A10	$13,686,000
2A5	$17,856,000	2A11	$875,000
2A6	$6,850,000	3A1	$195,374,000
2A7	$32,757,000	3A2	$3,638,000
2A8	$2,221,000	4A1	$62,674,000
3A1	$239,878,000	4A2	$62,674,000
3A2	$45,359,000	5A1	$86,719,000
3A3	$3,779,916	5A2	$81,137,000
3A4	$60,437,000	5A3	$15,710,000
3A5	$5,036,416	5A4	$20,953,000
3A6	$45,359,000	5A5	$24,474,000
3A7	$60,437,000	5A6	$36,663,000
3A8	$105,796,000	5A7	$6,044,000
3A9	$105,796,000	5A8	$6,179,000
3A10	$8,816,332	5A9	$12,223,000
3A11	$182,422,000	5A10	$8,151,000
3A12	$67,047,000	5A11	$5,208,000
3A13	$9,569,000	6A1	$10,000,000
3A14	$10,000	6A2	$72,547,000
3A15	$9,480,000	6A3	$7,068,000
3A16	$44,930,000	AP	$113,975
3A17	$3,046,000	AX	$406,722
3A18	$76,626,000	B-1	$12,556,000
4A1	$127,059,000	B-2	$5,149,000
5A1	$49,835,000	B-3	$3,218,000
5A2	$49,835,000	B-4	$2,574,000
A-P	$66,872	B-5	$2,252,000
A-X	$36,880	B-6	$1,612,868
M1	$6,012,000	RC	$0
B1	$9,016,000	R	$0
B2	$4,007,000		
B3	$2,671,000		
B4	$1,669,000		
B5	$1,001,000		
B6	$1,673,234		
R	$0		
RC	$0		

RMBS

Transaction Name:	GSR 2006-5F	GSR 2006-6F
Closing Date:	May 26, 2006	June 30, 2006
Issuer:	GSR Mortgage Loan Trust 2006-5F	GSR MORTGAGE LOAN TRUST 2006-6FD
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	S&P, Fitch	Fitch, Moody's
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$57,343,000	1A1	$11,875,000
2A1	$67,675,000	2A1	$103,000,000
2A2	$80,417,000	2A2	$7,725,000
2A3	$25,000	2A3	$44,722,000
2A4	$13,960,000	2A4	$34,461,000
2A5	$33,212,000	2A5	$2,470,000
2A6	$2,307,000	3A1	$30,000,000
3A1	$207,146,000	3A2	$164,510,357
3A2	$8,398,000	3A3	$164,510,357
3A3	$207,146,000	3A4	$12,654,643
3A4	$207,146,000	3A5	$12,654,643
3A5	$179,526,532	4A1	$23,322,000
3A6	$179,526,532	4A2	$23,322,000
3A7	$27,619,468	AP	$18,850
4A1	$22,407,000	AX	$29,560
4A2	$22,407,000	M-1	$3,321,000
5A1	$24,388,000	B-1	$5,756,000
AP	$255,214	B-2	$2,656,000
AX	$19,309	B-3	$1,549,000
M-1	$3,881,000	B-4	$885,000
B-1	$6,978,000	B-5	$664,000
B-2	$3,101,000	B-6	$888,331
B-3	$2,067,000	RC	$0
B-4	$1,292,000	R	$0
B-5	$775,000		
B-6	$1,294,070		
RC	$0		
R	$0		

RMBS

Transaction Name:	**GSR 2006-7F**	**GSR 2006-8F**
Closing Date:	July 28, 2006	August 25, 2006
Issuer:	GSR Mortgage Loan Trust 2006-7F	GSR Mortgage Loan Trust 2006-8F
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	S&P, Moody's, Fitch	S&P, Moody's, Fitch
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A-1	$6,620,000	1A-1	$3,388,000
2A-1	$100,598,000	2A-1	$76,066,000
2A-2	$73,819,000	3A-1	$86,973,000
2A-3	$38,660,000	3A-2	$86,973,000
2A-4	$35,159,000	3A-3	$5,000,000
2A-5	$28,127,200	3A-4	$20,000,000
2A-6	$28,127,200	3A-5	$102,876,000
2A-7	$7,031,800	3A-6	$47,130,000
2A-8	$7,031,800	3A-7	$3,509,000
2A-9	$16,719,000	3A-8	$3,073,000
2A-10	$8,726,000	3A-9	$3,770,400
2A-11	$7,993,000	3A-10	$47,130,000
2A-12	$9,400,000	3A-11	$47,130,000
2A-13	$660,000	4A-1	$54,420,000
3A-1	$77,984,000	4A-2	$50,000,000
3A-2	$77,984,000	4A-3	$830,000
3A-3	$3,117,000	4A-4	$2,409,000
3A-4	$25,851,000	4A-5	$3,635,000
3A-5	$78,342,000	4A-6	$279,815
3A-6	$42,711,000	4A-7	$58,422,000
3A-7	$2,990,000	4A-8	$4,494,000
3A-8	$622,000	4A-9	$2,164,000
4A-1	$50,000,000	4A-10	$166,461
4A-2	$69,625,000	4A-11	$3,635,000
4A-3	$83,214,000	4A-12	$8,000
4A-4	$498,000	4A-13	$58,422,000
4A-5	$66,238,000	4A-14	$58,422,000
4A-6	$2,526,000	4A-15	$2,164,000
4A-7	$13,014,000	4A-16	$2,164,000
4A-8	$1,001,076	4A-17	$64,221,000
4A-9	$911,000	4A-18	$64,221,000
4A-10	$46,270,000	4A-19	$64,221,000
4A-11	$9,430,000	4A-20	$66,630,000
4A-12	$13,014,000	4A-21	$4,940,076
4A-13	$13,014,000	5A-1	$81,799,000
4A-14	$2,917,569	5A-2	$81,799,000
5A-1	$62,686,000	A-X	$35,064
5A-2	$62,686,000	M-1	$1,870,000
A-X	$72,267	B-1	$8,711,000
M-1	$6,712,000	B-2	$3,733,000
B-1	$7,319,000	B-3	$2,488,000
B-2	$3,659,000	B-4	$1,244,000
B-3	$1,829,000	B-5	$1,244,000
B-4	$1,219,000	B-6	$1,247,465
B-5	$914,000	X	$0
B-6	$919,387	RC	$0
X	$0	R	$0
RC	$0		
R	$0		

RMBS

	GSR 2006-9F	GSR 2006-10F
Transaction Name:	GSR 2006-9F	GSR 2006-10F
Closing Date:	October 30, 2006	December 29, 2006
Issuer:	GSR Mortgage Loan Trust 2006-9F	GSR Mortgage Loan Trust 2006-10F
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	S&P, Moody's, Fitch	S&P, Fitch
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A-1	$5,480,000	1A-1	$8,451,000
2A-1	$102,032,000	2A-1	$46,760,000
3A-1	$506,770,000	3A-1	$204,541,000
4A-1	$306,639,000	4A-1	$88,737,000
4A-2	$284,738,214	4A-2	$88,737,000
4A-3	$284,738,214	4A-3	$3,859,000
4A-4	$21,902,786	5A-1	$27,210,000
4A-5	$21,902,786	6A-1	$31,938,000
5A-1	$126,252,000	A-X	$369,509
5A-2	$196,252,000	M-1	$4,717,000
5A-3	$70,000,000	B-1	$5,358,000
5A-4	$2,635,000	B-2	$2,788,000
6A-1	$90,220,000	B-3	$1,500,000
6A-2	$90,220,000	B-4	$1,071,000
7A-1	$8,013,000	B-5	$842,000
8A-1	$50,491,000	B-6	$1,074,413
9A-1	$62,255,000	RC	$0
A-X	$1,284,597	R	$0
M-1	$11,726,000		
B-1	$17,238,000		
B-2	$7,584,000		
B-3	$4,137,000		
B-4	$2,758,000		
B-5	$2,068,000		
B-6	$2,760,849		
RC	$0		
R	$0		

RMBS

Transaction Name:	**GSR 2006-AR1**	**GSR 2006-AR2**
Closing Date:	January 30, 2006	April 28, 2006
Issuer:	GSR Mortgage Loan Trust 2006-AR1	GSR Mortgage Loan Trust 2006-AR2
Trustee:	U.S. Bank	Citibank
Rating Agencies:	S&P, Fitch	S&P, Fitch
Collateral Type:	Prime Hybrid	Prime Hybrid

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	$131,839,000	1A1	$50,873,000
1A2	$6,520,000	2A1	$104,564,000
2A1	$400,000,000	2A2	$19,982,000
2A2	$383,536,000	2A3	$6,159,000
2A3	$68,461,000	3A1	$222,647,000
2A4	$150,665,000	3A2	$11,011,000
2A5	$49,583,000	4A1	$190,796,000
3A1	$94,348,000	4A2	$9,435,000
3A2	$4,666,000	5A1	$287,215,000
B1	$31,059,000	5A2	$14,204,000
B2	$10,804,000	1X	$55,685,666
B3	$5,401,000	1B1	$2,284,000
B4	$6,077,000	1B2	$1,002,000
B5	$4,061,000	1B3	$557,000
B6	$3,376,498	2B1	$19,044,000
RC	$100	2B2	$7,254,000
R	$100	2B3	$4,534,000
		1B4	$501,000
		1B5	$278,000
		1B6	$390,666
		2B4	$4,081,000
		2B5	$3,174,000
		2B6	$2,721,016
		R	$100
		1RC	$100
		2RC	$100

RMBS

Transaction Name:	GSR 2006-OA1	GSR 2007-1F
Closing Date:	August 24, 2006	February 28, 2007
Issuer:	GSR Mortgage Loan Trust 2006-OA1	GSR Mortgage Loan Trust 2007-1F
Trustee:	Deutsche Bank	U.S. Bank
Rating Agencies:	S&P, Moody's	S&P, Moody's, Fitch
Collateral Type:	Option ARM	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1-A-1	$744,970,000	1A-1	$2,520,000
2-A-1	$848,465,000	2A-1	$670,073,000
2-A-2	$353,527,000	2A-2	$497,836,000
2-A-3	$212,117,000	2A-3	$38,222,000
3-A-1	$148,888,000	2A-4	$124,215,000
3-A-2	$36,722,000	2A-5	$9,800,000
M-1	$62,195,000	2A-6	$310,270,000
M-2	$44,055,000	2A-7	$187,566,000
M-3	$18,140,000	2A-8	$18,909,000
M-4	$31,098,000	2A-9	$19,313,000
M-5	$12,957,000	2A-10	$536,058,000
M-6	$12,958,000	3A-1	$214,978,678
M-7	$12,957,000	3A-2	$157,522,000
M-8	$12,957,000	3A3	$14,461,000
M-9	$12,958,000	3A4	$132,127,000
R	$100	3A5	$12,314,000
RC	$100	3A-6	$153,000,000
RX	$100	3A-7	$153,000,000
P	$100	3A-8	$50,000,000
X	$28,506,312	3A-9	$142,670,000
		3A-10	$13,972,500
		3A-11	$50,000,000
		3A-12	$142,670,000
		3A-13	$10,112,000
		3A-14	$142,670,000
		3A-15	$132,127,000
		3A-16	$5,505,291
		4A-1	$165,077,000
		4A-2	$165,077,000
		A-X	$289,488
		M-1	$10,462,000
		B-1	$16,867,000
		B-2	$8,032,000
		B-3	$4,016,000
		B-4	$3,212,000
		B-5	$1,606,000
		B-6	$2,413,395
		X	$0
		RC	$0
		R	$100

RMBS

Transaction Name:	**GSR 2007-2F**	**GSR 2007-3F**
Closing Date:	March 30, 2007	April 30, 2007
Issuer:	GSR Mortgage Loan Trust 2007-2F	GSR Mortgage Loan Trust 2007-3F
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	Moody's, Fitch	Moody's, Fitch
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A-1	$101,801,000	1A-1	$53,113,000
1A-2	$75,460,000	1A-2	$38,758,000
1A-3	$5,981,000	1A-3	$6,732,000
1A-4	$18,988,000	1A-4	$9,917,000
1A-5	$1,372,000	1A-5	$706,000
2A-1	$206,768,000	2A-1	$253,277,000
2A-2	$152,973,000	2A-2	$185,501,000
2A-3	$162,584,000	2A-3	$197,528,000
2A-4	$9,611,000	2A-4	$12,027,000
2A-5	$12,441,000	2A-5	$17,121,000
2A-6	$2,830,000	2A-6	$5,094,000
2A-7	$38,568,000	2A-7	$47,292,000
2A-8	$2,786,000	2A-8	$3,363,000
2A-9	$94,568,000	2A-9	$114,758,000
2A-10	$58,405,000	2A-10	$70,743,000
3A-1	$241,703,000	3A-1	$370,744,000
3A-2	$173,545,000	3A-2	$281,073,000
3A-3	$185,328,000	3A-3	$262,541,000
3A-4	$11,783,000	3A-4	$18,532,000
3A-5	$19,817,000	3A-5	$34,054,000
3A-6	$8,034,000	3A-6	$16,522,000
3A-7	$45,084,000	3A-7	$69,226,000
3A-8	$3,257,000	3A-8	$4,923,000
3A-9	$89,073,000	4A-1	$67,662,000
3A-10	$84,472,000	4A-2	$67,662,000
4A-1	$54,907,000	A-X	$248,093
4A-2	$54,907,000	M-1	$5,409,000
A-X	$192,375	B-1	$10,431,000
M-1	$4,393,000	B-2	$4,635,000
B-1	$8,153,000	B-3	$3,091,000
B-2	$3,763,000	B-4	$1,545,000
B-3	$2,196,000	B-5	$1,159,000
B-4	$1,254,000	B-6	$1,545,564
B-5	$941,000	R	$100
B-6	$1,254,730	RC	$0
R	$100		
A-P	$69,793		
X	$0		
RC	$0		

RMBS

Transaction Name:	GSR 2007-4F	GSR 2007-5F
Closing Date:	June 29, 2007	December 28, 2007
Issuer:	GSR Mortgage Loan Trust 2007-4F	GSR Mortgage Loan Trust 2007-5F
Trustee:	U.S. Bank	U.S. Bank
Rating Agencies:	S&P, Fitch	S&P, Fitch
Collateral Type:	Prime Fixed	Prime Fixed

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	1A-1	$27,634,000	A-1	$667,024,000
	2A-1	$160,449,000	A-2	$28,215,000
	2A-2	$112,720,000	M-1	$10,128,000
	2A-3	$120,887,000	B-1	$4,341,000
	2A-4	$8,167,000	B-2	$4,702,000
	2A-5	$15,639,000	B-3	$2,532,000
	2A-6	$7,472,000	B-4	$2,894,000
	2A-7	$29,851,000	B-5	$2,170,000
	2A-8	$2,239,000	B-6	$1,447,809
	3A-1	$100,000,000	R	$100
	3A-2	$182,099,000	RC	$100
	3A-3	$81,945,000		
	3A-4	$100,154,000		
	3A-5	$18,377,000		
	3A-6	$59,066,000		
	3A-7	$4,431,000		
	3A-8	$45,000,000		
	3A-9	$8,510,000		
	3A-10	$3,476,000		
	3A-11	$250,595,395		
	4A-1	$77,646,000		
	4A-2	$77,646,000		
	5A-1	$12,891,000		
	6A-1	$45,244,000		
	7A-1	$19,503,000		
	M-1	$1,190,000		
	B-1	$11,062,000		
	B-2	$5,135,000		
	B-3	$2,766,000		
	B-4	$2,370,000		
	B-5	$1,185,000		
	B-6	$1,975,749		
	A-P	$90,993		
	A-X	$245,320		
	R	$100		
	RC	$0		

RMBS

Transaction Name:	**GSR 2007-AR1**	**GSR 2007-AR2**
Closing Date:	January 31, 2007	May 24, 2007
Issuer:	GSR Mortgage Loan Trust 2007-AR1	GSR Mortgage Loan Trust 2007-AR2
Trustee:	Deutsche Bank	Deutsche Bank
Rating Agencies:	S&P, Fitch	S&P, Fitch
Collateral Type:	Prime Hybrid	Prime Hybrid

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A1	74,245,000	1A1	$419,625,000
1A2	$3,449,000	1A2	$24,143,000
2A1	$1,080,259,000	2A1	$231,612,000
2A2	$50,176,000	2A2	$8,717,000
3A1	$160,221,000	3A1	$88,220,000
3A2	$7,443,000	3A2	$2,568,000
4A1	$60,686,000	4A1	$43,565,000
4A2	$2,819,000	4A2	$1,640,000
5A1	$131,889,000	5A1A	$56,038,000
5A2	$6,127,000	5A1B	$317,896,000
6A1	$89,171,000	5A2	$14,073,000
6A2	$4,142,000	6A1	$89,703,000
B1	$39,259,000	6A2	$3,376,000
B2	$13,085,000	B1	$19,916,000
B3	$7,851,000	B2	$9,293,000
B4	$5,234,000	B3	$5,311,000
B5	$4,361,000	B4	$5,310,000
B6	$4,365,162	B5	$3,983,000
R	$100	B6	$2,656,049
RC	$100	R	$100
		RC	$100

RMBS

	GSR 2007-HEL1	GSR 2007-OA1
Transaction Name:	GSR 2007-HEL1	GSR 2007-OA1
Closing Date:	April 17, 2007	May 8, 2007
Issuer:	GSR Trust 2007-HEL1	GSR Mortgage Loan Trust 2007-OA1
Trustee:	Deutsche Bank	Deutsche Bank
Rating Agencies:	S&P, Moody's	S&P, Moody's
Collateral Type:	HELOC	Option ARM

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	A	$132,937,000	1A-1	$374,616,000
	R	$100	1A-2	$93,654,000
	X	$100	2A-1	$156,221,000
	S	$100	2A-2	$74,739,000
	X-1	$100	2A-3A	$93,898,000
			2A-3B	$10,433,000
			2A-4	$200,000,000
			2A-M	$59,477,000
			M-1	$18,718,000
			M-2	$19,024,000
			M-3	$6,341,000
			M-4	$6,918,000
			M-5	$9,224,000
			M-6	$4,612,000
			M-7	$8,070,000
			M-8	$5,765,000
			M-9	$4,036,000
			M-10	$2,882,000
			R	$100
			RC	$100
			RX	$100
			XP	$6,341,774

RMBS

Transaction Name:	**GSR 2007-OA2**	**NCAMT 2006-ALT2**
Closing Date:	October 29, 2007	October 30, 2006
Issuer:	GSR Mortgage Loan Trust 2007-OA2	New Century Alternative Mortgage Loan Trust 2006-ALT2
Trustee:	Deutsche Bank	U.S. Bank
Rating Agencies:	S&P, Moody's	S&P, Moody's
Collateral Type:	Option ARM	Alt-A

Capital Structure:

Tranche	Orig. Balance	Tranche	Orig. Balance
1A-1	$186,326,000	AV-1	$186,161,000
2A-1	$105,399,000	AF-2	$38,791,000
A-2	$72,931,000	AF-3	$85,815,000
1X	$232,907,000	AF-4	$31,742,000
2X	$131,749,000	AF-5	$55,290,000
B-1	$9,738,000	AF-6A	$39,580,000
B-2	$8,677,000	AF-6B	$4,398,000
B-3	$5,291,000	M-1	$8,751,000
B-4	$8,677,000	M-2	$3,492,000
B-5	$8,138,000	M-3	$2,329,000
B-6	$9,312,000	M-4	$3,955,000
B-7	$2,328,000	B-1	$2,329,000
B-8	$8,466,028	B-2	$2,329,000
P-1	$100	B-3	$2,329,000
P-2	$100	R	$100
R	$100	RC	$100
RC	$100	RX	$100
		X	$2,328,818
		P	$100

RMBS

Transaction Name:	**STARM 2007-1**	**STARM 2007-4**
Closing Date:	February 23, 2007	September 24, 2007
Issuer:	STARM Mortgage Loan Trust 2007-1	STARM Mortgage Loan Trust 2007-4
Trustee:	Deutsche Bank	Deutsche Bank
Rating Agencies:	S&P, Fitch	S&P, Moody's, Fitch
Collateral Type:	Prime Hybrid	Prime Hybrid

Capital Structure:	Tranche	Orig. Balance	Tranche	Orig. Balance
	1A1	$63,302,000	1A1	$19,656,000
	1A2	$3,323,000	1A2	$1,341,000
	2A1	$305,002,000	2A1	$75,233,000
	2A2	$16,009,000	2A2	$95,418,000
	3A1	$93,757,000	2A3	$11,638,000
	3A2	$31,252,000	2X	$95,418,000
	3A3	$8,562,000	3A1	$391,616,000
	B1	$13,628,000	3A2	$26,702,000
	B2	$4,088,000	4A1	$102,139,000
	B3	$3,271,000	4A2	$6,965,000
	B4	$1,908,000	M	$23,942,000
	B5	$1,635,000	B1	$4,431,000
	B6	$1,363,429	B2	$6,996,000
	R	$100	B3	$2,721,000
	RC	$100	B4	$4,275,000
			B5.	$1,166,000
			B6	$3,109,952
			R	$100
			RC	$100

RMBS

Transaction Name:	**FHLT 2004-A**	**CBASS 2006-CB9**
Closing Date:	February 20, 2004	December 7, 2006
Issuer:	Fremont Home Loan Trust 2004-A	C-BASS Trust 2006-CB9
Trustee:	HSBC	LaSalle Bank
Rating Agencies:	S&P, Moody's	Moody's, Fitch, DBRS
Collateral Type:	Subprime	Subprime

Capital Structure:	**Tranche**	**Orig. Balance**	**Tranche**	**Orig. Balance**
	A-1A	$212,726,000	A-1	$330,834,000
	A-1B	$23,637,000	A-2	$72,092,000
	A-2	$237,239,000	A-3	$116,880,000
	A-3	$189,451,000	A-4	$82,496,000
	M-1	$58,419,000	M-1	$28,281,000
	M-2	$47,987,000	M-2	$22,930,000
	M-3	$14,604,000	M-3	$13,758,000
	B-1	$14,605,000	M-4	$11,848,000
	B-2	$10,432,000	M-5	$12,229,000
	B-3	$10,432,000	M-6	$9,554,000
	X	N/A	M-7	$9,172,000
	P	$100	M-8	$8,790,000
	R	N/A	M-9	$6,115,000
			B-1	$13,376,000
			B-2	$4,968,000
			B-3	$7,644,000
			CE-1	$13,375,922
			CE-2	$100
			R	$100
			RX	$100
			P	$100

Sum of Orig Face (mm)	
Risk Taker/ Customer	Total
ACA Management	42.0
AIG (AIGFP)	149.7
AIG (Banque AIG)	205.0
AIG (Global)	18.6
Aladdin	[redacted]
Allied Irish	[redacted]
Anglo Irish	[redacted]
Bank Hofman	[redacted]
BAWAG	[redacted]
BSAM	760.2
C-BASS	[redacted]
Church Tavern	[redacted]
CNCE	[redacted]
Commerzbank	[redacted]
Credit Suisse	[redacted]
Deutsche Bank	[redacted]
Faxtor	[redacted]
GIB	[redacted]
Greywolf	15.0
HBK	[redacted]
Highland Capital	[redacted]
IKB	965.5
Koch Global	[redacted]
Merrill	[redacted]
New Bond Street	[redacted]
Nordea	[redacted]
NY CDO DESK	250.6
Oppenheimer	[redacted]
Princeton Advisory	[redacted]
Security Benefit Life	[redacted]
TCW	[redacted]
Tricadia	[redacted]
Vanderbilt	[redacted]
Wachovia	[redacted]
Grand Total	3,661.5

[redacted] = Redacted by the Permanent Subcommittee on Investigations

CLOSING DATES:

Deal Name	Settle Date
ABACUS 2004-1	7/1/04
ABACUS 2004-2	10/26/04
ABACUS 2004-3	12/21/04
ABACUS 2005-1	3/9/05
ABACUS 2005-2	6/7/05
ABACUS 2005-3	7/28/05
ABACUS 2005-5	11/2/05
ABACUS 2005-CB1	12/7/05
ABACUS 2006-6	4/14/06
ABACUS 2006-8	8/3/06
ABACUS 2006-HGS1	11/30/06
ABACUS 2006-11	9/20/06
ABACUS 2006-12	4/27/06
ABACUS 2006-14	10/13/06
ABACUS 2006-15	10/31/06
ABACUS 2007-AC1	4/26/07

TRADE DETAIL:

Deal	Closing Date	Deal Type	Portfolio Manager/Selection Agent	Asset Type	Rating Agencies	Trustee	Issuer Location	Co-Issuer Location	Class	Price	Orig Face (mm)	Trade Date	Settle Date	Risk Taker/ Counterparty
ABACUS 2004-1	7/1/2004	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A	100.00	24.00	6/2/04	7/1/04	[redacted]
ABACUS 2004-1	7/1/2004	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A	100.00	20.00	1/24/05	1/28/05	[redacted]
ABACUS 2004-1	7/1/2004	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A	100.00	30.00	1/31/05	2/3/05	[redacted]
ABACUS 2004-1	7/1/2004	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A	100.00	45.00	3/18/05	3/23/05	[redacted]
ABACUS 2004-1	7/1/2004	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	40.00	6/8/04	7/1/04	[redacted]
ABACUS 2004-1	7/1/2004	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	30.00	6/8/04	7/1/04	[redacted]
ABACUS 2004-2	10/26/2004	Mezzanine	N/A	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A	100.00	30.00	10/22/04	10/26/04	[redacted]
ABACUS 2004-2	10/26/2004	Mezzanine	N/A	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	40.00	10/22/04	10/26/04	[redacted]
ABACUS 2004-2	10/26/2004	Mezzanine	N/A	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	30.00	10/1/04	10/26/04	[redacted]
ABACUS 2004-2	10/26/2004	Mezzanine	N/A	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	D	100.00	10.00	10/1/04	10/26/04	[redacted]
ABACUS 2004-3	12/21/2004	High Grade	N/A	Synthetic	S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	45.00	12/9/04	12/21/04	[redacted]
ABACUS 2004-3	12/21/2004	High Grade	N/A	Synthetic	S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	22.50	12/8/04	12/21/04	[redacted]
ABACUS 2004-3	12/21/2004	High Grade	N/A	Synthetic	S&P	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	7.50	12/8/04	12/21/04	[redacted]
ABACUS 2004-3	12/21/2004	High Grade	N/A	Synthetic	S&P	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	40.00	2/21/05	2/23/05	[redacted]
ABACUS 2004-3	12/21/2004	High Grade	N/A	Synthetic	S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100-255	20.00	6/9/05	6/13/05	[redacted]
ABACUS 2004-3	12/21/2004	High Grade	N/A	Synthetic	S&P	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	3.00	7/19/05	7/25/05	[redacted]
ABACUS 2004-3	12/21/2004	High Grade	N/A	Synthetic	S&P	LaSalle/BofA	Cayman Islands	Delaware	A1	99-202	28.75	12/14/05	12/19/05	[redacted]
ABACUS 2005-1	3/9/2005	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	80.00	6/9/06	6/30/06	[redacted]
ABACUS 2005-1	3/9/2005	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	53.00	3/7/05	3/9/05	[redacted]
ABACUS 2005-1	3/9/2005	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	30.00	3/7/05	3/9/05	[redacted]
ABACUS 2005-1	3/9/2005	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	13.00	3/2/05	3/9/05	[redacted]
ABACUS 2005-1	3/9/2005	High Grade	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D	100.00	13.00	3/3/05	3/9/05	[redacted]
ABACUS 2005-2	6/7/2005	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	72.50	10/7/05	10/25/05	[redacted]
ABACUS 2005-2	6/7/2005	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	40.00	5/25/05	6/7/05	[redacted]
ABACUS 2005-2	6/7/2005	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A3	100.00	30.00	6/1/05	6/7/05	[redacted]
ABACUS 2005-2	6/7/2005	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	30.36	6/1/05	6/7/05	[redacted]
ABACUS 2005-2	6/7/2005	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	28.13	5/25/05	6/7/05	[redacted]
ABACUS 2005-2	6/7/2005	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D	100.00	12.50	5/25/05	6/7/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	C SR2	100.00	25.00	2/14/06	2/28/06	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D SR2	100.00	12.00	6/21/06	6/28/06	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D SR2	100.00	5.00	6/21/06	6/28/06	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D SR2	100.00	10.00	6/20/06	6/21/06	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D SR2	100.00	10.00	6/16/06	6/23/06	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D SR3	100.00	15.00	6/20/06	6/28/06	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	15.00	3/30/06	4/21/06	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D	99.25	25.00	4/3/06	4/13/06	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	E	100.00	6.00	3/30/06	4/28/06	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	100.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	5.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	5.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	99.00	60.00	7/6/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	20.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	12.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	20.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	150.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	10.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	15.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	99-28	10.00	7/27/05	8/1/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	99-03	10.00	7/27/05	8/1/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	99-172	30.00	8/18/05	8/19/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	C	99-022	15.00	8/18/05	8/19/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D	95-24	25.00	7/8/05	7/28/05	[redacted]
ABACUS 2005-3	7/28/2005	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	D	98-022	23.00	8/18/05	8/19/05	[redacted]
ABACUS 2005-5	11/2/2005	Mezzanine	N/A	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	N/A	A1	100.00	120.00	10/18/05	11/2/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	B	100.13	10.00	6/16/06	6/22/06	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	6.44	4/18/06	4/21/06	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	62.13	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	25.00	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	25.20	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	10.00	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	30.00	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	5.00	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	5.00	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A2	99-06	12.50	11/14/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	B	99-16	10.00	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	B	99-06	12.50	11/16/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	5.00	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	12.00	11/11/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	D	100.00	8.88	11/11/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	E1	100.00	15.00	11/10/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	E2	100.00	5.00	11/16/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	E3	99-31+	1.86	11/16/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	F	95-018	5.00	12/6/05	12/7/05	[redacted]
ABACUS 2005-CB1	12/7/2005	Mezzanine	C-BASS	Synthetic	S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	F	95-01	4.36	12/13/05	12/20/05	[redacted]
ABACUS 2006-6	4/14/2006	Mezzanine	N/A	Synthetic	Moody's/S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	20.00	4/6/06	4/28/06	[redacted]
ABACUS 2006-6	4/14/2006	Mezzanine	N/A	Synthetic	Moody's/S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	30.00	4/6/06	4/28/06	[redacted]
ABACUS 2006-6	4/14/2006	Mezzanine	N/A	Synthetic	Moody's/S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	23.00	4/6/06	4/28/06	[redacted]
ABACUS 2006-6	4/14/2006	Mezzanine	N/A	Synthetic	Moody's/S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	4.00	4/6/06	4/24/06	[redacted]
ABACUS 2006-6	4/14/2006	Mezzanine	N/A	Synthetic	Moody's/S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	8.00	4/6/06	4/24/06	[redacted]
ABACUS 2006-6	4/14/2006	Mezzanine	N/A	Synthetic	Moody's/S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	A3	100.00	27.50	2/17/06	3/14/06	[redacted]
ABACUS 2006-6	4/14/2006	Mezzanine	N/A	Synthetic	Moody's/S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	20.00	2/17/06	3/14/06	[redacted]
ABACUS 2006-6	4/14/2006	Mezzanine	N/A	Synthetic	Moody's/S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	32.50	2/17/06	3/14/06	[redacted]
ABACUS 2006-6	4/14/2006	Mezzanine	N/A	Synthetic	Moody's/S&P/Fitch	LaSalle/BofA	Cayman Islands	Delaware	D	100.00	4.00	4/6/06	4/20/06	[redacted]
ABACUS 2006-8	8/3/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	25.00	1/3/07	1/29/07	[redacted]
ABACUS 2006-8	8/3/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	40.63	7/14/06	8/3/06	[redacted]
ABACUS 2006-8	8/3/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	35.84	7/14/06	8/3/06	[redacted]
ABACUS 2006-8	8/3/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	C	100.00	33.44	7/14/06	8/3/06	[redacted]
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A1	100.00	60.00	11/3/06	11/30/06	[redacted]
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	A2	100.00	94.30	11/3/06	11/30/06	[redacted]
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	AMS1	99.73	67.50	11/1/06	11/30/06	[redacted]
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	AMS5	99.25	67.50	2/2/07	2/7/07	[redacted]
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/BofA	Cayman Islands	Delaware	B	100.00	20.25	11/3/06	11/30/06	[redacted]

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Deal	Closing Date	Deal Type	Portfolio Manager/Selection Agent	Asset Type	Rating Agencies	Trustee	Issuer Location	Co-Issuer Location	Class	Price	Orig Face (mm)	Trade Date	Settle Date	Risk Taken/ Customer
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	10.00	11/3/06	11/30/06	[redacted]
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	9.00	11/3/06	12/6/06	
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	10.00	11/3/06	11/30/06	
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	6.00	3/22/07	3/27/07	
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	D	100.00	9.00	3/22/07	3/27/07	
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	E	100.00	15.00	11/7/06	11/30/06	
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	F	93.50	9.40	11/3/06	11/30/06	
ABACUS 2006-HGS1	11/30/2006	CDO^2	GSAM	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	6.00	11/3/06	11/30/06	
ABACUS 2006-HGS1	11/30/2006	CDO^3	GSAM	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	D	100.00	9.00	11/3/06	11/30/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A1	100.00	42.00	8/18/06	9/20/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	20.00	8/18/06	9/20/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	20.00	8/24/06	9/22/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2 SR2	100.00	25.94	10/27/06	11/1/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2 SR2	100.00	23.84	8/8/06	9/20/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	12.50	10/2/06	10/30/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	10.30	8/18/06	9/20/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	19.38	8/26/06	9/25/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	16.75	8/26/06	9/28/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	16.75	8/18/06	9/20/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	D	100.00	10.00	12/4/06	12/7/06	
ABACUS 2006-11	9/20/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	D	100.00	10.00	8/18/06	9/20/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A1	80.46	15.00	5/8/06	5/12/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A1	80.83	40.00	4/25/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A1	98.63	20.00	4/25/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A1	93.83	13.00	4/25/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A1	98.83	10.00	4/25/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	14.80	4/10/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	30.00	4/10/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	30.00	11/29/06	12/5/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	12.10	4/5/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	13.10	11/29/06	12/5/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	10.00	4/5/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	12.00	4/5/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	12.00	4/3/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	25.50	4/3/06	4/27/06	
ABACUS 2006-12	4/27/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	D	100.00	6.75	4/5/06	4/27/06	
ABACUS 2006-14	10/19/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2 SR2	100.00	10.00	9/19/07	9/29/07	
ABACUS 2006-14	10/19/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2 SR2	100.00	10.00	9/24/07	9/31/07	
ABACUS 2006-14	10/19/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	20.00	9/27/06	10/19/06	
ABACUS 2006-14	10/19/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	20.00	10/10/06	10/19/06	
ABACUS 2006-14	10/19/2006	Mezzanine	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	20.00	9/27/06	10/19/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B SR2	100.00	6.00	9/20/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C SR2	100.00	2.85	9/20/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	D SR2	100.00	2.85	9/20/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	10.00	11/29/06	12/5/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	60.00	10/25/06	10/30/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	10.00	9/20/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A3	100.00	20.00	9/20/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A3	100.00	16.00	9/20/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A3	100.00	20.00	11/29/06	12/5/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	B	100.00	37.00	9/20/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	20.00	11/29/06	12/5/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	21.15	9/29/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	C	100.00	20.00	9/29/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	D	100.00	11.15	9/29/06	10/11/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	D	100.00	3.50	11/6/06	11/9/06	
ABACUS 2006-15	10/21/2006	Intermediate	N/A	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	D	80.00	3.50	12/20/06	12/29/06	
ABACUS 2007-AC1	4/26/2007	Mezzanine	ACA Management	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A1	100.00	50.00	4/10/07	4/23/07	PKB
ABACUS 2007-AC1	4/26/2007	Mezzanine	ACA Management	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	42.00	4/10/07	4/23/07	ACA Management
ABACUS 2007-AC1	4/26/2007	Mezzanine	ACA Management	Synthetic	Moody's/S&P	LaSalle/Deut	Cayman Islands	Delaware	A2	100.00	100.00	4/10/07	4/23/07	PKB

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TRADE DETAILS:

Deal	Class	Price	Orig Face (mm)	Trade Date	Settle Date	Risk Taker/ Customer
ABACUS 06-11 NR	A-1	CDS- 54bps	-41.25	9/18/06	9/26/06	MAGNETAR CNS MF LTD
ABACUS 06-11 NR	A-1	CDS- 54bps	-41.25	9/18/06	9/26/06	DEUTSCHE AG LONDON
ABACUS 06-11 NR	A-2	CDS- 62bps	-22.97	9/18/06	9/26/06	MAGNETAR CNS MF LTD
ABACUS 06-11 NR	A-2	CDS- 62bps	-22.97	9/18/06	9/26/06	DEUTSCHE AG LONDON
ABACUS 06-11 NR	B	CDS- 120bps	-10.63	9/18/06	9/26/06	GSC Eliot Bridge Master Fund I, Ltd.
ABACUS 06-11 NR	B	CDS- 120bps	-10.63	9/18/06	9/26/06	MAGNETAR CNS MF LTD
ABACUS 06-11 NR	B	CDS- 120bps	-10.63	9/18/06	9/26/06	DEUTSCHE AG LONDON
ABACUS 06-11 NR	C	CDS- 230bps	-6.25	9/18/06	9/26/06	GSC Eliot Bridge Master Fund I, Ltd.
ABACUS 06-11 NR	C	CDS- 230bps	-6.25	9/18/06	9/26/06	MAGNETAR CNS MF LTD
ABACUS 06-11 NR	C	CDS- 230bps	-6.25	9/18/06	9/26/06	DEUTSCHE AG LONDON
ABACUS 06-11 NR	D	CDS- 405bps	-5.94	9/18/06	9/26/06	GSC Eliot Bridge Master Fund I, Ltd.
ABACUS 06-11 NR	D	CDS- 405bps	-5.94	9/18/06	9/26/06	MAGNETAR CNS MF LTD
ABACUS 06-11 NR	D	CDS- 405bps	-5.94	9/18/06	9/26/06	DEUTSCHE AG LONDON
ABACUS 06-14 NR	A-2	CDS- 70bps	-36.68	10/10/06	10/13/06	MAGNETAR CNS MF LTD
ABACUS 06-14 NR	B	CDS- 105bps	-38.68	10/10/06	10/13/06	MAGNETAR CNS MF LTD
ABACUS 06-14 NR	C	CDS- 200bps	-25.16	10/10/06	10/13/06	MAGNETAR CNS MF LTD
ABACUS 06-14 NR	D	CDS- 400bps	-15.72	10/10/06	10/13/06	MAGNETAR CNS MF LTD
ABACUS 06-15	C	CDS- 185bps	-6.81	11/8/06	11/13/06	GSC Eliot Bridge Master Fund I, Ltd.
ABACUS 06-HGS1	SS	CDS- 22bps	-1032.00	9/15/06	9/20/06	PAULSON CRED OPP MST
ABACUS 06-INDX2	SS	CDS- 22bps	-660.00	9/27/06	10/4/06	PAULSON CRED OPP MST
ABACUS 07-AC1	SS	CDS- 85bps	-1000.00	5/31/07	5/31/07	PAULSON CRED OPP MST
ABACUS 07-AC1	A2	CDS- 141bps	-142.00	5/31/07	4/26/07	PAULSON CRED OPP MST
ABACUS 07-AC1	A1	CDS- 116bps	-50.00	4/10/07	4/26/07	PAULSON CRED OPP MST

Footnote Exhibits - Page 2893

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TRADE DETAILS

Deal	Class	Price	Orig Face (mm)	Trade Date	Settle Date	Risk Taker/ Customer
ABACUS 04-1	Second Loss	500bps running	3.00	9/29/05	10/18/05	GSC Eliot Bridge Master Fund I, Ltd.
ABACUS 04-1	First Loss	800bps running	4.50	9/29/05	10/18/05	GSC Eliot Bridge Master Fund I, Ltd.
ABACUS 04-1	First Loss	185bps running	10.00	3/30/06	3/30/06	[redacted]
ABACUS 04-1	Second Loss	175bps running	12.50	12/5/06	12/5/06	[redacted]
ABACUS 04-1	SS	12bps running	1760.00	5/26/05	6/8/05	AIGFP
ABACUS 04-2	SS	12bps running	730.00	5/26/05	6/8/05	AIGFP
ABACUS 05-2	First Loss	1590bps running	3.00	10/20/05	11/9/05	GSC Eliot Bridge Master Fund I, Ltd.
ABACUS 05-2	Second Loss	875bps running	4.20	10/20/05	11/9/05	GSC Eliot Bridge Master Fund I, Ltd.
ABACUS 05-2	First Loss	1590bps running	5.00	10/18/05	11/2/05	Bear Stearns Structured Risk Partners Master Fund Ltd.
ABACUS 05-2	Second Loss	875bps running	7.00	10/18/05	11/2/05	Bear Stearns Structured Risk Partners Master Fund Ltd.
ABACUS 05-2	SS	13bps running	1000.00	10/7/05	10/28/05	AIGFP
ABACUS 05-3	SS	12bps running	1200.00	7/6/05	7/28/05	AIGFP
ABACUS 05-CB1	First Loss	550bps running	15.94	11/10/05	12/7/05	[redacted]
ABACUS 05-CB1	Second Loss	1150bps running	15.94	11/10/05	12/7/05	[redacted]
ABACUS 05-CB1	SS	19bps running	480.00	11/10/05	12/7/05	AIGFP
ABACUS 06-15	E	CDS- 1530bps	5.00	11/8/06	11/13/06	GSC Eliot Bridge Master Fund I, Ltd.
ABACUS 06-15 V2	A-1	CDS- 65bps	54.00	11/16/06	11/28/06	Bear Stearns High Grade Credit Strategies Enhanced Leveraged Master Fund Ltd.
ABACUS 06-15 V2	SS	CDS- 22bps	315.00	11/17/06	11/17/06	[redacted]
ABACUS 06-8	E	CDS- 60bps	2.30	11/17/06	11/17/06	[redacted]
ABACUS 06-8	E	CDS- 60bps	2.70	11/17/06	11/17/06	[redacted]
ABACUS 06-8 FL	F	CDS- 2050bps	0.48	7/2/07	2/16/06	[redacted]
ABACUS 06-8 FL	F	CDS- 2050bps	4.50	2/7/06	2/16/06	[redacted]
ABACUS 06-8 SS	SS	CDS- 29bps	199.64	11/17/06	11/28/06	[redacted]
ABACUS 06-HGS1	FL	CDS- 600bps	2.80	11/7/06	11/30/06	Bear Stearns Structured Risk Partners Master Fund Ltd.
ABACUS 06-HGS1	SS	CDS- 27bps	450.00	11/3/07	11/3/06	[redacted]
ABACUS 06-HGS1	SS	CDS- 27bps	450.00	11/3/06	11/3/06	[redacted]
ABACUS 06-INDX2	SS	CDS- 21.5bps	660.00	10/2/06	10/3/06	[redacted]
ABACUS 06-INDX2	SS	CDS- 21.5bps	1032.00	9/15/06	9/20/06	Morgan Stanley Prop
ABACUS 07-AC1 v2	SS	CDS- 87bps	909.09	5/31/07	5/31/07	ABN Amro - London

CLOSING DATES:

Deal Name	Closing Date	Deal Type
Fortius I Funding, Ltd.	03/08/06	Mazzanine
Davis Square Funding VI, Ltd.	03/30/06	High Grade
Hout Bay 2006-1 Ltd.	05/02/06	High Grade
Broadwick Funding, Ltd.	05/11/06	Mezzanine
West Coast Funding I, Ltd.	07/26/06	High Grade
Altius III Funding, Ltd.	09/28/06	High Grade
Lochsong, Ltd.	10/04/06	CDO^2
Hudson High Grade Funding 2006-1, Ltd.	11/01/06	High Grade
Hudson Mezzanine Funding 2006-1, Ltd.	12/05/06	Mezzanine
Davis Square Funding VII, Ltd.	12/05/06	High Grade
Fortius II Funding, Ltd.	12/07/06	Mazzanine
GSC ABS Funding 2006-3g, Ltd.	01/18/07	High Grade
Hudson Mezzanine Funding 2006-2, Ltd.	02/08/07	Mezzanine
Fort Denison Funding, Ltd.	02/14/07	CDO^2
Camber 7 plc	02/28/07	Mezzanine
Anderson Mezzanine Funding 2007-1, Ltd.	03/20/07	Mezzanine
Timberwolf I, Ltd.	03/27/07	CDO^2
Point Pleasant Funding 2007-1, Ltd.	04/18/07	CDO^2
Altius IV Funding, Ltd.	05/31/07	High Grade

Deal Name	Settle Date	Deal Type
ABACUS 2006-14	10/2006, 5/2007	Mazzanine
ABACUS 2006-11	9/2006	Mezzanine
ABACUS 2006-15	10/2006	Mazzanine
ABACUS 2006-9	1/2007, 8/2006	High Grade
ABACUS 2006-HGS1	11/2006	CDO^2
ABACUS 2006-12	4/2006	High Grade
ABACUS 2006-8	4/2006	Mazzanine
ABACUS 2007-AC1	4/2007	Mezzanine

TRADE DETAILS:

Deal	Class	Price	Orig Face (n	Trade Date	Settle Date	Risk Taker/ Customer
ABACUS 2005-1	A1	100.00	80.00	5/9/05	5/30/05	BEAR STEARNS Asset Management
ABACUS 2005-3	C SR2	100.00	25.00	2/14/06	2/28/06	Trust Company of the West
ABACUS 2005-3	D SR2	100.00	12.00	5/31/06	6/28/06	FAXTOR
ABACUS 2005-3	D SR2	100.00	5.00	6/21/06	6/28/06	Trust Company of the West
ABACUS 2005-3	D SR2	100.00	10.00	6/20/06	6/28/06	WACHOVIA SECURITIES
ABACUS 2005-3	D SR2	100.00	10.00	6/16/06	6/28/06	WACHOVIA SECURITIES
ABACUS 2005-3	D SR3	100.00	15.00	8/28/06	9/28/06	KOCH GLOBAL
ABACUS 2005-3	B	100.00	15.00	3/30/06	4/28/06	BEAR STEARNS Asset Management
ABACUS 2005-3	D	98.25	25.00	4/3/06	4/10/06	IKB DEUTSCH
ABACUS 2005-3	E	100.00	6.00	3/30/06	4/28/06	BEAR STEARNS Asset Management
ABACUS 2005-4	A1	100.28	25.00	5/17/06	5/22/06	DEUTSCHE BANK
ABACUS 2005-4	A1	100.28	25.00	5/17/06	5/22/06	LIBERTY HAM/
ABACUS 2005-7	A1 SR2	100.00	30.00	3/22/06	3/28/06	DEUTSCHE PO/
ABACUS 2005-CB1	B	100.13	10.00	8/18/06	8/23/06	NEW BOND ST
ABACUS 2005-CB1	C	100.00	6.44	4/18/06	4/21/06	COMMERZBANK/
ABACUS 2006-11	A1	100.00	82.50	9/19/06	9/20/06	IKB DEUTSCH
ABACUS 2006-11	A1	100.00	82.50	9/19/06	9/20/06	IKB DEUTSCH
ABACUS 2006-11	A2	100.00	20.00	9/26/06	9/28/06	NY CDO DESK
ABACUS 2006-11	A2	100.00	25.94	10/27/06	11/1/06	NY CDO DESK
ABACUS 2006-11	A2	100.00	20.00	8/16/06	9/20/06	CDO Desk
ABACUS 2006-11	A2 SR2	100.00	25.94	9/6/06	9/20/06	Aladdin
ABACUS 2006-11	B	100.00	12.50	10/2/06	10/30/06	OPPENHEIMER
ABACUS 2006-11	B	100.00	19.38	8/16/06	9/20/06	Aladdin
ABACUS 2006-11	C	100.00	18.75	9/26/06	9/28/06	NY CDO DESK
ABACUS 2006-11	C	100.00	18.75	8/16/06	9/20/06	Aladdin
ABACUS 2006-11	D	100.00	10.00	12/4/06	12/7/06	NY CDO DESK
ABACUS 2006-11	D	100.00	10.00	8/16/06	9/20/06	Aladdin
ABACUS 2006-12	A1	99.86	15.00	5/9/06	5/12/06	ACA MGMT LL
ABACUS 2006-12	A1	99.89	40.00	4/25/06	4/27/06	CHURCH TAVERN
ABACUS 2006-12	A1	99.89	20.00	4/25/06	4/27/06	DEUTSCHE AM
ABACUS 2006-12	A1	99.89	10.00	4/25/06	4/27/06	PRINCETON Advisory
ABACUS 2006-12	A1	99.89	10.00	4/25/06	4/27/06	VANDERBILT
ABACUS 2006-12	A2	100.00	14.90	4/10/06	4/27/06	Trust Company of the West
ABACUS 2006-12	A2	100.00	30.00	4/10/06	4/27/06	Trust Company of the West
ABACUS 2006-12	B	100.00	10.10	4/5/06	4/27/06	Davis Square VII (TCW)
ABACUS 2006-12	B	100.00	10.00	4/5/06	4/27/06	Trust Company of the West
ABACUS 2006-12	C	100.00	12.00	4/5/06	4/27/06	Davis Square VII (TCW)
ABACUS 2006-12	C	100.00	25.50	4/5/06	4/27/06	Trust Company of the West
ABACUS 2006-12	D	100.00	8.75	4/5/06	4/27/06	Trust Company of the West
ABACUS 2006-13	A	100.00	159.00	8/9/06	9/7/06	RABOBANK
ABACUS 2006-13	B	100.00	11.72	8/9/06	9/7/06	ALTIUS III WAREHOUSE
ABACUS 2006-13	B	100.00	27.00	8/9/06	9/7/06	CREDIT SUIS/
ABACUS 2006-13	B	100.00	6.00	8/9/06	9/7/06	DELAWARE
ABACUS 2006-13	C	100.00	5.93	8/9/06	9/7/06	ALTIUS III WAREHOUSE
ABACUS 2006-13	C	100.00	5.00	8/9/06	9/7/06	DELAWARE
ABACUS 2006-13	D	100.00	2.00	8/9/06	9/7/06	ALTIUS III WAREHOUSE
ABACUS 2006-13	D	100.00	5.93	8/9/06	9/7/06	DECLARATION
ABACUS 2006-13	D	100.00	4.00	8/9/06	9/7/06	DELAWARE
ABACUS 2006-13	E	100.00	7.93	8/9/06	9/7/06	ALTIUS III WAREHOUSE
ABACUS 2006-13	E	100.00	4.00	8/9/06	9/7/06	PRINCETON Advisory
ABACUS 2006-13	F	100.00	3.93	8/9/06	9/7/06	CATAMOUNT
ABACUS 2006-13	F	100.00	7.00	8/9/06	9/7/06	DEUTSCHE BANK
ABACUS 2006-13	F	100.00	1.00	8/9/06	9/7/06	PRINCETON Advisory
ABACUS 2006-13	G	100.00	2.95	8/9/06	9/7/06	ALTIUS III WAREHOUSE
ABACUS 2006-13	G	100.00	4.00	8/9/06	9/7/06	CATAMOUNT
ABACUS 2006-13	G	100.00	1.00	8/9/06	9/7/06	UBS GLOBAL (UK)
ABACUS 2006-13	H	100.00	3.93	8/9/06	9/7/06	CATAMOUNT
ABACUS 2006-13	H	100.00	4.00	8/9/06	9/7/06	UBS GLOBAL (UK)
ABACUS 2006-13	H	100.00	4.00	8/9/06	9/7/06	WAREHOUSE
ABACUS 2006-13	J	100.00	4.94	8/9/06	9/7/06	CATAMOUNT
ABACUS 2006-13	J	100.00	5.00	8/9/06	9/7/06	UBS GLOBAL (UK)
ABACUS 2006-13	K	100.00	5.00	8/9/06	9/7/06	CATAMOUNT
ABACUS 2006-13	K	100.00	2.94	8/9/06	9/7/06	DECLARATION
ABACUS 2006-13	K	100.00	11.00	8/9/06	9/7/06	UBS GLOBAL (UK)
ABACUS 2006-13	L	100.00	9.94	8/9/06	9/7/06	UBS GLOBAL (UK)
ABACUS 2006-13	M	100.00	7.95	8/9/06	9/7/06	UBS GLOBAL (UK)
ABACUS 2006-13	N	100.00	5.98	8/9/06	9/7/06	UBS GLOBAL (UK)
ABACUS 2006-14	A2	100.00	20.00	9/27/06	10/19/06	ALADDIN CAPITAL
ABACUS 2006-14	B	100.00	20.00	9/27/06	10/19/06	ALADDIN
ABACUS 2006-14	C	100.00	20.00	9/27/06	10/19/06	ALADDIN
ABACUS 2006-15	B SR2	100.00	6.00	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	C SR2	100.00	2.85	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	D SR2	100.00	2.85	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	A2	100.00	10.00	9/20/06	10/11/06	Davis Square VII (TCW)
ABACUS 2006-15	A2	100.00	60.00	10/26/06	10/30/06	IKB DEUTSCH
ABACUS 2006-15	A2	100.00	10.00	9/20/06	10/11/06	Davis Square VII (TCW)
ABACUS 2006-15	A3	100.00	20.00	9/20/06	10/11/06	Davis Square VII (TCW)
ABACUS 2006-15	A3	100.00	16.00	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	A3	100.00	20.00	9/20/06	10/11/06	Davis Square VII (TCW)
ABACUS 2006-15	A3	100.00	16.00	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	B	100.00	37.50	9/20/06	10/11/06	Trust Company of the West

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ABACUS 2006-15	B	100.00	6.00	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	B	100.00	37.50	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	C	100.00	20.00	9/20/06	10/11/06	Davis Square VII (TCW)
ABACUS 2006-15	C	100.00	21.15	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	C SR1	100.00	20.00	9/20/06	10/11/06	NY CDO DESK
ABACUS 2006-15	C SR1	100.00	21.15	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	C SR2	100.00	2.85	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	D	100.00	11.15	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	D SR1	99.00	11.15	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-15	D SR1	100.00	3.50	12/20/06	12/26/06	Trust Company of the West
ABACUS 2006-15	D SR2	100.00	2.85	9/20/06	10/11/06	Trust Company of the West
ABACUS 2006-8	A1	100.00	20.00	4/6/06	4/28/06	BEAR STEARNS Asset Management
ABACUS 2006-8	A1	100.00	30.00	4/6/06	4/28/06	PRINCETON Advisory
ABACUS 2006-8	A2	100.00	23.00	4/6/06	4/28/06	CHURCH TAVERN
ABACUS 2006-8	A2	100.00	4.00	4/6/06	4/28/06	HBK INVS LP/
ABACUS 2006-8	A2	100.00	8.00	4/6/06	4/28/06	PRINCETON Advisory
ABACUS 2006-8	A3	100.00	27.50	2/17/06	3/14/06	IKB DEUTSCH
ABACUS 2006-8	B	100.00	20.00	2/17/06	3/14/06	IKB DEUTSCH
ABACUS 2006-8	C	100.00	32.50	2/17/06	3/14/06	IKB DEUTSCH
ABACUS 2006-8	D	100.00	4.00	4/6/06	4/28/06	PRINCETON Advisory
ABACUS 2006-9	A1	100.00	25.00	1/3/07	1/29/07	WACHOVIA SECURITIES
ABACUS 2006-9	A2	100.00	40.63	7/14/06	8/3/06	IKB DEUTSCH
ABACUS 2006-9	B	100.00	35.94	7/14/06	8/3/06	IKB DEUTSCH
ABACUS 2006-9	C	100.00	23.44	7/14/06	8/3/06	IKB DEUTSCH
ABACUS 2006-HGS1	A1	100.00	99.00	11/3/06	11/30/06	BEAR STEARNS Asset Management
ABACUS 2006-HGS1	A2	100.00	94.50	11/3/06	11/30/06	BEAR STEARNS Asset Management
ABACUS 2006-HGS1	AMSS	99.73	67.50	11/7/06	11/30/06	BEAR STEARNS Asset Management
ABACUS 2006-HGS1	AMSS	99.25	67.50	2/2/07	2/7/07	BEAR STEARNS Asset Management
ABACUS 2006-HGS1	B	100.00	20.25	11/3/06	11/30/06	BEAR STEARNS Asset Management
ABACUS 2006-HGS1	B	100.00	10.00	11/3/06	11/30/06	CREDIT SUISSE
ABACUS 2006-HGS1	B	100.00	5.00	11/3/06	12/6/06	SECURITY BENEFIT LIFE
ABACUS 2006-HGS1	C	100.00	10.00	11/3/06	11/30/06	SECURITY BENEFIT LIFE
ABACUS 2006-HGS1	C	100.00	6.00	3/22/07	3/27/07	Timberwolf I, Ltd.
ABACUS 2006-HGS1	D	100.00	9.00	3/22/07	3/27/07	Timberwolf I, Ltd.
ABACUS 2006-HGS1	E	100.00	15.00	11/7/06	11/30/06	BEAR STEARNS Asset Management
ABACUS 2006-HGS1	F	98.59	5.40	11/3/06	11/30/06	BEAR STEARNS Asset Management
ABACUS 2007-AC1	A1	100.00	50.00	4/10/07	4/26/07	IKB DEUTSCH
ABACUS 2007-AC1	A2	100.00	42.00	4/10/07	4/26/07	ACA MGMT LL
ABACUS 2007-AC1	A2	100.00	100.00	4/10/07	4/26/07	IKB DEUTSCH
Altius III Funding, Ltd.	A1A	100.00	10.00	9/8/2006	9/28/2006	African Development Bank
Altius III Funding, Ltd.	A1A	100.00	10.00	3/16/2007	3/20/2007	Anderson Default Swap Collateral
Altius III Funding, Ltd.	A1A	100.00	110.00	9/8/2006	9/28/2006	Barclays Global
Altius III Funding, Ltd.	A1A	100.00	25.00	9/8/2006	9/28/2006	Evergreen
Altius III Funding, Ltd.	A1A	100.00	15.00	9/8/2006	9/28/2006	MBIA Capital
Altius III Funding, Ltd.	A1A	100.00	60.00	9/8/2006	9/28/2006	Metropolitan West
Altius III Funding, Ltd.	A1B-1B	100.00	499.95	9/8/2006	9/28/2006	CIBC, XL, GS Funding Group
Altius III Funding, Ltd.	A1B-1F	100.00	499.95	9/8/2006	9/28/2006	CIBC, XL, GS Funding Group
Altius III Funding, Ltd.	A1B-2	Unfunded - 0.08%	300.00	9/8/2006	9/28/2006	AIOI Insurance
Altius III Funding, Ltd.	A1B-3	100.00	250.00	9/8/2006	9/28/2006	National Australia Bank
Altius III Funding, Ltd.	A1B-V	100.00	0.10	9/8/2006	9/28/2006	CIBC, XL, GS Funding Group
Altius III Funding, Ltd.	A2	100.00	20.00	9/8/06	9/28/06	ARAB BANKING CORP.
Altius III Funding, Ltd.	A2	100.00	15.00	9/11/06	9/28/06	LB Saar
Altius III Funding, Ltd.	A2	100.00	10.00	9/8/06	9/28/06	NORTHERN ROCK
Altius III Funding, Ltd.	A2	100.00	45.00	9/8/06	9/28/06	TPG-AXON CA
Altius III Funding, Ltd.	B	100.00	12.50	9/8/06	9/28/06	DILLON READ
Altius III Funding, Ltd.	B	100.00	20.00	9/8/06	9/28/06	DYNAMIC CREDIT PARTNERS
Altius III Funding, Ltd.	B	100.00	5.00	9/8/06	9/28/06	ERSTE BANK
Altius III Funding, Ltd.	B	100.00	12.50	9/8/06	9/28/06	MERRILL LYNCH / NIR's CDO
Altius III Funding, Ltd.	B	100.00	10.00	9/8/06	9/28/06	NORTHERN ROCK
Altius III Funding, Ltd.	B	100.00	28.00	9/8/06	9/28/06	ROYAL BANK of Canada (UK)
Altius III Funding, Ltd.	C	100.00	12.00	9/8/06	9/28/06	AOZORA BANK
Altius III Funding, Ltd.	C	100.00	5.00	9/8/06	9/28/06	DYNAMIC CREDIT PARTNERS
Altius III Funding, Ltd.	C	100.00	4.00	9/8/06	9/28/06	EVERGREEN
Altius III Funding, Ltd.	C	100.00	2.00	9/8/06	9/28/06	NORTHERN ROCK
Altius III Funding, Ltd.	D	100.00	5.00	9/8/06	9/28/06	Fort Denison Funding (Basis)
Altius III Funding, Ltd.	D	100.00	5.00	9/8/06	9/28/06	Merrill Lynch (Gateway Funding- Basis)
Altius III Funding, Ltd.	D	100.00	4.00	9/8/06	9/28/06	NORTHERN ROCK
Altius III Funding, Ltd.	D	100.00	5.00	9/8/06	9/28/06	RETAINED
Altius III Funding, Ltd.	Income Notes	100.00	3.00	11/17/06	11/27/06	Mariner
Altius III Funding, Ltd.	Income Notes	91.00	5.00	9/26/06	9/28/06	Mizuho
Altius III Funding, Ltd.	Income Notes	100.00	2.00	9/8/06	9/28/06	RETAINED
Altius III Funding, Ltd.	S	100.07	17.50	6/8/2007	6/13/2007	MBIA Capital
Altius IV Funding, Ltd.	A1B	100.00	644.85	5/9/07	5/31/07	CIBC, XL, GS Funding Group
Altius IV Funding, Ltd.	A1F	100.00	644.85	5/9/07	5/31/07	CIBC, XL, GS Funding Group
Altius IV Funding, Ltd.	A1V	100.00	0.30	5/9/07	5/31/07	CIBC, XL, GS Funding Group
Altius IV Funding, Ltd.	A2A	100.00	50.00	5/15/07	5/31/07	ARAB BANKING CORP.
Altius IV Funding, Ltd.	A2B	100.00	12.50	5/15/07	5/31/07	AXON CREDIT
Altius IV Funding, Ltd.	A2B	99.77	30.00	5/16/07	5/31/07	CHINA CONSTRUCTION BANK
Altius IV Funding, Ltd.	A2B	100.00	12.50	5/15/07	5/31/07	INTESA SANP
Altius IV Funding, Ltd.	B	98.41	36.00	6/4/07	6/7/07	AOZORA BANK
Altius IV Funding, Ltd.	B	100.00	20.00	5/16/07	5/31/07	CHINA CONSTRUCTION BANK
Altius IV Funding, Ltd.	B	100.00	10.00	6/5/07	6/12/07	FIRST COMMERCIAL BANK
Altius IV Funding, Ltd.	C	92.68	11.63	6/4/07	6/7/07	AOZORA BANK
Altius IV Funding, Ltd.	C	97.13	3.00	5/15/07	5/31/07	BT FUNDS MG
Altius IV Funding, Ltd.	C	97.13	4.88	5/15/07	5/31/07	GENERAL MOTORS PENSION
Altius IV Funding, Ltd.	D	88.94	5.10	5/15/07	5/31/07	ALADDIN CAPITAL
Altius IV Funding, Ltd.	D	100.00	3.90	5/15/07	5/31/07	RETAINED
Altius IV Funding, Ltd.	D	100.00	3.00	5/16/07	5/31/07	YAMATO LIFE
Altius IV Funding, Ltd.	Income Notes	90.00	2.75	5/15/07	5/31/07	ALADDIN CAPITAL
Altius IV Funding, Ltd.	Income Notes	96.33	2.75	5/15/07	5/31/07	RETAINED
Altius IV Funding, Ltd.	Income Notes	100.00	2.00	5/16/07	5/31/07	YAMATO LIFE
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	75.50	5.20	10/10/07	10/15/07	CAPITAL INTERNATIONAL
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	50.00	10.26	11/7/07	11/15/07	CAPITAL INTERNATIONAL
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	72.50	5.12	9/7/07	9/14/07	EIGER CAPITAL
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	72.50	0.64	9/10/07	9/14/07	EIGER CAPITAL
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	72.50	1.64	9/12/07	9/18/07	EIGER CAPITAL
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	72.50	2.54	9/24/07	10/1/07	EIGER CAPITAL
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	50.00	13.74	11/7/07	11/15/07	MAGNA ASSET
Anderson Mezzanine Funding 2007-1, Ltd.	A1A	100.00	90.88	3/12/07	3/20/07	RETAINED
Anderson Mezzanine Funding 2007-1, Ltd.	A1B	97.39	2.00	4/3/07	4/9/07	BENEFICIAL LIFE
Anderson Mezzanine Funding 2007-1, Ltd.	A1B	100.00	51.00	3/12/07	3/20/07	RETAINED
Anderson Mezzanine Funding 2007-1, Ltd.	A2	96.54	15.00	3/20/07	3/23/07	MONEYGRAM
Anderson Mezzanine Funding 2007-1, Ltd.	A2	96.23	5.00	3/21/07	3/26/07	PIMCO - USA
Anderson Mezzanine Funding 2007-1, Ltd.	A2	97.24	10.50	3/26/07	3/29/07	PRINCETON Advisory
Anderson Mezzanine Funding 2007-1, Ltd.	B	95.50	5.00	3/20/07	3/23/07	MONEYGRAM
Anderson Mezzanine Funding 2007-1, Ltd.	B	100.00	37.70	3/12/07	3/20/07	RETAINED
Anderson Mezzanine Funding 2007-1, Ltd.	C	92.38	10.00	3/21/07	3/26/07	GREYWOLF CAPITAL
Anderson Mezzanine Funding 2007-1, Ltd.	C	100.00	6.78	3/12/07	3/20/07	RETAINED
Anderson Mezzanine Funding 2007-1, Ltd.	D	108.21	11.09	3/12/07	3/20/07	GSCP (NJ)
Anderson Mezzanine Funding 2007-1, Ltd.	Income Notes	100.00	20.94	3/12/07	3/20/07	RETAINED
Anderson Mezzanine Funding 2007-1, Ltd.	S	100.00	2.79	4/13/07	4/18/07	MBIA CAPITAL
Broadwick Funding, Ltd.	A1A	100.00	50.00	4/12/06	5/11/06	Bear Stearns
Broadwick Funding, Ltd.	A1A	100.00	10.00	4/12/06	5/11/06	Abu Dhabi Investments
Broadwick Funding, Ltd.	A1A	100.00	37.50	4/25/06	5/11/06	RETAINED
Broadwick Funding, Ltd.	A1B	100.00	552.50	4/12/06	5/11/06	Peloton Partners

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Broadwick Funding, Ltd.	A2	100.00	20.00	4/12/06	5/11/06	Bear Stearns
Broadwick Funding, Ltd.	A2	100.00	60.00	4/12/06	5/11/06	UBS Principal Investments
Broadwick Funding, Ltd.	A2	100.00	5.00	4/12/06	5/12/06	Standish Mellon
Broadwick Funding, Ltd.	A2	100.00	20.00	4/12/06	5/11/06	Deutsche Bank
Broadwick Funding, Ltd.	A2	100.00	5.00	4/12/06	5/11/06	Church Tavern
Broadwick Funding, Ltd.	B	100.00	65.00	4/12/06	5/11/06	UBS Principal Investments
Broadwick Funding, Ltd.	B	100.00	10.00	4/12/06	5/11/06	Church Tavern
Broadwick Funding, Ltd.	B	100.00	17.00	4/12/06	5/11/06	UBS Principal Investments
Broadwick Funding, Ltd.	B	100.00	5.00	4/12/06	5/11/06	Vanderbilt
Broadwick Funding, Ltd.	B	100.00	5.00	4/12/06	5/12/06	Standish Mellon
Broadwick Funding, Ltd.	B	100.00	10.00	4/12/06	5/11/06	Merryl Lynch
Broadwick Funding, Ltd.	C	100.00	7.50	4/12/06	5/11/06	Duetsche Bank fo Winchester
Broadwick Funding, Ltd.	C	100.00	25.00	4/12/06	5/11/06	KBC Financial
Broadwick Funding, Ltd.	C	100.00	7.50	4/12/06	5/11/06	Duetsche Bank fo Wharton
Broadwick Funding, Ltd.	D	100.00	5.00	4/12/06	5/11/06	GSCP (NJ)
Broadwick Funding, Ltd.	D	100.00	5.00	4/12/06	5/11/06	Ixis
Broadwick Funding, Ltd.	D	100.00	6.00	4/12/06	5/11/06	Deutsche Bank
Broadwick Funding, Ltd.	D	100.00	11.00	4/12/06	5/11/06	Bear Stearns
Broadwick Funding, Ltd.	D	100.00	1.00	4/12/06	5/11/06	Banis Global
Broadwick Funding, Ltd.	D	100.00	2.00	4/12/06	5/11/06	KGI Alliance
Broadwick Funding, Ltd.	D	100.00	5.00	4/12/06	5/11/06	Fort Denison CDO - warehouse first
Broadwick Funding, Ltd.	D	100.00	3.00	4/20/06	5/11/06	Bank Sinopac
Broadwick Funding, Ltd.	D	100.50	2.00	8/9/06	8/14/06	Deutsche Bank
Broadwick Funding, Ltd.	E	100.00	50.00	4/12/06	5/11/06	Peloton Partners
Broadwick Funding, Ltd.	S	100.00	15.00	4/12/06	5/11/06	Peloton Partners
Camber 7 plc	A1	100.00	365.00	2/16/07	2/28/07	CIBC (ACA Credit)
Camber 7 plc	A1	100.00	120.00	1/25/07	2/28/07	RABOBANK
Camber 7 plc	A2	100.00	50.00	1/25/07	2/28/07	AXON CREDIT
Camber 7 plc	A2	100.00	5.00	1/25/07	2/28/07	BABSON CAPITAL
Camber 7 plc	A2	100.00	20.00	1/25/07	2/28/07	RABOBANK
Camber 7 plc	A2	100.00	25.00	1/25/07	2/28/07	UBS AG
Camber 7 plc	A3	100.00	7.00	1/25/07	2/28/07	BABSON CAPITAL
Camber 7 plc	A3	99.88	30.00	1/25/07	2/28/07	BANK OF CHINA
Camber 7 plc	A3	100.00	20.00	1/25/07	2/28/07	NEW BOND ST
Camber 7 plc	A3	100.00	15.00	1/25/07	2/28/07	SOLENT CAPITAL
Camber 7 plc	B	100.00	5.00	1/25/07	2/28/07	BANK OF CHINA
Camber 7 plc	B	100.00	10.00	1/25/07	2/28/07	C-BASS
Camber 7 plc	B	100.00	8.00	1/25/07	2/28/07	DB ZWIRN
Camber 7 plc	B	100.00	10.00	1/25/07	2/28/07	FAXTOR SECS
Camber 7 plc	B	100.00	6.00	1/25/07	2/28/07	ING INV MGM
Camber 7 plc	B	100.00	7.50	1/25/07	2/28/07	ISCHUS CAPITAL
Camber 7 plc	B	100.00	7.00	1/25/07	2/28/07	NIR CAPITAL
Camber 7 plc	B	100.00	10.00	1/25/07	2/28/07	STATE STREET
Camber 7 plc	B	100.00	10.00	1/25/07	2/28/07	TERWIN CAPITAL
Camber 7 plc	B	100.00	7.50	1/25/07	2/28/07	WACHOVIA SECURITIES
Camber 7 plc	C	100.00	8.00	1/25/07	2/28/07	ACA MGMT LL
Camber 7 plc	C	100.00	10.00	1/25/07	2/28/07	COMMERZBANK
Camber 7 plc	C	100.00	10.00	1/25/07	2/28/07	DILLON READ
Camber 7 plc	C	100.00	10.00	1/25/07	2/28/07	E*TRADE
Camber 7 plc	C	100.00	3.00	1/25/07	2/28/07	GSCP (NJ)
Camber 7 plc	C	100.00	4.00	1/25/07	2/28/07	INVESTEC BAML
Camber 7 plc	C	100.00	21.00	1/25/07	2/28/07	RETAINED
Camber 7 plc	C	100.00	12.30	1/25/07	2/28/07	WACHOVIA SECURITIES
Camber 7 plc	D	100.00	10.00	1/25/07	2/28/07	ACA MGMT LL
Camber 7 plc	D	100.00	3.00	1/25/07	2/28/07	CHURCH TAVERN
Camber 7 plc	D	100.00	5.00	1/25/07	2/28/07	CPM ADVISER
Camber 7 plc	D	100.00	4.00	1/25/07	2/28/07	GSCP (NJ)
Camber 7 plc	D	98.30	7.50	1/25/07	2/28/07	IVY ASSET MANAGEMENT
Camber 7 plc	D	100.00	2.95	1/25/07	2/28/07	SENECA CAPITAL
Camber 7 plc	D	100.00	10.00	1/25/07	2/28/07	WACHOVIA SECURITIES
Camber 7 plc	D	100.00	3.00	1/25/07	2/28/07	WASHINGTON SQUARE
Camber 7 plc	E	97.88	2.00	1/25/07	2/28/07	CPM ADVISER
Camber 7 plc	E	54.95	1.60	5/10/07	5/15/07	MORGAN STANLEY
Camber 7 plc	E	100.00	7.65	1/25/07	2/28/07	RETAINED
Camber 7 plc	Income Notes	100.00	1.35	2/28/07	2/28/07	CITIBANK (Cambridge Place)
Camber 7 plc	Income Notes	48.00	13.23	5/10/07	5/15/07	MORGAN STANLEY
Camber 7 plc	Income Notes	100.00	12.42	1/25/07	2/28/07	RETAINED
Camber 7 plc	S	100.00	15.50	2/8/07	2/28/07	MBIA CAPITAL
Davis Square Funding VI, Ltd.	A1LTA	100.00	274.00	3/10/06	3/30/06	Societe Generale
Davis Square Funding VI, Ltd.	A1LTB	100.00	20.00	3/10/06	3/30/06	BMO Financial
Davis Square Funding VI, Ltd.	A1LTB	100.00	250.00	3/10/06	3/30/06	Banque AIG
Davis Square Funding VI, Ltd.	A1LTB	100.00	30.00	3/10/06	3/30/06	Landesbank - LRI
Davis Square Funding VI, Ltd.	A2	100.00	17.00	3/10/06	3/30/06	Catamount
Davis Square Funding VI, Ltd.	A2	100.00	10.00	3/10/06	3/30/06	RBS
Davis Square Funding VI, Ltd.	A2	100.00	18.00	3/10/06	3/30/06	Ixis
Davis Square Funding VI, Ltd.	A2	100.00	18.00	3/10/06	3/30/06	Solent
Davis Square Funding VI, Ltd.	A2	100.00	5.00	3/10/06	3/30/06	Anglo Irish Bank
Davis Square Funding VI, Ltd.	A2	100.00	10.00	3/10/06	3/30/06	GIB Bahrain
Davis Square Funding VI, Ltd.	A2	100.00	7.00	3/10/06	3/30/06	Landesbank - LRI
Davis Square Funding VI, Ltd.	B	100.00	4.00	3/10/06	3/30/06	Terwin Capital
Davis Square Funding VI, Ltd.	B	100.00	5.00	3/10/06	3/30/06	ING Investment Management
Davis Square Funding VI, Ltd.	B	100.00	4.50	3/10/06	3/30/06	Declaration
Davis Square Funding VI, Ltd.	B	100.00	20.00	3/10/06	3/30/06	Princeton Advisory Group
Davis Square Funding VI, Ltd.	B	100.00	8.00	3/10/06	3/30/06	PB Capital
Davis Square Funding VI, Ltd.	B	100.00	3.00	3/10/06	3/30/06	Cholin Group
Davis Square Funding VI, Ltd.	B	100.00	5.00	3/10/06	3/30/06	Deerfield
Davis Square Funding VI, Ltd.	B	100.00	5.00	3/10/06	3/30/06	RBS
Davis Square Funding VI, Ltd.	B	100.00	15.00	3/10/06	3/30/06	UBS Principal Investments
Davis Square Funding VI, Ltd.	B	100.00	7.00	3/10/06	3/30/06	Vanderbilt
Davis Square Funding VI, Ltd.	B	100.00	4.50	3/10/06	3/30/06	Solent Capital
Davis Square Funding VI, Ltd.	B	100.00	10.00	3/10/06	3/30/06	RBC
Davis Square Funding VI, Ltd.	B	100.00	4.00	3/10/06	3/30/06	Anglo Irish Bank
Davis Square Funding VI, Ltd.	B	100.00	10.00	3/10/06	3/30/06	RETAINED
Davis Square Funding VI, Ltd.	C	100.00	8.00	3/10/06	3/30/06	Eurohypo
Davis Square Funding VI, Ltd.	C	100.00	15.00	3/10/06	3/30/06	UBS Principal Investments
Davis Square Funding VI, Ltd.	C	100.00	8.00	4/28/06	5/2/06	Hout Bay CDO
Davis Square Funding VI, Ltd.	C	100.00	4.00	3/10/06	3/30/06	Anglo Irish Bank
Davis Square Funding VI, Ltd.	Combo	100.00	18.00	3/10/06	3/30/06	Fubon Life
Davis Square Funding VI, Ltd.	D	98.00	25.00	3/10/06	3/30/06	Sandelman Partners
Davis Square Funding VI, Ltd.	E-2	100.00	2.80	3/10/06	3/30/06	RETAINED
Davis Square Funding VII, Ltd.	A1A	99.45	620.00	5/22/07	5/24/07	BNP PARIBAS
Davis Square Funding VII, Ltd.	A1A	99.78	150.00	5/18/07	5/25/07	HSBC BANK
Davis Square Funding VII, Ltd.	A1A	99.37	800.00	5/22/07	5/24/07	SOCIETE GENERALE (FGIC Credit)
Davis Square Funding VII, Ltd.	A1B	100.00	50.00	11/3/06	12/5/06	BMO Financial
Davis Square Funding VII, Ltd.	A2	99.01	40.00	3/8/07	3/13/07	AC CAPITAL
Davis Square Funding VII, Ltd.	A2	100.00	30.00	11/27/06	12/5/06	ARAB BANKING CORP.
Davis Square Funding VII, Ltd.	A2	100.00	10.00	1/23/07	1/26/07	LANDESBANK
Davis Square Funding VII, Ltd.	A2	100.00	20.00	11/3/06	12/5/06	NORTHERN ROCK
Davis Square Funding VII, Ltd.	A3	99.44	4.00	2/28/07	3/5/07	DEERFIELD CAPITAL
Davis Square Funding VII, Ltd.	A3	100.00	10.00	11/3/06	12/5/06	EIGER CAPITAL
Davis Square Funding VII, Ltd.	A3	100.00	80.00	11/3/06	12/5/06	NATIONAL AUSTRALIA BANK
Davis Square Funding VII, Ltd.	A3	100.00	25.00	11/3/06	12/5/06	NORTHERN ROCK
Davis Square Funding VII, Ltd.	A3	100.00	5.00	11/6/06	12/5/06	REDWOOD TRUST
Davis Square Funding VII, Ltd.	A3	100.00	30.00	11/3/06	12/5/06	ROYAL BANK of Canada (UK)
Davis Square Funding VII, Ltd.	A3	95.39	6.00	4/24/07	4/27/07	SECURITY BENEFIT LIFE

Deal	Class	Price	Orig Face (m	Trade Date	Settle Date	Risk Taker/ Customer
Davis Square Funding VII, Ltd.	B	100.00	7.00	11/3/06	12/5/06	EIGER CAPITAL
Davis Square Funding VII, Ltd.	B	100.00	9.00	11/3/06	12/5/06	FORTIS SECURITIES
Davis Square Funding VII, Ltd.	B	100.00	15.00	11/3/06	12/5/06	KOCH GLOBAL
Davis Square Funding VII, Ltd.	B	100.00	8.00	11/3/06	12/5/06	NORTHERN ROCK
Davis Square Funding VII, Ltd.	B	100.00	11.00	11/3/06	12/5/06	RETAINED
Davis Square Funding VII, Ltd.	C	100.00	15.00	11/3/06	12/5/06	KOCH GLOBAL
Davis Square Funding VII, Ltd.	C	100.00	9.00	11/3/06	12/5/06	NORTHERN ROCK
Davis Square Funding VII, Ltd.	C	100.00	6.00	11/3/06	12/5/06	RETAINED
Davis Square Funding VII, Ltd.	C	100.00	9.00	11/3/06	12/5/06	ROYAL BANK of Canada (UK)
Davis Square Funding VII, Ltd.	Combo Note	100.00	5.00	11/28/06	12/5/06	BANK OF PANSHIN
Davis Square Funding VII, Ltd.	D	100.00	5.00	11/3/06	12/5/06	NORTHERN ROCK
Davis Square Funding VII, Ltd.	D	100.00	3.00	11/6/06	12/5/06	REDWOOD TRUST
Davis Square Funding VII, Ltd.	D	100.00	13.00	11/3/06	12/5/06	RETAINED
Davis Square Funding VII, Ltd.	E	90.00	0.60	2/20/07	2/23/07	LOEWS CORP
Davis Square Funding VII, Ltd.	E	100.00	4.00	11/3/06	12/5/06	Loews Corporation
Davis Square Funding VII, Ltd.	E	100.00	4.47	11/3/06	12/5/06	RETAINED
Davis Square Funding VII, Ltd.	S	100.00	20.00	11/3/06	12/5/06	RETAINED
Fort Denison Funding, Ltd.	A1	99.79	225.00	1/12/07	2/14/07	CIBC (ACA Credit)
Fort Denison Funding, Ltd.	A2A	100.00	60.00	1/10/07	2/14/07	UBS AG
Fort Denison Funding, Ltd.	A2B	100.00	60.00	1/10/07	2/14/07	National Australia Bank
Fort Denison Funding, Ltd.	A2B	100.00	15.00	1/10/07	2/14/07	PRINCETON Advisory
Fort Denison Funding, Ltd.	A2B	100.00	5.00	1/10/07	2/14/07	WEISS PECK / Robeco
Fort Denison Funding, Ltd.	B	100.00	4.00	1/10/07	2/14/07	OPPENHEIMER
Fort Denison Funding, Ltd.	B	100.00	10.00	2/9/07	2/15/07	OPPENHEIMER
Fort Denison Funding, Ltd.	B	100.00	7.00	1/10/07	2/14/07	RETAINED
Fort Denison Funding, Ltd.	B	100.00	20.00	1/10/07	2/14/07	WEISS PECK / Robeco
Fort Denison Funding, Ltd.	C Loan	100.00	64.00	1/10/07	2/14/07	SMBC (NY)
Fort Denison Funding, Ltd.	Income Notes	100.00	16.50	1/10/07	2/14/07	Basis Capital
Fort Denison Funding, Ltd.	Income Notes	100.00	13.50	1/10/07	2/14/07	RETAINED
Fort Denison Funding, Ltd.	S	100.00	5.30	1/10/07	2/14/07	RETAINED
Fortius I Funding, Ltd.	A1	100.00	390.00	2/9/06	3/8/06	Hypo RE (via TRS with Goldman and credit protection from A
Fortius I Funding, Ltd.	A2	100.00	20.00	2/9/06	3/8/06	Fortis Investments
Fortius I Funding, Ltd.	A2	100.00	14.00	5/18/06	5/22/06	Wachovia Securities
Fortius I Funding, Ltd.	A2	100.00	10.00	2/9/06	3/8/06	Anglo Irish Bank
Fortius I Funding, Ltd.	A2	100.00	40.00	2/9/06	3/8/06	Deutsche Bank
Fortius I Funding, Ltd.	B	100.00	6.00	2/9/06	3/8/06	Wachovia Securities
Fortius I Funding, Ltd.	B	100.00	12.00	2/9/06	3/8/06	Princeton Advisory Group
Fortius I Funding, Ltd.	B	100.00	10.00	2/9/06	3/8/06	UBS Principal Investments
Fortius I Funding, Ltd.	B	100.00	5.00	2/9/06	3/8/06	Fortis Investments
Fortius I Funding, Ltd.	B	100.00	14.00	2/9/06	3/8/06	Church Tavern
Fortius I Funding, Ltd.	B	100.00	10.00	2/9/06	3/8/06	Anglo Irish Bank
Fortius I Funding, Ltd.	C	100.00	4.00	2/9/06	3/8/06	UBS Principal Investments
Fortius I Funding, Ltd.	C	100.00	11.00	2/9/06	3/8/06	Deutsche Bank
Fortius I Funding, Ltd.	D	100.00	18.00	2/9/06	3/8/06	Commerzbank
Fortius I Funding, Ltd.	D	97.72	8.00	3/16/06	3/20/06	CDO Warehouse (then Fort Denison CDO)
Fortius I Funding, Ltd.	D	99.57	4.00	8/11/06	8/16/06	Halcyon
Fortius I Funding, Ltd.	E	98.94	5.00	2/9/06	3/8/06	Dynamic Credit Partners
Fortius I Funding, Ltd.	S	100.00	11.50	7/18/06	7/21/06	Hout Bay CDO - CDS collateral
Fortius II Funding, Ltd.	A1	99.94	325.00	12/4/06	12/7/06	CIBC Funding + CIFG Credit
Fortius II Funding, Ltd.	A2	100.00	10.00	11/3/06	12/7/06	IXIS FINANCIAL
Fortius II Funding, Ltd.	A2	97.91	15.00	3/2/07	3/7/07	MONEYGRAM
Fortius II Funding, Ltd.	A2	92.60	10.00	5/23/07	5/29/07	OPPENHEIMER
Fortius II Funding, Ltd.	A2	100.00	15.00	11/3/06	12/7/06	RETAINED
Fortius II Funding, Ltd.	B	28.00	15.00	9/26/07	10/1/07	DYNAMIC CREDIT PARTNERS
Fortius II Funding, Ltd.	B	94.24	5.00	3/2/07	3/7/07	MONEYGRAM
Fortius II Funding, Ltd.	B	100.00	25.00	11/3/06	12/7/06	RETAINED
Fortius II Funding, Ltd.	C	100.00	10.00	11/3/06	12/7/06	CATHAY UNITED
Fortius II Funding, Ltd.	C	100.00	3.00	11/3/06	12/7/06	UBS GLOBAL
Fortius II Funding, Ltd.	Combo Note	100.00	10.00	11/3/06	12/7/06	ANGLO IRISH
Fortius II Funding, Ltd.	D	100.00	15.00	11/3/06	12/7/06	COMMERZBANK
Fortius II Funding, Ltd.	D	100.00	5.00	12/19/06	12/22/06	Fort Denison Funding (Basis)
Fortius II Funding, Ltd.	D	83.11	3.50	3/28/07	4/4/07	MARINER BRIDGE
Fortius II Funding, Ltd.	D	100.00	4.00	11/3/06	12/7/06	Merrill Lynch (Basis CDO- Gateway)
Fortius II Funding, Ltd.	E	100.00	1.00	11/3/06	12/7/06	DYNAMIC CREDIT PARTNERS
Fortius II Funding, Ltd.	E	100.00	1.00	11/3/06	12/7/06	Merrill Lynch (Basis CDO- Gateway)
Fortius II Funding, Ltd.	E	100.00	1.50	11/3/06	12/7/06	Trust Company of the West
Fortius II Funding, Ltd.	E	100.00	4.00	11/3/06	12/7/06	UBS GLOBAL (UK)
Fortius II Funding, Ltd.	Income Notes	100.00	5.00	11/3/06	12/7/06	ALADDIN CAPITAL
Fortius II Funding, Ltd.	Income Notes	100.00	4.00	11/24/06	12/7/06	MARINER BRIDGE
Fortius II Funding, Ltd.	Income Notes	95.00	3.00	11/3/06	12/7/06	Trust Company of the West
Fortius II Funding, Ltd.	Income Notes	99.00	0.28	11/3/06	12/7/06	UBS GLOBAL (UK)
Fortius II Funding, Ltd.	Income Notes	99.00	4.72	11/3/06	12/7/06	UBS GLOBAL (UK)
Fortius II Funding, Ltd.	S	100.00	5.14	3/16/07	3/20/07	Anderson Default Swap Collateral
Fortius II Funding, Ltd.	S	100.00	7.57	3/22/07	3/27/07	Default Swap Collateral - GS CDO
GSC ABS Funding 2006-3g, Ltd.	A1A	100.00	35.00	12/7/06	1/18/07	CHEYNE CAPITAL
GSC ABS Funding 2006-3g, Ltd.	A1B	99.07	32.00	3/9/07	3/14/07	AC CAPITAL
GSC ABS Funding 2006-3g, Ltd.	A1B	100.00	100.00	12/7/06	1/25/07	NATIONAL AUSTRALIA BANK
GSC ABS Funding 2006-3g, Ltd.	A1B	99.85	50.00	1/24/07	1/25/07	NATIONAL AUSTRALIA BANK
GSC ABS Funding 2006-3g, Ltd.	A1B	99.60	10.00	1/26/07	1/31/07	NORDEA BANK
GSC ABS Funding 2006-3g, Ltd.	A1LTe	98.00	1085.00	8/7/07	8/10/07	Morgan Stanley
GSC ABS Funding 2006-3g, Ltd.	A2	33.33	3.00	10/5/07	10/15/07	CAPITAL INTERNATIONAL
GSC ABS Funding 2006-3g, Ltd.	A2	33.13	7.00	10/9/07	10/16/07	CAPITAL INTERNATIONAL
GSC ABS Funding 2006-3g, Ltd.	A2	100.00	104.00	12/8/06	1/18/07	SMBC
GSC ABS Funding 2006-3g, Ltd.	B	100.00	25.00	12/8/06	1/18/07	AOZORA BANK
GSC ABS Funding 2006-3g, Ltd.	B	100.00	31.00	12/7/06	1/18/07	ROYAL BANK of Canada (UK)
GSC ABS Funding 2006-3g, Ltd.	B	100.00	40.00	12/7/06	1/18/07	SOLENT CAPITAL
GSC ABS Funding 2006-3g, Ltd.	C	100.00	24.60	12/7/06	1/18/07	RETAINED
GSC ABS Funding 2006-3g, Ltd.	C	98.88	3.00	1/26/07	1/31/07	SOLENT CAPITAL
GSC ABS Funding 2006-3g, Ltd.	C	98.04	10.00	1/9/07	1/18/07	Trust Company of the West
GSC ABS Funding 2006-3g, Ltd.	C	98.04	3.00	2/7/07	2/12/07	Trust Company of the West
GSC ABS Funding 2006-3g, Ltd.	C	84.79	7.00	4/12/07	4/16/07	WELLS FARGO
GSC ABS Funding 2006-3g, Ltd.	C	85.50	2.00	5/9/07	5/14/07	WESTLB
GSC ABS Funding 2006-3g, Ltd.	D	100.00	16.40	12/7/06	1/18/07	RETAINED
GSC ABS Funding 2006-3g, Ltd.	D	100.00	1.00	12/7/06	1/18/07	Trust Company of the West
GSC ABS Funding 2006-3g, Ltd.	D	99.12	5.00	12/11/06	1/18/07	VANDERBILT
GSC ABS Funding 2006-3g, Ltd.	Income Notes	97.00	4.00	12/7/06	1/18/07	GSCP (NJ)
GSC ABS Funding 2006-3g, Ltd.	Income Notes	97.00	7.00	12/7/06	1/18/07	LOEWS CORP
GSC ABS Funding 2006-3g, Ltd.	Income Notes	97.00	5.00	12/7/06	1/18/07	RETAINED
Hout Bay 2006-1 Ltd.	A1	100.00	800.00	5/1/06	5/2/06	Rabobank (via TRS with Goldman and credit protection from
Hout Bay 2006-1 Ltd.	A1	100.00	475.00	5/1/06	5/2/06	GS Funding Group / GS Long Credit Risk
Hout Bay 2006-1 Ltd.	A2	100.00	10.00	3/30/06	5/2/06	RBS
Hout Bay 2006-1 Ltd.	A2	100.00	10.00	3/30/06	5/2/06	Oppenheimer
Hout Bay 2006-1 Ltd.	A2	100.00	22.50	3/30/06	5/2/06	Solent Capital
Hout Bay 2006-1 Ltd.	A2	100.00	15.00	5/9/06	5/15/06	Bank Intesa
Hout Bay 2006-1 Ltd.	A2	99.93	40.00	5/18/06	5/23/06	Vertical Capital
Hout Bay 2006-1 Ltd.	A2	99.95	20.00	5/24/06	5/25/06	Highland Capital
Hout Bay 2006-1 Ltd.	A2	100.00	5.00	5/31/06	6/5/06	Oppenheimer
Hout Bay 2006-1 Ltd.	A2	100.00	4.50	6/21/06	6/26/06	Deerfield
Hout Bay 2006-1 Ltd.	A2	97.75	5.00	5/29/07	6/1/07	Deerfield
Hout Bay 2006-1 Ltd.	A2	97.62	15.00	5/30/07	6/4/07	Vector Capital
Hout Bay 2006-1 Ltd.	B	100.00	25.00	3/30/06	5/2/06	Solent Capital
Hout Bay 2006-1 Ltd.	B	100.00	5.00	3/30/06	5/2/06	Oppenheimer
Hout Bay 2006-1 Ltd.	B	100.00	7.00	3/30/06	5/2/06	Merryl Lynch
Hout Bay 2006-1 Ltd.	B	100.00	7.00	3/30/06	5/2/06	CALYON - PA
Hout Bay 2006-1 Ltd.	B	100.00	6.00	3/30/06	5/2/06	Deerfield

Deal	Class	Price	Orig Face	Trade Date	Settle Date	Risk Taker/ Customer
Hout Bay 2006-1 Ltd.	C	99.76	21.00	3/30/06	5/2/06	UBS Principal Investments
Hout Bay 2006-1 Ltd.	D	100.00	10.00	3/30/06	5/2/06	UBS Principal Investments
Hout Bay 2006-1 Ltd.	D	100.00	5.00	3/30/06	5/2/06	Fort Denison CDO
Hout Bay 2006-1 Ltd.	D	100.00	2.00	3/30/06	5/2/06	RETAINED
Hout Bay 2006-1 Ltd.	E	100.00	4.00	3/30/06	5/2/06	Dynamic Credit Partners
Hout Bay 2006-1 Ltd.	Sub	100.00	3.00	3/30/06	5/2/06	Investec
Hout Bay 2006-1 Ltd.	Sub	100.00	3.00	3/30/06	5/2/06	RETAINED
Hudson High Grade Funding 2006-1, Ltd.	A1	100.00	1275.00	9/29/06	11/1/06	UBS
Hudson High Grade Funding 2006-1, Ltd.	A2	99.95	88.75	10/5/06	11/1/06	Brightwater
Hudson High Grade Funding 2006-1, Ltd.	A2	100.00	10.00	9/29/06	11/1/06	Citigroup for ING
Hudson High Grade Funding 2006-1, Ltd.	A2	100.00	5.00	9/29/06	11/1/06	Dynamic Credit Partners
Hudson High Grade Funding 2006-1, Ltd.	A2	100.00	10.00	9/29/06	11/1/06	ING Capital
Hudson High Grade Funding 2006-1, Ltd.	A2	100.00	10.00	9/29/06	11/1/06	Trust Company of the West
Hudson High Grade Funding 2006-1, Ltd.	B	100.00	10.00	9/29/06	11/1/06	CHINA MINSHIN
Hudson High Grade Funding 2006-1, Ltd.	B	100.00	10.00	9/29/06	11/1/06	Citigroup for ING
Hudson High Grade Funding 2006-1, Ltd.	B	100.00	15.75	9/29/06	11/1/06	OPPENHEIMER
Hudson High Grade Funding 2006-1, Ltd.	B	100.00	10.00	9/29/06	11/1/06	Trust Company of the West
Hudson High Grade Funding 2006-1, Ltd.	B	100.00	15.00	9/29/06	11/1/06	VANDERBILT
Hudson High Grade Funding 2006-1, Ltd.	C	100.00	5.00	9/29/06	11/1/06	Citigroup for ING
Hudson High Grade Funding 2006-1, Ltd.	C	100.00	8.00	9/29/06	11/1/06	Davis Square VII (TCW)
Hudson High Grade Funding 2006-1, Ltd.	C	100.00	7.25	9/29/06	11/1/06	DILLON READ
Hudson High Grade Funding 2006-1, Ltd.	D	100.00	5.00	9/29/06	11/1/06	Fort Denison Funding (Basis)
Hudson High Grade Funding 2006-1, Ltd.	D	100.00	5.00	9/29/06	11/1/06	Merrill Lynch (Basis CDO- Gateway)
Hudson High Grade Funding 2006-1, Ltd.	D	100.00	2.75	9/29/06	11/1/06	RETAINED
Hudson High Grade Funding 2006-1, Ltd.	Income Notes	100.00	1.00	10/12/06	11/1/06	Ascent Holdings (Taiwan PWM)
Hudson High Grade Funding 2006-1, Ltd.	Income Notes	84.00	3.00	10/12/06	11/1/06	Clinton Group
Hudson High Grade Funding 2006-1, Ltd.	Income Notes	100.00	3.50	10/12/06	11/1/06	RETAINED
Hudson High Grade Funding 2006-1, Ltd.	S	100.00	3.79	3/16/07	3/20/07	Default Swap Collateral - GS CDO
Hudson High Grade Funding 2006-1, Ltd.	S	100.00	1.06	11/6/06	11/9/06	Hout Bay Default Swap Collateral
Hudson High Grade Funding 2006-1, Ltd.	S	100.00	0.70	11/29/06	12/4/06	Hout Bay Default Swap Collateral
Hudson High Grade Funding 2006-1, Ltd.	S	100.00	6.10	9/29/06	11/1/06	MBIA Capital
Hudson Mezzanine Funding 2006-1, Ltd.	AB	100.00	10.00	10/25/06	12/5/06	CHURCH TAVERN
Hudson Mezzanine Funding 2006-1, Ltd.	AB	100.00	10.00	10/25/06	12/5/06	CITIGROUP ALTERNATIVE INVESTMENTS
Hudson Mezzanine Funding 2006-1, Ltd.	AB	100.00	80.00	10/25/06	12/5/06	National Australia Bank
Hudson Mezzanine Funding 2006-1, Ltd.	AB	100.00	16.00	10/25/06	12/5/06	PRINCETON Advisory
Hudson Mezzanine Funding 2006-1, Ltd.	AB	100.00	4.00	10/25/06	12/5/06	REDWOOD TRUST
Hudson Mezzanine Funding 2006-1, Ltd.	AF	100.00	55.00	11/15/06	12/5/06	GSC 06-3g Default Swap Collateral
Hudson Mezzanine Funding 2006-1, Ltd.	AF	100.00	55.00	10/25/06	12/5/06	UBS AG
Hudson Mezzanine Funding 2006-1, Ltd.	B	100.00	40.00	10/25/06	12/5/06	CHURCH TAVERN
Hudson Mezzanine Funding 2006-1, Ltd.	B	100.00	15.00	10/25/06	12/5/06	FAXTOR SECS
Hudson Mezzanine Funding 2006-1, Ltd.	B	100.00	20.00	10/25/06	12/5/06	KOCH GLOBAL
Hudson Mezzanine Funding 2006-1, Ltd.	B	100.00	40.00	10/25/06	12/5/06	PRINCETON Advisory
Hudson Mezzanine Funding 2006-1, Ltd.	B	100.00	66.00	10/25/06	12/5/06	RETAINED
Hudson Mezzanine Funding 2006-1, Ltd.	B	100.00	10.00	10/25/06	12/6/06	SECURITY BENEFIT LIFE
Hudson Mezzanine Funding 2006-1, Ltd.	B	100.00	5.00	10/25/06	12/5/06	SOLENT CAPITAL
Hudson Mezzanine Funding 2006-1, Ltd.	B	100.00	10.00	10/25/06	12/5/06	Trust Company of the West
Hudson Mezzanine Funding 2006-1, Ltd.	B	99.42	14.00	1/11/07	1/17/07	Trust Company of the West
Hudson Mezzanine Funding 2006-1, Ltd.	B	100.00	10.00	10/25/06	12/5/06	VANDERBILT
Hudson Mezzanine Funding 2006-1, Ltd.	C	97.56	15.00	12/19/06	12/22/06	COMMERZBANK
Hudson Mezzanine Funding 2006-1, Ltd.	C	93.90	8.00	2/14/07	2/20/07	DILLON READ
Hudson Mezzanine Funding 2006-1, Ltd.	C	99.77	15.00	10/25/06	12/5/06	GSC 06-3g
Hudson Mezzanine Funding 2006-1, Ltd.	C	99.77	7.50	10/25/06	12/5/06	PRINCETON Advisory
Hudson Mezzanine Funding 2006-1, Ltd.	C	100.00	124.50	10/25/06	12/5/06	RETAINED
Hudson Mezzanine Funding 2006-1, Ltd.	D	99.04	5.00	10/25/06	12/5/06	FORTIS BANK
Hudson Mezzanine Funding 2006-1, Ltd.	D	10.00	5.00	9/6/07	9/11/07	GREYWOLF CAPITAL
Hudson Mezzanine Funding 2006-1, Ltd.	D	99.04	7.00	11/9/06	12/5/06	GSCP (NJ)
Hudson Mezzanine Funding 2006-1, Ltd.	D	99.04	3.00	10/30/06	12/5/06	GSCP (NJ)
Hudson Mezzanine Funding 2006-1, Ltd.	D	99.04	4.00	10/25/06	12/5/06	IXIS FINANCE
Hudson Mezzanine Funding 2006-1, Ltd.	D	83.23	5.00	3/28/07	4/4/07	MARINER BRIDGE
Hudson Mezzanine Funding 2006-1, Ltd.	D	100.00	55.00	10/25/06	12/5/06	RETAINED
Hudson Mezzanine Funding 2006-1, Ltd.	E	98.50	13.00	10/25/06	12/5/06	DYNAMIC CREDIT PARTNERS
Hudson Mezzanine Funding 2006-1, Ltd.	E	100.00	11.00	10/25/06	12/5/06	RETAINED
Hudson Mezzanine Funding 2006-1, Ltd.	E	100.00	2.00	10/25/06	12/5/06	Trust Company of the West
Hudson Mezzanine Funding 2006-1, Ltd.	Income Notes	95.00	6.00	12/6/06	12/7/06	Bank Loan Trading Desk
Hudson Mezzanine Funding 2006-1, Ltd.	Income Notes	80.00	5.00	10/25/06	12/5/06	BEAR STEARNS Asset Management
Hudson Mezzanine Funding 2006-1, Ltd.	Income Notes	95.00	1.00	1/3/07	1/4/07	COLONIAL
Hudson Mezzanine Funding 2006-1, Ltd.	Income Notes	81.00	3.50	4/16/07	4/19/07	DILLON READ
Hudson Mezzanine Funding 2006-1, Ltd.	Income Notes	85.00	10.00	10/25/06	12/5/06	GREYWOLF CAPITAL
Hudson Mezzanine Funding 2006-1, Ltd.	Income Notes	95.00	5.00	10/26/06	12/5/06	MARINER SEC
Hudson Mezzanine Funding 2006-1, Ltd.	Income Notes	80.31	30.00	12/8/06	12/8/06	SALOMON SMITH BARNEY (BSAM Orig Trade)
Hudson Mezzanine Funding 2006-1, Ltd.	Income Notes	93.00	2.00	10/25/06	12/5/06	Trust Company of the West
Hudson Mezzanine Funding 2006-1, Ltd.	S	100.00	1.20	12/29/06	1/4/07	Default Swap Collateral - GS CDO
Hudson Mezzanine Funding 2006-1, Ltd.	S	100.00	1.85	12/29/06	1/4/07	Default Swap Collateral - GS CDO
Hudson Mezzanine Funding 2006-1, Ltd.	S	100.00	0.32	12/15/06	12/20/06	Hout Bay Default Swap Collateral
Hudson Mezzanine Funding 2006-1, Ltd.	S	100.00	0.39	1/16/07	1/19/07	Hout Bay Default Swap Collateral
Hudson Mezzanine Funding 2006-1, Ltd.	S	100.00	1.00	1/30/07	2/2/07	Hout Bay Default Swap Collateral
Hudson Mezzanine Funding 2006-1, Ltd.	S	100.00	0.37	2/15/07	2/21/07	Hout Bay Default Swap Collateral
Hudson Mezzanine Funding 2006-1, Ltd.	S	100.00	0.54	12/15/06	12/20/06	HUDSON HG DEF SWAP COLL
Hudson Mezzanine Funding 2006-1, Ltd.	S	100.00	30.00	10/25/06	12/5/06	MBIA Capital
Hudson Mezzanine Funding 2006-1, Ltd.	S	100.00	1.33	10/25/06	12/5/06	RETAINED
Hudson Mezzanine Funding 2006-1, Ltd.	Sr. Swap	0.20%	1200.00	12/5/06	12/5/06	Morgan Stanley Prop
Hudson Mezzanine Funding 2006-2, Ltd.	A1	98.51	125.00	2/21/07	2/26/07	RABOBANK
Hudson Mezzanine Funding 2006-2, Ltd.	A1	100.00	115.00	12/21/06	2/8/07	RETAINED
Hudson Mezzanine Funding 2006-2, Ltd.	A2	100.00	26.00	12/21/06	2/8/07	CHURCH TAVERN
Hudson Mezzanine Funding 2006-2, Ltd.	A2	100.00	20.00	12/21/06	2/8/07	RABOBANK
Hudson Mezzanine Funding 2006-2, Ltd.	B	99.92	11.50	12/21/06	2/8/07	CHURCH TAVERN
Hudson Mezzanine Funding 2006-2, Ltd.	B	99.92	20.00	12/21/06	2/8/07	ING INV MGM
Hudson Mezzanine Funding 2006-2, Ltd.	B	99.92	24.50	12/21/06	2/8/07	RETAINED
Hudson Mezzanine Funding 2006-2, Ltd.	C	100.00	12.00	12/21/06	2/8/07	DILLON READ
Hudson Mezzanine Funding 2006-2, Ltd.	C	100.00	2.00	12/21/06	2/8/07	DIVERSEPORT
Hudson Mezzanine Funding 2006-2, Ltd.	C	100.00	6.00	12/21/06	2/8/07	RETAINED
Hudson Mezzanine Funding 2006-2, Ltd.	D	98.21	4.79	2/13/07	2/14/07	Fort Denison Funding (Basis)
Hudson Mezzanine Funding 2006-2, Ltd.	D	100.00	13.21	12/21/06	2/8/07	RETAINED
Hudson Mezzanine Funding 2006-2, Ltd.	E	98.16	2.00	12/21/06	2/8/07	III OFFSHORE
Hudson Mezzanine Funding 2006-2, Ltd.	E	100.00	2.00	12/21/06	2/8/07	RETAINED
Hudson Mezzanine Funding 2006-2, Ltd.	Income Notes	100.00	3.00	1/24/07	2/8/07	COLONIAL
Hudson Mezzanine Funding 2006-2, Ltd.	Income Notes	98.00	8.00	12/21/06	2/8/07	III OFFSHORE
Hudson Mezzanine Funding 2006-2, Ltd.	Income Notes	100.00	2.50	12/22/06	2/8/07	PROPHET CAP
Hudson Mezzanine Funding 2006-2, Ltd.	Income Notes	100.00	2.50	12/22/06	2/8/07	RETAINED
Hudson Mezzanine Funding 2006-2, Ltd.	S	100.00	3.60	3/16/07	3/20/07	Anderson Default Swap Collateral
Hudson Mezzanine Funding 2006-2, Ltd.	S	100.00	4.30	3/22/07	3/27/07	Default Swap Collateral - GS CDO
Lochsong, Ltd.	A	100.00	11.00	9/7/06	10/4/06	KOCH GLOBAL
Lochsong, Ltd.	A	100.00	2.00	9/7/06	10/4/06	PRINCETON Advisory
Lochsong, Ltd.	A	100.00	5.00	9/7/06	10/4/06	RETAINED
Lochsong, Ltd.	B	100.00	10.00	9/7/06	10/4/06	DECLARATION
Lochsong, Ltd.	B	100.00	15.00	9/8/06	10/4/06	INVESTEC
Lochsong, Ltd.	B	99.78	10.00	1/18/07	1/25/07	JP MORGAN
Lochsong, Ltd.	B	100.00	10.00	9/7/06	10/4/06	KOCH GLOBAL

Deal	Class	Price	Orig Face (m)	Trade Date	Settle Date	Risk Taker/ Customer
Lochsong, Ltd.	B	100.00	5.00	9/7/06	10/4/06	PRINCETON Advisory
Lochsong, Ltd.	B	100.00	15.00	9/7/06	10/4/06	RETAINED
Lochsong, Ltd.	B	100.00	13.00	9/7/06	10/4/06	VANDERBILT
Lochsong, Ltd.	C	100.00	12.00	9/7/06	10/4/06	GREYWOLF/ TIMBERWOLF
Lochsong, Ltd.	C	100.00	12.00	9/7/06	10/4/06	VANDERBILT
Lochsong, Ltd.	D	100.00	5.00	9/7/06	10/4/06	Fort Denison Funding (Basis)
Lochsong, Ltd.	D	100.00	5.00	9/7/06	10/4/06	Merrill Lynch (Basis CDO- Gateway)
Lochsong, Ltd.	D	100.00	14.00	9/7/06	10/4/06	RETAINED
Lochsong, Ltd.	E	100.00	4.50	9/7/06	10/4/06	MARINER SEC
Lochsong, Ltd.	F	100.00	12.00	9/7/06	10/4/06	Deutsche Bank (Wincap)
Lochsong, Ltd.	F	100.00	12.00	9/7/06	10/4/06	RETAINED
Lochsong, Ltd.	S	100.00	12.10	9/7/06	10/4/06	MBIA Capital
Lochsong, Ltd.	Senior Swap	0.18%	1032.00	10/4/06	10/4/06	Deutsche Bank AG, London Branch
Point Pleasant Funding 2007-1, Ltd.	A1	100.00	127.47	4/11/07	4/18/07	DILLON READ
Point Pleasant Funding 2007-1, Ltd.	A1	100.00	107.47	4/10/07	4/18/07	RETAINED
Point Pleasant Funding 2007-1, Ltd.	A1	90.70	20.00	6/19/07	6/26/07	TOKYO STAR
Point Pleasant Funding 2007-1, Ltd.	A2	100.00	85.00	4/11/07	4/18/07	DILLON READ
Point Pleasant Funding 2007-1, Ltd.	A2	25.00	1.00	8/21/07	8/24/07	IBTS FINANC
Point Pleasant Funding 2007-1, Ltd.	A2	27.50	1.00	9/20/07	9/27/07	IBTS FINANC
Point Pleasant Funding 2007-1, Ltd.	A2	20.00	0.50	10/29/07	11/5/07	IBTS FINANC
Point Pleasant Funding 2007-1, Ltd.	A2	91.30	20.00	4/24/07	4/27/07	MONEYGRAM
Point Pleasant Funding 2007-1, Ltd.	A2	91.00	40.00	5/24/07	5/24/07	PARAMAX CAPITAL
Point Pleasant Funding 2007-1, Ltd.	A2	100.00	32.50	4/10/07	4/18/07	RETAINED
Point Pleasant Funding 2007-1, Ltd.	B	100.00	50.00	4/11/07	4/18/07	DILLON READ
Point Pleasant Funding 2007-1, Ltd.	B	100.00	50.00	4/10/07	4/18/07	RETAINED
Point Pleasant Funding 2007-1, Ltd.	C	100.00	14.00	4/11/07	4/18/07	DILLON READ
Point Pleasant Funding 2007-1, Ltd.	C	87.57	7.80	4/10/07	4/18/07	PLENUM ASSET
Point Pleasant Funding 2007-1, Ltd.	C	20.00	2.00	7/23/07	7/26/07	PLENUM ASSET
Point Pleasant Funding 2007-1, Ltd.	C	100.00	4.20	4/10/07	4/18/07	RETAINED
Point Pleasant Funding 2007-1, Ltd.	D	81.72	15.00	4/19/07	4/24/07	Basis Capital
Point Pleasant Funding 2007-1, Ltd.	D	100.00	16.00	4/11/07	4/18/07	DILLON READ
Point Pleasant Funding 2007-1, Ltd.	D	88.39	11.00	4/10/07	4/18/07	MARINER BRIDGE
Point Pleasant Funding 2007-1, Ltd.	Income Notes	100.00	10.09	4/11/07	4/18/07	DILLON READ
Point Pleasant Funding 2007-1, Ltd.	Income Notes	100.00	10.09	4/11/07	4/18/07	RETAINED
Point Pleasant Funding 2007-1, Ltd.	S	100.00	6.00	4/10/07	4/18/07	RETAINED
Point Pleasant Funding 2007-1, Ltd.	Sr. Swap	0.20%	403.40	4/18/07	4/18/07	NATIXIS
Timberwolf I, Ltd.	A1A	99.45	50.00	3/13/07	3/27/07	MBIA CAPITAL
Timberwolf I, Ltd.	A1A	99.47	50.00	5/2/07	5/7/07	RABOBANK
Timberwolf I, Ltd.	A1B	100.00	200.00	3/13/07	3/27/07	BEAR STEARNS Asset Management
Timberwolf I, Ltd.	A1C	99.71	100.00	3/13/07	3/27/07	BEAR STEARNS Asset Management
Timberwolf I, Ltd.	A1D	100.00	99.70	3/13/07	3/27/07	BEAR STEARNS Asset Management
Timberwolf I, Ltd.	A2	84.00	20.00	6/11/07	6/14/07	CARLYLE
Timberwolf I, Ltd.	A2	84.50	56.00	6/11/07	6/14/07	HUNGKUK LIFE
Timberwolf I, Ltd.	A2	87.79	20.00	4/23/07	4/26/07	MONEYGRAM
Timberwolf I, Ltd.	A2	87.00	40.00	5/24/07	5/24/07	PARAMAX CAPITAL
Timberwolf I, Ltd.	A2	100.00	149.00	3/13/07	3/27/07	RETAINED
Timberwolf I, Ltd.	A2	83.90	20.00	5/30/07	6/4/07	TOKYO STAR
Timberwolf I, Ltd.	B	78.25	6.80	7/5/07	7/12/07	BANK HAPOAL
Timberwolf I, Ltd.	B	78.25	1.70	7/11/07	7/12/07	BANK HAPOAL
Timberwolf I, Ltd.	B	100.00	98.50	3/13/07	3/27/07	RETAINED
Timberwolf I, Ltd.	C	95.15	20.00	4/4/07	4/11/07	GREYWOLF CAPITAL
Timberwolf I, Ltd.	C	72.50	16.00	3/28/07	4/2/07	POLYGON INV
Timberwolf I, Ltd.	D	92.41	30.00	3/13/07	3/27/07	GREYWOLF CAPITAL
Timberwolf I, Ltd.	Income Notes	100.00	11.25	3/13/07	3/27/07	GREYWOLF CAPITAL
Timberwolf I, Ltd.	Income Notes	70.00	10.75	5/24/07	5/30/07	GREYWOLF CAPITAL
Timberwolf I, Ltd.	S1	100.00	9.00	3/22/07	3/27/07	RETAINED
Timberwolf I, Ltd.	S2	100.00	8.30	3/22/07	3/27/07	RETAINED
West Coast Funding I, Ltd.	A1A	100.00	1187.95	7/25/06	7/26/06	GS Funding Group / AIG Credit Protection Provider
West Coast Funding I, Ltd.	A1B	100.00	1187.95	7/25/06	7/26/06	Rabobank / AIG Credit Protection Provider
West Coast Funding I, Ltd.	A1V	100.00	0.10	7/25/06	7/26/06	GS Funding Group / AIG Credit Protection Provider
West Coast Funding I, Ltd.	A2	100.00	81.00	6/30/06	7/26/06	Stanfield
West Coast Funding I, Ltd.	A3	100.00	30.00	6/30/06	7/26/06	Paramax
West Coast Funding I, Ltd.	A3	100.00	16.00	2/2/07	2/9/07	Deutsche Postbank
West Coast Funding I, Ltd.	A3	100.00	10.00	7/3/06	7/26/06	Landesbank - LRI
West Coast Funding I, Ltd.	A3	100.00	25.00	6/30/06	7/26/06	CNCE
West Coast Funding I, Ltd.	B	100.00	19.60	2/2/07	2/9/07	Deutsche Postbank
West Coast Funding I, Ltd.	B	100.00	2.00	6/30/06	7/26/06	Moneygram
West Coast Funding I, Ltd.	B	100.00	7.00	6/30/06	7/26/06	Vanderbilt
West Coast Funding I, Ltd.	B	100.00	10.00	1/19/07	1/24/07	Koch Global
West Coast Funding I, Ltd.	C	100.00	10.00	6/30/06	7/26/06	Hudson High Grade
West Coast Funding I, Ltd.	C	100.00	22.75	6/30/06	7/26/06	UBS Principal Investments
West Coast Funding I, Ltd.	C	100.00	4.00	6/30/06	7/26/06	Moneygram
West Coast Funding I, Ltd.	C	100.00	7.00	6/30/06	7/26/06	Vanderbilt
West Coast Funding I, Ltd.	C	100.00	7.00	6/30/06	7/26/06	Eiger Capital
West Coast Funding I, Ltd.	C	100.00	5.00	6/30/06	7/26/06	E Sun Bank
West Coast Funding I, Ltd.	C	100.00	5.00	6/30/06	7/26/06	RETAINED
West Coast Funding I, Ltd.	Combo	100.00	10.00	7/3/06	7/26/06	Cathay United
West Coast Funding I, Ltd.	D	100.00	6.25	6/30/06	7/26/06	Sandelman Partners
West Coast Funding I, Ltd.	D	100.00	10.00	6/30/06	7/26/06	OCBC
West Coast Funding I, Ltd.	D	100.00	5.00	7/3/06	7/26/06	Merrill Lynch - Basis CDO
West Coast Funding I, Ltd.	D	100.00	3.00	7/3/06	7/26/06	Grand Cathay Securities
West Coast Funding I, Ltd.	D	100.00	4.90	8/18/06	8/22/06	Fort Denison CDO
West Coast Funding I, Ltd.	E	100.00	0.50	6/30/06	7/26/06	TCW
West Coast Funding I, Ltd.	E	100.00	0.50	6/30/06	7/26/06	TCW
West Coast Funding I, Ltd.	E	100.00	8.00	6/30/06	7/26/06	Basis Capital
West Coast Funding I, Ltd.	E	100.00	4.50	6/30/06	7/26/06	RETAINED

TRADE DETAILS:

Deal	Class	Price	Orig Face (mm)	Trade Date	Settle Date	Risk Taker/ Customer
ABAC06-11 NR	A-1	CDS- 54bps	-41.25	9/18/07	9/26/06	MAGNETAR CNS MF LTD
ABAC06-11 NR	A-2	CDS- 62bps	-22.97	9/18/07	9/26/06	MAGNETAR CNS MF LTD
ABAC06-11 NR	B	CDS- 120bps	-10.63	9/26/06	9/26/06	MAGNETAR CNS MF LTD
ABAC06-11 NR	C	CDS- 230bps	-6.25	9/26/06	9/26/06	MAGNETAR CNS MF LTD
ABAC06-11 NR	D	CDS- 405bps	-5.94	9/26/06	9/26/06	MAGNETAR CNS MF LTD
ABAC06-11 NR	A-1	CDS- 54bps	-41.25	9/18/07	9/26/06	DEUTSCHE AG LONDON
ABAC06-11 NR	A-2	CDS- 62bps	-22.97	9/18/07	9/26/06	DEUTSCHE AG LONDON
ABAC06-11 NR	B	CDS- 120bps	-10.63	9/26/06	9/26/06	DEUTSCHE AG LONDON
ABAC06-11 NR	C	CDS- 230bps	-6.25	9/26/06	9/26/06	DEUTSCHE AG LONDON
ABAC06-11 NR	D	CDS- 405bps	-5.94	9/26/06	9/26/06	DEUTSCHE AG LONDON
ABAC06-14 NR	A-2	CDS- 70bps	-36.68	10/10/06	10/13/06	MAGNETAR CNS MF LTD
ABAC06-14 NR	B	CDS- 105bps	-36.68	10/10/06	10/13/06	MAGNETAR CNS MF LTD
ABAC06-14 NR	C	CDS- 200bps	-25.16	10/13/06	10/13/06	MAGNETAR CNS MF LTD
ABAC06-14 NR	D	CDS- 400bps	-15.72	10/13/06	10/13/06	MAGNETAR CNS MF LTD
ABAC06-15 V2	SS	CDS- 22bps	315.00	11/17/06	11/17/06	CIBC - London
ABAC06-HGS2	SS	CDS- 27bps	450.00	11/3/07	11/3/06	CIBC - London
ABAC06-INDX2	SS	CDS- 22bps	-660.00	9/27/06	10/4/06	PAULSON CRED OPP MST
ABAC06-INDX2	SS	CDS- 21.5bps	660.00	10/2/06	10/3/06	CIBC - London (GSI, London, Canadian Imperial Bank ofCommerce - London)
ABAC07-AC1	A1	CDS- 116bps	-50.00	4/10/07	4/26/07	PAULSON CRED OPP MST
ABAC07-AC1	A2	CDS- 141bps	-142.00	5/31/07	4/26/07	PAULSON CRED OPP MST
ABAC07-AC1	SS	CDS- 85bps	-1000.00	5/31/07	5/31/07	PAULSON CRED OPP MST
ABAC07-AC1 v2	SS	CDS- 67bps	909.09	5/31/07	5/31/07	ABN LDN
ABACUS06-8 FL	F	CDS- 2050bps	4.50	2/7/06	2/16/06	QVT FUND, LP
ABACUS06-8 FL	F	CDS- 2050bps	0.46	7/2/07	2/16/06	QUINTESSENCE FUND LP
ABACUS06-8 SS	SS	CDS- 29bps	199.64	11/17/06	11/28/06	Morgan Stanley- Prop

Confidential Treatment
Requested by Goldman Sachs

From: Sparks, Daniel L
Sent: Tuesday, October 17, 2006 10:48 PM
To: Montag, Tom
Subject: Re: 3 things

Stacy and tom c co-ran it (stacy more irp and tom more struct prod) - there was some tension between the 2. When tom was moved there was some concern as stacy had not been involved in the past. She has really done well.

Josh should be the one on the bubble for us and he has had a rough couple as months. But he has handled it very well and is a key person for our franchise. I don't think those 2 months should confuse his value to the firm. He will make us a bunch of money. I may be able to manage through it if he does not make it, but he is so focused on it, he is well known to hedge funds and competitors, and I'd rather not take the risk.

----- Original Message -----
From: Montag, Tom
To: Sparks, Daniel L
Sent: Tue Oct 17 22:28:05 2006
Subject: Re: 3 things

Thanks

Yours is a critical business for the future and we want the top guys engaged and satisfued so let's make sure we do that. Thought some room in there so let's see what u can do. Who had jovb before stacy and what is she up to

Josh slipped a bit with the abx position etc. Is that inappropriate

Tom

----- Original Message -----
From: Sparks, Daniel L
To: Montag, Tom; Sherwood, Michael S
Sent: Wed Oct 18 10:09:48 2006
Subject: 3 things

1. Comp today - I understand that the department increase is not consitent with that of other departments in relation to revenue growth. I also got the point that we were probably increasing some of our mid-level people by more than necessary and I'm adjusting that. The things I am struggling with are that the structured products business is growing and up a fair amount (should be mid-20s), and that when we went through our more senior people, there seemed to be general agreement that the numbers were appropriate. However, when we knock $X million off, that group will be the ones to absorb most of the burden. We'll do our best with your guidance.

2. Josh for EMD - he is an extraordinary commercial talent and a key franchise driver. Josh has reported to me for just this year, but I have been very impressed with his maturity, teamwork and leadership - the areas of question in the past. He is a great trading talent, product innovator and he is driving our US property derivatives. I thought he cross-ruffed around 41, and I know there are other considerations. But he is a guy worth considering adding another spot for.

3. Stacy - she has recently taken over managing the sales group for structured products and I just wanted you to know that she is doing a very good job.

From: Ruzika, Richard
Sent: Monday, February 05, 2007 12:00 PM
To: Cohn, Gary
Subject: RE: Are you living Morgatages?

Yes -- keep in mind it is just two months -- You asked me to be patient until Jon was moved to the bank before stepping in. In some respects this is trickier than if we were just beginning to build the business from scratch. The business is unfortunately being overshadowed by our ABX position and our sub prime exposure, so it feels bad right now. You know and I know this position was allowed to get too big - for the liquidity in the market, our infrastructure, and the ability of our traders. That statement would be the same even if we had gotten the market direction correct -- although the vultures wouldn't be circling. You also know that we probably would have gotten the position correct had I been involved a year ago -- I probably would have gotten short to protect our warehouse and general hedge against the business given our outlook in the space. None of that matters now --we are where we are so I am sure you only care about what am I doing to get the business contained and then in position to grow.

In a nutshell:

First and foremost I am supporting Dan and his guys. There is a long way to go with all of them, they aren't and weren't equipped to handle the market. I am going to get them there or upgrade them -- we are going to hire to help Dan.

We are building out a risk platform -- Margaret Holen was my strat -- now she will be moved to fill Jay Dweck leaving. Weinstein will come over but there will be an obvious transition period.

I have a working model of the risk program which we are using for our sub prime risk -- the first that they've had.

I am moving CLOs to Credit.

Senderra -- Brad Bradley -- we will build out our origination platform with this group and will do so as prices continue to fall.

I could have answered your question with a simple Yes -- there's more to list but you get the picture... I also am leveraging Tom and his experience in this space. Sat with him Friday night to take him through the platform and game plan. -- I don't want to be short -- I want to neutralize the risk and shed our basis risk.

From: Cohn, Gary (EO 85B30)
Sent: Monday, February 05, 2007 8:22 AM
To: Ruzika, Richard
Subject: Are you living Morgatages?

From: Montag, Tom
Sent: Thursday, December 07, 2006 10:10 PM
To: Viniar, David
Subject: RE:

x-gs-classification: Internal-GS

on with sparks now--makes me mad because they should have kept doing it ugh

---

From: Viniar, David
Sent: Thursday, December 07, 2006 9:42 PM
To: Montag, Tom
Subject: RE:

I agree. Sparks is now doing a good job of communicating on position.

From: Montag, Tom
Sent: Thursday, December 07, 2006 9:30 PM
To: Viniar, David
Subject:

on ABX having numerous conversations--i dont think we should panic out but we certainly didnt do good job of keeping pressure on
anything you want or need

From: Montag, Tom
Sent: Thursday, August 23, 2007 3:53 PM
To: Sparks, Daniel L
Subject: RE: Current Outstanding Notional in SN ames

so if I make you sell a whopping 800 out of 3 billion which is less than 30% how can anyone complain--the position is huge and outsized

---

From: Sparks, Daniel L
Sent: Thursday, August 23, 2007 3:51 PM
To: Montag, Tom
Subject: RE: Current Outstanding Notional in SN ames

That's why we say we are short (long protection) about $3BB single names - the correlation is very high

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From: Montag, Tom
Sent: Thursday, August 23, 2007 3:45 PM
To: Sparks, Daniel L
Subject: RE: Current Outstanding Notional in SN ames

if you take the 13 out of each side its
11.8 by 8.8 which is 3 billion long
what does the 11.8 in theory hedge or part of it that net leaves us in reality short

---

From: Sparks, Daniel L
Sent: Thursday, August 23, 2007 3:42 PM
To: Montag, Tom
Subject: RE: Current Outstanding Notional in SN ames

Meaning the IO we spoke about - exact cusip long and short, but at different running premiums that creates IO

From: Montag, Tom
Sent: Thursday, August 23, 2007 3:39 PM
To: Sparks, Daniel L
Subject: RE: Current Outstanding Notional in SN ames

what does explicitly mean? 13bb by 13bb offset--what does that mean

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From: Sparks, Daniel L
Sent: Thursday, August 23, 2007 3:37 PM
To: Montag, Tom; Mullen, Donald
Cc: Swenson, Michael; Lehman, David A.; Birnbaum, Josh
Subject: RE: Current Outstanding Notional in SN ames

All synthetics
Positions are in terms of protection (so negative means long risk, positive means short risk)
13BB by 13BB explicitly offset (Josh mentioned in out meeting)
Rest are comparable, but try to buy protection on worse deals vs writing protection on better deals

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From: Montag, Tom
Sent: Thursday, August 23, 2007 3:29 PM
To: Sparks, Daniel L; Mullen, Donald
Cc: Swenson, Michael; Lehman, David A.; Birnbaum, Josh
Subject: RE: Current Outstanding Notional in SN ames

what are the longs? are these comparable? are these all synthetics ?

From: Sparks, Daniel L
Sent: Thursday, August 23, 2007 3:19 PM
To: Mullen, Donald; Montag, Tom
Cc: Swenson, Michael; Lehman, David A.; Birnbaum, Josh
Subject: FW: Current Outstanding Notional in SN ames

Per your earlier question about absolute longs and shorts in single names:

	Notional Long	Notional Short	# of cusips
A	3,686,600,000	-2,337,750,000	385
BBB	10,419,693,103	-8,753,543,403	703
BBB-	10,767,733,239	-8,877,635,250	638

From: Silva, Ralph
Sent: Tuesday, November 13, 2007 7:30 PM
To: Broderick, Craig; Smith, Sarah; Beshel, Liz; Berry, Robert; Lee, Brian-J (FI Controllers); Holloway, Mark W
Cc: Josselyn, Kenneth
Subject: Trilateral Commission Document

Attachments: Tri-Lateral Combined Comments 11 13 2007.doc

I am attaching bullet points for tomorrow's meeting, incorporating comments from each of you. I won't attempt to collect additional input or distribute additional drafts. If you'd like to amend your points, please do so in the document and carry your own copy to tomorrow's meeting. Please note below the remaining holes in our script, together with my suggestions on addressing them.

Page 3, A. 2., the second bullet - Brian, please note we've assigned this one to you, with bullets provided by Sarah

Page 8, #6, second bullet(How will your business strategy or model change as a result of this experience or because of other business concerns you see going forward?) - we have no answer in the script, but could Sarah or Craig reiterate that we won't be making big changes?

P. 17 - 18 D1-5 - Craig, you'll be covering all credit questions except as noted

P. 20 - #2, bullets 2-3 - ABCP backstops, and capital & earnings volatility - Liz, for continuity, are you comfortable taking these 2?

P. 21, # 5 - re: granularity of risk - Craig & Robert, can you comment on this one?

P. 21, #6 - accounting and disclosures - Sarah and Brian to comment.

Tri-Lateral
›mbined Comments

General Questions for Firms

This note outlines a preliminary exploration of the strengths and weaknesses of financial institution risk management practices revealed by the recent market turmoil. It is too early to draw definitive conclusions about banks' and investment banks' risk management practices, as the sufficiency of their liquidity and capital buffers can be judged only after the current episode has run its course. Nonetheless, it is not too soon for firms and supervisors to begin thinking about issues that may warrant exploration in the coming months. The broad questions we wish to address can be framed as the following:

1. **In senior management's opinion, what worked well, what did not work well in terms of the firm's overall risk management during the recent period?**

2. **What changes are firms making to their processes or practices as a result?**

3. **How well did stress tests and limits perform as measures and mitigators of risk, respectively? Did internal processes estimate the nature and scale of any losses appropriately?**

4. **How effective were internal reporting mechanisms in identifying and highlighting key drivers of risk and losses?**

5. **How effective were hedging strategies in responding to rapidly changing conditions? To what extent did the firm's planning contemplate both the scale and speed at which liquidity conditions deteriorated?**

6. **How effective were firms in identifying both direct and indirect exposures (whether or not involving contractual obligations) to other sources of risk and potential concentrations of risk, including exposures to structured investment vehicles, alternative investments, or mutual funds, among others?**

The discussions with firms will cover five areas of interest:

A. Senior Management Oversight
B. Liquidity Risk Management
C. Market Risk Management
D. Credit Risk Management
E. Economic and Regulatory Capital and Related Issues

While the questions below are organized by risk category for practical reasons, supervisors expect firms to manage risks in an integrated manner across businesses and risk dimensions. As such, we intend to form observations about risk management practices, including the quality of stress testing and scenario analysis, on a corporate-wide basis. The supervisors will share among the participating Agencies their understanding of firms' risk managing practices. Each of the Agencies will be reminded that information shared during these discussions will be treated as confidential supervisory information.

Introductory Comments – SARAH/CRAIG

1 On balance, GS' risk management policies and procedures have worked well throughout the year, and, in particular, over the past several months: **a** we had more than adequate funding, **b** our risk models served as effective means of identifying and quantifying exposures and **c** our price verification procedures helped us identify issues early so we could act accordingly.

2 The recent turbulent markets have caused us to re-think some of our methods for quantifying exposures – however, none of the changes represents a material deviation from current practice. Today we'll discuss some of those changes.

3 We first observed disturbing trends in the performance of sub prime debt in late December, early January and began marking down positions at that time. As a result, we became concerned about our long exposure and acted quickly in a number of ways, including putting hedges in place. We followed these trends closely and continued to mark down sub prime positions throughout 2007. As it turned out this time period represented a narrow window of opportunity to create effective hedges and as a result we were able to maintain a short throughout the year.

4 The press and others have discussed an anticipated Q4 write-down for GS. Our remaining long sub prime exposure totals $695 million, inclusive of whole loans and CDO positions. However, we're net short – as we have been throughout 2007. Accordingly, we have nothing to write down.

5 We supplemented our risk reporting packages as necessary and discussed our mortgage book at every Risk Committee meeting throughout the year. We've made several presentations to the Board regarding mortgage exposures and will make another tomorrow.

6 In summary, the process by which we mark all our positions to market on a daily basis – and the process for an independent verification of those prices – are quite simply the key to our risk management processes.

A. Senior Management Oversight

1. **Risk Appetite**

- Did the effects of recent market turbulence on your key measures of risk and performance (e.g., profit/loss, firm-wide liquidity levels, capital buffers, etc.) fall within the Board's and senior management's stated policies for risk? Please describe any material differences with previously existing policy, limits, etc.

CBroderick

- — with some exceptions, general answer is that we did not end up with positions that were greater than our mgmt / board thought appropriate
- — in risk terms, we managed positions very actively such that we took down multiple positions as they got larger;
- — not to say we didn't have limit excesses (Robert to discuss, also CSW); but sr mgmt participated actively in all of the significant exposure management including decisions on when / how to reduce positions, and in the case of lending the actual approval of transactions

LBeshel

Yes, they did. With respect to Treasury:

- — GCE remained above MLO and above our GCE target of $55-60bn. MLO assumptions broadly held up. We were able to raise liquidity through efficiency projects rather than drain the GCE
- — Cash capital ratio generally remained above 1.0x. It dipped below in September, but we issued $10bn of LTD in October to bring it back up
- — CSE Tier 1 capital ratio remained at or above our minimum targeted level
- — Quarter-end EDL ratios were at or below maximum target levels
- — Share repurchases were adjusted to maintain target equity capital ratios

RBerry

To discuss history of VaR and CSW

2. **Communication with Board/Senior Executives**

- At what point were senior executives or the Board of Directors made aware of specifics surrounding the impact that the market disruption may have on the firm's business? What led to the decision to communicate the relevant issues to Directors or senior executives?

RBerry

There is constant communication from the revenue side and the control side of the firm with the 30th floor. In addition David/Jerry co-chair FWRC and Lloyd/Gary regularly attend.

CBroderick

- Sept '06 Risk presentation (including special topics on Leveraged Finance, Derivatives Prime Brokerage and Systemic Risk
- March '07Subprime Mortgage Business presentation
- Sept '07 Residential Mortgage presentation

- What special sessions, if any, were held with the Board of Directors/senior executives, or what reports were shared, to ensure that they understood the specifics related to valuation issues, conduits, structured investment vehicles, leveraged lending, etc.?

  BLee
  - Quarterly PV presentations to the Board
  - Weekly Risk Committee Meetings, attended by DViniar and GCohn, and often LBlankfein
  - Recent meetings with Lloyd & Gary re: pricing

- What role, if any, did the Board/senior executives play in re-assessing the firm's risk appetite and strategy?

  RBerry
  Limits are set by FWRC. Decisions regarding e.g. short positions in mortgages taken by business units but with full knowledge of the 30th floor.

  C Broderick
  FWCC approves each significant financing transaction

3. Senior management reporting and analysis

- Did senior management reporting systems provide accurate and timely insight into material changes in the firm's risk profile? What *ad hoc* reporting, if any, was prepared to supplement standard reporting packages?

<u>RBerry</u>
Key risk measures are computed on a daily basis – including day-on-day and other time comparisons - and communicated to most senior management. Measures are themselves highly responsive (volatilities and correlations are re-estimated weekly, credit risk is linked to traded spreads).

Changes are often made to the risk packages in response to senior management/FWRC interest as businesses and markets change (e.g. breakout of Acquisition Commitments from Mortgages, addition of Insurance as a Industry risk in JTD report, breakout of Index vs. Stock in Equity Topsheet, refined Loan Commitment pages).

Ad hoc analysis is done on a daily basis generally in response to business unit managers – examples during this period included more granular breakout of CSW by credit quality, marginal contributions to VaR and hedge analysis in Mortgages, credit and Equities.

MRMA produces a Quarterly Risk Review where a conscious effort is made to include new and topical analysis alongside mile-stoned changes in standard measures.

The 2007 Q3 report included breakout of changes in VaR due to position changes and due to market changes (Static VaR), examination of change in convexity position of Equities Division (Top Sheet), update of basis risk in Mortgages (CSW) and curve positions in Credit, concentration in Financials/Energy in Emerging Markets, and Maya position in Commodities.

- How timely was senior management made aware of the implications of the rapidly changing market environment on the firm's own exposures? Was senior management accurately informed of the scale of exposures?

<u>RBerry</u>
Communication is constant.
Management participated in many of the important decisions

- At what point and how did senior management become aware of valuation uncertainties, if any? For example, did external or internal auditors raise issues regarding the valuation of certain positions? How did senior management reach decisions on valuations that affected results? What role did senior management play in overseeing the valuation process and ensuring that it was appropriate?

<u>BLee</u>
- Senior management heightened their focus on the mortgage department and its inventory during the first quarter of 2007 when the non investment grade ABX index began showing volatility as hedge funds began utilizing it to express bearish views on the US housing market. Concerns were further exacerbated by declines in home price appreciation and pricing pressure on subprime mortgages.

- This focus resulted in periodic meetings with senior management including; the CFO, divisional risk heads, division heads, desk management and controllers.

- We use fair value to measure our financial instruments, which is fundamental to our risk management process and financial statements. It is essential for us to understand the value of what we hold so that we can manage the associated risk. Due to reduced liquidity, determining fair value is more challenging; however, we still look to the significant amount of available evidence and extrapolate as appropriate. If there is a question on price transparency, senior management may require traders to execute trades to substantiate their valuations. We also back test marks against actual trades to ensure accuracy.

4. Conflicts of interest

- o Did the firewalls between the firm's operations with access to public versus private information lead to any challenges in gathering and interpreting information to understand market events or their implications for key customers or counterparties? If so, how were these addressed?

CBroderick

- Managing this is always a challenge; however these issues were fully addressable w/o non-public, counterpart-specific discussions
- Where firewalls really affected us were on our hedging decisions; this meant for example that we generally hedge bank loans via indicies, and derivatives via NCLs

5. Immediate responses

- o Please describe the decisions that senior management undertook (and their timing) once it became aware of the significance of the market disruptions. Examples might include seeking specific analyses of the situation through customized stress tests, etc.; changing the firm's limits; altering management reporting or other MIS processes; altering management structure; etc.

LBeshel

— Raised long-term debt at beginning of year to stay ahead of growth in cash capital requirements. Also raised new unsecured debt during the strained period when possible

— As a general policy, we term out secured funding for less liquid assets in a *normal environment* to mitigate rollover risk in a crisis. As the market began to get more challenging, we termed out even more secured funding and raised new secured funding when possible

— Addressed a variety of internal funding efficiency issues to boost liquidity and create a report to track progress

— Created a new "days to zero" liquidity report

— Cut back share repurchases to preserve cash and capital in the early period of uncertainty

— Increased focus on maximizing distributions of excess capital from subsidiaries

— Partnered with businesses to come up with structured funding solutions for bank loans

— Maintained a heightened dialogue with businesses to ensure that business selection decisions appropriately incorporated the scarcity of funding

BLee

First quarter 2007:
Shut down residential mortgage warehouses
Increased protection for disaster scenarios via RMBS and CDO CDS
Increased long correlation position
Continued vigilant EPD identification and workout
Reduced loan positions through securitization and sale

Second quarter 2007:
Terminated CDO warehouses
Took significant mark to market losses on long mortgage and CDO positions
Further shorted synthetic CDOs and RMBS
Actively manage counterparties for disputed margin calls or payment failures

Third quarter 2007 through current:
Actively managed risk exposure to hedge funds
Begin covering of short mortgage positions
Opportunistically look to buy assets
Increased hedging of leveraged loan commitments
Focus on generating additional liquidity sources

RBerry
Heightened dialogue at all levels, and between revenue and control.
[Limit History]
Global Alpha onto firmwide systems?

CBroderick
- Heightened dialogue at all levels, and between revenue and control.
- Overall: tightened credit terms with counterparts including revised limits, strengthened stress tests; specific hedge fund close out scenario analysis conducted & reviewed at Risk Committee
- Increased focus on collateral calls and position marks
- Leveraged Finance: increased hedging, strengthened stress tests, revised credit approval terms; additional focus on distribution

- Were any changes made in management or senior staff during this period?

  RBerry
  The mortgage business was moved into the Credit World
  Marc Spilker, Jon Sobel into GSAM

- Did you encounter any material operational challenges (e.g., back office processing, etc.) during this period that affected your ability to assess exposures, analyze, or manage exposures or your ability to complete increased trading or processing volumes? If so, how did you address those challenges?

  RBerry
  There was one day when SecDB coincidently broke down CRAIG to comment on collateral impact

CBroderick

- Several situations where systems' capacities were stretched resulting in late processing / credit info / collateral calls
- But in each case the delays were short (within same day) and work-arounds for collateral were arranged (prioritized, manual calculations) so that we were not put at risk
- We are focusing now on significantly upgrading our system capacity to handle much larger trading volumes

o To what extent were your decisions motivated by concerns about reputation in the market place?

LBeshel

— Decided to scale back CP balances (flat Q/Q) given that Bear Stearns got credit for reducing its balances
— Decided to allow funding trades with conduits to roll off so as not to be perceived as causing any conduits to go under
— Decided not to participate in M-LEC (partly because we don't really see the benefit)
— Decided not to access the Fed discount window jointly with MS/MER to finance CP inventory
— Decided to invest in GEO?

RBerry

We continued to do client business? i.e., we preserved, not hoarded, liquidity and risk capital.

CBroderick

- Very focused on reputational issues; tried hard to be a good corporate citizen, maintaining financing and derivatives lines in the vast majority of cases; being scrupulous about our marks; keeping our regulators posted on issues

6. Lessons learned/changes as a result

o What changes have been, or will be, made in your risk management structure or processes as a result of this experience?

RBerry

It is too premature to make far-reaching changes (if any). Our risk management structure and processes generally performed well and as designed.
GSAM
MRMA above the wall?

CBroderick

- We constantly tweak our risk organization, processes and procedures and this will continue. We brought out a new alert system for troubled counterparts. We upgraded our reporting template. We will continue to make these changes, but in general things worked well and no radical changes are required

- How will your business strategy or model change as a result of this experience or because of other business concerns you see going forward?

CBroderick
- No fundamental changes – we are generally ok with results
- We will be opportunistic as we always are, and may find selective investments attractive (eg the Litton mortgage servicing platform from CBass)
- Other changes may be imposed on us from the market, eg the asset backed CP market; or by a need to be prudent risk managers, eg reviewing our underwriting practices for monoline insurance cos

B. Liquidity Risk Management

1. Liquidity Planning/Stress Testing

- By what process does your institution assess the appropriate level of excess liquidity reserves to maintain? What are the key factors that drive these decisions?

LBeshel
- GCE target is decided by Global Treasurer with input from senior Treasury personnel, Funding Desk, and Finance Committee
- Factors that drive the decision include:
  - MLO model
  - Market color provided by Funding Desk
  - Known one-off funding gains/drains
  - Subjective assessment of condition of GS in relation to the crisis

- How effective were the types of scenarios employed in liquidity stress tests and contingency funding plans in helping you prepare for the recent financial market liquidity strains? Did the scenarios reflect the potential for general market disruptions as well as firm-specific scenarios?

LBeshel
- We manage to a general market disruption in which GS is specifically affected. Recent strains were not nearly as severe as what we manage to
- Treasury has participated in one-off scenario exercises, including a sub-prime meltdown, hedge fund failure, and pandemic outbreak
- Scenario planning can only take you so far. More important in a crisis is to have good communication lines both internally (Treasury, Funding Desk, businesses) and externally (creditors, rating agencies) and robust reporting.

- How appropriate were the assumptions incorporated into contingency funding plans and stress tests? How well did market events vis-à-vis off-balance sheet exposures, securitization, funding concentrations, cross-currency exposures, and general market liquidity correlate with those assumptions?

LBeshel

Our scenario planning incorporates more severe stresses than we experienced.

Events that were as or less severe than our assumptions:
- Some loss of secured funding, but in line with expectations
- Difficulty rolling unsecured funding, although LOC usage actually increased
- No material derivatives collateral outflows (MTM or downgrade)
- No increased requirements at exchanges and clearinghouses
- No material withdrawals of free credits in GSI

Events that were more severe than our assumptions:
- Conduit funding less robust than anticipated
- Credit origination commitments posed greater liquidity risk than planned for (we had focused on one month, but crisis lasted longer)
- Possibility of having to provide liquidity support to GSAM funds
- Collateral disputes with derivative counterparts greater than anticipated

o How well did your quantitative measures and limits on its liquidity perform during this period? What impact, positively or negatively, did any limits mandated by regulations have on your actions during this period? What changes, if any, will the firm make to its efforts to measure its overall levels of liquidity?

LBeshel
- Measures performed well. GCE remained above MLO, and cash capital ratio remained above 1.0x
- Not aware of any regulatory mandates that affected the firm's actions
- No plans to change how we *measure* liquidity (i.e. definition of GCE or cash capital), but do plan to reassess certain liquidity *risks* as noted below

2. Securitization and Syndicated Financing

o How are the risks of timing mismatches between the origination of assets and the subsequent packaging and sale of assets considered in contingency funding plans?

LBeshel
- We do not rely on securitization to manage through a liquidity crisis. We assess liquidity assuming we maintain our current inventory levels
- Our liquidity planning incorporates severe draws by clients on warehouse lines we have provided

o Does your liquidity analysis process capture and report the level of committed pipeline credit?

LBeshel
- Yes.
- However, we will likely reassess liquidity risk of credit origination commitments in light of our recent experience, as noted below

3. Support for Conduits/SIVs/SPEs

- In what ways did your liquidity risk management reflect the possibility of supporting sponsored investment funds and/or securitization programs, including those that you had no contractual obligation to support?

  LBeshel
  — Not applicable

- *A priori*, how well-developed and comprehensive were your ongoing risk measurement and monitoring of these entities?

  LBeshel
  — Not applicable

4. **Support for other vehicles such as money market funds**

- In what ways did your liquidity risk management reflect the possibility of supporting other vehicles such as money market funds? What support, if any, did the firm actually provide?

  LBeshel
  — Large investment in GEO was an attractive opportunity, not a bail-out
  — We monitored GSAM money market fund but did not need to provide support
  — Liquidity planning did not incorporate the possibility of providing support to GSAM money market fund, but have since added a $2.5bn buffer for this risk in the MLO model

5. **Pricing of Liquidity Commitments**

- What factors were considered in the pricing of contingent liquidity facilities? With the benefit of hindsight, was such pricing appropriate?

  LBeshel
  — We have traditionally not charged businesses for GCE, in order to keep the cost – and therefore the control – at management level. We are moving toward charging businesses for the portion of MLO that is pre-funding specifically attributable to a business activity.
  — Except for WS commitments, we currently do not charge for pre-funding for lending commitments. We recognize this is inappropriate and plan to change it in the near future
  — We do control the size of liquidity commitments through our risk management infrastructure(Capital Committee, etc.)

 GS MBS-E-010135704

6. Legal Entities

- To what extent were liquidity risk considerations factored into decisions on the booking of business in a particular legal entity, vs. such other considerations as tax, accounting, or regulatory differences? Were restrictions of the full transfer of liquidity capabilities across various parts of the organization appropriately considered?

  LBeshel
  - Liquidity risk typically not the driver of deciding where to conduct business. Tax, regulatory, or operational issues are more commonly the driver
  - In whatever entity we conduct business, we put in place a liquidity risk management strategy (MLO models for broker-dealer entities, funding plans in BRICK countries, etc.)
    - We monitor amount of GCE held in GSI and GSJCL above their stand-alone requirements
    - We consider trapped cash capital in our cash capital planning

- What was the impact of actions taken by affiliates on regulated entities?

  LBeshel
  - Certain efficiency projects were designed to untrap liquidity in regulated entities (GSI client money deposit to GSoHG, repayment of GSI accrued sub-debt interest)

7. Risk Measurement and Limits

- Did internal liquidity metrics, limits, and monitoring systems provide "early warning" that the availability of market liquidity was materially changing from historic norms?

  LBeshel
  - Because our funding book has long duration, our experience in this crisis was that we did not immediately see the impact on our funding, but instead saw the impact by watching others' experience in the markets and press.
  - Do not have specific limits or monitoring to identify when market liquidity is drying up – we carefully watch trends and activity in the markets broadly (look for appetite for collateral types, pricing changes, maturity changes, etc.)
  - Primary means of identification is communication between Treasury and the Funding Desk, external funding counterparties and GS senior sales/trading and control personnel, Committee meetings, and the CFO's view

- During the period of stress, did you capture and aggregate exposures with sufficient granularity (i.e., risk factor, product type, counterparty type) for liquidity risk management purposes?

  LBeshel
  - Yes, we break down the causes of contingent liquidity outflows (unsecured funding rollover, secured funding rollover, buyback risk, derivative outflows, etc.)

- Was the MIS provided to senior management sufficient and comprehensive?

  LBeshel

  Yes. Reporting provided to senior management included:
  - Funding Snapshot
  - Liquidity Dashboard
  - Finance Committee packet
  - Weekly funding summary

8. Management of Liquidity Events

- How were contingency funding plans and stress tests utilized during market events?

  LBeshel
  - Recent market events were not so severe as to require putting in motion the Liquidity Crisis Plan
  - However we did consult our plan as we created a menu of various alternatives to generate liquidity outside of the funding markets.

- Was there an effective communication infrastructure to measure, monitor and control your liquidity positions (for all material legal entities, jurisdictions, foreign branches and subsidiaries)?

  LBeshel

  Yes.
  - Frequent calls between Global Treasurer, senior Treasury personnel, Funding Desk
  - Effective use of email distributions for sharing of information, such as steps being taken to boost liquidity, credit origination pipeline, etc.
  - Robust liquidity reporting

- Did senior management intercede to allocate/ration liquidity?

  LBeshel

  Yes.
  - Maintained heightened dialogue with businesses to ensure that business selection decisions appropriately incorporated the scarcity of funding
  - Capital Committee vigilant about approving new commitments

9. Lessons Learned

- Do you plan to make changes to liquidity risk management or contingency funding plans as a result of the recent market turmoil?

  LBeshel

  Yes, we plan to:
  - Continue to fortify our already-strong funding position by funding wherever/whenever possible, paying up for term and continuing to diversify our distribution, particularly for lower-grade collateral
  - Reassess liquidity risk of credit origination commitments and other contractual commitments
  - Incorporate possibility of providing liquidity support to GSAM funds in our planning (have already added $2.5bn as a buffer)

- What are the implications of recent events on the future composition of your pools of liquidity resources?

  LBeshel
  No impact.
  — GCE will continue to be composed of securities of the highest quality.
  — Will continue to not use committed credit facilities as a source of backup liquidity

C. Market Risk Management

1. Value-at-risk

- What was the incidence of VaR and limit breaches during this period? What was done to bring exposures under limits and was it effective?

  RBerry
  [Get history]
  Exposures were managed responsibly by the business units within agreed limits.

  Highs were set in Mortgages, Credit Products, Credit Origination, EPG and GSP. Benign P&L allowed for a disciplined but measured response.

  Shorts in Mortgages and Credit Products tended to hedge long market exposure in Credit Origination and Equities. As a result "diversification" reach a high of 63%.

- Did valuation issues impact VaR calculations?

  RBerry
  To the extent that mark downs reduce positions size (which reduces risk) and conversely to the extent that wider spreads provoke higher volatilities, valuation impacts VaR in our models.

- Have you made any changes to your risk management program/VaR models as a result of these back-test exceptions?

  RBerry
  No specific changes.
  - Our models already are highly reactive to changes in volatility – we use a 20%/month decay.
  - We examine all backtesting exceptions at the 95% and 99% 1-day level for "red flags" – P&L driven by missing positions or risk factors – none apparent.
  - There was considerable work done around mortgages to validate distributional assumptions as prices plunged – in general return volatility remained proportionality to spreads.
  - Certain assets were re-mapped as data became available [e.g. as we shorted single-name A Mortgage CDS we did not have time series history; instead these were initially mapped to ABX BBB index scaled by spread – this is ongoing and routine]

- How significant would the difference be between VaR measured using the benign historical period vs. the data we have now?

  RBerry
  If we apply Q2 volatilities/correlations to Q3 positions, period end Firmwide VaR would have been 95 vs. 131 (38% higher); Interest Rate Category VaR would have been 55 vs. 109 (98%); Equity Category 66 vs. 102 (54%); Mortgage business 40 vs. 75 (87%); Credit Products 26 vs. 77 (196%).

  As an anecdote, the 2006 Y/E Mortgage business VaR was 14mm and the ABX BBB was 189bp. As at end of August the ABX was 3156bp and the VaR of the 11/24 positions would have been 531mm.

2. Scenario analysis/Stress tests

- Were your scenario analyses and stress tests adequate for assessing risk exposure during the recent period?

  RBerry
  Yes
  - in particular CSW very granular by business e.g. SPG vs. cash, RMBS vs. CMBS

- How well did business line and corporate-wide stress tests identify the impact of recent market events?

  RBerry
  It is impossible to predict exact moves
  - and not everything moves together (for example CMBS to date and Emerging markets), but the exposures are listed and broken out in sufficient granularity to identify impacts.

- What lessons have you learned from recent events about your stress testing techniques?

  RBerry
  We already prefer single asset stress tests that do not depend on correlation assumptions between markets. We make no assumptions about liquidity. We breakout impacts to a granular level (we don't rely on a single number – or for that matter a single tool).

  We will further drill down on Basis risk e.g. Country, Industry, Cash, Derivative, Index.

3. Risk reporting and aggregation

- During the period of stress, was the MIS provided to senior management sufficient?

  RBerry
  Yes

- Did you capture and aggregate exposures with sufficient granularity (i.e., risk factor, product type, counterparty type) for market risk management purposes?

  RBerry
  Yes

4. Valuation practices

- What mechanisms did the firm have to assess whether valuation methodologies were accurate/appropriate reflections of market valuations and to identify when, if at all, a breakdown in accuracy was likely to occur?

  BLee

- Within Controllers, a dedicated group performs an independent price verification of the mortgage inventory. The team has extensive experience in the valuation of mortgage related products.
- The collaboration with this team and desk management has ensured market movements are reflected in pricing on a timely basis and at times has lead to the remarking of positions.
- The team employs the following primary strategies in their price verification process:
  - Trade comparison: Available trade data are dissected for their parameters which are applied to the cash and derivative positions with similar collateral and/or risk profiles.
  - Fundamental analysis: Various analyses which examine the underlying position characteristics are utilized to derive fair value. Note that these characteristics are corroborated to the market. Examples include discounted cash flow (DCF), option adjusted spread (OAS) or securitization analysis.
  - External price compares: Where available, prices received from third party vendors are attained, validated and utilized.
  - Collateral analysis: Disputes surrounding margin calls of mortgage derivative contracts are closely examined to glean an indication of market levels.
- These marks are reviewed with auditors and regulators on a recurring basis.

- Was your valuation methodology for particular instruments consistent across the firm?

BLee

- We maintain a central Controllers Pricing & Valuation Group (CPVG) which is responsible for the consistent application of fair value across all inventory within the Trading Division through centrally managing the price verification process and opining on determination of fair value.
- Within the mortgage department specifically, as part of our price verification procedures, we focus on consistency across inventory (cash and derivatives), client prices, and repo. In this regard, we are developing reports which will monitor consistency at a cusip and capital structure level.

- To what extent have you had problems valuing structured credit products, loans and loan commitments?

BLee

- Although it has been more challenging, due to reduced liquidity, especially surrounding bid versus offer, we identify and fixate on areas and products where transparency exists. We then reverse engineer the parameters witnessed in transparent products so they can be applied to less liquid inventory. Thus there exists meaningful market data to ensure that our determination of fair value is reasonable.

- What changes, if any, do you plan to make in your valuation practices/controls in light of recent turmoil?

BLee

As the market has changed, our process has evolved throughout the year and we continue to look for ways to enhance. The following are examples of additions made during the year:

- Worked closely with Markit and Fitch, third party composite vendors for derivative pricing, as they have struggled to keep up with the market moves. Specifically, we have provided recommendations surrounding the cleansing of the prices submitted as well as recommended incorporating durations (as well as spreads) into the information they provide.
- Developed a tool to allow for the review of thousands of ABS CDS positions to ensure consistency and appropriateness of marks as well as identifying outliers for investigation.
- Utilized a creation value analysis whereby the underlying assets comprising a CDO portfolio is valued based upon sector, vintage, and rating and then allocated across the CDO liabilities as appropriate.
- Created models independent of the trading function to value scratch and dent loan inventory.

5. Hedging

- o How well did your market risk hedging approaches perform?

  RBerry
  See above.

- o To what extent is the liquidity of a hedge incorporated into market risk management practices?

  RBerry
  We assume unchanged positions through all our stress tests. Most stress events are accompanied by a lack of liquidity.

- o How will hedging strategies and techniques related to market risk change in light of the recent turmoil?

  RBerry
  Will probably think more about liquidity and crowded trades – and techniques to identify such.

D. Credit Risk Management Issues – CRAIG TO ADDRESS

1. Accuracy of potential exposure measures and stress testing

- o How did estimates of potential exposure to credit risk / credit-related losses compare to actual levels during the recent period?
- o Which kinds of stress testing frameworks (e.g., single risk factor versus complex) proved most reliable in estimating actual or mark-to-market losses? Where stress tests misjudged the size of losses, were the deviations still within an acceptable margin for error?
- o To what degree did stress tests accurately anticipate correlations across asset classes?

2. Risk reporting and aggregation

- o During the period of stress, did you capture and aggregate exposures with sufficient granularity (i.e., risk factor, product type, counterparty type)? For complex instruments, did the aggregation capture underlying risk factors effectively? Was the MIS provided to senior management sufficient for understanding the underlying changes in the market environment?

3. Hedging, provisioning, and reserving

- o How effective were your credit risk hedging strategies during the recent market volatility?

- o How will hedging strategies and techniques related to credit risk change in light of the recent turmoil?

4. Counterparty Credit Risk Management

- o Describe the events and circumstances surrounding requests for additional margin during recent events. Were the initial margins set appropriately from the outset? How did they change? What methodologies were used? Were margin calls met in a timely manner?

- o Have any classes of counterparties posed particular counterparty risk management issues?

- o In your view, what has been the role (if any) of hedge funds in the recent market turmoil?

5. Syndicated lending

- o What mechanisms did you have for tracking the dimensions of pipelines and was the tracking effective? What were your limits (if any) on pipeline commitments? Did you experience any limit breaches related to your pipeline commitments?

- o How much did underwriting standards and associated risk premia change as a result of the long period of relatively benign economic conditions and low market volatility? To what extent did your underwriting standards for loans intended to be distributed differ from those standards used for loans intended to be held?

6. Subprime lending

- o For originators of subprime mortgages, how have underwriting standards evolved in recent years? How dependent were subprime-related businesses on market liquidity?

<u>BLee</u>

- As home price appreciation continued to rise, subprime mortgage lenders aimed to provide affordability products including interest only, forty and fifty year amortizations and negatively amortizing loans.
- Additionally, originators looked to provide financing to previously under represented borrowers including stated income from which various documentation types manifested.
- Unlike the prime mortgage market which is dominated by large banks, the subprime mortgage market was dominated by companies which trafficed exclusively in subprime origination (New Century, Ameriquest, etc.). From a financing perspective, these subprime originators were reliant on liquidity to fund their origination pipeline as well as to purchase their inventory for dispersion in the secondary market.

- For investors in securities backed by subprime mortgages, how have due diligence and risk assessment practices evolved in recent years? When making investment decisions on subprime-related securities, how dependent were investors on rating agencies?

BLee

- Due diligence processes are dynamic in that new findings and ever-changing markets result in constant changes in practice.
- Specifically, prior to acquiring any residential mortgage loans, we will conduct a thorough review of the seller including reviewing select financial information for credit and market risk assessment, undertaking a review of the underwriting standards employed by the mortgage originator, engaging in senior management discussions, conducting an operational review and performing background checks.
- In addition to the review of the seller, we review residential mortgage loans in advance of acquisition. The scope of the due diligence we perform depends on the credit quality of the mortgage loans and our past experience with the loan seller. Due diligence may include: review for adherence to the seller's underwriting and compliance standards, examination of loan documents, verification of recorded liens, review of insurance certificates and requesting independent valuations. We may increase that sample or drop loans from the pool as a result of due diligence findings.
- As the subprime market has continued to deteriorate, we have been more conservative in our due diligence process both in assessing sellers and in reviewing/dropping loans. Additionally we have limited our subprime purchases through conservative bids as well as electing not to bid.
- Investors in subprime related securities, especially higher rated bonds, have historically relied significantly on bond ratings particularly when securities are purchased by structured investing vehicles.
- It is important to note that loan level information is available to investors upon request as well as through tools available in the market including Intex. Assuming the investor is sophisticated enough to parse through loan level information; they would be able to stress assumptions used by the rating agencies. (Although they do not have property addresses and borrower social security numbers.)

E. Economic and Regulatory Capital and Related Issues

1. Internal capital assessments

- How did the capital planning process assess the appropriate level of regulatory and economic capital to hold?

  <u>LBeshel</u>
  - — We believe CSE regulatory capital requirement is conservative and therefore a reasonable proxy for required economic capital
  - — Projections of required CSE capital always consider the market environment
  - — We enhanced our projections to more accurately capture expected and potential increases in required capital from new credit commitments and drawdowns on existing commitments
  - — We target CSE regulatory capital ratios substantially above the regulatory minimum and expect the cushions we hold would enable us to maintain the necessary levels of regulatory capital in the event of potential losses and/or increases in RWA
  - — During periods of high uncertainty and stress we generally manage to the higher end of the target range

2. Capital & CDO/CLO businesses

- To what degree, in recent years, had risk capital been allocated to the CDO and leveraged-lending/CLO businesses?

  <u>LBeshel</u>
  - — We don't limit businesses by allocating risk capital as such
  - — We manage capital usage by imposing limits on balance sheet limit, VaR, credit risk, and certain other factors
  - — For performance measurement, we attribute regulatory capital to businesses

- Were your liquidity backstop facilities to ABCP programs (SIVs) priced correctly for internal risk management and capital attribution purposes? Did the pricing appropriately reflect the structures' funding strategies?

- Did your risk management tools (including economic capital models) accurately reflect changes in the actual degree of correlation in losses?

3. Capital & earnings volatility

- Did your stress tests identify the impact on earnings (and if impacted, capital) of the market turmoil? Are you anticipating making any changes in your stress tests as a result?

4. **Capital planning**

- o Did the firm's capital planning process include consideration of potential uncertainties in the valuation of the firm's holdings of, or exposures to, complex financial products (CDOs, etc.)?

  LBeshel

  — Our projections of required CSE capital were enhanced to more accurately reflect expected and potential increases in required capital from new credit commitments and drawdowns on existing commitments

- o How were potential on-boarding requirements of pipeline exposure, contingent liabilities, etc., incorporated within the capital planning process?

5. **MIS**

- o During the period of stress, did you capture and aggregate exposures with sufficient granularity (i.e., risk factor, product type, counterparty type, geographic location) for capital planning purposes? Was the MIS provided to senior management sufficient? What, in particular, were the areas where the MIS reports were found to be deficient?

6. **Accounting & Disclosure**

- o Are accounting rules applicable to off-balance sheet vehicles sufficiently transparent? Do they adequately reflect the risks to sponsors of such vehicles and providers of credit and liquidity support?

- o Would better disclosure for securitization pools reduce the risk that a deterioration of credit quality in one market segment leads to a general withdrawal of liquidity?

Goldman Sachs

FIXED INCOME, CURRENCY AND COMMODITIES INDIVIDUAL REVIEW BOOK

Reviewee : Salem, Deeb A

Title : VP
Review Criteria : FICC-Vice President
Business Unit : Mortgages
Department : SPG Trading
Region : Americas
Date of Hire : 16-JUL-01
Primary Manager : Swenson, Michael J
Co - Manager 1 : Lehman, David A
Co - Manager 2 : Birnbaum, Josh S
Co - Manager 3 :
Co - Manager 4 :
Mentor :

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1561

THE PURPOSE OF THIS REVIEW MATERIAL IS FOR PERSONAL DEVELOPMENT. IT IS NOT INTENDED FOR DISCLOSURE OUTSIDE THE FIRM.

Title Description: VP=Vice President/Executive Director; AS=Associate; AN=Analyst; EX=Exempt; NX=Non-Exempt

As you review feedback information, you should be alert to instances in which an individual has received an unusually negative comment or low score on the "Compliance" or "Diversity and Equitable Treatment" questions. Please consider whether the response requires follow-up, including consultation with a more senior manager, a Compliance professional, Employee Relations representative or other individuals.

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Report Configurations

1. Peer Group = all employees who share the same title, across the division, as the reviewee and are rated on the same review criteria.

2. All averages in the report do not include ratings from the self evaluation.

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VI. Self Evaluation (Continued)

Self Evaluation

Review Criteria	Comments
Overall Performance	1. General Trading Acumen: Mike has been a tremendous leader, role model and mentor to me over the past 4 years. I think he has created a machine. As a trader, I am an aggressive risk-taker who has respect for both liquidity and exit strategies of positions. I like to put on big positions that we believe in and have the discipline not to take winning trades off prematurely. My confidence ride a position on for an extended period of time stems from having an ultimate exit strategy to all trades. For example, even before the likelihood of massive amounts of writedowns became a real possibility in sub-prime, and thus a new exit strategy to our short, we understood the leverage in the system and the painful unwind that would be caused by downgrades and severe moves in prices. As a counterbalance, however, I am not afraid to reverse my view and admit when an exit strategy needs to be changed. In May, while we were remained as negative as ever on the fundamentals in sub-prime, the market was trading VERY SHORT, and was susceptible to a squeeze. We began to encourage this squeeze, with plans of getting very short again, after the short squeezed caused capitulation of these shorts. The strategy seemed do-able and brilliant, but once the negative fundamental news kept coming in at a tremendous rate, we stopped waiting for the shorts to capitulate, and instead just reinitiated shorts ourselves immediately. I also respect liquidity tremendously. When the desk needs to add or reduce a position, I focus more on optimizing the likelihood of getting desired size of the trade and less on optimizing the price of each individual trade. Another important skill that I possess, but is often neglected by many wall street traders, is that of being able to change gears quickly. Many traders are great at being aggressive and moving markets in their direction. Others are great at being passive and quietly accumulating large positions without the opposition even knowing so. But few have the ability to implement both strategies at different times, depending on your counterparty and market conditions amongst other things. I believe that I have the nature to change gears quickly and take advantage of opportunities in various market environments. My nature puts me in the unique position of being able to relate to the other members of the team, Mike and Josh, who are very different personalities. At times my risk appetite swings the pendulum enough to put on the trades we want on in size and keep them on long enough. While other times, I respect the challenge of exiting such large positions, and will leave enough on the table to encourage others to provide us the liquidity we want. 2. My attitude: In addition to the skills that make me a great trader, I think that my personality also plays a vital role in the desk's success. I am as competitive as Michael Jordan. I don't just want to win - I want to win every time and I want to steamroll the opposition. I have the confidence to remain positive and optimistic through the difficult times, like when the desk was down $100mm to start the year. I take ownership in both the winners and the losers and worry more about providing solutions than dwelling on the past. When Swenny is away I assume the role of the leader of the trading team. And I love that responsibility. 3. Obviously the most important aspect of my 2007 and my contribution to the firm has been the desk's P&L. Mike, Josh, and I were able to learn from our bad long position at the end of 2006 and layout the game plan to put on an enormous directional short. The results of that are obvious. But I think it's more important to take a closer look at some of the subtleties of our positions, which have contributed just as much, if not more to the 2007. These nuances were put on primarily by Edwin and myself. a. The Dispersion Trade More than a year ago, Edwin and I realized that dispersion amongst single-name subprime CDS was grossly mispriced. Bad names (tier 4), that the market almost universally disliked traded only 50bps wider than securities that we all agreed were superior

VI. Self Evaluation (Continued)

Self Evaluation

Review Criteria	Comments
	in structure and collateral characteristics. That 2 percent difference in expected loss difference did not compensate for the difference in risk of tier 1 and tier 4 securities. But given the 20x levered nature of a CDO, the 50bps difference could mean an extra 10% pre-loss yield to the equity. Thus CDO managers who had pre-sold portions of equity at a certain level were encouraged to sell protection on the tier 4 names and keep the extra $. So for the past year, we bought protection on tier 4 names at every chance possible, caring little about our ⁅covers⁆ on BWICs. When we wanted to flatten out the book, we just wrote protection on the tier 1 names. Amazingly we did this for most of the year without a usuable model to value the different single-names. We didn⁅t get every trade right, but through our own understanding of loans and through taking notes on what names the guys with the best models (Ellington, QVT, JP prop, etc.) liked and didn⁅t like our success ratio was very high. We were very aggressive with pricing and only shared risk with smart guys if they gave us insight on other names to short or go long in return. Even when the dispersion widened out from 2pts to 8pts by the end of February when we were doing the Harbinger trades, Edwin and I refused to monetize the trade and instead sold protection on tier 1 and 2 names to flatten the notional of the trading book. The tier basis is now trading at ~30bps. With 3-4bb of notional in this dispersion trade on, we have recognized $750mm of P&L so far on this trade. b. Our single-name market share: Having traded over $200bb of notional in SN CDS, GS is the dominant market-maker in single-name CDS. We approximate our market share to be greater than 33%. Even when we were running a flat SN CDS book, we were trading around more CDS than the other market makers. This market share and willingness to trade size proved invaluable in November, December, and January when we decided to make the HUGE directional bet of being long SN CDS protection. We saw flow, and got last looks that nobody else would get. We single-handedly filled more than 50% of the Vertical CDO and many other CDOs that were ramping. If we did not have such presence in the SN CDS market, it is unlikely that we would have achieved the size short that we desired and eventually put on. We⁅re up $1.7bb in RMBS SN CDS! c. Willingness to put on trades that others don⁅t want to/know where to price The 2 most successful trades in this regard, have been our $700mm long Alt-A protection and our $1-2bb long sub-prime single-A protection. When CDOs wanted to sell Alt-A and single-A protection for diversification purposes, the rest of the street was tentative to provide liquidity because they did not have any hedge funds to take the other side of the trade. We viewed this as a tremendous opportunity to buy cheap out-of-the-money options at a significant discount to fair-value. Our exit strategy was always that if sub-prime fundamentals got bad enough, and they did, that the contagion would have to spread up the capital structure because cum loss vol/uncertainty has to go up thus. And it would have to spread to Alt-A because many of the problems that enticed hedge funds to short sub-prime, like a bubble in the coastal markets, high amounts of investor properties, and low documentation of incomes on mortgage applications, were actually more prevalent in Alt-A than in sub-prime. These trades have been worth close to $400mm so far for the desk (and hopefully more room to move). d. CDO CDS trade: This trade has made $900mm so far, which exceeded all of our high expectations for the trade. I had the confidence and desire for the desk to buy A, AA, and AAA CDO CDS protection in size during the fall of 2006 for several reasons: the buyers of risk were other CDOs who wanted good spread for the rating (always a dangerous thing), the rating agencies⁅ correlation assumptions were out of whack with the growing concern in the housing market and the remarkable similarity between the bonds in a CDO, the difficulty that GS itself had in placing such mezzanine liabilities, and the complexity of such securities scared hedge funds from buying the protection themselves. Edwin and I used the same aggressive strategies in purchasing this protection that we used to dominate the RMBS SN CDS market. Our market share was enormous and we did everything we could to print every trade possible. I knew the trade was a good one, when I saw how much Jonathan Egol liked it (again sided with the smartest guy in the market).
Unfulfilled Accomplishments	I would like to continue working on my leadership skills and some of the characteristics that are necessary not only to be the

VI. Self Evaluation (Continued)

Self Evaluation

Review Criteria	Comments
	world's best trader, but also a culture carrier and leader of the firm.
Career Development Plans	I like to think big...My long term goal (but not too long term) is to become my own version of Rich Ruzika. One step towards achieving that is to become a managing director next year. I know that this will take a tremendous amount of hard work on my part. I think that I deserve this and can use the title to expand my contributions to Goldman Sachs. As one of the most talented and important members of the SPG trading team, being an MD would give me added credibility and hopefully access to important counterparties that we want to do large trades with. I would like to map out how we make this happen as I am willing to work as hard as necessary to ensure that I achieve this goal. I think that it involves getting to know a broader array of senior people throughout the firm. We are having a record year in 2007 and I am as responsible for our P&L as anybody. And itﾕs important to me that this gets recognized.
Other Issues	No Comments Noted.

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From: Case, Benjamin
Sent: Friday, July 13, 2007 3:51 PM
To: Kang, Connie; Shimonov, Roman
Cc: Lehman, David A.
Subject: FW: INTERNAL USE ONLY: GS Cashflow/ABACUS CDOs Mentioned in S&P Report on CDO Exposure to Subprime RMBS

Attachments: ArticlePDF.pdf

From: Case, Benjamin
Sent: Tuesday, July 10, 2007 7:13 PM
To: Maltezos, George (GSJBW); Harris, Kate (GSJBW); Rolleston, Jeremy (GSJBW)
Cc: Lehman, David A.; Egol, Jonathan; Bieber, Matthew G.; Chaudhary, Omar; Lee, Jay; Sugioka, Hirotaka
Subject: FW: INTERNAL USE ONLY: GS Cashflow/ABACUS CDOs Mentioned in S&P Report on CDO Exposure to Subprime RMBS

INTERNAL USE ONLY

George,

Below are some talking points for you related to today's price movements for Basis. Please note that the price moves sent to Basis (and the notes below) reflect the S&P actions that were announced this morning, but did not take into account the Moody's actions that were announced very late in the day here. We are still in the process of working through the Moody's actions.

Point Pleasant
- 19% of the total portfolio was listed in the attached S&P paper as having "material exposure" to the 612 RMBS that S&P placed on negative credit watch today (and stated on a conference call that they would be downgraded within days). If a portion of the assets with material exposure PIK (due to OC tests failing in the underlying CDOs from the RMBS downgrades and resulting OC haircuts), the Point Pleasant BBBs will be shut off from cashflow.

Timberwolf
- Approximately 25% of the total portfolio was listed in the attached S&P paper as having "material exposure" to the 612 RMBS that S&P placed on negative credit watch today (and stated on a conference call that they would be downgraded within days).

Fort Denison
- 17 RMBS assets (21% of the overall portfolio and 43% of the total RMBS component of the portfolio) were placed on negative credit watch today. In addition, 10 CDO assets (10% of the overall portfolio and 23% of the total CDO component of the portfolio) were on the list in the S&P paper. Asset downgrades in the Fort Denison portfolio cause a diversion of all principal proceeds and a portion (approximately 40%) of excess interest proceeds away from the equity to amortize down the Class C Loan. Depending on the amount of principal amortization on the asset portfolio in each period, this will cause an overall reduction of projected payments to the Fort Denison equity by 45-60%. Additionally, if/when the CDO assets in the portfolio PIK (due to OC tests failing in the underlying CDOs from to the RMBS downgrades and resulting OC haircuts), that will cause additional reduction in payments that will be borne by the equity.

Redacted by the
Permanent Subcommittee on Investigations

From: Egol, Jonathan
Sent: Tuesday, July 10, 2007 10:46 AM
To: ficc-mtgsales; ficc-fisales; ficc-creditsales
Cc: Mullen, Donald; Sparks, Daniel L; Brafman, Lester R; Saunders, Tim; ficc-mtgcdstrat; ficc-spgtrading; ficc-spcdo
Subject: INTERNAL USE ONLY: GS Cashflow/ABACUS CDOs Mentioned in S&P Report on CDO Exposure to Subprime RMBS

INTERNAL USE ONLY

From the tape:
*S&P IS REVIEWING "GLOBAL UNIVERSE" OF SUBPRIME CDOS
*S&P SAYS 218 CDOS HAVE SUBPRIME BONDS THAT MAY BE CUT
*S&P SAYS 168 RATED CDOS ARE BACKED BY BBB SUBPRIME BONDS

In connection with today's S&P report today on subprime RMBS criteria changes and associated credit review, the following Goldman Sachs CDO transaction have been flagged by S&P as having exposure to subprime RMBS. S&P has stated that is reviewing the global universe of CDOs for such exposure. Full report (PDF) attached.

ArticlePDF.pdf

Mezzanine ABS Cashflow CDOs:

- Fortius II
- Hudson Mezz I

High Grade ABS Cashflow CDOs:

- GSC ABS Funding 2006-3g
- West Coast Funding I

ABACUS Synthetic ABS CDOs:

- ABACUS 2006-11
- ABACUS 2006-14
- ABACUS 2007-AC1

[redacted] = Redacted by the Permanent Subcommittee on Investigations

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Jonathan M. Egol
Structured Products Trading

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How Did GS Avoid the Mortgage Crisis?
Our Response

Mortgages is an important business for Goldman Sachs. However, it is typically the smallest of five main businesses within FICC and therefore, on a relative basis, it has been a smaller contributor to overall Fixed Income revenues than for many of our peers. We always proactively manage the risk of our businesses, and our mortgage business was no different. We were actively managing our mortgage exposure throughout 2006, and towards the end of the year we became increasingly concerned about the sub-prime market. As a result we took a number of actions at that time and into early 2007 to reduce our risk. In the first quarter of 2007 we stopped our residential mortgage warehousing efforts, shut down our CDO warehouses, aggressively reduced our inventory positions, reduced counterparty exposure and increased our protection for disaster scenarios.

Key to our ability to do this was our extremely robust mark to market philosophy. You simply cannot manage risk effectively if you don't know what positions are worth. An accurate daily marking process makes difficult decisions considerably easier, as you tangibly feel the cost of inaction everyday as the market declines. We have extensive price discovery and valuation resources and don't subscribe to the notion that there are instruments that can't be valued.

So, we knew the value of what we had and managed our risk accordingly. However, one should not be lead to believe that we went through this period unscathed and somehow significantly profited from a "bet" on the downturn in mortgage markets. The actions that I outlined led to significant write-downs in the value of our long mortgage inventory over the course of this year.
We mentioned during our second quarter conference call that a weak quarter in Mortgages contributed to lower results in our FICC businesses. A better characterization of the situation is that we effectively avoided greater losses by taking these proactive steps and in fact during the third quarter we were able to make money on mortgages as a result of our net short position. As a consequence, we believe that we are well-positioned to opportunistically participate in the inevitable restructuring of the mortgage market.

Ultimately, our ability to be proactive was a function of our people and our risk management culture. Given the complexity and diversity of risks in our business, we believe that it is critical to provide our teams with the confidence and support necessary to identify and escalate issues as soon as possible and to prioritize the interest of the entire firm over any individual objectives. In addition, we think it is important for senior leadership to be actively engaged in the business flows and decision making process, in times of calm as well as crisis.

Quarterly Breakdown of Mortgage P/L

Business (USD Millions)	Q1 2007				Q2 2007				Q3 2007				Q4 2007				October 26, 2007 FYTD			
	Loan/ Security P&L	Derivs P&L	Other/ UW P&L	Total	Loan/ Security P&L	Derivs P&L	Other/ UW P&L	Total	Loan/ Security P&L	Derivs P&L	Other/ UW P&L	Total	Loan/ Security P&L	Derivs P&L	Other/ UW P&L	Total	Loan/ Security P&L	Derivs P&L	Other/ UW P&L	Total
Residential Prime	$ 65	$ (0)	$ -	$ 65	$ 48	$ (0)	$ -	$ 48	$ (252)	$ 33	$ -	$ (219)	$ (76)	$ (42)	$ -	$(118)	$ (216)	$ (9)	$ -	$ (224)
Residential Credit	$ (248)	$ 213	$ -	$ (36)	$ (239)	$ (60)	$ -	$(299)	$ (641)	$ 358	$ (27)	$ (311)	$ (193)	$ 63	$ 26	$(103)	$ (1,321)	$ 574	$ (1)	$ (749)
Alt-A	(31)	56	-	25	10	(16)	-	(5)	(201)	111	(7)	(98)	(99)	(21)	7	(113)	(321)	130	-	(191)
S&D	(51)	13	-	(37)	(39)	(11)	-	(50)	(104)	108	16	20	(42)	13	(16)	(45)	(236)	124	-	(112)
Subprime	(167)	144	-	(23)	(210)	(34)	-	(244)	(336)	138	(36)	(233)	(51)	71	35	54	(764)	319	(1)	(446)
SPG Trading	$ (60)	$ 359	$ (1)	$ 298	$ (103)	$ 546	$ 9	$ 452	$ (724)	$ 2,850	$ 7	$ 2,133	$ (133)	$ 842	$ (1)	$ 708	$ (1,019)	$ 4,598	$ 15	$ 3,591
ABS Securities	(58)	290	-	232	(63)	480	-	417	(646)	1,916	19	1,288	(96)	479	(22)	362	(863)	3,165	(3)	2,299
CMBS Securities	(1)	5	-	4	(24)	22	-	(2)	(48)	173	(11)	113	(14)	156	11	153	(87)	355	(0)	267
Correlation	(1)	64	(1)	62	(16)	44	9	37	(29)	761	(0)	732	(23)	206	10	193	(69)	1,076	17	1,024
CDO/CLO	$ (170)	$ (0)	$ 23	$(147)	$ (307)	$(175)	$ 29	$(453)	$ (944)	$ 120	$ (74)	$ (898)	$ (208)	$ 19	$ 70	$(120)	$ (1,629)	$ (37)	$ 48	$(1,618)
[redacted]	[redacted]				[redacted]				[redacted]				[redacted]				[redacted]			
Other*	28	-	6	33	19	-	13	32	1	-	41	43	43	-	0	43	91	-	60	151
Grand Total	$ (327)	$ 571	$ 28	$ 272	$ (535)	$ 310	$ 51	$(174)	$ (2,737)	$ 3,482	$ (4)	$ 741	$ (553)	$ 889	$ 96	$ 432	$ (4,152)	$ 5,262	$ 171	$ 1,271

*Included in Other are gains earned in conjunction with bond U/W (+$70 million) and transfers from AMSSG (+$45 million)

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GS Subprime Mortgage Business

Subprime Risk: Current Position as of 11/2/07

Mortgage Department

SUBPRIME	***Current Notional (Bn)***	***Market Value (Bn)***
Securities (IG)	2.3	1.2
Subs & Residuals	0.1	0.1
Loans	0.3	0.3
Single-Name Synthetic Risk (Net)	2.7	1.6
TABX & Tranched Synthetic Risk (Net)	(3.1)	(0.9)
Net	**2.3**	**2.4**
ALT-A		
Securities (IG)	4.3	3.8
Subs & Residuals	0.3	0.2
Loans	0.1	0.1
Synthetic Risk (net)	(1.7)	(1.3)
Net	**3.0**	**2.8**
SCRATCH & DENT		
Loans	0.9	0.5
CDOs / TRANCHE RISK		
Securities	2.1	0.3
Single-Name Synthetic Risk (Net)	(1.2)	(0.4)
Tranched Synthetic Risk (Net)	(5.4)	(3.0)
Seasoned Super Senior Shorts	(3.5)	(3.4)
Net	**(7.9)**	**(6.4)**

Subprime Mortgage Business Comparisons

MER, C, UBS releases compared with GS Position as of 11/02/07

	Merrill Lynch[1]	Goldman Sachs
Subprime	$5.7Bn US Subprime mortgage related exposure	$2.4Bn US Subprime mortgage related market value
CDO/Warehouse	$15.2Bn ABS CDO related exposure	($6.4Bn) ABS CDO related market value

	Citigroup[2]	Goldman Sachs
Subprime	$11.7Bn US Subprime mortgage related exposure	$2.4Bn US Subprime mortgage related market value
CDO	$43Bn exposure to senior CDO tranches	($5.1Bn) market value of senior CDO tranches

	UBS[3]	Goldman Sachs
Subprime	$16.8Bn Subprime Securities	$1.2Bn Subprime Securities market value
CDO	$20.2Bn notional exposure to senior CDO tranches	($5.1Bn) market value of senior CDO tranches

[1] *Goldman Sachs Subprime exposure includes our net exposure to subprime loans, bonds, and derivatives while our CDO/Warehouse exposure includes our net exposure to CDO bonds and derivatives. GS does not have any current CDO warehouse exposure. We are interpreting ML's exposure to be net market value and are reporting the same measure for GS.*

[2] *Goldman Sachs Subprime exposure includes our net exposure to subprime loans, bonds, and derivatives while our CDO exposure includes our net exposure to senior CDO bonds and derivatives. We are interpreting Citigroup's exposure to be net market value and are reporting the same measure for GS.*

[3] *Goldman Sachs Subprime exposure includes our net exposure to subprime loans, bonds, and derivatives while our CDO exposure includes our net exposure to senior CDO bonds and derivatives. We are interpreting UBS's Subprime exposure to be net market value and their CDO exposure to be notional and are reporting the same measures for GS.*

From: Ruzika, Richard
Sent: Friday, May 11, 2007 9:59 PM
To: Sparks, Daniel L
Subject: Re: You okay?

Get Elisha on it too. He is very good at getting the math right. One thing you don't want is multiple write downs. Whatever it is get it out there in total.

Sent from my BlackBerry Wireless Handheld

----- Original Message -----
From: Sparks, Daniel L
To: Ruzika, Richard
Sent: Fri May 11 19:33:32 2007
Subject: Re: You okay?

Cdo positions and market liquidity and transparency have seized. I posted senior guys that I felt there is a real issue. I'm going to make a change in the responsibility of the business away from ostrem to david lehman (with swenson helping).
We are going to have a very large mark down - multiple hundreds. Not good.

Mullen has been really good - dug in, thoughtful, balanced. I hate that he has to deal with this out of the shoot. We had a meeting today with viniar, don, mcmahon, my team, controllers, gary on the phone to walk through situation. The market has seized up so much that levels are very hard to determine for the complex products - which also are difficult to model for value due to market changes.

That's a long way of saying that I feel the way I probably should right now in light of the situation, but the team and I have our heads in the game.

Thanks for reaching out

----- Original Message -----
From: Ruzika, Richard
To: Sparks, Daniel L
Sent: Fri May 11 18:30:55 2007
Subject: You okay?

Dan. Anything I could do to help?

Sent from my BlackBerry Wireless Handheld

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1571

From: Burchard, Paul
Sent: Monday, May 14, 2007 1:49 PM
To: Egol, Jonathan; Wiesel, Elisha; Lehman, David A.; Sparks, Daniel L; Swenson, Michael; Birnbaum, Josh; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Subject: RE: Gameplan - asset model analysis

Here are the asset model results including both A2 and B tranches of Timberwolf, looking at both 1.5x and 2x spread shock scenarios for the CDOs (corresponding to median CDO spreads of 900 and 1200, respectively, for this portfolio). Again, best estimate of correlation is 20-50% range.

CDO	Spread Shock	Model Price 30%	Model Price 50%	Model Price 70%	Model Price 100%
TWOLF 2007-1 A2	1x	72	72	72	73
TWOLF 2007-1 A2	1.5x	51	54	56	59
TWOLF 2007-1 A2	2x	37	41	44	48
TWOLF 2007-1 B	1x	42	49	56	68
TWOLF 2007-1 B	1.5x	28	34	40	52
TWOLF 2007-1 B	2x	21	25	30	41

Will look at Point Pleasant next.

-----Original Message-----
From: Egol, Jonathan
Sent: Monday, May 14, 2007 8:06 AM
To: Wiesel, Elisha; Burchard, Paul; Lehman, David A.; Sparks, Daniel L; Swenson, Michael; Birnbaum, Josh; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Subject: RE: Gameplan - asset model analysis

I think we can look at the 2x CDO CDS scenario Paul provided below as a proxy.

-----Original Message-----
From: Wiesel, Elisha
Sent: Monday, May 14, 2007 7:57 AM
To: Egol, Jonathan; Burchard, Paul; Lehman, David A.; Sparks, Daniel L; Swenson, Michael; Birnbaum, Josh; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Subject: RE: Gameplan - asset model analysis

Can we not incorporate the cds bid/offer by running Paul's analysis on #2 below at shocked RMBS cds levels?

-----Original Message-----
From: Egol, Jonathan
Sent: Monday, May 14, 2007 5:28 AM
To: Burchard, Paul; Wiesel, Elisha; Lehman, David A.; Sparks, Daniel L; Swenson, Michael; Birnbaum, Josh; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Subject: Re: Gameplan - asset model analysis

This correlation analysis does not incorporate 2 things:
- cds bid/offer
- cashflow triggers (underlying level)

For names where the underlying longs were externalized, the cdo cds offered side spread is going to be close to 2x the current marked spread for many underliers. It will be important to use the cdo cds trading franchise to source hedges at the bid side of the market.

The downgrade sensitivity of the underlying cdo cashflow triggers means that there is some (hard to quantify) probability that some or all names essentially jump to default.

----- Original Message -----
From: Burchard, Paul
To: Wiesel, Elisha; Lehman, David A.; Sparks, Daniel L; Swenson, Michael; Birnbaum, Josh; Egol, Jonathan; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Sent: Mon May 14 00:45:22 2007
Subject: Re: Gameplan - asset model analysis

One point of this correlation analysis is that it provides a relative value argument about how to hedge the cdo^2 risk. It indicates (as the desk is aware) that it is currently cheaper to buy protection against the cdo^2 at the cdo level than at the rmbs level. To the extent that we can put on this hedge, we can recover the higher (72 cent) price, no matter how bad rmbs looks.

Sent from my BlackBerry Wireless Handheld

----- Original Message -----
From: Wiesel, Elisha
To: Burchard, Paul; Lehman, David A.; Sparks, Daniel L; Swenson, Michael; Birnbaum, Josh; Egol, Jonathan; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Sent: Mon May 14 00:01:17 2007
Subject: RE: Gameplan - asset model analysis

David - We spoke briefly to Ben and Edwin earlier this evening and asked them if it would be possible to come up with CDS marks for any missing BBB/BBB- RMBS deals as well as a heuristic for marking any high-grade tranches by vintage. As Paul says below, this would really help us run results through the asset model (as well as through the NAV analysis we'd discussed doing) for CDOs. I realize this might be painful (several thousand underlying RMBS deals might need to be marked) but we'd like to come back to you when we have some stats on what we're missing and brainstorm on a good way to do this.

From: Burchard, Paul
Sent: Sunday, May 13, 2007 11:05 PM
To: Lehman, David A.; Sparks, Daniel L; Wiesel, Elisha; Swenson, Michael; Birnbaum, Josh; Egol, Jonathan; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Subject: RE: Gameplan - asset model analysis

We can estimate the value of the Timberwolf CDO^2 by applying a correlation model (the asset model). We have three questions to answer:

1. Based on marks for the single-A CDOs under the CDO^2, what should be the value of the Timberwolf CDO^2?
2. Based on marks for the RMBS under the single-A CDOs, what should be the marks on the CDOs that went into (1)?
3. In both (1) and (2), what market evidence do we have for the correlation that takes us from underlier valuation to the valuation one level up?

In brief, the answers we find are:

1. Based on current single-A CDO marks, the A2 tranche of Timberwolf would have a price of 72 cents on the dollar. The price is not sensitive to correlation at these levels.
2. Based on a small sample of single-A CDOs for which we have complete underlier marks, we believe that the risks of the RMBS underliers are frequently not fully reflected in the marks on the CDOs. If the trends in this small sample are extrapolated, the fair spreads on the CDOs could even be double where they are marked now; if that were the case, the price of the A2 tranche of Timberwolf would actually be 35-41 cents on the dollar, depending on the correlation.
3. Recent Abacus CDOs and CDO^2 have been marked with correlations in the 30-50% range. Median sector marks for mezzanine CDOs imply a correlation of 22%.

Clearly, the next step is to get marks on more of the RMBS underliers in order to be able to run more of the CDOs in Timberwolf through a model.

For (1), we find the following relationship between price of the A2 tranche of Timberwolf, and the correlation. The results are also shown when all the underlier spreads are multiplied by a factor of two, based on the results of (2).

CDO	Underlier Spread Multiple	Model Price 30%	Model Price 50%	Model Price 70%	Model Price 100%
TWOLF 2007-1 A2	1	72	72	72	73
TWOLF 2007-1 A2	2	37	41	44	48

For (2), we have the following comparison between current spread marks on single-A CDOs, and Gaussian copula model spreads computed from the current spread marks on their underliers (mostly RMBS). The first three CDOs are Timberwolf underliers. In general, this analysis shows that at current underlier marks, single-A CDOs are equity-like (long correlation). However, per (3), market-implied correlations are low, in the range 20-50%.

CDO	Sector	Mark	Model 30%	Model 50%	Model 70%	Model 100%
ABAC 2006-HG1A C	CDO^2 Mezzanine	520	1667	1336	1077	710
ADROC 2005-2A C	CDO High Grade	275	185	201	192	140
CAMBR 7A C	CDO Mezzanine	665	1096	938	804	579
FORTS 2006-1A C	CDO Mezzanine	440	527	527	499	425
HUDMZ 2006-1A C	CDO Mezzanine	160*	1643	1378	1168	880
HUDMZ 2006-2A C	CDO Mezzanine	250*	2209	1794	1490	1105

*No trades currently on these ref obs, so marks may be stale.

From: Lehman, David A.
Sent: Friday, May 11, 2007 7:37 PM
To: Sparks, Daniel L; Wiesel, Elisha; Swenson, Michael; Birnbaum, Josh; Egol, Jonathan; Primer, Jeremy; Burchard, Paul; Turok, Michael
Cc: Brafman, Lester R; Lehman, David A.
Subject: Gameplan

Following up from this afternoon's meeting -

We are going to better evaluate the CDO^2 risk using three distinct frameworks

1) Blended scenario analysis using HPA (Primer)
2) Risk neutral/correlation framework, consistent with our current synthetic ABS CDOs (Burchard)
3) Simplistic loss assumptions on underlyings / Market Value Coverage (Turok)

Let's look to have something on #1 and #2 to discuss Monday. # 3 will likely take some more time give the low coverage...Turok, pls let us know if you can cuff #3 with our current coverage.

To quote Elisha -

"Am thinking we want a concise write-up of each methodology (one paragraph), with a rank-ordered list of assumptions that show directionality and estimated impact of each assumption. Also think we want to see results of bounding analysis in writing using each methodology, with a description of what knobs we turned, and how far, to come up the bounding analysis."

In addition, the specific trading desks are taking a more detailed look @ the ABS/CMBS/CLO/Option Arm/SP CDO assets in the warehouse and in the retained position account (outside of the CDO^2).

Pls add/comment if there is anything I missed

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From: Wiesel, Elisha
Sent: Wednesday, May 16, 2007 7:50 AM
To: Birnbaum, Josh; Burchard, Paul; Lehman, David A.; Sparks, Daniel L; Swenson, Michael; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Subject: Re: DRAFT: Modelling approaches for Cash ABS CDO/CDO^2

Thanks Josh. We ended up sending a much tighter version of the "modelling approaches" email up the chain, Gary asked to discuss live but that hasn't happened yet (when I saw him yesterday at another meeting he said he would reach out on this topic when he had time).

Lester also asked me yesterday for a high-level slide on why these positions are generally speaking hard to model (in the context of what sounds like the same big-picture posting up the chain that you're recommending), we'll be drafting something on that today. I think the high-level description of what these positions are/the cdo-squared correlation insensitivity/the indications of interest that we're seeing which you provide below is an excellent start towards explaining where we are.

Do we want to broadcast re-mark numbers, though, at this point on the back of the ABACUS approach -- or hold off until we have vetted numbers for the whole book based on all three approaches? My thinking was that we have a few more days, according to latest understanding from the meeting in NYP/50A on Monday, and so should use them to sharpen as best we can (and incorporate all three approaches). Very open to your thoughts, and those of others on this thread.

----- Original Message -----
From: Birnbaum, Josh
To: Wiesel, Elisha; Burchard, Paul; Lehman, David A.; Sparks, Daniel L; Swenson, Michael; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Sent: Wed May 16 00:21:26 2007
Subject: RE: DRAFT: Modelling approaches for Cash ABS CDO/CDO^2

I agree with the path of the multiple approaches, the content so far and the suggestions from the group. I haven't been in all the meetings so I could be off base here but I was wondering if it makes sense to have some brief big picture explanations/statements/conclusions so far (or even a graphical depiction of RMBS -> CDO > CDO^2) for senior folks and controllers who are less familiar with these products.

Maybe some points like:

- A RMBS CDO, ignoring all the bells and whistles, is tranched from RMBS single names, and its fair value, similar to a corporate CDO depends on one's assumption for correlation of losses between the underlying deals. We have some transparency on CDO spreads with X trades occurring per week in single name CDOs. Most trade spots indicate that CDOs tend to trade tight relative to an empirical view of a reasonable range on the correlation of losses between RMBS deals. We are marking our single name CDOs at these trade spots. When we don't have a trade spot on a CDO name, we can reasonably infer a price by applying an implied correlation from other similar CDOs to the underlying RMBS single names for the deal in question. We have good transparency on most RMBS single names as that market trades actively on a daily basis.

- A RMBS CDO^2, is tranched from RMBS CDOs. Analagous to the CDOs, the fundamental value of the CDO^2 will depend on how losses are distributed amongst the CDOs, i.e. how correlated are the CDOs? For our largest CDO^2 positions, conveniently the valuation is relatively CDO deal correlation insensitive and the primary issue is simply the value of the underlying CDOs. We are seeing indications of interest, not firm bids, on 2 of our larger CDO^2 positions in the context of our valuations from the table below (show Paul's table for 2 timberwolf bonds, along with "bids").

From: Wiesel, Elisha
Sent: Monday, May 14, 2007 7:55 AM
To: Burchard, Paul; Lehman, David A.; Sparks, Daniel L; Swenson, Michael; Birnbaum, Josh; Primer, Jeremy; Turok, Michael
Cc: Brafman, Lester R
Subject: DRAFT: Modelling approaches for Cash ABS CDO/CDO^2

Working group --

This is a draft of the email Gary requested at Friday's meeting. We've focused on explaining the modelling approaches we feel we could meaningfully employ over the next 10 days in valuing all of the CDO and CDO-squared positions in the warehouse and retained portfolios, as well as the work remaining to make that happen. Am considering further edits to the table which would describe the model inputs (as separate from market inputs), and how we'd propose stressing them to obtain valuation bounds. Please read and share feedback/suggested edits.

* * *

Gary,

As requested, here are some thoughts on the modelling approaches available to us in SecDb for valuing the CDO and CDO-squared positions in the warehouse and retained portfolios.

No one approach is complete, but it turns out that the approach most recently developed ("blended HPA scenario") is closer to the LEH bottoms-up approach than I'd understood at the time of our meeting on Friday -- what's missing is not a bottoms-up style empirical analysis, but a framework in SecDb for the CDO cash-flow waterfalls, and loan-level data for many of the RMBS. There is no easy way to tackle the former, but we compensate for the latter by using representative collateral pools by vintage. We've also described the risk-neutral model ("asset model") which we currently use in production for our synthetic ABS CDO (ABACUS) transactions. Although this model was built for synthetic deals which have significantly less complexity to their CDO-level cashflows, we do have working experience of the model which will be valuable in calibrating results. Lastly, we also include two "static" methodologies, a simplistic NAV analysis which is driven by market-observed bond prices, as well as the trading/structuring desk's Excel spreadsheets which fully represent the cash-flow properties at both the ABS and CDO levels.

All of the SecDb-based approaches below suffer from not properly assigning value to over-collateralization that builds up over time in the deals. They also all fail to detract value from the likelihood of ratings downgrades and forced liquidation. We don't have any good solutions yet to these two issues. It's also worth noting that all these approaches currently would fail to automatically assign 100% correlation to the overlapping RMBS deals included across multiple CDOs, ie; the (very common) case where CDO #1 and CDO #2 share an RMBS underlier -- we believe we'll be able to fix this in at least one of our approaches.

Our plan over the next few days is to work with Trading to get rough CDS marks for each underlying ABS deal which we can use to drive the first two approaches, while searching for good heuristics towards representative collateral selection for the third approach. We also want to highlight that in working full-bore on these positions, there is a loose end we will not be able to get to by quarter-end. This is a $50M notional PIK swap (derivative) that was recently traded for which we do not have any models, and for which the models discussed below will not help us tackle.

Please let us know if you have any questions, we're happy to convene a group of Strats and Traders to walk you through any questions that you may have.

Elisha

* * *

Comparison of proposed modelling approaches:

asset model NAV analysis blended HPA scenario Excel model (desk)
Loss model asset value NAV based empirical bond level CDR
Correlation model gaussian copula none HPA copula none
Overlap capture (CDO^2) no no, for now no no
ABS Cash flow waterfall simplified attach/exhaust full (Intex) full (imported from Intex)
CDO cash flow waterall simplified attach/exhaust attach/exhaust full
CDO collat within CDOs yes yes no, for now yes
Market Inputs underlier CDS spreads underlier prices Implied HPA, loan-level static data ?
Dynamism full simulation static simulation with static flows static
Collateral representation homogeneous, assumed none vintage representatives none

usage by quarter-end CDO and CDO^2 debt, approximation of equity everything Residential component
roadblocks for quarter-end underlier spreads underlier spreads heuristics for representative collateral selection Excel does not scale

Description of proposed modelling approaches:

Asset Model: The asset model for CDOs is a correlation model that drills down two layers of structure to the values of the assets backing the loans underlying the ABS underlying the CDO. Loans default when the asset value becomes zero. The price it computes is an average over a large number of scenarios of correlated asset values, where the correlation between loans in the same ABS is highest, followed by loans in the same market sector but different ABS, followed by two loans in different market sectors. The market inputs to the model are CDS spreads at the ABS level; from these are calculated the initial asset values and the correlation between loans in the same ABS. If there are market observations of CDO spreads, these can be used to calibrate the correlation between loans in different ABS; otherwise, that correlation becomes an exogenous input. The main simplifications made in the model are (1) to use approximations of the cashflow waterfalls at both the ABS and CDO levels, and (2) to treat the loans behind each ABS as homogeneous. This is the model currently used in production for pricing synthetic ABS CDOs and and ABS CDS.

NAV Analysis: A static NAV or market value analysis uses market prices (expressed as a discount to par) to directly imply projected loss amounts on any given underlying bond. We describe the cashflow waterfalls with a static description of the attachment/exhaustion points at every layer of the CDO^2 capital structure. There is no explicit model for the correlation of losses at any layer. By applying the market-implied losses to the static attachment/exhaustion points at each layer of the structure, we can estimate what the losses will be at the top layer of the capital structure. Note that this approach is common in corporate cash CDO's, and a similar framework is being used in discussions with clients. Simplifications: Simplified model for lowest level loss assumptions as implied from the market. Ignores all actual cashflow waterfall features at every layer of the capital structure, including credit enhancement and triggers. Has no notion of how to correlate loss assumptions at any level.

Blended HPA Scenario: One method we use for evaluating CDO structures is called blended scenario analysis. It starts with running static HPA scenarios through an empirical, loan-level model for RMBS underliers, and saving the cash flows. These cash flows are combined using an HPA distribution that is centered on an average HPA implied by RMBS market pricing. Variation of losses across RMBS underliers is captured by the empirical model itself and also by imposing deal-specific loss variation. The risk-neutral volatility of losses can be calibrated to the pricing of relatively liquid correlation trades such as TABX. Implementing deal-specific loss volatility involves a Monte Carlo evaluation of a CDO tranche in which different HPA-based static cash flows are chosen from the stored collection for each RMBS tranche at each iteration. The main advantages of this approach include its realistic RMBS scenario modeling, explicit sector-wide HPA dependency with vintage year differentiation, the absence of any need for marks on all underliers, and its relative simplicity. The drawbacks include the need for loan-level data, no of handling of actual CDO cash flow waterfalls, no handling of non-subprime assets (CMBS, CDO, Prime MBS), and the pre-production nature of the software that carries it out.

From: Sparks, Daniel L
Sent: Monday, May 14, 2007 4:03 PM
To: Montag, Tom
Cc: Mullen, Donald
Subject: RE:

I think we should take the write-down, but market at much higher levels. I'm a little concerned we are overly negative and ahead of the market, and that we could end up leaving some money on the table - but I'm not saying we shouldn't find and hit some bids.

-----Original Message-----
From: Montag, Tom
Sent: Monday, May 14, 2007 3:44 PM
To: Sparks, Daniel L
Subject: Re:

What do u think. T

----- Original Message -----
From: Sparks, Daniel L
To: Montag, Tom
Sent: Mon May 14 15:36:49 2007
Subject: Re:

In large meeting on marks now - base case from traders is down 382 - some more work to do. Strat needs more time.

In base case, timberwolf aaa's at 65. Fortress looking in low 80's.

In meeting now - sales, controllers, strat, trading (mort and credit)

----- Original Message -----
From: Montag, Tom
To: Sparks, Daniel L
Sent: Mon May 14 15:27:22 2007
Subject:

Update?

From: Schwartz, Harvey
Sent: Friday, May 11, 2007 7:37 PM
To: Montag, Tom; Sparks, Daniel L; Mullen, Donald
Subject: Re: Lester Called

If transaction is consistent with mtm than no issue...by definition.

Sent from my BlackBerry Wireless Handheld

----- Original Message -----
From: Montag, Tom
To: Schwartz, Harvey; Sparks, Daniel L; Mullen, Donald
Sent: Fri May 11 19:27:33 2007
Subject: Re: Lester Called

Yes. But if we find value from fortress or whomever in size that should provide the value base. No?

Great trip down here btw. Great to see alex in his element-impressive and igor Also hung a bit with assg team Which was good. Pablo will be great with these guys. Don lovw for u to come down some time clients nice guys and lots of interesting-albeit somewhat illusionary-opportunities

----- Original Message -----
From: Schwartz, Harvey
To: Montag, Tom; Sparks, Daniel L; Mullen, Donald
Sent: Fri May 11 19:04:36 2007
Subject: Re: Lester Called

Yes.

But don't think we can trade this with our clients andf then mark them down dramatcially the next day. That is what I was told there was a risk of..but perhaps miscommunicated to me. Needs to be a discussion if that risk exists. Really shouldn't be a big issue or impact our process.

If folks disagree happy to discuss, maturally.

Sent from my BlackBerry Wireless Handheld

----- Original Message -----
From: Montag, Tom
To: Sparks, Daniel L; Schwartz, Harvey; Mullen, Donald
Sent: Fri May 11 19:01:29 2007
Subject: Re: Lester Called

Of course we should but this is how we find value by showing assets and seeing where bid comes. If fortress can value bad debt from [redacted] they can do this. They don't look to us for guidance they pay what they think its worth. Is there a different issue? We will value where the market shows us it is if we find a bid won't we?

----- Original Message -----
From: Sparks, Daniel L
To: Schwartz, Harvey; Mullen, Donald
Cc: Montag, Tom
Sent: Fri May 11 18:47:57 2007
Subject: Re: Lester Called

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1575

Sounds fine

----- Original Message -----
From: Schwartz, Harvey
To: Mullen, Donald; Sparks, Daniel L
Cc: Montag, Tom
Sent: Fri May 11 18:16:38 2007
Subject: Re: Lester Called

Don't think we should slow or delay and discussions. However we need to huddle quickly before hitting bids I think.

Is that not an option?

Sent from my BlackBerry Wireless Handheld

----- Original Message -----
From: Mullen, Donald
To: Sparks, Daniel L
Cc: Montag, Tom; Schwartz, Harvey
Sent: Fri May 11 17:46:13 2007
Subject: Re: Lester Called

I doubt they will sell over weekend. And harvey is concerned about the representations we may be making to clients as well as how we will price assets once we sell them to clients. I think we need to sort these things out before we make sales.

----- Original Message -----
From: Sparks, Daniel L
To: Mullen, Donald
Sent: Fri May 11 17:25:33 2007
Subject: FW: Lester Called

There are some people working on Timberwolf - Forterss is continuing to work, Basis sales person feels there is a decent chance (but it will be a week out as they are traveling). Also, Cornac team working on it. If we get strong bids, can't we hit them?

From: Lehman, David A.
Sent: Friday, May 11, 2007 4:58 PM
To: Sparks, Daniel L; Swenson, Michael; Birnbaum, Josh
Subject: Lester Called

He wants to us to talk with him or Mullen before we sell any of our retained positions

I posted Ben and Bieber

Goldman, Sachs & Co.
85 Broad Street | New York, NY 10004
Tel: 212-902-2927 | Fax: 212-493-9681 | Mob: 917-[redacted]
e-mail: david.lehman@gs.com

Goldman
Sachs

David Lehman
Fixed Income, Currency & Commodities

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Disclaimer:

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From: Alexander, Lee
Sent: Sunday, May 20, 2007 8:31 PM
To: Mullen, Donald; Sparks, Daniel L
Cc: Brafman, Lester R; Kaprelian, Michael
Subject: Viniar Presentation - Updated

Attachments: Mortgages V4.ppt

Please see attached for the Viniar Presentation. Don - We sent this to you via car ~15mins ago. Waiting to get a confirm from the driver that it has been dropped off.

Lester and I will dial into the call at 9pm.

Dial in information is:
Dial-In Information: 888-446-9291 code:756062

Mortgages V4.ppt

Thx

Permanent Subcommittee on Investigations
Wall Street & The Financial Crisis
Report Footnote #1576

Mortgage Department

May 2007

Mortgage Department
Executive Summary

- The Mortgage Department is concerned about the following risks:
  - Retained Positions in the CDO Origination Business
    - Market Value of CDO Debt and Equity is $4.262bn
    - $2.6bn represents High Grade Super Senior positions
    - Desk is specifically concerned about CDO^2 positions which represent $637mm of Debt. The complex structure of these positions make them difficult to value and distribute.
  - Warehouse Collateral in the CDO Origination Business
    - Market Value of $1.458bn
    - Desk is specifically concerned about $742mm of Structured Product CDOs. Currently, there is limited liquidity and price transparency in this space.
  - SPG Trading Book
    - Short position of $2.8bn in Structured Product CDOs, of which $2.4bn is in single A or Lower tranches
    - Desk is specifically concerned about the basis risk between the short in this book and the warehouse collateral. Although they are the same product, there is limited overlap between the two books.
  - Non-CDO PnL Items

Mortgage Department
Retained Positions

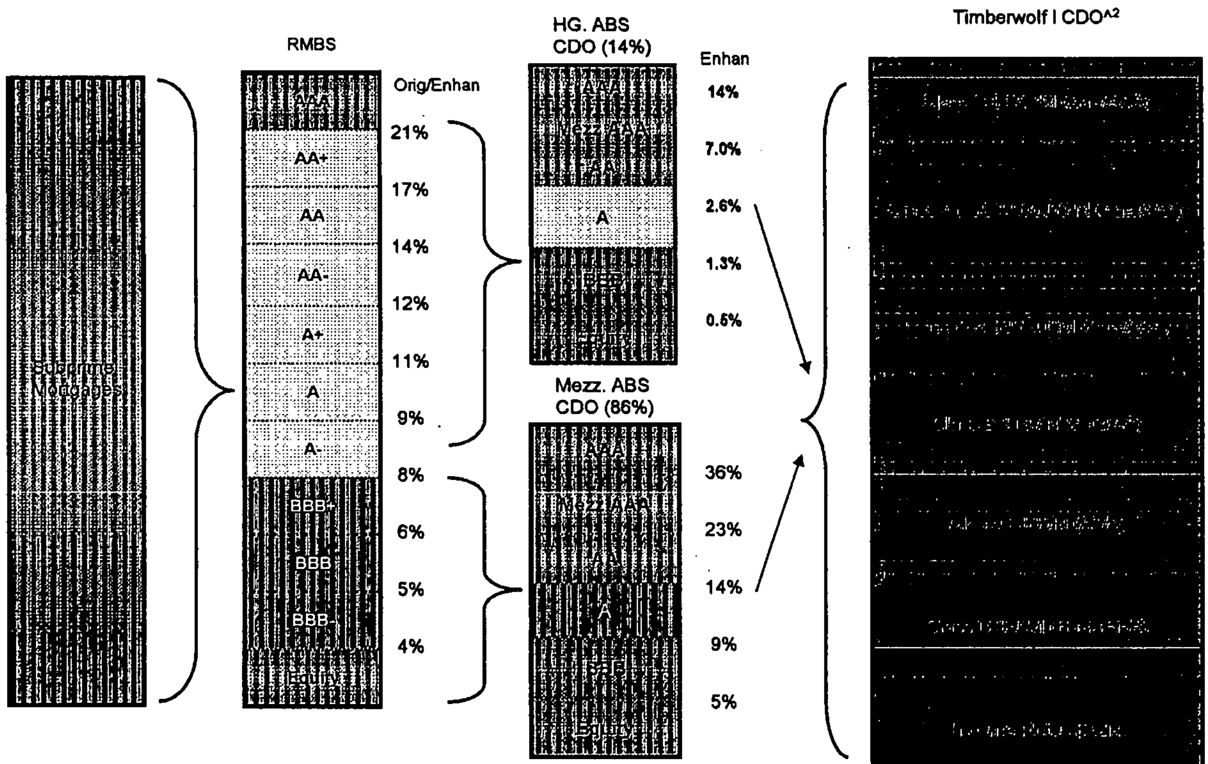
- The desk is most concerned about the CDO^2 positions, comprised of the recent Timberwolf and Point Pleasant transactions.
- The lack of liquidity in this space and the complexity of the product make these extremely difficult to value.

Tranche	Deal	Mdys	Notional*	Mark	Mkt Value*
"S" tranche	Timberwolf	Aaa	9.0	100.00%	9.0
"S" tranche	Timberwolf	Aaa	8.3	100.00%	8.3
Mezz AAA	Timberwolf	Aaa	285.0	91.34%	260.3
AA	Timberwolf	Aa2	107.0	88.72%	94.9
Equity	Timberwolf		10.8	85.00%	9.1
		Total	420.1		381.7
#1 Mezz AAA	Point Pleasant	Aaa	127.5	94.78%	120.8
#2 Mezz AAA	Point Pleasant	Aaa	75.0	92.24%	69.2
AA	Point Pleasant	Aa2	50.0	89.41%	44.7
A	Point Pleasant	A2	10.1	71.88%	7.3
BBB	Point Pleasant	Baa2	10.5	76.72%	8.1
Equity	Point Pleasant		10.1	58.00%	5.8
		Total	283.2		255.9
		TOTAL	703.2		637.6

* Notional and Market Value in MMs

Mortgage Department

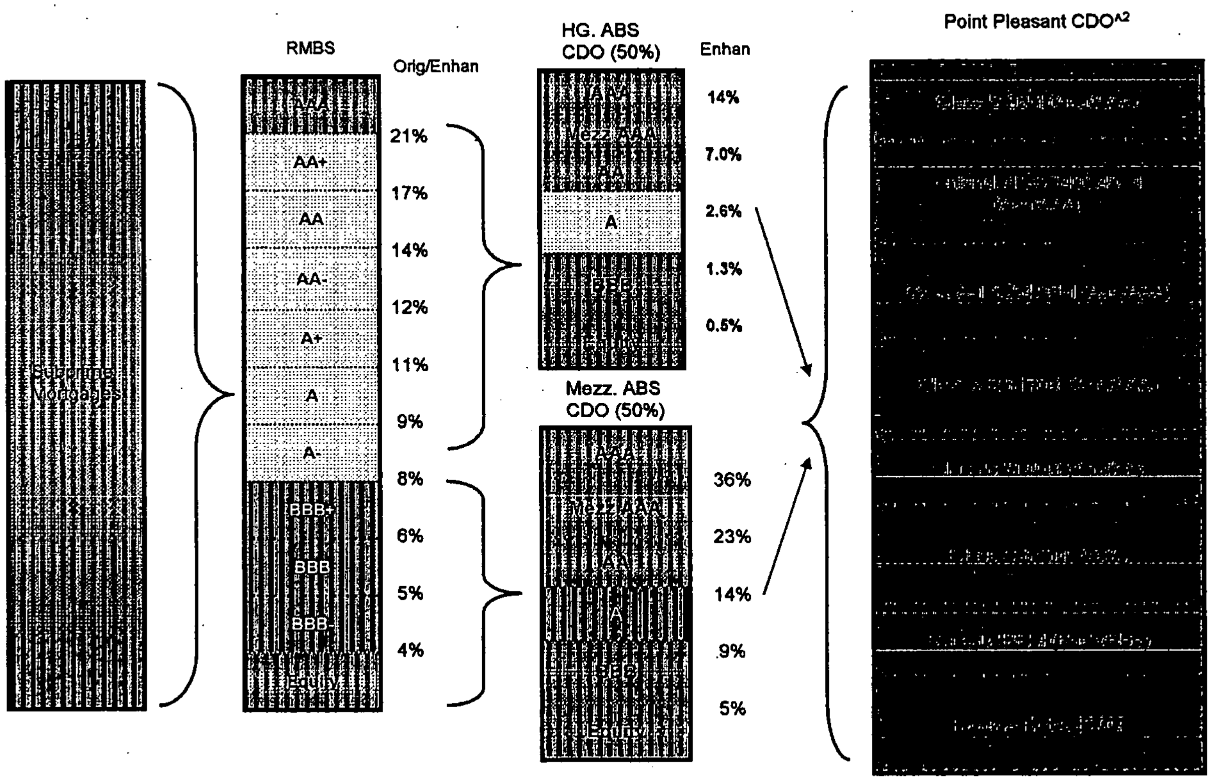
Timberwolf I CDO^2: Overview of Capital Structure



Note: Current RMBS enhancement levels are approximately 4 to 6% higher as a result of excess spread building up within the structure

Mortgage Department

Point Pleasant CDO^2: Overview of Capital Structure



Note: Current RMBS enhancement levels are approximately 4 to 6% higher as a result of excess spread building up within the structure

Mortgage Department
Warehouse Positions

- The desk holds $1.458bn in Warehouse Collateral related to 3 CDO transactions
- Current valuation policy is to mark to viable securitization valuation or cost. As securitization is no longer a viable exit, the warehoused collateral will be marked to market on an individual basis.
- Biggest driver of the mark to market is the $742mm Structured Product CDO collateral which has limited price visibility
- Details of the Warehouse Collateral are represented below:

			SPG Trading		Controllers	
Sector	Market Value	Price	Proposed Writedown	Average Price	Proposed Writedown	Average Price
CLO	69.5	100.00%	(2.0)	97.07%	-	100.00%
CMBS/CRE CDO	121.8	100.00%	(5.3)	95.65%	(3.0)	97.54%
RMBS - Other	183.7	100.00%	(15.8)	91.43%	(8.0)	95.65%
RMBS - Subprime	341.3	100.00%	(27.2)	92.02%	(9.0)	97.36%
SP CDO	741.8	100.00%	(169.6)	77.14%	(153.0)	79.37%
Less: Warehouse reserves			82.0		82.0	
Less: SMBC Funding facility			12.0			
Total	1,458.1		(125.9)		(91.0)	

* Market Value and Proposed Mark in MMs

Mortgage Department
SPG Trading

- Over the past year the Secondary trading desk has built a short position of $2.4bn in Single A or below Structured Product CDOs
- During this time period, Single A CDO prices are ~20pts lower (from $100 to $80)
- As the market for securities in this space has declined, the desk has recognized the following PnL related to CDOs:

	CDO PnL			SPG Trading
	CDO Origination/Retained	Warehouse	Total	ABS / Correlation
MTD	(25.7)	(21.2)	(46.9)	14.7
QTD	(172.3)	(155.8)	(328.1)	196.8
YTD	(226.5)	(231.5)	(458.0)	262.8

* in MMs

Mortgage Department

SPG Trading Valuation Methodology

- CDO^2
  - Use of rough modeling tools/frameworks such as risk neutral pricing and initial HPA/empirical analysis
  - Trader views of where risk should trade in the context of the market, incorporating the current fundamental and technical backdrop
  - Customer feedback/potential indications of interest

- Non - CDO^2
  - Market observables on debt securities (CDOs, CMBS, RMBS, CLOs)
  - Blended scenario analysis on retained SP CDO equity positions, incorporating downgrade triggers and cashflow waterfall structure

Mortgage Department
SCT Modeling Procedure

- Step 1: Value RMBS Underliers
  - Pricing feeds taken from 3rd party pricing service (IDC) first and then from SPG trading to backfill
  - IDC pricing vs. SPG Trading were very close in most cases
- Step 2: Run Net Asset Value ("NAV") Analysis and Simulation Analysis on CDO residual position and CDO^2 underlying CDOs
  - NAV analysis prices a CDO's asset pool (using prices mentioned in Step #1) and then layers that aggregate asset value over the CDO's capital structure in a sequential fashion
  - Simulation analysis runs multiple possible outcomes with the goal of determining how a portfolio's aggregate value should be allocated across the tranches of a given CDO structure. Often value in a CDO is not allocated in a purely sequential fashion and simulation analysis can expose the relationship better in many cases than NAV analysis alone
- Step 3: Create a rule based system to choose simulation based valuation output vs. NAV based output & implement approximations for line items where simulations and / or NAVs could not be executed
  - For line items where simulation analysis and NAV analysis could both be run, a simulation based valuation was used
  - For line items where only NAV analysis could be run, NAV level was used subject to a valuation floor and cap
  - For line items where neither NAV nor simulation analysis could be run, the weighted average price of successfully priced line items with similar asset characteristics was used. If no comparable line items were available (approx 15% of the 250 line item portfolio), the desk used a degree of subjectivity in determining price
- Step 4: Based upon implied ATM spreads calculated in Step #3, run an additional simulation analysis and NAV analysis on both CDO^2 transactions (Point Pleasant and Timberwolf)

Mortgage Department
Mortgage Strats Modeling Procedure

- The asset model is a 2-layer correlation model designed for pricing synthetic CDOs of structured product securities. Correlations at each level are calibrated from the variation of market spreads across the capital structure. Underlying asset values driving the valuation are calibrated from market spreads at the second level; a basis in asset values may be inferred from market spreads at the top level.
- Advantages:
  - Simultaneously models 2 layers of structure, capturing interaction between 2 levels of correlation
  - A large number of correlated loss scenarios are simulated
  - Credit curves for underlying assets 2 layers down are based on a Merton-style asset value model, suitable for asset-backed loans typically at this level
  - Handles synthetic CDO features such as individual callability of blocks of tranches and modified sequential paydown
  - Handles key features of structured product underliers such as RMBS stepdown
- Disadvantages:
  - Designed for synthetic CDOs, does not currently capture some features of cash flow CDO such as oc/ic triggers and ratings downgrade triggers
  - Does not capture rate convexity for rate sensitive mortgage products

Mortgage Department
Controllers Valuation Methodology

- Due to the current lack of liquidity in the CDO squared market, the retained CDO squared inventory is unverified.

- Accordingly, feedback from the ongoing discussions with clients to distribute the retained inventory is essential to determining the appropriate valuation for quarter end.

- Previously, we verified CDO squared inventory to comparable market transactions. Market transactions included data from new underwritings from competitors and/or firm transactions.

Mortgage Department
Alternative Valuations

	Current Mark	SPG Trading			Model Approach		Controllers
		A	B	C	A	B	
Retained Positions	**4,261.9**	**(129.3)**	**(216.3)**	**(303.4)**	**(543.3)**	**TBD**	**TBD**
- CDO Debt	*4,150.3*	*(117.0)*	*(187.3)*	*(257.8)*	*(473.3)*	*TBD*	*TBD*
- CDO Equity	*111.6*	*(12.3)*	*(29.0)*	*(45.7)*	*(70.0)*	*TBD*	*TBD*
Warehouse Collateral	**1,458.1**	**(107.2)**	**(125.9)**	**(144.6)**	**N/A**	**N/A**	**(91.0)**
TOTAL (Retained and Warehouse)	**5,720.0**	**(236.5)**	**(342.2)**	**(448.0)**	**N/A**	**N/A**	**TBD**

* In MMs

				SPG Mark						Last Sale	
Tranche	Deal	Notional	Mark	Scen A	Scen B	Scen C	Model A	Model B	Notional	Price	Trade Date
Mezz AAA	Timberwolf	285.0	91.34%	75.00%	70.00%	65.00%	38.19%	66.00%	20.0	87.79%	4/23/2007
AA	Timberwolf	107.0	88.72%	60.00%	50.00%	40.00%	32.92%	38.00%			
#1 Mezz AAA	Point Pleasant	127.5	94.78%	89.00%	87.00%	85.00%	46.88%	90.00%			
#2 Mezz AAA	Point Pleasant	75.0	92.24%	75.00%	70.00%	65.00%	23.62%	65.00%	20.0	91.30%	4/24/2007
AA	Point Pleasant	50.0	89.41%	60.00%	50.00%	40.00%	24.01%	43.00%	16.0	72.50%	3/28/2007

* Notional in MMs

Note: Model A represents SCT and Model B represents Mortgage Strats

Mortgage Department
Next Steps

- Unwind the warehouses
- Independent teams to continue to value retained positions
  - David Lehman & Michael Swenson (SPG Trading)
  - Will Roberts, Jerry Ouderkirk, Doug Weaver (SCT Trading)
  - Dedicated Mortgage Strat support, led by Elisha Wiesel
- Distribution team to continue to work with targeted investors, led by Stacy Bash-Polley (Elisha Wiesel further working with legal on viability of disseminating information to investors)
  - Basis Capital
  - Fortress
  - Polygon
  - Winchester Capital
- SPG Trading to gather observable prices on underliers to improve accuracy of valuation models
- Justin Gmelich will continue to work with Controllers to resolve discrepancies for non-CDO PnL items

Mortgage Department
Non-CDO PnL Items

	SPG Trading Estimate	Controllers Estimate
Subprime Residuals	(40) to (50)	(5)
Alt A Residuals	(25) to (30)	8
Second Lien Residuals	(21)	TBD
HELOC Residual	(5)	(5)
Scratch and Dent Residuals	(5)	(5)
Scratch and Dent Loans	TBD	TBD
CDS Duration	100 to 125	100 to 125

* Estimate in MMs

Appendix

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Goldman Sachs

Mortgage Department
CDO Debt - Retained Positions

Tranche	Deal	Class	Moody's	Deal Type	Notional Orig	[illegible]	[illegible]	Sell A	Sell B	Sell C	Model	Model II	Controlled	Notional (Millions)	Price	Trade Date	Cty
"S" tranche	Altius III	S	Aaa	High grade	[redacted]												
"S" tranche	Timberwolf	S1	Aaa	CDO-squared	9.0	100.00%	9.0				100.00%						
"S" tranche	Timberwolf	S2	Aaa	CDO-squared	8.3	100.00%	8.3				100.00%						
"S" tranche	Davis Square VII	S	Aaa	High grade	[redacted]												
"S" tranche	Fort Denison	S	Aaa	Mezz	[redacted]												
"S" tranche	Point Pleasant	S	Aaa	CDO-squared	6.0	100.00%	6.0				100.00%						
Super Senior	Davis Square VII	A1-a	Aaa	High grade	[redacted]												
Super Senior	GSC 2006-3g	A1-e	Aaa	High grade	[redacted]												
Super Senior	Hudson Mz 06-2	A1	Aaa	Mezz	[redacted]									[redacted]			
Super Senior	Summer Street 04-1	A1	Aaa	Mezz	[redacted]												
Super Senior	Anderson	A1-a	Aaa	Mezz	130.0	98.82%	128.5	98.7%	98.2%	97.7%	98.82%						
Super Senior	Anderson	A1-b	Aaa	Mezz	51.0	94.72%	48.3	94.8%	94.3%	93.8%	94.72%						
Mezz AAA	Adirondack 2005-1	A2	Aaa	High grade	[redacted]												
Mezz AAA	Fortius II	A2	Aaa	Mezz	[redacted]									[redacted]			
Mezz AAA	Mainsail	A2	Aaa	High grade	[redacted]												
Mezz AAA	Bernoulli	A2	Aaa	High grade	[redacted]												
Mezz AAA	Timberwolf	A2	Aaa	CDO-squared	285.0	81.34%	260.3	75.0%	70.0%	65.0%	55.00%			20.0	87.79	4/23/2007	MONEYGRAM I
Mezz AAA	Point Pleasant	A1	Aaa	CDO-squared	127.5	94.78%	120.8	89.0%	87.0%	65.0%	55.00%						
Mezz AAA	Point Pleasant	A2	Aaa	CDO-squared	75.0	92.24%	69.2	75.0%	70.0%	65.0%	34.00%			20.0	91.30	4/24/2007	MONEYGRAM I
AA	Fortius II	B	Aa2	Mezz	[redacted]									[redacted]			
AA	Altius 4	B	Aa2	High grade	[redacted]												
AA	Fort Denison	B	Aa2	Mezz	[redacted]												
AA	Summer Street 04-1	A3	Aa2	Mezz	[redacted]												
AA	Avebury	B	Aa1	High grade	[redacted]												
AA	Anderson	B	Aa2	Mezz	37.7	91.97%	34.7	87.8%	85.8%	83.8%	85.00%			5.0	95.50	3/20/2007	MONEYGRAM I
AA	Timberwolf	B	Aa2	CDO-squared	107.0	88.72%	94.9	60.0%	50.0%	40.0%	34.00%						
AA	Hudson Mz 06-1	B	Aa2	Mezz	51.0	77.50%	39.5	82.0%	80.0%	78.0%	37.85%						
AA	Hudson Mz 06-2	B	Aa2	Mezz	[redacted]												
AA	Point Pleasant	B	Aa2	CDO-squared	50.0	89.41%	44.7	60.0%	50.0%	40.0%	25.00%			16.0	72.50	3/28/2007	POLYGON

— = Redacted by the Permanent Subcommittee on Investigations

Mortgage Department
CDO Debt - Retained Positions (cont)

A	Altius I	C	A2	High grade	[redacted]										
A	Altius 4	C	A2	High grade											
A	Coolidge	C	A3	Mezz											
A	Davis Square VII	C	A2	High grade											
A	GSC 2006-3g	C	A2	High grade								[redacted]			
A	START 2005CA D	COHEN	A2	Mezz											
A	LEXN 20073A E	COHEN	A3	Mezz											
A	Anderson	C	A2	Mezz	6.8	86.69%	5.9	91.7%	86.7%	81.7%	37.85%				
A	Hudson Mz 06-1	C	A2	Mezz	109.5	67.00%	73.4	60.0%	55.0%	50.0%	37.85%				
A	Hudson Mz 06-2	C	A2	Mezz	[redacted]										
A	Point Pleasant	C	A2	CDO-squared	10.1	71.88%	7.3	55.0%	50.0%	45.0%	29.00%		7.8	87.57	4/10/2007	PLENUM ASSE
BBB	Davis Square VII	D	Baa2	High grade	[redacted]										
BBB	Altius 4	D	Baa2	High grade											
BBB	GSC 2006-3g	D	Baa2	High grade											
BBB	Adirondack 2005-2	D	Baa2	High grade											
BBB	Altius III	D	Baa2	High grade											
BBB	Hout Bay	D	Baa2	High grade											
BBB	G-Street	D	Baa2	High grade											
BBB	Lochsong	D	Baa2	CDO-squared											
BBB	Putnam 2001-1	C1	Baa2	Mezz											
BBB	TABS 20066A B2	COHEN	Baa2	Mezz											
BBB	GSFIN 20051A D	COHEN	Baa2	High Grade											
BBB	STAK 20062A 6	COHEN	Baa2	Mezz											
BBB	COOL 20051A D	COHEN	Baa2	Mezz											
BBB	ACABS 20061A B1L	COHEN	Baa2	Mezz											
BBB	INDE7 7A E	COHEN	Baa2	Mezz											
BBB	DVSQ 20066A D	COHEN	Baa2	High Grade											
BBB	Hudson High Grade	D	Baa2	High grade											
BBB	Hudson Mz 06-1	D	Baa2	Mezz	58.9	60.00%	35.3	52.0%	47.0%	42.0%	37.85%				
BBB	Hudson Mz 06-2	D	Baa1	Mezz	[redacted]							[redacted]			
BBB	Hudson Mz 06-2	E	Baa3	Mezz											
BBB	Point Pleasant	D	Baa2	CDO-squared	[illegible]	[illegible]	[illegible]	50.0%	45.0%	40.0%	30.00%		15.0	81.72	4/19/2007	BASIS CAP
BBB	TIAA Structured Finance	B	Baa1	Mezz	[redacted]										
BB	Camber 7	E	Ba1	Mezz	[redacted]							[redacted]			
BB	Glacier 2005-3	D	Ba1	Mezz											
BB	Hudson Mz 06-1	E	Ba1	Mezz	11.0	52.50%	5.8	47.0%	42.0%	37.0%	20.00%				
BB	Phoenix 2	B	Ba2	Mezz	[redacted]						[redacted]				
Total					$ 4,421.8		$ 4,150.3				41				

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Goldman Sachs

Mortgage Department

CDO Equity - Retained Positions

2002-2004 High Grade	Putnam Structured Product 2002-1	[redacted]									
2002-2004 High Grade	Davis Square Funding I, Ltd										
2002-2004 High Grade	Sierra Madre Funding, Ltd.										
2002-2004 High Grade	Davis Square Funding III, Ltd										
2005-2006 High Grade	Altius I Funding, Ltd.										
2005-2006 High Grade	Davis Square Funding V, Ltd.										
2005-2006 High Grade	Davis Square Funding VI, Ltd										
2005-2006 High Grade	Hout Bay, Ltd										
2005-2006 High Grade	Hudson High Grade										
2005-2006 High Grade	Davis Square VII										
2005-2006 High Grade	GSC ABS Funding 2006-3g, Ltd.										
2005-2006 High Grade	West Coast Funding, Ltd.										
2005-2006 High Grade	Adirondack 2005-1 Funding, Ltd										
2005-2006 High Grade	Davis Square Funding IV, Ltd.										
2005-2006 High Grade	G-Street Finance										
2005-2006 High Grade	Adirondack 2005-2 Funding, Ltd										
2005-2006 High Grade	Altius 4 Funding, Ltd.										
2005-2006 High Grade	Altius III Funding, Ltd.										
2001-2005 Mezz	NYLIM Stratford CDO 2001-1, Ltd	[redacted]									
2001-2005 Mezz	Camber III plc										
2001-2005 Mezz	Coolidge Funding, Ltd.										
2001-2005 Mezz	Fortius I Funding, Ltd.										
2006 Mezz	Fortius II Funding, Ltd.	[redacted]									
2006 Mezz	Hudson Mezzanine 2006-2, Ltd.										
2006 Mezz	Hudson Mezzanine 2006-1, Ltd.	2.6	57%	1.4	60.0%	40.0%	30.0%	3.5	81.00	4/16/2007	DILLON READ
2006 Mezz	Camber 7	[redacted]						[redacted]			
2006 Mezz	Anderson	[redacted]									
CDO-squared	Lochsong, Ltd.	[redacted]									
CDO-squared	Fort Denison										
CDO-squared	Timberwolf	10.8	85%	9.1	65.0%	55.0%	45.0%				
CDO-squared	Point Pleasant	10.1	58%	5.8	71.0%	61.0%	51.0%				
Total		$ 170.0		$ 111.6							
% of current face											
Class X	Broadwick	[redacted]									
	Davis Square V										
	Davis Square VI										
	Davis Square VII										
	G-Street										
	West Coast										

Mortgage Department
Timeline – Timberwolf & Point Pleasant

- **Timberwolf (Greywolf)**
  - 7/21/06 - Engagement letter signed
  - 9/5/06 - Warehouse begins ramping
  - 12/13/06 - Warehouse 50% ramped
  - 3/2/07 - Revision to engagement letter - Greywolf commitment to purchase BBB and single A tranches
  - 3/13/07 - Pricing
  - 3/27/07 - Closing
- **Point Pleasant (Dillon Read)**
  - 6/2/06 - Engagement letter signed
  - 9/14/06 - Warehouse begins ramping
  - 12/14/06 - Warehouse 50% ramped
  - 3/5/07 - Commitment letter signed with Natixis for Super senior
  - 4/10/07 - Pricing
  - 4/18/07 - Closing

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Mortgage Department
Distribution

Account	Sales	Deal	Tranche	Defcon	Comments
Fortress	Davilman	Timberwolf I	Mezz AAA	1	Looking at package of A2 and B classes. Initially indicated low $80s on A2, 70's on B: modeling deal is difficult / Davilman still pushing
Fortress	Davilman	Timberwolf I	AA-Rated	1	Looking at package of A2 and B classes. Initially indicated low $80s on A2, 70's on B: modeling deal is difficult / Davilman still pushing
Stark	Gaddi	Timberwolf I	Mezz AAA	1	Looking on a financed basis - Indicative terms ([redacted] - concerned about correlation, our level, [redacted]
Winchester	Radtke	Point Pleasant 2007-1	Mezz AAA	1	Engaged and looking - has been offered bonds at 450 on A2, 700 on B / [redacted]
Basis	Maltezos	Timberwolf I	Mezz AAA	2	Potential $50mm A-2, $50mm B, subject to financing - account is out of the office / feedback w/o 5/21
Basis	Maltezos	Timberwolf I	AA-Rated	2	Potential $50mm A-2, $50mm B, subject to financing - account is out of the office / feedback w/o 5/21
AIG	Penick	Timberwolf I	Mezz AAA	3	[redacted] trying to get answer by GS qtr end. Asked/received additional information today / they are still working / Penick to follow up early next week
Fidelity	Martin	Point Pleasant 2007-1	A-rated	3	Looking
IS Plenum	Arslan	Point Pleasant 2007-1	A-Rated	3	[redacted]
Miller Anderson	Brazil	Timberwolf I	Mezz AAA	3	Looking
Moneygram	Gilligan	Timberwolf I	AA-Rated	3	Potential interest on AAs (already own AAAs) / trying to see if they go down in cap. Structure (low Delta)
Old Lane	Grinstein	Timberwolf I		3	Need lookthru analysis / Strats are working on it
Pequot	brazil	Timberwolf I	Mezz AAA	3	Looking
Sandelman	Kelly			3	Checking - Twolf higher delta than Point Pleasant given headline risk wrt Dillon Read - want lookthru analysis on Timberwolf / Strats are working on it / [redacted]
UBS Prop	Kelly	Timberwolf or Pt. Pleasant		3	Class
DeShaw	cohen	Point Pleasant 2007-1	Mezz AAA	3	Looking - asked for materials and raw data ([redacted] / had call / low delta
Elliot	Grinstein	Timberwolf I	Mezz AAA	3	[redacted]
Polygon	Raazi	Timberwolf I	AA-Rated	3	[redacted]

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Mortgage Department
Distribution (cont)

Account	Sales	Deal	Tranche	Defcon	Comments
Carlyle	Ruberti			4	Will go through look through analysis - go from there / Strats are working on it
DA Capital	Kreitman			4	Start work @ +800 - 1000dm for mezz AAA
Elliot	Grinstein			4	Focused on anderson Equity
					[redacted] evaluating
Harvard	Radtke	Point Pleasant 2007-1	Mezz AAA	4	counter / Radtke to follow up next week
Highland	Ruberti			4	Low Delta - Need lookthru analysis / Strats are working on it
					Checking - need feedback on interest from account before showing wider offering levels - [redacted]
JPM Prop	Verrochi			4	[redacted]
Marathon	Kreitman			4	
MS Prop	Martin	Timberwolf I	Mezz AAA	4	will do work in the L+800-1000 context ($71-65) - passed on GS offer at 80-00
Nochu/SSG				4	Further analysis needed
Princeton	Fertel/Phillips			4	Low Delta - have never Bought CDO^2
Smith Breeden	martin			4	Start work @ +800 - 1000dm for mezz AAA
Zais	Grinstein	Point Pleasant 2007-1	Mezz AAA	4	potential - will likely be slower with feedback
Lehman A/M	Gaddi	Timberwolf I	Mezz AAA	4	Need a look-through of the underlying vintages / strats are working on it
Providence	Reinstein	Point Pleasant 2007-1		4	Looking - sent final OC/Portfolio
					Looking - may care for a small amount for their CDO bucket in their own deals / limited room in their
Vanderbilt	Gaddi	Timberwolf I		4	Bucket - small size if they care
Hyperion	Willing	Timberwolf I		4	Looking - [redacted]
Paramax	Matthias	Point Pleasant 2007-1	Mezz AAA	4	Very Low Delta
Paramax	Matthias	Timberwolf I	Mezz AAA	4	Very Low Delta
Blackrock	Fertel/Phillips	Point Pleasant 2007-1		4.5	Unlikely, relooking at analysis from new issue, [redacted]
Clinton	Verocchi	Point Pleasant 2007-1	Mezz AAA	4.5	Low Delta - Can't model CDO^2
Harding	Hornback	Point Pleasant 2007-1	A-rated	4.5	looked at single A's new issue - still need final feedback - low delta
					Checking - [redacted]
ML Bank	Willing			4.5	[redacted] imberwolf more likely than Point Pleasant given headline risk wrt Dillon Read
CBASS	Pinkos			5	Out - do not buy CDO^2
Ellington	Sue/Elaine	Timberwolf I	Mezz AAA	5	removed from list - have not been shown levels
Mariner	Maltezos	Timberwolf I	Mezz AAA	5	Out - too much overlap with Point Pleasant
TPG-Axon	Fertel/Phillips	Point Pleasant 2007-1	Mezz AAA	5	Out - [redacted]

Mortgage Department
CDO Derivative Positions

Trade Type	Model Status	Notional Exposure Net	Warehouse Long	Warehouse Short	Closed Deals Long	Closed Deals Short	Stated P&L
Collateral Put	Off-Label	2,674.1	-	-	2,674.1	-	0.2
Supersenior Total Return Swap	Off-Label	1,665.0	-	-	1,665.0	-	(1.1)
Supersenior Tranched Swap	Fully Approved	(825.0)	-	-	-	825.0	(2.4)
Mtg Index Product	Fully Approved	(625.0)	-	-	450.0	1,075.0	(38.7)
Interest Rate Swap	Fully Approved	(540.0)	-	540.0	-	-	(1.5)
Mtg Default Swap	Fully Approved	(398.7)	611.8	-	7,965.7	8,976.1	(31.4)
PIK Swap	Not Modeled	50.0	-	-	50.0	-	0.0
Equity Total Return Swap	Off-Label	(17.0)	-	-	-	17.0	(9.7)
CLO Equity Principal Protection	Fully Approved	13.9	-	-	13.9	-	(0.0)
Total Return Swap?	Unknown	-	-	-	274.7	274.7	0.4
Mtg Synthetic CDO	Fully Approved	-	-	-	22.5	22.5	0.0

- Notes:
  - "Long" notional exposure means long bonds (long treasuries in the case of interest rate swaps)
  - "Off-Label" model status means fully approved model being used outside its originally intended scope, and so not capturing some important features of these trades
  - Collateral Put is writing protection against short AAA floaters (used to collateralize funded tranches built off synthetic portfolios)
  - Supersenior Tranched Swap is selling the top 2/3 of one of the two supersenior tranches held in Supersenior Total Return Swap form.

Mortgages CDO Origination

Retained Positions & Warehouse Collateral

May 2007

Mortgages CDO Origination
Executive Summary

- Based upon the inability to place the liabilities of the Timberwolf and Point Pleasant CDO^2 transactions, the Mortgage trading desk assessed the current valuation of retained positions and the ability to securitize current CDO^2 warehouse collateral.
- The inability to securitize CDO^2 warehouse collateral will result in the unwind of the warehouse facilities, which will move the collateral from a mark to model valuation to a mark to market valuation.
- The initial estimate on May 11th of the mark-to-market P&L impact of this revaluation of retained positions and change in valuation methodology is shown as follows:

	Market Value ($mm)	A	B	C
Retained Positions:				
Debt - CDO	4,053	(121)	(196)	(273)
Equity - CDO	113	(12)	(24)	(36)
Warehouse Collateral	1,493	(116)	(160)	(202)
Total	**5,659**	**(248)**	**(380)**	**(511)**

Mortgages CDO Origination
Retained Positions

- As of May 11th, the desk held $4.166bn in Retained positions related to CDO Debt and Equity. Breakout of this balance by type and the anticipated writedowns are shown below:

	Market Value($mm)	A	B	C
Debt - CDO				
CDO-squared	637	(111)	(166)	(221)
Mezz	622	(11)	(26)	(42)
High grade	2,793	1	(3)	(9)
Total	**4,053**	**(121)**	**(196)**	**(273)**
Benchmark:				
Timberwolf Mezz AAA	*260*	*(47)*	*(67)*	*(75)*
	Average Price	*82%*	*77%*	*71%*
Equity - CDO				
2001-2005 Mezz	11	(3)	(4)	(5)
2002-2004 High Grade	5	-	-	-
2005-2006 High Grade	33	(5)	(7)	(8)
2006 Mezz	32	(4)	(9)	(14)
CDO-squared	32	0	(4)	(9)
Total	**113**	**(12)**	**(24)**	**(36)**
TOTAL	**4,166**	**(132)**	**(220)**	**(309)**

- The anticipated writedowns are driven by Mezz AAA and AA tranches of Timberwolf and Point Pleasant CDO^2 structures ($(159.3)mm – Scenario B). These deals were priced the wk of 03/16 and the week of 04/13, respectively.
- Due to the lack of liquidity in the marketplace for these structures (i.e. Timberwolf and Point Pleasant last traded on 04/23 and 04/24, respectively), the desk has proposed writedowns to reflect current market conditions.

Mortgages CDO Origination
Warehouse Positions

- As of May 11th, the desk was in the midst of ramping up 4 CDO warehouses. At this time, the warehouse collateral was valued with the assumption that a CDO was a viable exit. Thus, inventory warehoused was marked to model by comparing asset and liability spreads, including the desired equity yield. To the extent that the current CDO liability spreads were wider than the cost on an aggregate basis, the estimated loss was reserved.
- As securitization is no longer a viable exit, the warehoused assets will be marked to market on an individual basis. Current market value of all warehouse collateral is par. Anticipated writedowns are as follows:

		A		B		C	
Sector	Market Value($mm)	Write down	Average Price	Write down	Average Price	Write down	Average Price
CLO	70	(1)	98%	(2)	97%	(3)	96%
CMBS/CRE CDO	122	(4)	96%	(5)	96%	(6)	95%
RMBS - Other	184	(15)	92%	(16)	91%	(17)	91%
RMBS - Subprime	341	(26)	93%	(27)	92%	(29)	92%
SP CDO	777	(145)	81%	(185)	76%	(222)	71%
Less: Warehouse mark-to-model reserves		75		75		75	
Total	1,493	(116)		(160)		(202)	

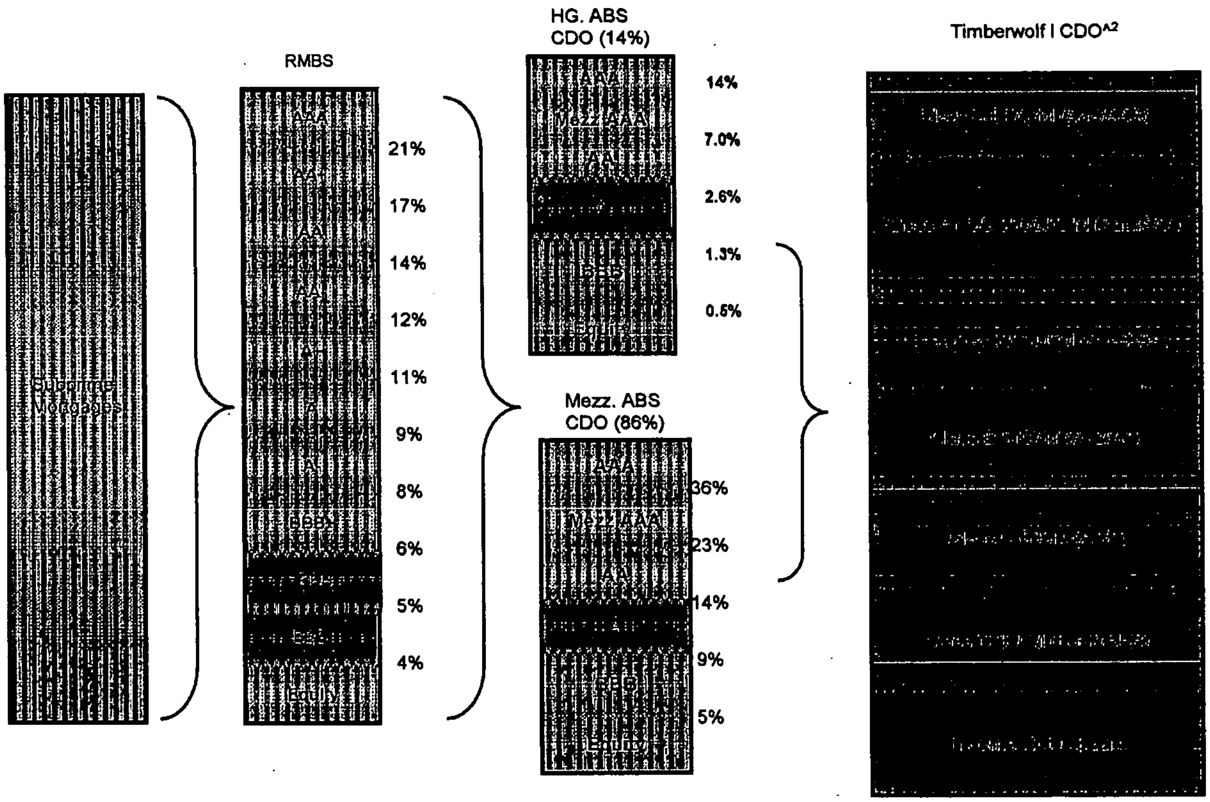
Mortgages CDO Origination

CDO Origination Risk vs. SPG Trading Risk

- Origination – Long 2.6bn of CDO Risk
  - Our CDO^2 collateral was ramped prior to the market widening and marked to model – average ramp period is 6-9 months
  - Our CDO^2 deals, Timberwolf and Point Pleasant, priced in March with demand only for the super senior tranche
  - The complexity of the CDO^2 product and the poor demand for CDOs in general has made this risk difficult to sell and the desk expects it to underperform
- SPG Trading – Short $2.8bn of CDO Risk
  - Over the past 6 months, Single A CDO prices are ~20-25pts lower (from $100 to $75-80)
  - SPG Trading Shorts were marked to market as prices declined

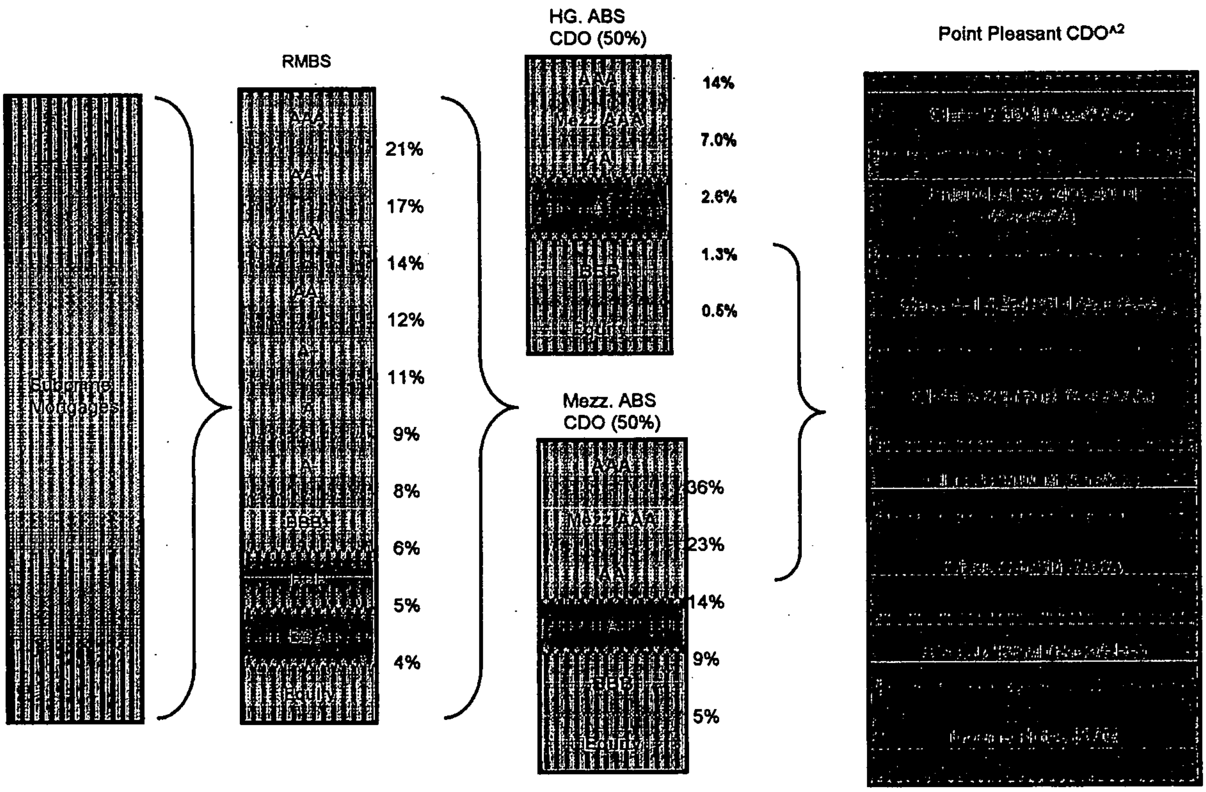
Mortgages CDO Origination

Timberwolf I CDO^2: Overview of Capital Structure



Mortgages CDO Origination

Point Pleasant CDO^2: Overview of Capital Structure



Mortgages CDO Origination
Action Steps – May 11th

- Unwind the warehouses
- Form three independent teams to value retained positions independently
  - David Lehman & Michael Swenson (SPG Trading)
  - Will Roberts, Gerald Ouderkirk, Doug Weaver (SCT Trading)
  - Dedicated strat support, led by Elisha Wiesel
- Distribution team headed by Stacy Bash-Polley and Scott Wisenbaker

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Mortgages CDO Origination
Anticipated Writedowns (in MMs)

	SPG			Cross Ruff	Strats
	A	B	C		
Retained Positions	(117)	(187)	(258)		
Benchmark Timberwolf Mezz AAA	(47)	(61)	(75)		
Warehouse*	(126)	(126)	(126)	(126)	(126)
Total	**(243)**	**(313)**	**(384)**	**(126)**	**(126)**

* Warehouse p&l shown using scenario B level of $126mm

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Mortgages CDO Origination

CDO Debt - Retained Positions

Tranche	Deal	Class	Mdys	Deal Type	Current Face ($ millions)	Mark	Mkt Value ($ millions)	SLG Marks Scen A	Scen B	Scen C	Comp Marks Mark	Stmt Marks	Recent Sales Notional ($ millions)	Price	Trade Date	Cpty
"S" tranche	Altius III	S	Aaa	High grade	[redacted]											
"S" tranche	Timberwolf	S1	Aaa	CDO-squared	9.0	100.00%	9.0									
"S" tranche	Timberwolf	S2	Aaa	CDO-squared	8.3	100.00%	8.3									
"S" tranche	Davis Square VII	S	Aaa	High grade	[redacted]											
"S" tranche	Fort Denison	S	Aaa	Mezz												
"S" tranche	Point Pleasant	S	Aaa	CDO-squared												
Super Senior	Davis Square VII	A1-a	Aaa	High grade	[redacted]											
Super Senior	GSC 2006-3g	A1-e	Aaa	High grade												
Super Senior	Hudson Mz 06-2	A1	Aaa	Mezz									[redacted]			
Super Senior	Summer Street 04-1	A1	Aaa	Mezz												
Super Senior	Anderson	A1-a	Aaa	Mezz	130.0	98.82%	128.5	98.7%	98.2%	97.7%						
Super Senior	Anderson	A1-b	Aaa	Mezz	51.0	94.72%	48.3	94.8%	94.3%	93.8%						
Mezz AAA	Adirondack 2005-1	A2	Aaa	High grade	[redacted]											
Mezz AAA	Fortius II	A2	Aaa	Mezz									[redacted]			
Mezz AAA	Mainsail	A2	Aaa	High grade												
Mezz AAA	Bernoulli	A2	Aaa	High grade												
Mezz AAA	Timberwolf	A2	Aaa	CDO-squared	285.0	91.34%	260.3	75.0%	70.0%	65.0%			20.0	87.79	4/23/2007	MONEYGRAM I
Mezz AAA	Point Pleasant	A1	Aaa	CDO-squared	127.5	94.78%	120.8	89.0%	87.0%	85.0%						
Mezz AAA	Point Pleasant	A2	Aaa	CDO-squared	75.0	92.24%	69.2	75.0%	70.0%	65.0%			20.0	91.30	4/24/2007	MONEYGRAM I
AA	Fortius II	B	Aa2	Mezz	[redacted]								[redacted]			
AA	Altius 4	B	Aa2	High grade												
AA	Fort Denison	B	Aa2	Mezz												
AA	Summer Street 04-1	A3	Aa2	Mezz												
AA	Avebury	B	Aa1	High grade												
AA	Anderson	B	Aa2	Mezz	37.7	91.97%	34.7	87.8%	85.8%	83.8%			5.0	95.50	3/20/2007	MONEYGRAM I
AA	Timberwolf	B	Aa2	CDO-squared	107.0	88.72%	94.9	60.0%	50.0%	40.0%						
AA	Hudson Mz 06-1	B	Aa2	Mezz	51.0	77.50%	39.5	82.0%	80.0%	78.0%						
AA	Hudson Mz 06-2	B	Aa2	Mezz	24.5	61.75%	15.1	71.0%	68.0%	65.0%						
AA	Point Pleasant	B	Aa2	CDO-squared	50.0	89.41%	44.7	60.0%	50.0%	40.0%						

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Mortgages CDO Origination

CDO Debt - Retained Positions (cont)

Tranche	Deal	Class	Moody's	Deal Type	Current Face $(millions)	Mark	Mkt Value $(millions)	Scen A	Scen B	Scen C	[illegible]	Strategy	Notional $(millions)	Price	Trade Date	Cpty
A	Altius I	C	A2	High grade	[redacted]											
A	Altius 4	C	A2	High grade	[redacted]											
A	Coolidge	C	A3	Mezz	[redacted]											
A	Davis Square VII	C	A2	High grade	[redacted]											
A	GSC 2006-3g	C	A2	High grade	[redacted]								[redacted]			
A	START 2005CA D	COHEN	A2	Mezz	[redacted]											
A	LEXN 20073A E	COHEN	A3	Mezz	[redacted]											
A	Anderson	C	A2	Mezz	6.8	86.69%	5.9	91.7%	86.7%	81.7%						
A	Hudson Mz 06-1	C	A2	Mezz	109.5	67.00%	73.4	60.0%	55.0%	50.0%						
A	Hudson Mz 06-2	C	A2	Mezz	[redacted]											
A	Point Pleasant	C	A2	CDO-squared	10.1	71.88%	7.3	55.0%	50.0%	45.0%			7.8	87.57	4/10/2007	PLENUM ASSE
BBB	Davis Square VII	D	Baa2	High grade	[redacted]											
BBB	Altius 4	D	Baa2	High grade	[redacted]											
BBB	GSC 2006-3g	D	Baa2	High grade	[redacted]											
BBB	Adirondack 2005-2	D	Baa2	High grade	[redacted]											
BBB	Altius III	D	Baa2	High grade	[redacted]											
BBB	Hout Bay	D	Baa2	High grade	[redacted]											
BBB	G-Street	D	Baa2	High grade	[redacted]											
BBB	Lochsong	D	Baa2	CDO-squared	[redacted]											
BBB	Putnam 2001-1	C1	Baa2	Mezz	[redacted]											
BBB	TABS 20066A B2	COHEN	Baa2	Mezz	[redacted]											
BBB	GSFIN 20051A D	COHEN	Baa2	High Grade	[redacted]											
BBB	STAK 20062A B	COHEN	Baa2	Mezz	[redacted]											
BBB	COOL 20051A D	COHEN	Baa2	Mezz	[redacted]											
BBB	ACABS 20061A B1L	COHEN	Baa2	Mezz	[redacted]											
BBB	INDE7 7A E	COHEN	Baa2	Mezz	[redacted]											
BBB	DVSO 20066A D	COHEN	Baa2	High Grade	[redacted]											
BBB	Hudson High Grade	D	Baa2	High grade	[redacted]											
BBB	Hudson Mz 06-1	D	Baa2	Mezz	[redacted]								[redacted]			
BBB	Hudson Mz 06-2	D	Baa1	Mezz	[redacted]											
BBB	Hudson Mz 06-2	E	Baa3	Mezz	[redacted]											
BBB	Point Pleasant	D	Baa2	CDO-squared	10.5	76.72%	8.1	50.0%	45.0%	40.0%						
BBB	TIAA Structured Finance	B	Baa1	Mezz	[redacted]											
BB	Camber 7	E	Ba1	Mezz	[redacted]								[redacted]			
BB	Glacier 2005-3	D	Ba1	Mezz	[redacted]											
BB	Hudson Mz 06-1	E	Ba1	Mezz	11.0	52.50%	5.8	47.0%	42.0%	37.0%						
BB	Phoenix 2	B	Ba2	Mezz	[redacted]											
Total					$ 4,421.8		$ 4,150.3									

▬▬ = **Redacted by the Permanent Subcommittee on Investigations**

Mortgages CDO Origination
CDO Equity - Retained Positions

Deal Type	Deal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2002-2004 High Grade	Putnam Structured Product 2002-1	[redacted]						
2002-2004 High Grade	Davis Square Funding I, Ltd							
2002-2004 High Grade	Sierra Madre Funding, Ltd.							
2002-2004 High Grade	Davis Square Funding III, Ltd							
2005-2006 High Grade	Altius I Funding, Ltd.	[redacted]						
2005-2006 High Grade	Davis Square Funding V, Ltd.							
2005-2006 High Grade	Davis Square Funding VI, Ltd.							
2005-2006 High Grade	Hout Bay, Ltd.							
2005-2006 High Grade	Hudson High Grade							
2005-2006 High Grade	Davis Square VII							
2005-2006 High Grade	GSC ABS Funding 2006-3g, Ltd.							
2005-2006 High Grade	West Coast Funding, Ltd.							
2005-2006 High Grade	Adirondack 2005-1 Funding Ltd							
2005-2006 High Grade	Davis Square Funding IV. Ltd.							
2005-2006 High Grade	G-Street Finance							
2005-2006 High Grade	Adirondack 2005-2 Funding, Ltd							
2005-2006 High Grade	Altius 4 Funding, Ltd.							
2005-2006 High Grade	Altius III Funding, Ltd.							
2001-2005 Mezz	NYLIM Stratford CDO 2001-1, Ltd							
2001-2005 Mezz	Camber III plc							
2001-2005 Mezz	Coolidge Funding, Ltd.							
2001-2005 Mezz	Fortius I Funding, Ltd.							
2006 Mezz	Fortius II Funding, Ltd.	[redacted]						
2006 Mezz	Hudson Mezzanine 2006-2, Ltd.							
2006 Mezz	Hudson Mezzanine 2006-1, Ltd.	2.5	57%	1.4	50.0%	40.0%	30.0%	[redacted]
2006 Mezz	Camber 7	[redacted]						
2006 Mezz	Anderson	20.9	57%	11.9	57.0%	47.0%	37.0%	
CDO-squared	Lochsong, Ltd.	[redacted]						
CDO-squared	Fort Denison							
CDO-squared	Timberwolf	10.8	85%	9.1	65.0%	55.0%	45.0%	
CDO-squared	Point Pleasant	10.1	58%	5.8	71.0%	61.0%	51.0%	
Total		$ 170.0		$ 111.6				
% of current face								
Class X	Broadwick	[redacted]						
	Davis Square V							
	Davis Square VI							
	Davis Square VII							
	G-Street							
	West Coast							

Mortgages CDO Origination
Next Steps

- Continue working with targeted investors
  - Basis Capital
  - Fortress
  - Polygon
  - Winchester Capital

- Elisha Wiesel and SCT Trading will continue to refine models

- SPG Trading to gather observable prices on underliers to improve accuracy of valuation models

Mortgages CDO Origination
Additional PnL Items

	Desk Estimate	Controller Estimate
Subprime Residuals	(40) to (50)	(5)
Alt A Residuals	(25) to (30)	8
Second Lien Residuals	(21)	TBD
HELOC Residual	(5)	(5)
Scratch and Dent Residuals	(5)	(5)
Scratch and Dent Loans	TBD	TBD
CDS Duration	100 to 125	100 to 125

Appendix

Mortgages CDO Origination

Market Value & Retained Positions as at May 18th

Warehouse Positions

Sector	Market Value($mm)	Anticipated Writedowns A	Anticipated Writedowns B	Anticipated Writedowns C
CLO	70	(2)	(2)	(2)
CMBS/CRE CDO	122	(4)	(5)	(6)
RMBS - Other	184	(15)	(16)	(17)
RMBS - Subprime	341	(26)	(27)	(29)
SP CDO	742	(155)	(170)	(184)
Less: Warehouse mark-to-model reserves		82	82	82
Less: SMBC Funding facility		12	12	12
Total	***1,458***	***(107)***	***(126)***	***(145)***

Retained Positions

	Market Value($mm)	Anticipated Writedowns A	Anticipated Writedowns B	Anticipated Writedowns C
Debt - CDO				
CDO-squared	637	(116)	(154)	(192)
Mezz	658	(4)	(25)	(45)
High grade	2,855	4	(9)	(21)
Total	***4,150***	***(117)***	***(187)***	***(258)***
Benchmark				
Timberwolf Mezz AAA	*260*	*(47)*	*(61)*	*(75)*
Average Price		*0.82*	*0.77*	*0.71*
Equity - CDO				
2001-2005 Mezz	11	(4)	(5)	(6)
2002-2004 High Grade	5	(1)	(2)	(3)
2005-2006 High Grade	35	(7)	(12)	(17)
2006 Mezz	29	(1)	(6)	(11)
CDO-squared	32	0	(4)	(9)
Total	***112***	***(12)***	***(29)***	***(46)***
TOTAL (Warehouse and Retained)	5,720	(237)	(342)	(448)

▬▬ = Redacted by the Permanent Subcommittee on Investigations

Mortgages CDO Origination
Distribution

Account	Sales	Deal	Tranche	Defcon	Comments
Fortress	Davilman	Timberwolf I	Mezz AAA	1	Looking at package of A2 and B classes. Initially indicated low $80s on A2, 70's on B: modeling deal is difficult / Davilman still pushing
Fortress	Davilman	Timberwolf I	AA-Rated	1	Looking at package of A2 and B classes. Initially indicated low $80s on A2, 70's on B: modeling deal is difficult / Davilman still pushing
Stark	Gaddi	Timberwolf I	Mezz AAA	1	Looking on a financed basis - Indicative terms ([redacted] concerned about correlation, our level, [redacted]
Winchester	Radtke	Point Pleasant 2007-1	Mezz AAA	1	Engaged and looking - has been offered bonds at 450 on A2, 700 on B / [redacted]
Basis	Maltezos	Timberwolf I	Mezz AAA	2	Potential $50mm A-2, $50mm B, subject to financing - account is out of the office / feedback w/o 5/21
Basis	Maltezos	Timberwolf I	AA-Rated	2	Potential $50mm A-2, $50mm B, subject to financing - account is out of the office / feedback w/o 5/21
AIG	Penick	Timberwolf I	Mezz AAA	3	re-engaged - trying to get answer by GS qtr end. Asked/received additional information today / they are still working / Penick to follow up early next week
Fidelity	Martin	Point Pleasant 2007-1	A-rated	3	Looking
IS Plenum	Arslan	Point Pleasant 2007-1	A-Rated	3	[redacted]
Miller Anderson	Brazil	Timberwolf I	Mezz AAA	3	Looking
Moneygram	Gilligan	Timberwolf I	AA-Rated	3	Potential interest on AAs (already own AAAs) / trying to see if they go down in cap. Structure (low Delta)
Old Lane	Grinstein	Timberwolf I		3	Need lookthru analysis / Strats are working on it
Pequot	brazil	Timberwolf I	Mezz AAA	3	Looking
Sandelman	Kelly			3	Checking - Twolf higher delta than Point Pleasant given headline risk wrt Dillon Read - want lookthru analysis on Timberwolf / Strats are working on it /[redacted]
UBS Prop	Kelly	Timberwolf or Pt. Pleasant		3	[redacted]
DeShaw	cohen	Point Pleasant 2007-1	Mezz AAA	3	Looking - asked for materials and raw data ([redacted]/ had call / low delta
Elliot	Grinstein	Timberwolf I	Mezz AAA	3	[redacted]
Polygon	Raazi	Timberwolf I	AA-Rated	3	[redacted]

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Mortgages CDO Origination

Distribution (cont)

Account	Sales	Deal	Tranche	Defcon	Comments
Carlyle	Ruberti			4	Will go through look through analysis - go from there / Strats are working on it
DA Capital	Kreitman			4	Start work @ +800 - 1000dm for mezz AAA
Elliot	Grinstein			4	[redacted]
					[redacted]
Harvard	Radtke	Point Pleasant 2007-1	Mezz AAA	4	[redacted]
Highland	Ruberti			4	Low Delta - Need lookthru analysis / Strats are working on it
					[redacted]
JPM Prop	Verrochi			4	[redacted]
Marathon	Kreitman			4	
MS Prop	Martin	Timberwolf I	Mezz AAA	4	will do work in the L+800-1000 context ($71-65) - passed on GS offer at 80-00
Nochu/SSG				4	Further analysis needed
Princeton	Fertel/Phillips			4	Low Delta - have never Bought CDO^2
Smith Breedan	martin			4	Start work @ +800 - 1000dm for mezz AAA
Zais	Grinstein	Point Pleasant 2007-1	Mezz AAA	4	potential - will likely be slower with feedback
Lehman A/M	Gaddi	Timberwolf I	Mezz AAA	4	Need a look-through of the underlying vintages / strats are working on it
Providence	Reinstein	Point Pleasant 2007-1		4	Looking - sent final OC/Portfolio
					Looking - may care for a small amount for their CDO bucket in their own deals / limited room in their
Vanderbilt	Gaddi	Timberwolf I		4	Bucket - small size if they care
Hyperion	Willing	Timberwolf I		4	Looking - [redacted]
Paramax	Matthias	Point Pleasant 2007-1	Mezz AAA	4	Very Low Delta
Paramax	Matthias	Timberwolf I	Mezz AAA	4	Very Low Delta
Blackrock	Fertel/Phillips	Point Pleasant 2007-1		4.5	[redacted]
Clinton	Verocchi	Point Pleasant 2007-1	Mezz AAA	4.5	Low Delta - Can't model CDO^2
Harding	Hornback	Point Pleasant 2007-1	A-rated	4.5	looked at single A's new issue - still need final feedback - low delta
					Checking - i[redacted]
ML Bank	Willing			4.5	[redacted] Timberwolf more likely than Point Pleasant given headline risk wrt Dillon Read
CBASS	Pinkos			5	Out - do not buy CDO^2
Ellington	Sue/Blaine	Timberwolf I	Mezz AAA	5	removed from list - have not been shown levels
Mariner	Maltezos	Timberwolf I	Mezz AAA	5	Out - too much overlap with Point Pleasant
TPG-Axon	Fertel/Phillips	Point Pleasant 2007-1	Mezz AAA	5	[redacted]