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Craig Broderick Follow Up From Wendy Edelberg

Richard H. Klapper

Wendy Edelberg

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August 30, 2010

Via Email & Mail

Mr. Craig Broderick
c/o Richard Klapper, Esq.
Sullivan & Cromwell
125 Broad Street
New York, NY 10004-2498
klapperr@sullcrom.com

Phil Angelides
Chairman

Hon. Bill Thomas
Vice Chairman

Re: Financial Crisis Inquiry Commission Hearing on June 30, 2010

Brooksley Born
Commissioner

Dear Mr. Broderick:

Byron S. Georgiou
Commissioner

Thank you for testifying on June 30, 2010 in front of the Financial Crisis Inquiry Commission and agreeing to provide additional assistance. Toward that end, please provide a written response to the following additional question and any additional information by September 10, 2010.¹

Senator Bob Graham
Commissioner

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

Keith Hennessey
Commissioner

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

Douglas Holtz-Eakin
Commissioner

Heather H. Murren, CFA
Commissioner

Sincerely,

John W. Thompson
Commissioner

Wendy Edelberg
Executive Director, Financial Crisis Inquiry Commission

Peter J. Wallison
Commissioner

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

¹ The answers you provide to the questions in this letter are a continuation of your testimony and under the same oath you took before testifying on June 30, 2010. Further, please be advised that according to section 1001 of Title 18 of the United States Code, "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Wendy Edelberg
Executive Director

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September 10, 2010

Via E-mail

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

Re: Additional Questions to Craig Broderick

Dear Ms. Edelberg:

On behalf of The Goldman Sachs Group, Inc. (“GS Group”), I write with respect to your August 30, 2010 letter to Craig Broderick requesting a response to an additional question following the Commission’s June 30, 2010 hearing.¹ The response to the question from your letter is included below. For your convenience, we have included the question before the response.

Request No. 1

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

Short-term funding includes unsecured borrowings and secured financing collateralized with assets other than highly liquid government bonds. During the month of September 2008, approximately \$28 billion of the firm’s short-term funding was overnight, which includes financing where the maturity date is at the option of either counterparty, often referred to as “open funding”. The weighted average maturity of the

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

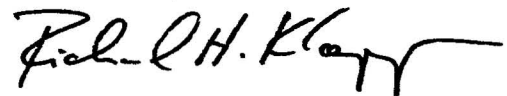
subset of our total financing that was 90 days or less to maturity during this period was 29 days.

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

* * *

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

Sincerely,



Richard H. Klapper

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