Summary of Resolution Plan

Goldman Sachs Bank USA

June 29, 2012

Goldman Sachs Bank USA
Introduction to the Bank Resolution Plan

Resolution Planning Background

- On January 17, 2012, the Federal Deposit Insurance Corporation (the “FDIC”) released the final rule (12 CFR Part 360.10 (“IDI Rule”)) requiring insured depository institutions (“IDI”) with over $50 billion in assets, including Goldman Sachs Bank USA (“GS Bank” or “Bank”), a wholly-owned subsidiary of The Goldman Sachs Group, Inc. (“Group Inc.” and together with GS Bank and its other consolidated subsidiaries “Goldman Sachs,” “GS Group,” “Firm,” “our,” “us” or “we”), to periodically submit a resolution plan. A resolution plan should provide the details necessary to facilitate an efficient resolution of an IDI facing material financial distress or failure
- On October 17, 2011 the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”), together with the FDIC (collectively, our “Supervisors”), released the final rule (the “Final Rule”) implementing Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which requires that covered companies (as defined in the Final Rule) prepare resolution plans. GS Group is among the covered companies with $250 billion or more in total nonbank assets, therefore both GS Group and GS Bank were required to submit resolution plans by July 1, 2012
- The preparation of the Bank’s resolution plan (“Bank Resolution Plan”) was designed to be an iterative process between the Bank and our Supervisors
- We believe that the resolution planning process, as required by our Supervisors, is a critical building block in the development of orderly resolution plans for major financial institutions that will address the “too big to fail” problem, an objective we fully support. We also support the goal that all financial institutions, regardless of size or complexity, should be able to be resolved without cost to the taxpayer
- We look forward to working with our Supervisors on the next steps in this process, including the role of recovery plans, and the use of additional stress scenarios
- These next steps might materially alter the specific choices undertaken as part of the recovery and/or resolution planning process

Goldman Sachs Bank USA
Introduction to the Bank Resolution Plan (cont'd)

<u>Goldman Sachs Bank USA Resolution Plan</u>

- Recovery plans and resolution plans are intended to facilitate the restructuring of a financial institution that finds itself under great stress in order to either preserve the going concern nature of the organization or to resolve it (i.e., an orderly wind-down of the organization). Recovery plans focus on the steps that management would take to reduce risk, divest non-core businesses and conserve capital in times of severe stress. In contrast to a recovery plan, a resolution plan is premised on failure. The objective of a resolution plan is to identify and mitigate obstacles to an orderly resolution, as well as to facilitate advanced planning and co-ordination between an IDI and its supervisors. Such coordinated resolution planning is a valuable learning process for Goldman Sachs and our Supervisors
- This is the first submission of our Bank Resolution Plan. Supervisors have set out a specific approach to developing a resolution plan for IDIs such as the Bank. This approach includes an iterative process (i.e., submission then feedback over a period of time with changed assumptions for future years' submissions). It is important to note that this initial submission of our Bank Resolution Plan is also based upon specific guidance and baseline assumptions provided to us by our Supervisors. Additionally, and in accordance with the IDI Rule, our Bank Resolution Plan assumes no extraordinary government support and further assumes that the Bank is resolved under the Federal Deposit Insurance Act ("FDIA")
- Specifically, our Bank Resolution Plan has been prepared with the following baseline assumptions provided to us by our Supervisors:
  - Sudden, idiosyncratic material financial distress at GS Group with no previous disruption to the markets
  - All Material Entities of GS Group[1] have entered some form of bankruptcy
  - Markets are functioning normally
  - Other market participants are assumed to be in good financial condition
  - Funding markets are open for other market participants
  - No extraordinary government support

[1] *See GS Group's Summary of Resolution Plan for the names of its Material Entities*

Goldman Sachs Bank USA
Introduction to the Bank Resolution Plan (cont'd)

- Based on the specific assumptions provided by our Supervisors, for this baseline scenario, we believe that our Bank Resolution Plan, in conjunction with the Bank's well-established risk management practices, conservative liquidity management practices and rigorous approach to determining the fair value of the Bank's assets, provides a process to enable a GS Bank resolution. This conclusion is also based upon:
  - Our strong financial position at December 31, 2011 with a Tier I capital ratio of 17.1% and significant excess liquidity of $39.5 billion
  - The provisions of the FDIA
  - The alternative resolution strategies we have identified, including the (i) sale of the Bank as part of sale of the Firm, (ii) sale of the Bank as a stand-alone entity or in parts, (iii) establishment of a bridge bank into which insured deposits and certain assets could be transferred, or (iv) rapid and orderly liquidation of assets and payment of claims in receivership
- Additionally our Bank Resolution Plan:
  - Would not be expected to impact the Deposit Insurance Fund
  - Is designed to ensure that depositors receive access to their insured deposits within one business day of the Bank's failure (two business days if the failure occurs on a day other than Friday)
  - Maximizes the net present value return from the sale or disposition of assets
  - Minimizes the amount of any loss realized by the creditors in the resolution
- Our Supervisors require that a summary of the Bank Resolution Plan be made publicly available. Our Supervisors have provided a standardized format, which we have followed in the subsequent pages

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A. Names of Material Entities

- "Material Entity" is a term defined in the IDI Rule as a company that is significant to the activities of a Critical Service or Core Business Line. The Material Entities we identify herein include those legal entities that meet this criteria
- The following is a list of the Bank's Material Entities:
  - Goldman Sachs Bank USA (FDIC-insured U.S. bank)
  - Goldman Sachs Credit Partners L.P. (a Bermuda limited partnership, "GSCP")
  - Goldman Sachs Mitsui Marine Derivative Products, L.P. (a Delaware limited partnership and 50-50 joint venture with Mitsui Sumitomo Insurance Co., Ltd)

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Summary of Bank Resolution Plan
B. Description of Core Business Lines

Introduction

- GS Bank is a New York state-chartered bank and a member of the Federal Reserve System. GS Bank is supervised by the Federal Reserve Bank of New York, the New York State Department of Financial Services and the Consumer Financial Protection Bureau, and is a member of the FDIC. GS Bank is subject to minimum capital requirements that are calculated in a manner similar to those applicable to bank holding companies. Among the activities conducted within GS Bank are bank loan origination and market-making; interest rate, credit, currency and other derivatives; leveraged finance; commercial mortgage origination and market-making; structured finance; and agency lending, custody and hedge fund administration services

- GS Bank has a number of important business lines that are the core of its franchise and allow it to conduct the breadth and depth of its complete strategy. In the recovery and resolution process, a variety of subsidiary definitions of businesses that are "core" are required, given the specific objectives of those supervisory processes, which are different from the Bank's definition of its core lines of business. The IDI Rule defines "Core Business Lines" as those business lines of the IDI, including associated operations, services, functions and support that, in the view of the IDI, upon failure would result in a material loss of revenue, profit or franchise value. We have identified the Core Business Lines of the Bank below. This section describes only these Core Business Lines, not the businesses of GS Bank as a whole
  - **Private Bank Lending**. The Bank provides loans and residential mortgages to high-net-worth clients
  - **Deposit Taking**. The Bank accepts deposits from clients of Goldman, Sachs & Co. ("GS&Co."), from other affiliates and through deposit sweep agreements with third-party broker-dealers. The Bank also issues term certificates of deposit ("CDs"). These term CDs are in FDIC-insurable amounts and are distributed through third-party broker-dealers and GS&Co.
  - **Credit Origination**. The Bank provides loans and loan commitments to investment grade and non-investment grade borrowers. The Bank's loan commitments typically are agreements to lend with fixed termination dates and depend on the satisfaction of all contractual conditions to borrowing. The facilities may be syndicated or sold to third party institutional investors or retained by the Bank
  - **Interest Rate Derivative Products**. The Bank makes markets in OTC derivatives, including cash-settled swap agreements, caps, collars, floors, options and forward settlement contracts, in interest rates and related products, with counterparties that include corporations, financial institutions, investment funds, governments and high-net-worth clients

Goldman Sachs Bank USA
Summary of Bank Resolution Plan
C. Summary Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources

- Set out in this Section is financial information extracted from the Bank's Consolidated Financial Statements as of, and for the years ended, December 31, 2011 and December 31, 2010 ("Bank's Financial Statements")[2]
- Set forth below are the consolidated statements of earnings from the Bank's Financial Statements

	Year Ended December	
in millions	**2011**	2010
Revenues		
Interest income	**$ 797**	$ 766
Interest expense	**635**	1,143
Net interest income/(expense)	**162**	(377)
Gains and losses from financial instruments, net	**3,054**	2,798
Other revenues	**262**	339
Total non-interest revenues	**3,316**	3,137
Net revenues, including net interest income/(expense)	**3,478**	2,760
Operating expenses		
Compensation and benefits	**174**	233
Management charges	**603**	580
Other expenses	**451**	297
Total operating expenses	**1,228**	1,110
Pre-tax earnings	**2,250**	1,650
Provision for taxes	**915**	450
Net earnings	**$1,335**	$1,200

The notes accompanying the Bank's Financial Statements are an integral part of the Bank's Financial Statements

[2] *The Bank's Financial Statements are available on our website at www.goldmansachs.com*

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Summary of Bank Resolution Plan
C. Summary Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources (cont'd)

- Set forth below are the consolidated statements of financial condition from the Bank's Financial Statements

	As of December	
in millions, except share and per share amounts	**2011**	2010
Assets		
Cash	**$41,270**	$29,202
Collateralized agreements:		
Securities purchased under agreements to resell, at fair value	**5,248**	7,927
Loans receivable, net	**3,096**	2,405
Receivables from customers and counterparties, brokers, dealers and clearing organizations	**5,910**	3,620
Financial instruments owned, at fair value (includes $5,345 and $6,810 pledged as collateral as of December 2011 and December 2010, respectively)	**46,574**	41,688
Servicing advances receivable, net	**–**	2,650
Other assets	**1,421**	1,937
Total assets	**$103,519**	$89,429
Liabilities and shareholder's equity		
Deposits (includes $2,179 and $850 at fair value as of December 2011 and December 2010, respectively)	**$44,830**	$32,373
Collateralized financings:		
Securities sold under agreements to repurchase, at fair value	**15,275**	9,180
Other secured financings (includes $109 and $3,158 at fair value as of December 2011 and December 2010, respectively)	**209**	3,259
Payables to customers and counterparties, brokers, dealers and clearing organizations	**4,103**	3,387
Financial instruments sold, but not yet purchased, at fair value	**17,641**	16,147
Subordinated borrowings	**–**	5,000
Other liabilities and accrued expenses (includes $269 and $298 at fair value as of December 2011 and December 2010, respectively)	**2,247**	1,350
Total liabilities	**84,305**	70,696
Commitments, contingencies and guarantees		
Shareholder's equity		
Shareholder's equity (includes common stock, par value $100 per share; 80,000,000 shares authorized, issued and outstanding as of December 2011 and December 2010)	**19,214**	18,733
Total liabilities and shareholder's equity	**$103,519**	$89,429

The notes accompanying the Bank's Financial Statements are an integral part of the Bank's Financial Statements

Capital

- As of December 31, 2011, the Bank's total shareholder's equity was $19.21 billion. As of December 31, 2010, the Bank's total shareholder's equity was $18.73 billion

Regulatory Capital

- The table below presents information about the Bank's regulatory capital ratios:

	As of December	
$ in millions	**2011**	2010
Tier 1 capital ratio	**17.1%**	18.8%
Total capital ratio	**17.1%**	23.9%
Tier 1 leverage ratio	**18.5%**	19.5%

  — The regulatory capital decreases from December 2010 to December 2011 are primarily related to the Bank's repayment of $5.0 billion of subordinated borrowings to Group Inc. and a $1.0 billion dividend to Group Inc. during 2011

- The Bank's capital ratios are above the minimum regulatory capital ratios to which it is subject (8.0% Tier 1 Capital, 11.0% Total capital, and 6.0% Tier 1 Leverage)

Major Funding Sources

- GS Bank raises funding mainly through deposits and collateralized financings; in addition, the Bank has committed unsecured funding facilities with Group Inc.:
  - The Bank accepts deposits from clients of GS&Co., from other affiliates and through deposit sweep agreements with third-party broker-dealers. The Bank also issues term CDs. These term CDs are in FDIC-insurable amounts and are distributed through third-party broker-dealers and GS&Co. As of December 31, 2011, the Bank had $44.83 billion in deposits, including $10.4 billion of CDs with a weighted average maturity of approximately three years, and $34.4 billion of other deposits
  - The Bank enters into collateralized financings, such as repurchase agreements and other secured financings in order to finance certain Bank activities. As of December 31, 2011, the Bank had $15.28 billion in repurchase agreements
  - The Bank has arranged committed unsecured funding facilities with Group Inc., including:
    - A senior debt facility of $8.5 billion maturing in 2014. As of December 31, 2011, there was an outstanding amount of $579 million under the facility
    - A subordinated debt facility of $8.0 billion maturing in 2018. As of December 31, 2011, there was no outstanding amount under the facility

D. Description of Derivative and Hedging Activities

- Derivatives are instruments that derive their value from underlying asset prices, indices, reference rates and other inputs, or a combination of these factors. Derivatives may be privately negotiated contracts, which are usually referred to as over-the-counter derivatives, or they may be listed and traded on an exchange
  - **Market-Making**. As a market maker, the Bank enters into derivative transactions with counterparties to provide liquidity and to facilitate the transfer and hedging of risk. In this capacity, the Bank typically acts as principal and is consequently required to commit capital to provide execution
  - **Risk Management**. The Bank also enters into derivatives to actively manage risk exposures that arise from market-making and investing and lending activities. The Bank's holdings and exposures are hedged, in many cases, on either a portfolio or risk specific basis, as opposed to an instrument-by-instrument basis. In addition, the Bank may enter into derivatives designated as hedges under U.S. GAAP. These derivatives are used to manage interest rate exposure related to fixed-rate CDs
- The Bank enters into various types of derivatives, including:
  - **Futures and Forwards**. Contracts that commit counterparties to purchase or sell financial instruments, commodities or currencies in the future. The contracts may be cash settled
  - **Swaps**. Contracts that require counterparties to exchange cash flows such as currency or interest payment streams. The amounts exchanged are based on the specific terms of the contract with reference to specified rates, financial instruments, commodities, currencies or indices
  - **Options**. Contracts in which the option purchaser has the right, but not the obligation, to purchase from or sell to the option writer financial instruments, commodities or currencies within a defined period for a specified price. The contracts may be cash settled
- Derivatives are accounted for at fair value, net of cash collateral received or posted under credit support agreements. Derivatives are reported on a net-by-counterparty basis (i.e., the net payable or receivable for derivative assets and liabilities for a given counterparty) when a legal right of setoff exists under an enforceable netting agreement

E. Memberships in Material Payment, Clearing and Settlement Systems

- Set forth below is a list of the Bank's direct memberships in material payment, clearing and settlement systems

Market	Payment, Clearing and Settlement Systems	Description of Services
Europe	LCH.Clearnet Group	Provides central counterparty clearing for commodities (exchange traded and OTC), equities, fixed income, energy and freight, and swaps
	Euroclear	Provides International Central Securities Depository and settlement services for cross-border transactions involving domestic and international bonds, equities, derivatives and investment funds
United States	Depository Trust Company	Central depository providing depository and book-entry services for eligible securities and other financial assets
	FedWire	Electronic payment system providing automated clearing house services for cash in the U.S.

- GSCP is a Bermuda limited partnership with its principal place of business in New York

G. Material Supervisory Authorities

- The following are the Bank's material supervisory authorities:
  - Federal Reserve Bank of New York
  - New York State Department of Financial Services
  - Federal Deposit Insurance Corporation
  - Consumer Financial Protection Bureau

- The following are the Bank's principal officers:
  - — Chief Executive Officer (CEO): Esta E. Stecher
  - — Chief Operating Officer (COO): Andrew J. Kaiser
  - — Chief Administrative Officer (CAO): Thomas M. Dowling
  - — Chief Financial Officer (CFO): Kevin G. Byrne
  - — General Counsel (GC): Thomas S. Riggs

Goldman Sachs Bank USA
Summary of Bank Resolution Plan
I. Resolution Planning Corporate Governance Structure and Processes Related to Resolution Planning

- Our Bank Resolution Plan's governing and oversight bodies consist of the following groups and individuals:
  - The **Bank's Board of Directors** (the "Bank Board") is the body responsible for establishing the strategic direction of GS Bank and overseeing the performance of GS Bank business and management. The Bank Board is responsible for providing general oversight for the Bank Resolution Plan. The Bank Board reviews and approves the Bank Resolution Plan initially and on an annual basis. In addition, at its regularly held or special meetings, the Bank Board will review and approve any significant changes to the Bank Resolution Plan that may occur during the year before submission to our Supervisors
  - **Bank Executive Management** (i.e., the Bank's CEO, COO, CAO, CFO and GC) is responsible for oversight of the Bank Resolution Plan's development, maintenance, implementation, filing and compliance; the **Bank Risk Committee** is responsible for reviewing the Bank Resolution Plan. Annually (and at other Bank Board meetings as needed), Bank Executive Management is also responsible for presenting the Bank Resolution Plan to the Bank Board for its review and approval
  - The Bank's CFO is a member of the **GS Group Resolution Plan Steering Committee**, which is made up of key GS Group managing directors, who are involved in the management and oversight of the Firm's resolution plan. The GS Group Resolution Plan Steering Committee, through its Committee Operating Officer, actively works to develop and maintain the Firm's resolution plan and to ensure the Firm's resolution plan contains information needed based on the relevant rule and on the materials and feedback provided in regular meetings held with our Supervisors. The GS Group Resolution Plan Steering Committee also acts as a liaison to the senior executive level (including the Executive Office and the Firmwide Finance Committee) and to our Supervisors. Through the participation of the Bank CFO in the GS Group Resolution Plan Steering Committee, the Bank is able to ensure that the approach and assumptions in the Bank Resolution Plan are consistent with those of the Firm's resolution plan. The GS Group Resolution Plan Steering Committee meets frequently (usually weekly)
  - The **Bank's CFO** is the senior management official of the Bank primarily responsible for overseeing the development, maintenance, implementation and filing of the Bank Resolution Plan and for the Bank's compliance with the IDI Rule. The Bank's CFO is responsible for the day-to-day creation, monitoring and maintenance of the workstream activities that develop specific components of the Bank Resolution Plan. The Bank's CFO and the team that supports him are the content experts and manage the overall Bank Resolution Plan activities, meet with our Supervisors, respond to requested comments from various regulatory proposals, and engage directly with the GS Group Resolution Plan Steering Committee as well as the Bank Board and the Bank Risk Committee, as necessary
  - **Internal Audit** will provide oversight of the relevant procedures and controls with respect to the Bank Resolution Plan

General Process

- The Bank Resolution Plan was developed under the direction of the Bank's CFO and under the oversight of the Bank Risk Committee and Bank Executive Management
- The Bank Resolution Plan was reviewed and approved by the Bank Board. On an annual basis, the Bank Resolution Plan will be updated and presented to the Bank Board for its review and approval prior to submission to our Supervisors
- In addition, we expect that the Bank Resolution Plan will be updated as we obtain additional feedback from our Supervisors. As required by the IDI Rule, notification will be made to our Supervisors within 45 days in the event that a change in circumstances results in a material effect on the Bank Resolution Plan. The Bank Resolution Plan will be reviewed and, where necessary, updated upon occurrence of specific events such as an acquisition of a new business, the sale of any significant businesses or significant changes to Material Entities and/or Core Business Lines

J. Description of Material Management Information Systems

- Our Management Information Systems ("MIS") have been used extensively to prepare financial and other information used in the preparation of our Bank Resolution Plan
- MIS are critical to the Bank's key functions, which involve loan origination, deposit sweeps, account opening, trade booking, trade processing, valuation, risk management, collateral management, funding, daily profit and loss calculation and reporting, accounting, financial reporting, and regulatory reporting. In most cases, a single application or information system supports a given function across businesses, product lines and entities; this allows for a significant level of consistency in the functionality and reporting available
- The majority of the software applications used by the Bank are internally developed proprietary applications; although we also utilize third-party vendor applications
- We focus on the rigor and effectiveness of the Bank's risk and financial reporting systems. The goal of our risk and financial reporting management technology is to provide the right information to the right people at the right time, which requires systems that are comprehensive, reliable and timely. We devote significant time and resources to our risk management and financial reporting technology to ensure that it consistently provides us with complete, accurate and timely information
- Our MIS have extensive ad hoc reporting capabilities, and most of our systems include legal entity information as part of the data they manage. As a result, we do not believe that there are material gaps or weaknesses in our ability to provide relevant data in a crisis scenario
- Our MIS are overseen by an extensive governance framework, with documented policies, standards and procedures
- The Bank has a broad business resilience program focused on mitigating a wide array of risks. This business resilience program is designed to ensure that all critical applications are available for use in crisis scenarios
- GS Group has implemented a framework for managing access to systems and applications across the Bank. Access to each individual application must be requested and granted separately, in most cases by the business team responsible for the application's function
- In the area of information security, we have developed and implemented a framework of principles, policies and technology to protect the information assets provided to us by our clients and those of the Bank from cyber attacks and other misappropriation, corruption or loss. Safeguards are applied to maintain the confidentiality and availability of information resources

Goldman Sachs Bank USA
Summary of Bank Resolution Plan
K. High Level Description of Resolution Strategy, Covering Such Items as the Range of Potential Purchasers of the IDI, its Material Entities and Core Business Lines

- We believe that the resolution planning process, as required by our Supervisors, is a critical building block in the development of orderly resolution plans for major financial institutions that will address the "too big to fail" problem, an objective we fully support. We also support the goal that all financial institutions, regardless of size or complexity, should be able to be resolved without cost to the taxpayer
- We look forward to working with our Supervisors on the next steps in this process, including the role of recovery plans, and the use of additional stress scenarios
- These next steps might materially alter the specific choices undertaken as part of the recovery and/or resolution planning process
- Recovery plans and resolution plans are intended to facilitate the restructuring of a financial institution that finds itself under great stress in order to either preserve the going concern nature of the organization or to resolve it (i.e., an orderly wind-down of the organization). Recovery plans focus on the steps that management would take to reduce risk, divest non-core businesses and conserve capital in times of severe stress. In contrast to a recovery plan, a resolution plan is premised on failure. The objective of a resolution plan is to identify and mitigate obstacles to an orderly resolution, as well as to facilitate advanced planning and co-ordination between an IDI and its supervisors. Such coordinated resolution planning is a valuable learning process for Goldman Sachs and our Supervisors
- This is the first submission of our Bank Resolution Plan. Supervisors have set out a specific approach to developing a resolution plan for IDIs such as the Bank. This approach includes an iterative process (i.e., submission then feedback over a period of time with changed assumptions for future years' submissions). It is important to note that this initial submission of our Bank Resolution Plan is also based upon specific guidance and baseline assumptions provided to us by our Supervisors. Additionally, and in accordance with the IDI Rule, our Bank Resolution Plan assumes no extraordinary government support and further assumes that the Bank is resolved under the FDIA

Goldman Sachs Bank USA

K. High Level Description of Resolution Strategy, Covering Such Items as the Range of Potential Purchasers of the IDI, its Material Entities and Core Business Lines (cont'd)

- Specifically, our Bank Resolution Plan has been prepared with the following baseline assumptions provided to us by our Supervisors:
  - Sudden, idiosyncratic material financial distress at GS Group with no previous disruption to the markets
  - All Material Entities of GS Group[3] have entered some form of bankruptcy
  - Markets are functioning normally
  - Other market participants are assumed to be in good financial condition
  - Funding markets are open for other market participants
  - No extraordinary government support
- The circumstances leading to the failure of an IDI will likely be different than the specific assumptions listed above, and we expect that future submissions of our Bank Resolution Plan will include other conditions and may have different assumptions. These changes might materially alter the specific choices undertaken as part of a resolution process
- An assumption underlying the Bank Resolution Plan is that the Bank's resolution would take place under FDIC receivership. The FDIA provides the FDIC with authority to stay qualified financial contracts for one business day, and to establish a bridge institution chartered to assume insured deposits and certain assets. The Bank Resolution Plan does not assume that the FDIC would have special powers beyond those outlined in the FDIA
- The Bank has therefore developed resolution strategies, under the baseline assumptions, for the rapid and orderly sale or disposition of its Core Business Lines and major assets in a manner that:
  - Would not be expected to impact the Deposit Insurance Fund
  - Is designed to ensure that depositors receive access to their insured deposits within one business day of the Bank's failure (two business days if the failure occurs on a day other than Friday)
  - Maximizes the net present value return from the sale or disposition of assets
  - Minimizes the amount of any loss realized by the creditors in the resolution

[3] *See GS Group's Summary of Resolution Plan for the names of its Material Entities*

Bank USA

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Summary of Bank Resolution Plan
K. High Level Description of Resolution Strategy, Covering Such Items as the Range of Potential Purchasers of the IDI, its Material Entities and Core Business Lines (cont'd)

- We believe the potential purchasers for the Bank's Material Entities and of the Core Business Lines or assets of the Bank may include global financial institutions, private equity funds, hedge funds or money managers. The Bank's insured deposits would need to be acquired by another IDI
- Based on the specific assumptions provided by our Supervisors, for this baseline scenario, we believe that our Bank Resolution Plan, in conjunction with the Bank's well-established risk management practices, conservative liquidity management practices and rigorous approach to determining the fair value of the Bank's assets, provides a process to enable a GS Bank resolution. This conclusion is also based upon:
  - Our strong financial position at December 31, 2011 with a Tier I capital ratio of 17.1% and significant excess liquidity of $39.5 billion
  - The provisions of the FDIA
  - The alternative resolution strategies we have identified, including the (i) sale of the Bank as part of sale of the Firm, (ii) sale of the Bank as a stand-alone entity or in parts, (iii) establishment of a bridge bank into which insured deposits and certain assets could be transferred, or (iv) rapid and orderly liquidation of assets and payment of claims in receivership