United States Senate

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Committee on Homeland Security and Governmental Affairs

Carl Levin, Chairman
John McCain, Ranking Minority Member

E X H I B I T S

EXHIBITS 1-24 (Part 1 of 4)

Hearing On

Wall Street Bank Involvement With Physical Commodities

November 20 and 21, 2014

199 Russell Senate Office Building, Washington, D.C. 20510

United States Senate

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Committee on Homeland Security and Governmental Affairs

Carl Levin, Chairman

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11-17

E X H I B I T   L I S T

Hearing On

WALL STREET BANK INVOLVEMENT WITH PHYSICAL COMMODITIES

November 20 and 21, 2014

1. a. *LME Aluminum Stocks,* chart prepared by the Permanent Subcommittee on Investigations.
   b. *Metro Freight Incentives,* chart prepared by Goldman Sachs. [Source: Goldman Sachs Counsel letter to the Permanent Subcommittee on Investigations, GSPSICOMMODS00046232, included in Exhibit 39.]
   c. *Aluminum Tonnage Shipped (Metro Warehouse (Detroit) to Metro Warehouse (Detroit),* chart prepared by Goldman Sachs. [Source: Goldman Sachs Counsel letter to the Permanent Subcommittee on Investigations, PSI-GoldmanSachs-20-000002.]
   d. *Goldman Employees Who Served As Metro Board Members, 2009 to 2014*, chart prepared by the Permanent Subcommittee on Investigations.
   e. *Aluminum Merry Go Round Transactions*, chart prepared by the Permanent Subcommittee on Investigations.
   f. *Detroit Queue and Platts MW Aluminum Premium,* chart prepared by the Permanent Subcommittee on Investigations.
   g. Wentworth Ownership Structure, chart prepared by the Permanent Subcommittee on Investigations.
   h. *Overview of North America Gas, Power and PI Assets, as of 03/31/2011,* chart prepared by J.P. Morgan. [FRB-PSI-623097, included in Exhibit 58]
   i. JPMorgan internal email, dated October 2010, re: *Please sir! mor BCR!!!!*
   j. *Excerpts from 2013 CNR Financial Statement*, prepared by CNR. [GSPSICOMMODS00046374, included in Exhibit 17]
   k. *Queue Length*, chart prepared by the Permanent Subcommittee on Investigations.

<u>Documents Related to Goldman Sachs/General</u>:

2. Excerpts of Goldman Sachs *responses to questions from the Federal Reserve on 4(o) Commodities Activities*, dated May 26, 2011, re: 1997 v. 2010 physical commodity activities. [FRB-PSI-200600-6021, 608-610]

3. Excerpt from Goldman Sachs Presentation, *Federal Reserve Bank of New York Discovery Review: Global Commodities - US Natural Gas & Power*, dated March 2010, (*Financial vs. Physical Trades FY 2009*). [FRB-PSI-400006, 008]

4. Goldman Sachs Presentation, *Global Commodities, Presentation to the Board of Directors of The Goldman Sachs Group, Inc.*, dated October 2011, including Metro, CNR and Cogentrix highlights. [FRB-PSI-700011-030]

5. Excerpts from Goldman Sachs Memorandum, dated July 2012, re: *Firmwide Client and Business Standards Committee Meeting, (...Merchant Banking include CNR, Metro and Vale.... *** ...Nufcor - treated as part of firm's own activities).* [FRB-PSI-200984, 995-996, 1000-001]

6. Goldman Sachs Memorandum to the Federal Reserve, dated July 2013, re: commodity-related activities, including environmental/catastrophic risk. [FRB-PSI-201245-268]

7. Goldman Sachs Presentation, *Global Commodities & Global Special Situations Group, Presentation to the Board of Directors of The Goldman Sachs Group, Inc.*, dated September 2013, including Metro and CNR (short coal hedge) highlights. [FRB-PSI-400077-098]

8. *Consolidated Holding Company Report of Equity Investments in Nonfinancial Companies - FR Y-12*, dated June 30, 2014, prepared by The Goldman Sachs Group, regarding its merchant banking investments. [FRB-PSI-800013-016]

Documents Related to Goldman Sachs Involvement with Uranium:

9. Goldman Sachs *New Product Memorandum*, dated December 2008, re: *Uranium Trading.* [FRB-PSI-400039-052]

10. Goldman Sachs *Physical Commodity Review Committee: Meeting Minutes*, dated May 2013, re: enriched uranium (UF6). [FRB-PSI-400053-055]

11. Nufcor Organization Chart, prepared by Goldman Sachs. [GSPSICOMMODS00046240]

12. Excerpts from Goldman Sachs' counsel letter to the Subcommittee, dated October 2014, re: Nufcor, attached chart, *Nufcor Uranium Utility Supply Contracts at the time of the Nufcor Acquisition (June 30, 2009)*). [PSI-GoldmanSachs-21-000001, 004 and GSPSICOMMODS00046532-533]

Documents Related to Goldman Sachs Involvement with Coal:

13. CNR Organization Chart, prepared by Goldman Sachs. [GSPSICOMMODS00046318]

14. Excerpt from *Coalcorp Mining Inc., Notice of Special Meeting of Shareholders to be Held on February 11, 2010 and Management Information Circular.* [PSI-CI-01-000001-003]

15. Goldman Sachs submission to the Federal Reserve, *Report of Changes in Organizational Structure - FR Y-10*, dated April 2010, re: CNR. [GSPSICOMMODS00046301-303]

16. Excerpt from *C.I. Colombian Natural Resources I SAS and J. Aron & Company Marketing Agreement,* dated September 2011. [GSPSICOMMODS00046496-501, 509]

17. Excerpt from *C.I. Colombian Natural Resources I S.A.S, Financial Statements for the years ended on the 31st of December of 2013 and 2012 and Statutory Auditor's Report*, dated March 2014. [GSPSICOMMODS00046366-367, 373-376]

18. Excerpts from Goldman Sachs counsel letter to the Subcommittee, dated October 2014, re: CNR. [PSI-GoldmanSachs-19-000001, 004-005]

19. Goldman Sachs counsel letter to the Subcommittee, dated November 2014 *(...J. Aron acted as the exclusive marketing and sales agent for CNR....)*. [PSI-GoldmanSachs-25-000001-003]

20. Goldman Sachs *Metals & Mining, Background to Environmental and Social Due Diligence,* updated 2012. [FRB-PSI-300221-230]

<u>Documents Related to Goldman Sachs Involvement with Aluminum</u>:

21. Excerpt from Goldman Sachs counsel letter to the Subcommittee, dated October 2014, including chart, *Aluminum Tonnage Shipped.* [PSI-GoldmanSachs-20-000001-002]

22. a. Invoice List of Glencore Ltd. and Red Kite Master Fund Limited. [GSPSICOMMODS00046871-872]
    b. Glencore Ltd. invoice to Metro International Trade, dated June 21, 2013, in the amount of $9,909,280.66. [GSPSICOMMODS46873]
    c. Glencore Ltd. invoice to Metro International Trade, dated June 21, 2013, in the amount of $402,190.77. [GSPSICOMMODS46874]
    d. Glencore Ltd. invoice to Metro International Trade, dated September 24, 2013, in the amount of $321,105.33. [GSPSICOMMODS46875]
    e. Red Kite Master Fund Limited invoice to Metro International Trade, dated November 13, 2012, in the amount of $5,735,700. [GSPSICOMMODS46876]
    f. Red Kite Master Fund Limited invoice to Metro International Trade, dated December 20, 2012, in the amount of $632,720. [GSPSICOMMODS46877]

g. Red Kite Master Fund Limited invoice to Metro International Trade, dated January 28, 2014, in the amount of $2,932,731.43. [GSPSICOMMODS46878]
h. Red Kite Master Fund Limited invoice to Metro International Trade, dated November 13, 2013, in the amount of $14,084,401.27. [GSPSICOMMODS46879]

23. *Warrant Finance Agreement, DB Energy Trading LLC and Metro International Trading Services, LLC*, dated September 2010. [GSPSICOMMODS00047434-447]

24. Excerpt from Goldman Sachs Presentation, *MITSI Holdings LLC, Board of Directors Meeting*, dated December 2012, slide entitled *Overview Off-warrant Deals* re: Red Kite deals. [GSPSICOMMODS00009348]

25. Metro internal email, dated November 2012, re: Detroit Ali - off warrant storage deal. [GSPSICOMMODS00046684-686]

26. Glencore/Metro email exchange, dated April 2013, re: *New Deal - Glencore Detroit (,,,all 91,000 mt for Glencore scheduled to ship outbound in May/June will do so as scheduled but will go to other Metro locations in Detroit (we of course decide) and remain off warrant until June/July 2013 at which point the material will be rewarranted.).* [GSPSICOMMODS00046687-691]

27. Charts related to last Red Kite deal and Glencore deal, prepared by Metro for LME in 2014. [GSPSICOMMODS00046666-683]

28. Metro internal email, dated December 2010, re: *Montreal (...blocking others. *** ...Q management....).* [GSPSICOMMODS00047422]

29. Metro internal email, dated February 2012, re: *Stemcor 12 Kt to Detroit (...queue management...).* [GSPSICOMMODS00047423-429]

30. Metro internal email, Michael Whelan, Metro, email, dated June 2013, re: *Resignation (I have some questions and concerns regarding the Chinese Wall Policy that is in place which regulates the interaction between Metro International, its customers, and J. Aron. This morning's confrontation was extremely questionable.)* [GSPSICOMMODS00047430]

31. *Metro International Trade Services (2011-2013),* chart regarding agreements of sharing physical premiums. [GSPSICOMMODS00046531, 46630]

32. *Goldman Sachs/Metro International Trade Services, Management Brief, June 2011 (Extraordinary income from counterparties sharing physical premium with Metro...).* [GSPSICOMMODS00009668]

33. LME counsel letter to the Subcommittee, dated November 2014 (*...while the LME would view such behavior as a contravention of the "spirit" of the relevant requirements, it may be difficult to argue that it constituted a contravention of the "letter" of those requirements.*). [LME_PSI0002459-462]

34. Aluminum Users Group Memorandum, dated October 2012 (*The LME's terminal market model ... is broken.)*. [PSI-AlumUsersGroup-01-000010-012]

35. Goldman Sachs *Presentation to Firmwide Client and Business Standards Committee, Metro International Trade Services*, dated August 2011, including slide entitled, *Metro Financial Summary.* [FRB-PSI-707486-500]

36. a. Excerpt from Goldman Sachs Presentation, *MITSI Holdings LLC, Board of Directors Meeting*, dated December 2011, including slide entitled *Current Deal Pipeline*. [GSPSICOMMODS00009287, 296]
    b. Excerpts from Goldman Sachs Presentation, *MITSI Holdings LLC, Board of Directors Meeting*, dated March 2012, including slides entitled *Current Deal Pipeline* and *Overview Off-warrant Deals*. [GSPSICOMMODS00009423, 433, 437]
    c. Excerpts from Goldman Sachs Presentation, *MITSI Holdings LLC, Board of Directors Meeting*, dated December 2012, including slides entitled *Current Deal Pipeline* and *Overview Off-warrant Deals*. [GSPSICOMMODS00009332, 343, 348]
    d. Excerpts from Goldman Sachs Presentation, *MITSI Holdings LLC, Board of Directors Meeting*, dated March 2013, including slides entitled *Current Deal Pipeline* and *Metro's Annual Financial Performance*. [GSPSICOMMODS00009355, 364, 370]

37. London Metal Exchange (LME) document listing *terms and conditions applicable to all LME listed warehouse companies,* dated April 2014. [LME_PSI0001406-427]

38. a. *Conflict Management Procedures Between Metro and Other GS Businesses and Personnel, Policy Issued To: Global Commodities Sales and Trading, Global Commodities Principal Investment, Metro Board Members, Metro Management and Staff*, dated February 2010. [FRB-PSI-602457]
    b. *Information Barrier Policy: Metro and other GS Businesses and Personnel; For: Global Commodities Sales and Trading, Global Commodities Principal Investment, Metro Board Members, Metro Management and Staff*, dated March 2014. [GSPSICOMMODS00004059-076]

39. Excerpt from Goldman Sachs counsel letter to the Subcommittee, dated September 2014, including table listing *Total Annual Freight Allowance Paid by Metro and Annual Freight Allowance Paid by Metro to J. Aron.*
[PSI-GoldmanSachs-15-000001 and GSPSICOMMODS00046232]

40. Excerpts from Goldman Sachs counsel letter to the Subcommittee, dated August 2014, including list of authorized Goldman Sachs employees given access to confidential information. [PSI-GoldmanSachs-17-000001 and GSPSICOMMODS00046225-226]

Documents Related to Morgan Stanley/General:

41. Morgan Stanley Presentation, *Global Commodities Overview*, dated May 2009. [FRB-PSI-618889-908]

42. Morgan Stanley Presentation, *Morgan Stanley Commodities, Business Overview*, dated February 2013, prepared for the Permanent Subcommittee on Investigations. [PSI-MorganStanley-01-000001-027]

43. *Consolidated Holding Company Report of Equity Investments in Nonfinancial Companies - FR Y-12*, dated June 30, 2014, prepared by Morgan Stanley, regarding its merchant banking investments. [FRB-PSI-800009-012]

Documents Related to Morgan Stanley Involvement with Natural Gas:

44. Excerpt from Morgan Stanley Presentation, *Federal Reserve Bank of New York, Morgan Stanley Infrastructure Platform Review*, prepared by Morgan Stanley, dated September 2013.
[FRB-PSI-400321-329, 331–333, 341, 351-352, 365-366]

45. a. *Application of Wentworth Gas Marketing LLC for Long-Term Authorization to Export Compressed Natural Gas*, submitted to the Department of Energy, Office of Fossil Energy, dated May 2014.
    b. *Department of Energy, Office of Fossil Energy,* In re Wentworth Gas Marketing LLC*, Order Granting Long-term Authorization To Export Compressed Natural Gas,* dated October 2014. [PSI-DOE-01-000004-016]

46. Excerpt from Morgan Stanley Presentation, *Morgan Stanley Infrastructure Partners, Overview of Southern Star*, dated August 2014.
[MS-PSI-00000001-016, 019-020. 023-027, 035, 037]

47. Morgan Stanley counsel letter to the Subcommittee, dated September 2014, re: *Morgan Stanley's purchase of the Deutsche Bank natural portfolio and involvement with Wentworth Holdings LLC.* [PSI-MorganStanley-13-000001-009]

48. Excerpt from Morgan Stanley Presentation, *Morgan Stanley Infrastructure Partners, Southern Star Followup Questions*, dated October 2014.
[MS-PSI-00000455-460, 465-469, 472-475]

<u>Documents Related to Morgan Stanley Involvement with Crude Oil</u>:

49. Excerpts from Morgan Stanley counsel letter to the Subcommittee, dated October 2014, re: early New York oil storage. [PSI-MorganStanley-17-000001-002]

50. Excerpts from Morgan Stanley counsel letter to the Subcommittee, dated June 2013, re: TransMontaigne. [PSI-MorganStanley-06-000001-004]

51. Excerpts from Morgan Stanley counsel letter to the Subcommittee, dated October 2014, re: oil storage data, revenue, and Olco Petroleum Group. [PSI-MorganStanley-19-000001-003]

<u>Documents Related to Morgan Stanley Involvement with Jet Fuel</u>:

52. Excerpts from *Jet Fuel Supply Agreement between Morgan Stanley Capital Group Inc. and United Airlines, Inc. and United Aviation Fuels Corporation*, dated September 2003. [PSI-UnitedAirlines-01-000003, 013, 016, 020-022]

53. Morgan Stanley counsel letter to the Subcommittee, dated September 2014, re: Emirates. [PSI-MorganStanley-15-000001-004]

54. Emirates counsel letter to the Subcommittee, dated October 2014, re: jet fuel purchases and hedges. [PSI-Emirates-01-000001-004]

55. Emirates counsel letter to the Subcommittee, dated October 2014, re: jet fuel purchases and hedges. [PSI-Emirates-02-000001-007]

<u>Documents Related to JPMorgan Chase/General</u>:

56. a. *Notice to the Board of Governors of the Federal Reserve System by JPMorgan Chase &* Co., submitted July 21, 2005, requesting complementary authority for physical commodity activities. [PSI-FederalReserve-01-000004-028]
    b. *Notice to the Board of Governors of the Federal Reserve System by JPMorgan Chase &* Co., submitted November 25, 2008, requesting complementary authority for refining activities. [PSI-Federal Reserve-01-000553-558]

57. Federal Reserve letter to JPMorgan Chase, dated April 9, 2009, granting complementary authority re: refining activities. [PSI-FRB-11-000001-002]

58. JPMorgan Presentation, *Global Commodities – Operating Risk,* dated April 2011. [FRB-PSI-623086-127]

59. JPMorgan Chase physical inventory positions, 2008-2012. [JPM-COMM-PSI-000015-016]

60. *Merchant Banking Investment in Henry Bath,* undated, prepared by JPMorgan. [FRB-PSI-000580-582]

61. Excerpt from JPMorgan Presentation, *Commodities Physical Operating Risk, Update to CIBRC*, dated January 2013, with slide entitled *Physical Operating Risk Review of Project Liberty*. [FRB-PSI-301379, 381]

62. *Consolidated Holding Company Report of Equity Investments in Nonfinancial Companies - FR Y-12*, dated June 30, 2014, prepared by JPMorgan, regarding its merchant banking investments. [FRB-PSI-800005-008]

63. Excerpts from *Global & Regional Investment Bank League Tables – 1H2014*, dated September 2014, prepared by Coalition Analytics Intelligence. [PSI-Coalition-01-000019-021]

64. JPMorgan Chase counsel letter to the Subcommittee, dated June 2014, re: J.P.Morgan Ventures Energy Corporation (JPMVEC). [PSI-JPMC-11-000001-002]

65. JPMorgan Chase counsel letter to the Subcommittee, dated October 2014, re: JPMVEC and Project Liberty. [PSI-JPMorganChase-14-000001-009]

66. JPMorgan Chase counsel letter to the Subcommittee, dated October 2014, re: various commodity issues. [PSI-JPMorgan-15-000001-008]

Documents Related to JPMorgan Chase Involvement with Electricity:

67. *Power Plans Owned or Controlled via Tolling Agreements, 2008 to present*, chart prepared by JPMorgan. [JPM-COMM-PSI-000022-025]

68. Federal Reserve Bank of New York letter to JPMorgan, dated March 2008, granting 2-year grace period for power plants and other assets acquired from The Bear Stearns Companies Inc. [FRB-PSI-900001-003]

69. Excerpts from JPMorgan Presentation, *Global Commodities Deep Dive Risk Review*, dated October 2009. [FRB-PSI-200634-638, 640-642, 644-645, 649-655]

70. a. *Notice to the Board of Governors of the Federal Reserve System by JPMorgan Chase &* Co., submitted December 30, 2009, requesting complementary authority for energy management activities. [PSI-FederalReserve-01-000561-567]
    b. *Notice to the Board of Governors of the Federal Reserve System by JPMorgan Chase &* Co., submitted December 30, 2009, requesting complementary authority for tolling activities. [PSI-FederalReserve-02-000012-059]

71. JPMorgan letter to the Federal Reserve, dated February 2010, requesting extension and additional complementary authority. [FRB-PSI-300286-290]

72. Federal Reserve letter to JPMorgan, dated June 2010, granting complementary authority regarding power plants. [FRB-PSI-302571-580]

73. JPMorgan *Transaction Overview*, dated August, 2010, regarding purchase of Kinder Morgan Power Plant. [FRB-PSI-300066]

74. Undated document prepared by JPMorgan regarding power plant restructuring. [FRB-PSI-300352-353]

75. JPMorgan Presentation, *Commodities Operational Risk Capital*, dated May 2011. [FRB-PSI-300727-736]

76. JPMorgan internal email, dated April 2010, re: *Resume for Power*, attaching resume of John Howard Bartholomew (*Identified a flaw in the market mechanism Bid Cost Recovery that is causing the CAISO to misallocate millions of dollars.)*. [PSI-FERC-02-000009-010]

77. JPMorgan internal email, dated October 2010, re: *Please sir! mor BCR!!!!* [PSI-FERC-02-000042]

78. JPMorgan internal email from Francis Dunleavy to Blythe Masters, dated March 2011, re: *CAISO update (I will handle it but it may not be pretty.)*. [PSI-FERC-02-000067]

<u>Documents Related to JPMorgan Chase Involvement with Copper</u>:

79. JPMorgan Presentation, *JPM Commodity Capabilities*, dated January 2012. [FRB-PSI-200832-865]

80. Excerpt from JPMorgan Presentation, *FED/OCC Quarterly Meeting*, dated February 2013, including slide entitled, *Physical Inventory Limits from FED & OCC*. [FRB-PSI-301443, 447]

81. Federal Reserve email to the Subcommittee, dated October 2014, re: treating copper as "bullion." [PSI-FRB-16-000001]

82. JPMorgan counsel email to the Subcommittee, dated October 2014, re: metals trading desk. [PSI-JPMorgan-16-000001]

83. JPMorgan cou.0nsel letter to the Subcommittee, dated October 2014, re: JPMorgan copper activities. [PSI-JPMorgan-18-000001-008 and JPM-COMM-PSI-000064-066]

84. OCC Interpretive Letter No. 553, dated May 1991, re: treating platinum as bullion. [PSI-OCC-01-000112-113]

85. OCC Interpretive Letter No. 693, dated November 1995, re: treating copper bullion. [PSI-OCC-01-000135-141]

86. a. Comment Letter of Senator Carl Levin to the Securities and Exchange Commission, dated, July 2012, re: *JPM XF Physical Copper Trust Pursuant to NYSE Area Equities Rule 8.201.*
    b. Comment Letter of Senator Carl Levin to the Securities and Exchange Commission, dated, March 2013, re: *JPM XF Physical Copper Trust, Form S-1 Registration Statement.*

87. Comment Letter of law firm representing cooper fabricating companies to the Securities and Exchange Commission, dated July 2012, re: rule change allowing copper ETF. [PSI-VandenbergFeliu_to_SEC(July2012)-000001-005]

88. LME email to the Subcommittee, dated November 2014: re: LME's public Warrant Banding Report dated December 15, 2010. [PSI-LME-06-000001]

Documents Related to JPMorgan Chase Involvement with Size Limits:

89. *Methodology for Calculating Capacity Payments for Purposes of 5% Limit*, undated, prepared by JPMorgan. [FRB-PSI-300345-347]

90. Excerpt from JPMorgan Presentation, *FED/OCC/FDIC Quarterly Meeting*, dated September 2013, *Physical Inventory Limits from FED & OCC.* [FRB-PSI-301383, 387]

91. Excerpt from JPMorgan Chase counsel letter to the Subcommittee, dated October 2014, including chart with inventory levels for copper, platinum, and paladium as of September 28, 2012 held by JPMorgan Chase Bank. [PSI-JPMorgan-15-000001 and JPM-COMM-PSI-000049]

92. JPMorgan internal email, dated January 2012, re: *Consolidated OCC Summary 10 Jan 2012*, providing inventory levels for metals held by JPMorgan Chase Bank. [OCC-PSI-00000336]

93. JPMorgan internal email, dated January 2012, re: *Consolidated OCC Summary 19 Jan 2012* (*...took further action yesterday to lend 100k tonnes of materials to the market as well as sell 400k tonnes of material to JPMVEC.*). [OCC-PSI-00000344]

94. JPMorgan internal email, dated January 2012, re: *Consolidated OCC Summary 19 Jan 2012 (It will not happen again that you learn about it after the fact when it is an issue within our control.)*. [OCC-PSI-00000340]

95. JPMorgan internal email, dated February 2012, re: *5% Limit Calculation (Following are our current and proposed methodologies for calculating the* [OCC] *5% limit.)*. [OCC-PSI-00000324]

96. JPMorgan Chase counsel email to the Subcommittee, dated November 2014: re: *JPMCB's daily aluminum inventory values and the corresponding LME cash price for aluminum*. [PSI-JPMorgan-23-000001]

97. Excerpt from JPMorgan Chase counsel letter to the Subcommittee, dated October 2014, re: aluminum trades and 5% limit. [PSI-JPMorgan-17-000001-002]

98. Excerpt from JPMorgan Chase counsel letter to the Subcommittee, dated November 2014: re: JPMCB aluminum holdings. [PSI-JPMorgan-19-000001-003]

99. a. Metro legal counsel letter to LME, dated January 27, 2014. [GSPSICOMMODS00046661-665]
    b. Metro legal counsel letter to LME, date April 15, 2014. [GSPSICOMMODS00046834-848]

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Source: Prepared by the Permanent Subcommittee on Investigations using information provided by Novelis. See undated "LME Stocks 2014-05-06," prepared by Novelis, PSI-Novelis-01-000001.

Permanent Subcommittee on Investigations

EXHIBIT #1a

METRO FREIGHT INCENTIVES

Year	Total Annual Freight Allowance Paid by Metro	Annual Freight Allowance Paid by Metro to J. Aron*
2010	$ 36,886,081.53	$ 4,833,782.97
2011	$ 78,705,509.76	$ 42,837,549.73
2012	$ 102,810,074.24	$ 21,239,974.82
2013	$ 128,841,024.47	$ 19,115,351.31

* The spread that J. Aron earned on the trade constituted a very small portion — approximately 2% — of the actual freight allowance that J. Aron received from Metro.

PSI-GoldmanSachs-15-000006

GSPSICOMMODS00046232

Permanent Subcommittee on Investigations

EXHIBIT #1b

Aluminum Tonnage Shipped (Metro Warehouse (Detroit) to Metro Warehouse (Detroit))	
Year Shipped	**Tonnage Shipped (MT)**
2010 (From February)	69,725
2011	100,000
2012	200,000
2013	219,025
2014 (Through January)	38,975

Source: Letter from Goldman Sachs Counsel to the Permanent Subcommittee on Investigations, dated October 20, 2014, PSI-GoldmanSachs-20-000002.

Permanent Subcommittee on Investigations

EXHIBIT #1c

Permanent Subcommittee on Investigations

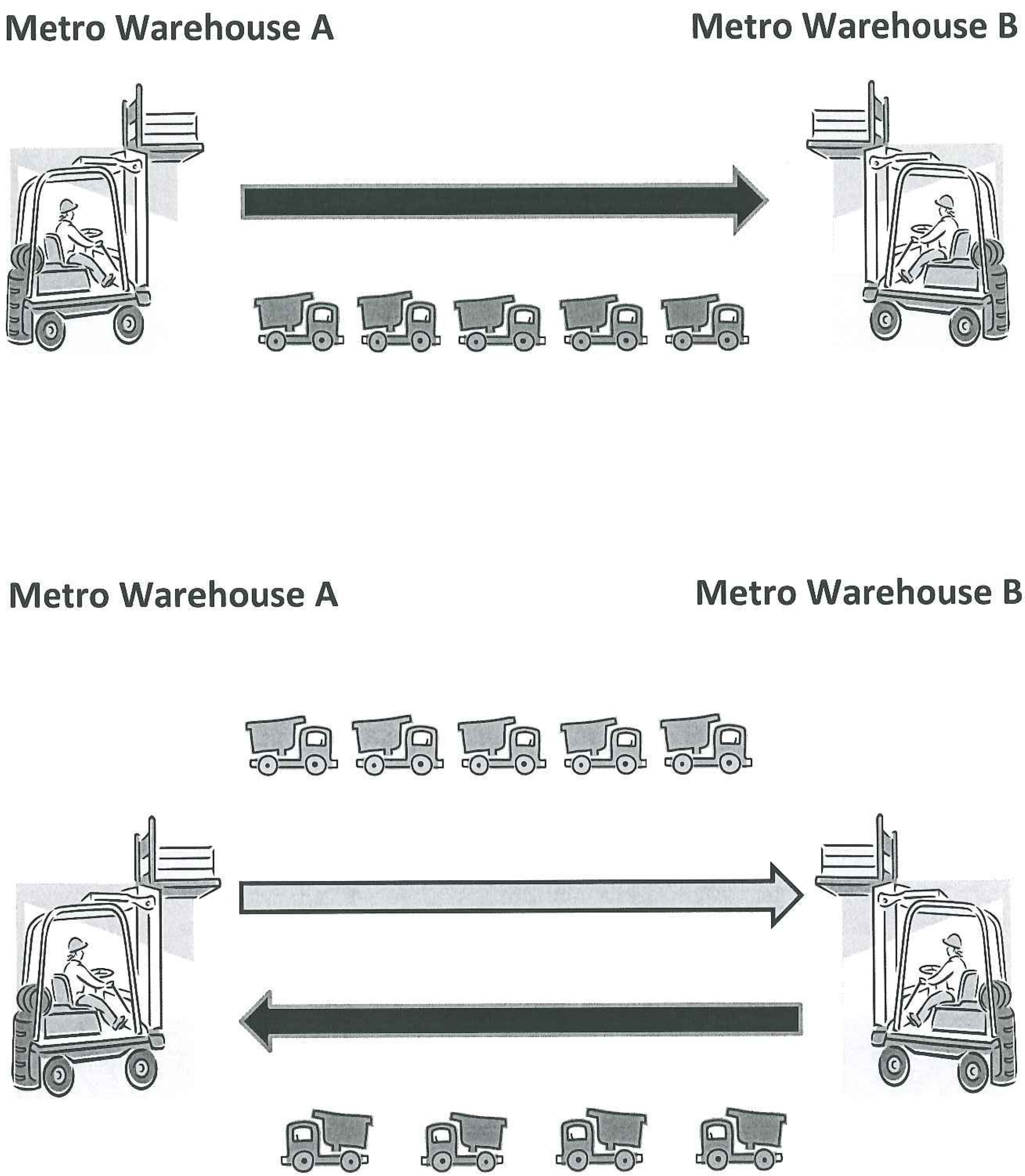
EXHIBIT #1d

Goldman Employees Who Served as Metro Board Members
2009 to 2014

Goldman Employee	Goldman Department	From Date	To Date
Agran, Greg	Global Commodities	2/1/2010	12/1/2011
Attwood Scott, Victoria*	Securities Div Compliance	2/1/2010	11/16/2012
Bulk, Maxwell*	Global Deriv Ops Mgmt	2/1/2010	7/1/2014
Gabillon, Jacques	GCPI head	2/1/2010	CURRENT
Haynes, Oliver*	Securities Div Compliance	10/30/2012	4/1/2014
Holzer, Philip	EQ PIPG Sales	2/15/2010	3/1/2014
Murphy, Ken	Archon**	3/1/2010	5/1/2011
Mancini, Robert*	Assetco***	2/1//2010	12/1/2012
McDonogh, Dermot	Controllers' Admin	3/1/2010	CURRENT
Siewert, Richard	Media Relations	10/1/2012	CURRENT
Weiss, Michael	Securities Div Compliance	1/23/2013	CURRENT
West, Owen	Natural Gas Trading	11/28/2011	CURRENT

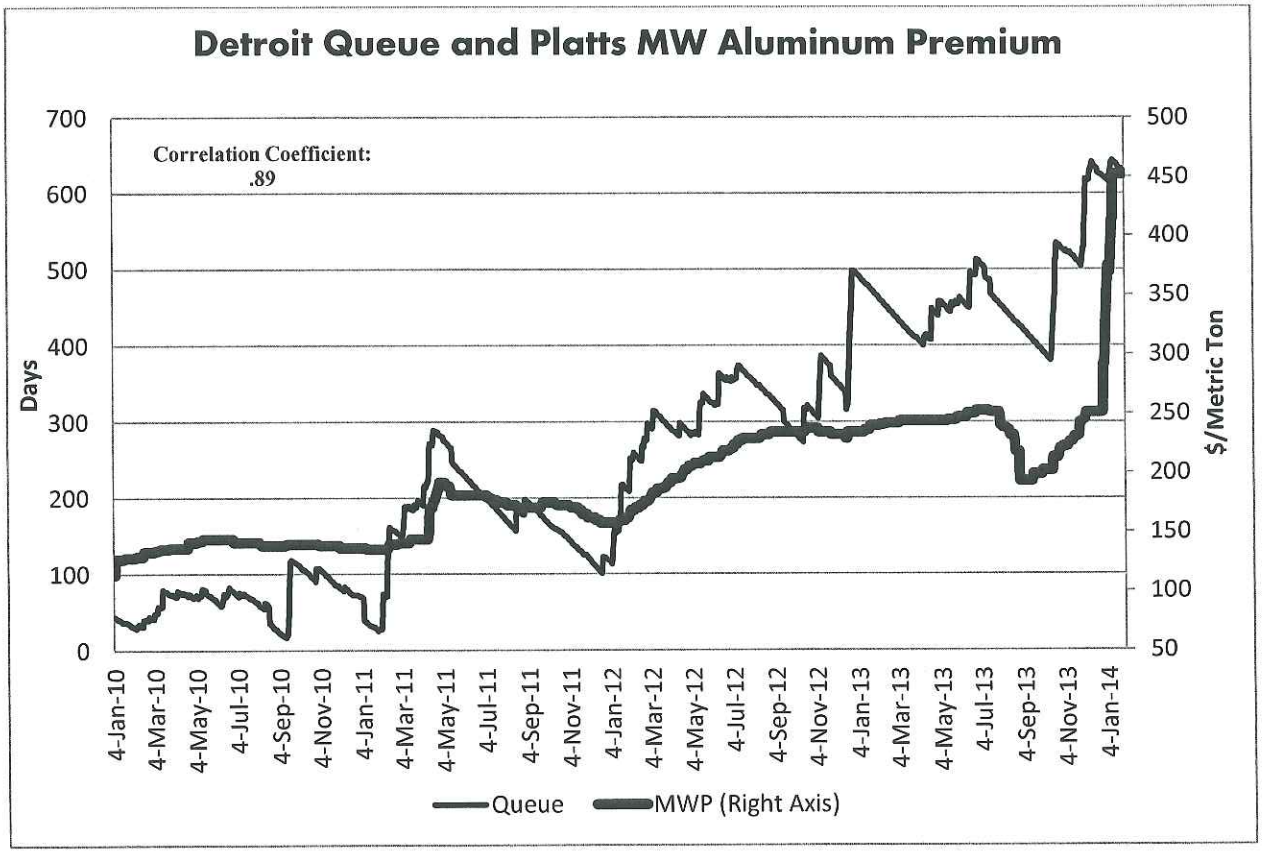
*Former Goldman employee
**Archon refers to Archon LP, which is the predecessor to Goldman Sachs Realty Management LP.
***Assetco likely refers to GCPI, which stands for Global Commodities Principal Investments group.
Source: 8/15/2014 letter from Goldman Sachs legal counsel to the Permanent Subcommittee on Investigations , PSI-GoldmanSachs-17-000001-009, at Exhibit A, GSPSICOMMODS00046225. 11/11/2014 Briefing by Goldman legal counsel to the Permanent Subcommittee on Investigations (describing Archon and Assetco).

ALUMINUM MERRY GO ROUND TRANSACTIONS



Prepared by the U.S. Senate Permanent Subcommittee on Investigations

Permanent Subcommittee on Investigations
EXHIBIT #1e

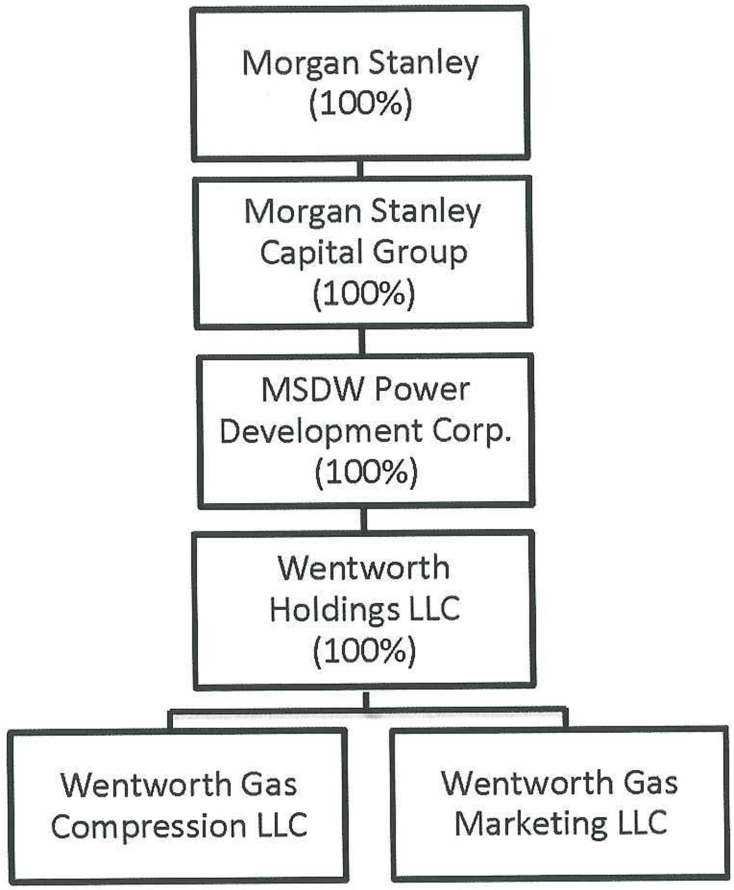


Source: Prepared by the Permanent Subcommittee on Investigations using information provided by Harbor Aluminum. See undated "HARBOR's estimated aluminum load-out waiting time in LME Detroit Warehouses vs HARBOR's MW Transactional Premium," prepared by Harbor Aluminum, PSI-HarborAluminum-03-000004.

Permanent Subcommittee on Investigations

EXHIBIT #1f

Wentworth Ownership Structure



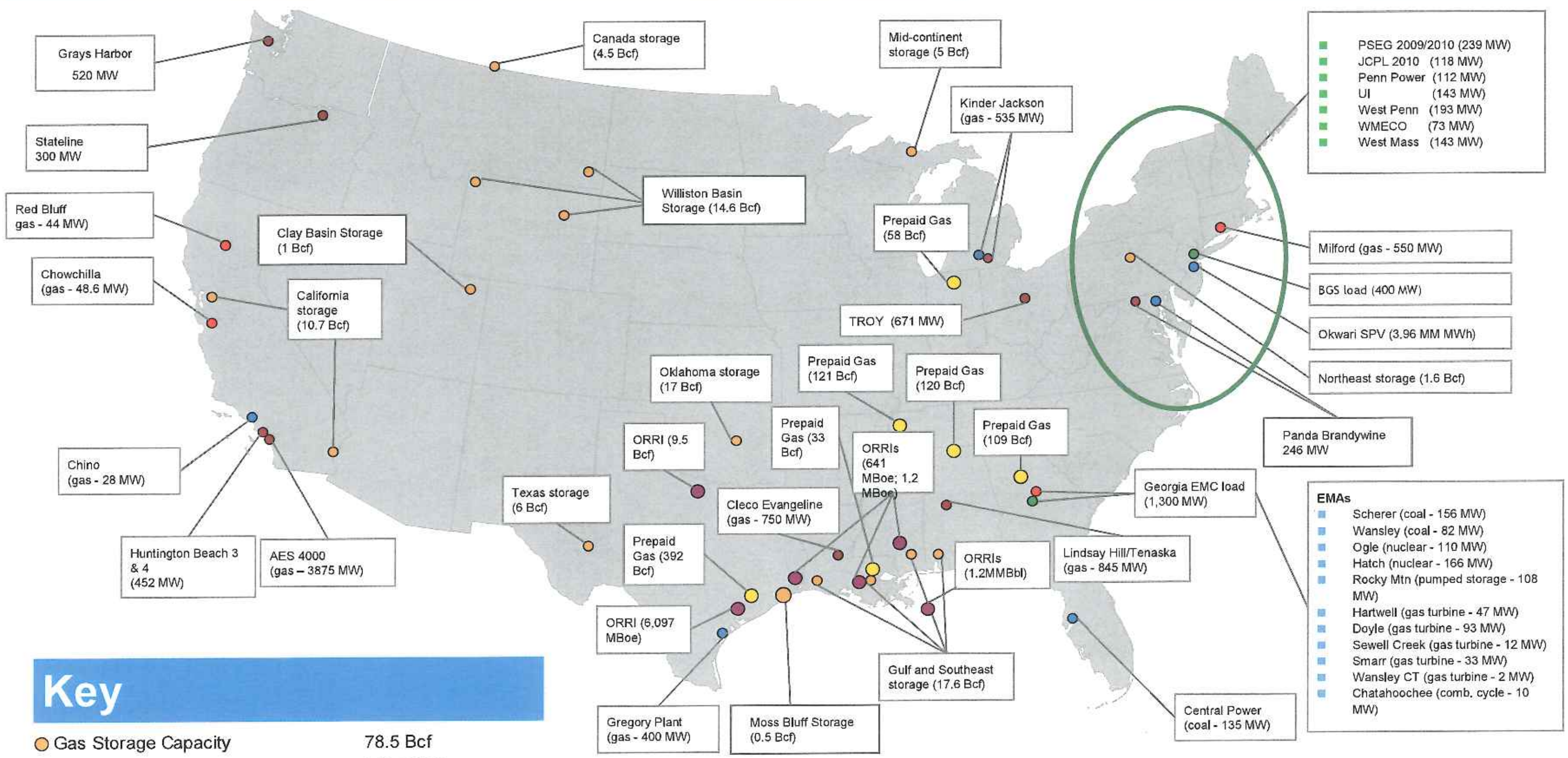
Source: 9/19/2014 letter from Morgan Stanley to Subcommittee, at PSI-MorganStanley-13-000004.

<u>Permanent Subcommittee on Investigations</u>

EXHIBIT #1g

Overview of North America Gas, Power and PI Assets[1]

North America



Key

Gas Storage Capacity	78.5 Bcf
Tolling	8194 MW
Load	2258 MW
Equity Ownership	1344 MW
EMA	1943 MW
Prepaid Gas	833 Bcf
Overriding Royalty Interests	10,726 Mboe
Gas Transport (not mapped)	1.84 Bcf/day
Power Transport (not mapped)	250 MW

Note: Power plant equity interest may vary

[1]Includes assets owned by Arroyo Energy affiliated entities; does not include gas transport or power transmission

*As of 03/31/2011

Permanent Subcommittee on Investigations

EXHIBIT #1h

From: Luis Davila <Luis.Davila@jpmorgan.com>
Sent: Friday, October 22, 2010 5:55 PM
To: John Rasmussen <John.Rasmussen@jpmorgan.com>; Ryan M Martin <ryan.m.martin@jpmorgan.com>
Subject: Please sir! mor BCR!!!!

Luis Davila | Investment Bank T&O | Energy | ISO Associate | **J.P. Morgan**
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Permanent Subcommittee on Investigations
EXHIBIT #1i

Excerpts from 2013 CNR Financial Statement

"CNR I started several legal actions for the unblocking of the mine, including protection petitions and police proceedings filed with the mayor of El Paso, as well as a request of administrative protection before the National Mining Agency ANM. Likewise, a large number of letters was sent to request the intervention of police and military authorities, the Governor of Cesar, the office of the Attorney General and the People's Defender Office, as well as to the Mines and Interior Ministries, among others."

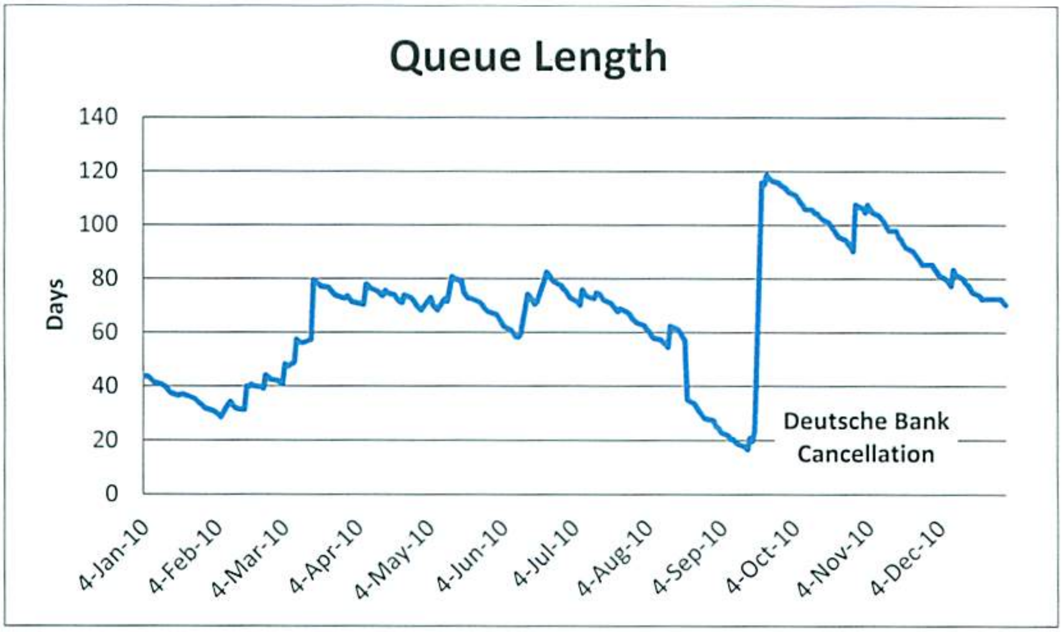
Source: 2013 and 2012 CNR Financial Statements, at Note 1, GSPSICOMMODS00046366 - 397, at 374.

"The total blockade of the La Francia mine lasted for 244 days, until the 22nd of September of 2013, and it was lifted thanks to a private agreement in which CNR I paid a cash bonus of $20,000 to each one of the persons that were still protesting. Once CNR I resumed the control of the mine, the activities to recover the productive areas were started, particularly the pumping of water from the pit."

Source: 2013 and 2012 CNR Financial Statements, at Note 1, GSPSICOMMODS00046366 - 397, at 374. Goldman legal counsel subsequently told the Subcommittee that 120 protestors were paid $10,000 each. 10/30/2014 letter from Goldman legal counsel to Subcommittee, PSI-GoldmanSachs-24-000001 - 003, at 001.

Permanent Subcommittee on Investigations

EXHIBIT #1j



Source: Prepared by Permanent Subcommittee on Investigations using information provided by Harbor Aluminum and Deutsche Bank. See undated "HARBOR's estimated aluminum load-out waiting time in LME Detroit Warehouses vs HARBOR's MW Transactional Premium," prepared by Harbor Aluminum, PSI-HarborAluminum-03-000004; Subcommittee briefing by Deutsche Bank (8/22/2014).

Permanent Subcommittee on Investigations

EXHIBIT #1k

EXCERPT

Questions from the Federal Reserve on 4(o) Commodities Activities

1. **Complete the chart below of the commodities activities of GS as of three different points in time (September 30, 1997; September 23, 2008; and today). (Requested by Federal Reserve Board legal staff on April 28.)**[1]

Column A	Column B	Column C
Commodities activities Goldman engaged in as of September 30, 1997 and continues to engage in.	***Commodities activities Goldman engaged in at the time it became a bank holding company and continues to engage in.***	***Commodities activities Goldman began engaging in after becoming a bank holding company and continues to engage in.***
▪ Physically-settled trades in: • natural gas • crude oil • condensate • residual fuel oils • heating oil • gasoil • naphtha • jet fuel • gasoline • aluminum • lead • nickel • zinc	In addition to those activities identified in Column A (other than cocoa, coffee, wheat, corn, soybeans, sugar, and rhodium), ▪ Physically settled trades in: • aluminum alloy • power • steel • emissions and renewable credits • gas liquids (e.g., ethane, butane, propane) • LNG • coal	▪ Physically-settled trades in: • palm oil • rubber • wheat • molybdenum • asphalt • uranium (U38, UF6)

[1] The information provided in Columns A and B includes activities and investments the Goldman Sachs Group, Inc. and of any company of which Goldman Sachs would be deemed to have "control" for purposes of the Bank Holding Company Act, as the Federal Reserve has interpreted that term, even if currently such activities are conducted or investments held under merchant banking authority. The information provided in Column C includes only those activities and investments which Goldman Sachs believes would be eligible to be held under Section 4(o) of the Bank Holding Company Act, even if such investments currently are structured to comply with the Federal Reserve's regulations on merchant banking investments. Information provided in response to question 2 addresses only those activities and investments in Column C.

Permanent Subcommittee on Investigations
EXHIBIT #2

Column A	Column B	Column C
Commodities activities Goldman engaged in as of September 30, 1997 and continues to engage in.	***Commodities activities Goldman engaged in at the time it became a bank holding company and continues to engage in.***	***Commodities activities Goldman began engaging in after becoming a bank holding company and continues to engage in.***
▪ Physically-settled trades in: • rhodium • power[2] • cocoa • coffee • wheat[3] • corn[3] • soybeans[3] sugar[3] ▪ Transport and/or storage incidental to physically-settled trading		
▪ Owning and/or operating: • oil refinery, including related pipeline and storage infrastructure • oil and gas marketing and distribution • upstream oil and gas • fertilizer producer	▪ Owning and/or operating: • power generation stations • upstream oil and gas (including volumetric production payments) • shipping vessels • coal mining • carbon aggregator • bio-diesel refinery • ethanol producer • LNG facility developer	▪ Owning and/or operating: • LME warehouse operator

[2] Power traded through joint venture with Constellation Energy.
[3] Goldman Sachs was an active market maker in physically-settled wheat, corn, soybeans, and sugar through 1995.

Column A	Column B	Column C
Commodities activities Goldman engaged in as of September 30, 1997 and continues to engage in.	***Commodities activities Goldman engaged in at the time it became a bank holding company and continues to engage in.***	***Commodities activities Goldman began engaging in after becoming a bank holding company and continues to engage in.***
	• pipelines, storage and distribution of natural gas, crude oil, refined petroleum products, natural gas liquids, CO_2 • refinery and fertilizer products • tantalum mining	

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3. Questions concerning GS's activities related to power generation (asked by FRBNY legal staff on behalf of Board legal staff on April 29.)

[Board staff] are looking to understand (i) the extent to which Goldman Sachs, either directly or through a controlled subsidiary, was engaged in power generation as of September 30, 1997 and (ii) the extent to which Goldman Sachs was continuously engaged in such activity from such date until the date that Goldman became a bank holding company.

To that end, we are interested in the following:

1. **What activities were engaged in by the joint venture with Constellation Energy that you refer to on p. 3 of your June 4, 2010 letter? Did these activities include power generation? Was the joint venture a controlled subsidiary of Goldman Sachs?**

   In order to access the then-recently deregulated power market with an appropriate level of industry expertise, Goldman Sachs, through two different subsidiaries, entered into two related agreements with Baltimore Gas and Electric (predecessor to Constellation Energy Inc.) ("Constellation") in order to create and govern the joint venture between Goldman Sachs and Constellation. These agreements, a Power Business Services Agreement and a Software License Agreement, were entered into in February 1997. Under these agreements, Goldman Sachs and Constellation committed to certain obligations in order to create an arrangement for trading of physically-settled power transactions. Transactions executed under the arrangement were booked at Constellation. Goldman Sachs committed to provide advice and services relating to the establishment and conduct of the power business, including:

- developing risk management strategies and products to be marketed,
- marketing to customers risk management transactions,
- trading electric power and related commodities with customers,
- managing market, reputational, operational risks associated with trading, as well as related credit, payment/settlement, liquidity and legal risks.

In addition, Goldman Sachs committed to advise and assist in establishing and maintain the following support functions for the trading business:

- operations, responsible for handling processing of trades from entry through physical settlement,
- controllers function, responsible for maintaining books and records,
- credit function, responsible for accessing creditworthiness of counterparties and monitoring credit exposures,
- systems function, responsible for managing software, hardware and communications systems that process trades and provide risk management information,
- compliance function, responsible for establishing and enforcing policies and procedures relating to legal, regulatory and other obligations and internal rules
- legal function, responsible for monitoring legal and regulatory requirements and implementing documentation with counterparties.

Goldman Sachs deployed approximately 20 personnel across a range of functions to meet its commitments during the term of the arrangement. Goldman Sachs also provided a license of the software supporting its own internal trading system (SecDB) and requisite personnel to perform the related functions described above.

2. **When did you exit the joint venture with Constellation Energy?**

October 2001

3. **Please provide a timeline of when you engaged in other power generation activity. For example, we understand that Goldman owned Orion Energy from 1998 to 2000, and purchased Cogentrix in 2003.**

Goldman Sachs organized Orion Energy in March 1998. The company went public prior to being sold in February 2002. Goldman Sachs acquired the East Coast Power, which owned the Linden Co-generation Facility in Linden, NJ, in March of 2003. Goldman Sachs acquired Cogentrix Energy Inc. in December 2003.

EXCERPT

Goldman Sachs

Federal Reserve Bank of New York Discovery Review: Global Commodities – US Natural Gas & Power

March 2010

Permanent Subcommittee on Investigations

EXHIBIT #3

Goldman Sachs

Financial vs. Physical Trades FY 2009

Commodity Product	Financially Settling Volumes Traded FY 2009		Physically Delivered in 2009	% of Delivered 2009 vs Financially Settled FY 2009
	Buy	Sell		
Crude (bbls)	3,532,228,086	3,580,857,040	9,444,739	0.30%
Products & NGLs (bbls)	1,361,656,469	1,341,963,689	25,432,821	1.90%
Natural Gas (mmBtu)	24,920,728,023	25,429,761,833	119,623,049	0.50%
US Electricity (MWH)	361,118,633	362,104,286	88,435,260	24.00%
Coal (mt)	159,059,254	121,342,267	5,179,000	4.30%
Freight – Voyage Charter (mt)	26,136,615	17,642,372	2,729,764	15.50%
Freight – Timecharter (days)	19,295	13,135	5,460,000 MT	Approx 25%*

* Freight - Timecharter: Financially Settled volumes are a "Day" unit, the "MT" equivalent could be not calculated, therefore the % is an estimate

Permanent Subcommittee on Investigations

EXHIBIT #4

Goldman Sachs

Global Commodities

Presentation to the Board of Directors of The Goldman Sachs Group, Inc.

October 28, 2011

Contents

I. Executive Summary

II. Overview and Evolution of Commodities Business

- i. Business Evolution
- ii. Historical Performance
- iii. Competitive Landscape
- iv. Client Activity
- v. Physicals Activity
- vi. Headcount and Attrition
- vii. Business Expansion
- viii. Principal Investing

III. Regulatory Challenges

IV. Appendix

Executive Summary

- **The Global Commodities business ("GS Commodities"), originating from GS' purchase of J. Aron & Co. in 1981, is a strong, long standing GS franchise which is currently facing new internal and external challenges**
  - — Over the last 5 years, GS Commodities has generated more than $10bn of pre-tax earnings, with an average margin of ~60%, and is present in 14 locations, serving over 1000 clients
  - — Historically, GS Commodities has been able to maintain a dominant market share position with limited competition from financial institutions (largely MS) and has benefitted from being part of the broader GS franchise
  - — In the last 2 years, margins and market share have declined dramatically as a result of increased competition from both financial and non financial institutions, as the two formerly distinct business models converge
  - — This increased competition is negatively affecting our ability to retain people; GS Commodities attrition is at an all time high, and significantly higher than the rest of Securities businesses
  - — Additionally, pending regulation (Volcker, BHC Section 4(o)) is shifting the competitive balance in favor of unregulated non-financial entities; these entities may also offer a more attractive compensation structure than GS (i.e. lower taxes, all cash, no deferral or vesting requirements)
  - — We are focused on rebuilding our higher margin Physical business activities (Coal, Metals, Agriculture, etc.) in an effort to further diversify revenues, as our clients are demanding a more integrated service offering and as GS expands into Growth Markets
  - — We expect the business environment to remain challenging over the next few years, with uncertainty regarding pending regulation having a negative impact on people retention and our business growth strategy

Goldman Sachs

Board of Directors

Global Commodities

Evolution of the Business

Timeline of Key Events and GS Expansion

Expansion of Financial Derivatives → Highly Leveraged Market Place

Key Market Events

- **1985 First Oil Futures Contract:** West Texas Intermediate ("WTI"), listed for exchange trading
- **1991 GS Commodity Index (GSCI) established:** Investor participation in commods as asset class
- **2004 - 2010 Growth of Index Business:** Market size increase from $5Bn to $200Bn as market liquidity and investor sophistication increases
- **2008 GS Converts to Bank Holding Company during Crisis:** Subject to 4(o) regulatory restrictions
- ***2011 Awaiting Fed Interpretation of 4(o):*** *Future of physical activities / investments under review*

1980s | 1990s | 2000 - 2007 | 2008 | 2009 | 2010 | 2011

GS Expansion

- **1981 J. Aron Acquisition:** Leading Physical Commodities Trading House
- **1991** First Sovereign Client Trade executed
- **Asia Franchise Expansion** 1989: Singapore; 2001: Tokyo; 2007: Beijing
- **2008** Constellation Natural Gas Acquisition
- **Growth Market Expansion** 2008: Dubai and San Paulo; 2010: Moscow
- **2010** Metro Warehouse, Nexen and CNR Coalmine Acquisitions

Revenues

~90 - 100% Physical → **~0% Physical** → **~15% - 20% Physical**

Global Commodities

Historical Performance

Historical Revenues (ex-Gross ups) and Pre-Tax ($mm)

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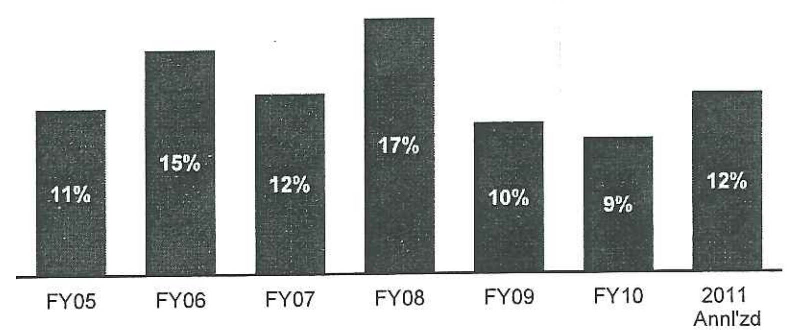
Key Themes

- GS Commodities provides financial and physical risk management solutions to a wide range of global clients, including utilities, producers, industrial users, sovereigns, state owned entities, and financial institutions
- GS Commodities invests in commodity-related businesses to generate returns and to create synergies with the franchise
- Over the past 5 years, the business has launched initiatives to further diversify revenue mix, including expanding into new products e.g. Coal and Agriculture across Physical and Financial, Growth Markets and electronic market making
- In line with the broader Securities division, the challenging macro environment has impacted performance during 2011, with Commodities business heavily correlated to broader market events rather than fundamentals

GS Commodities Revenues as % of Securities Division



Global Commodities

Competition

- GS Commodities competes against both highly regulated financial institutions and less regulated trading firms, as well as utilities, majors, hedge funds, and private equity firms
- Historically, GS Commodities has significantly outperformed its financial institution competitors. However, that outperformance has narrowed as competitors continue to invest in their businesses and acquire market share

Financial Institutions

- **Morgan Stanley**: historically closest competitor; expertise across all asset classes
- **JPMorgan:** aggressively growing business; became meaningful competitor as a result of Bear Stearns acquisition in 2008, and Sempra from RBS in 2010
- **Barclays:** top tier player since 2006; strong presence in financial business
- **Deutsche Bank:** mainly a financial player; leverages its European lending business

Non-Financial Institutions

- **Physical trading houses** (e.g. Glencore, Vitol, Mercuria): attempting to expand into financial business; actively poaching financial talent
- **Global energy producers** (e.g. BP): considers physical trading a core competency; growing financial capabilities
- **Utilities** (e.g. E.ON, RWE): expanding into client-facing activities, including financial activities
- **Private Equity** (e.g. First Reserve, TPG): exploring commodities trading as a way to extract additional value from natural resources investments

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Goldman Sachs

Board of Directors

Global Commodities

Physicals Activity

Historical Physical vs. Financial Commodities Revenues (ex-Gross ups) ($mm): 1981 – 2011

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- Physical business now accounts for approximately 15-20% of total Franchise Revenues and is expected to increase
- Key product composition includes: Coal & Freight, Oil & Products, Natural Gas & Electricity, Base Metals, Emissions and Uranium
- Diversification into Physical business provides the following:
  - — Higher margin business vs. derivatives
  - — Credit mitigant for counterparts, where GS is unwilling to hold large derivative exposure
  - — Access to new products, new clients and new regions – both developed and growth markets
  - — Access to liquidity
- Examples of physical client activity:
  - — We are contracted to supply jet fuel to **Delta Airlines** on a just-in-time basis, reducing the need for them to maintain a large inventory
  - — We supply crude feedstock to and purchase refined products from **Independent Refiner Alon**, reducing the client's cost of capital and allowing for expansion capacity
  - — We provide **Utility Drax,** with physical supply from our producers (Client: Murray / Asset: CNR)

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Board of Directors

Global Commodities

Business Expansion

GS Commodities now has a physical presence in 14 locations: 5 in Growth Markets and 9 Developed Markets

- Global expansion has diversified revenue generation, with more than 50% of franchise revenues generated outside of Americas
- Invest in building Growth Market franchise:
  - Proportion of regular flow business has doubled since 2007, and now represents 40% of total activity as we become less reliant on historically large, one-off structured transactions
  - We expect a larger increase in Physical activity in Growth Markets relative to Developed Markets

Commodities Franchise: FY 05 to FY 10

Region	HC CAGR	Revenue CAGR	Δ in Rev Contribution
Americas			
EMEA			
Asia-Pacific			
Total			

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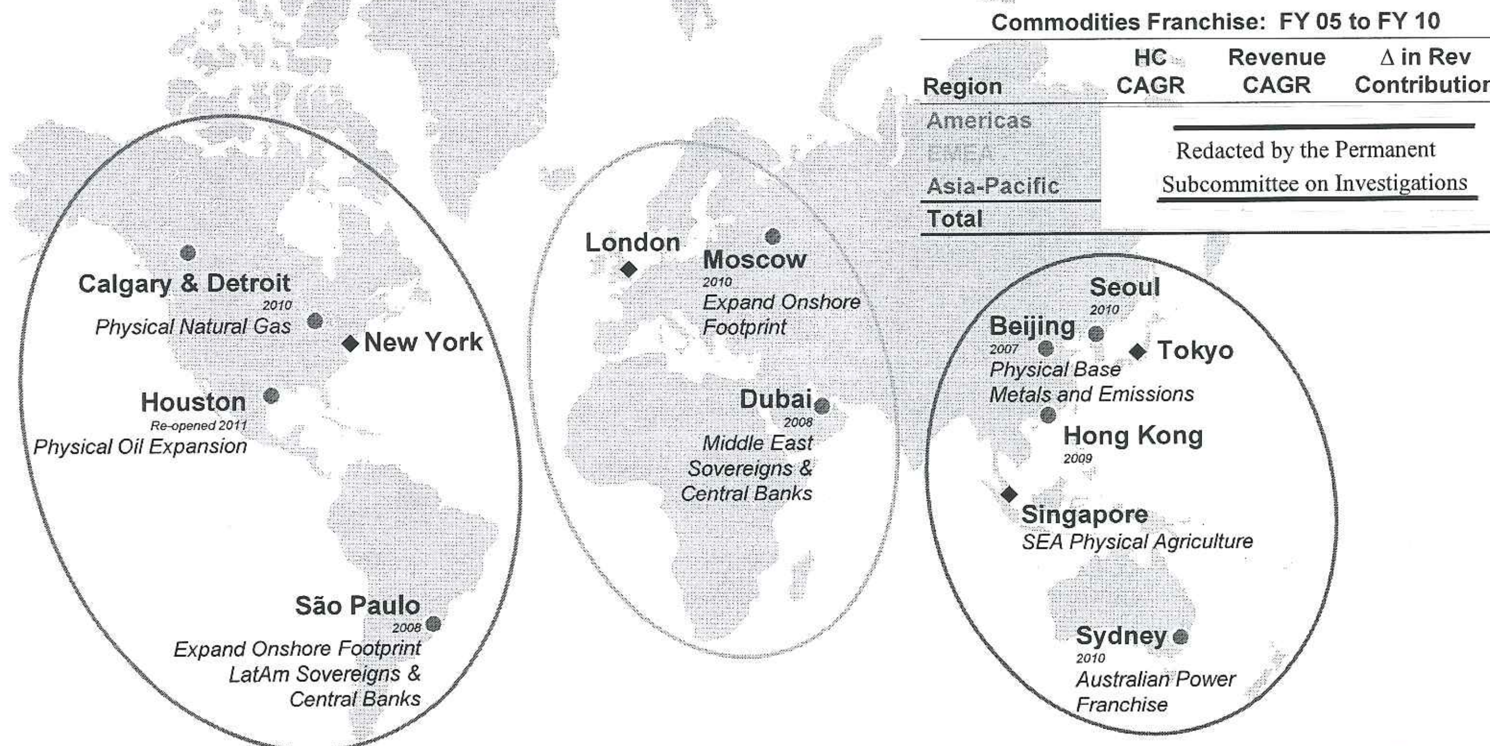

Global Commodities

Principal Investing

- Capitalize on specialized market knowledge, providing substantial return on investment, while enhancing the overall commodities franchise
  - Subject to applicable regulation, investments are either integrated into the business, or
  - Acquired under "Merchant Banking" exemption, which limits integration and optimisation of assets
- Our diversified Investment Portfolio includes Mining & Metal, Power, Shipping and Oil & Gas companies, with current carry value across all assets estimated at ~$1.8Bn
- Significant investments are as follows:
  - CNR (Colombian thermal coal mine): carry value $254mm
  - Metro International (global LME warehouse operator): carry value $519mm
  - Cogentrix Energy (wholly-owned subsidiary of GS focused on developing and operating power plants): carry value $907mm
  - Nexen (North American natural gas marketing business): integrated into sales and trading activities
  - Constellation (US utility & trading business): acquired trading positions in gas, power, coal & freight in 2009
  - London Metals Exchange Position: carry value £5.9mm

Global Commodities

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  - London Metals Exchange Position: carry value £5.9mm

Regulatory Challenges

Global Commodities
Regulation Overview

Financial Institutions will be subject to increased regulatory restrictions vs. Non-Financial Institutions

Regulation	Description of Regulation	Potential GS Businesses Impacted
Bank Holding Company Act	Places restrictions on engaging in non-financial activities, which includes certain physical trading of commodities and investment in commodity assets	Uranium; Physical Business Expansion (e.g. Iron Ore)
Volcker Rule	Prohibits proprietary trading; exemptions for market-making and hedging	Business will review activities to ensure compliance
Margin/Clearing Requirements*	Increases costs of swaps	All non-physical activities
Position Limits*	Restricts position on specified futures and swaps	All non-physical activities

** Applicable to both Financial and Non Financial institutions*

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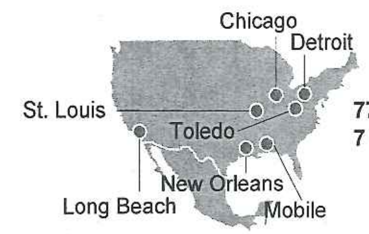
Appendix

Global Commodities

Review of Acquisitions: Metro

Metro Highlights	
Business Diversification	■ Global LME storage business, which has grown from 8 warehouses in 3 cities in 2001, to 155 warehouses in 22 cities ■ Counter-cyclical business model ■ Strong customer relationships in base metals sector
Investment Performance	■ Inventory levels continue to trend above/ in-line with acquisition forecast ■ Annualized cash return >20% p.a. ■ Capital expected to be returned within 3 years of acquisition
Challenges	■ On-going media debate on aluminium stocks and outflow rates ■ Regulatory changes to the current LME outbound regime

Warehouse Locations



United States
77 Warehouses
7 Cities

Europe
33 Warehouses
9 Cities

Asia
45 Warehouses
6 Cities

Global Commodities

Review of Acquisitions: Colombian Natural Resources

CNR Highlights

Business Diversification

- Asset Co acquired the Colombian coal mining assets of Coalcorp Mining on March 2010 for a total investment of $203mm
- Assets included La Francia Coal Mine and an 8.43% ownership interest in the Fenoco railway (230km railway connecting the coal mining district to the Caribbean coast)
- Since acquisition, GS:
  1. Working on securing medium term port access
  2. Ramped up production / sales from 1 mt in 2009 to 2.5 mt in 2011E
  3. Installed J.Aron Coal Desk as marketing agent, increasing customer base from <5 in 2009 to >15 in 2011

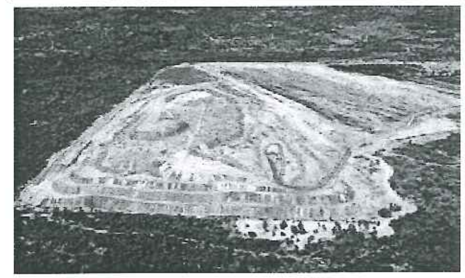
Investment Performance

- Secured J.Aron's 4-yr coal offtake (MTM ~$50 mm) at time of acquisition
- 2011 projected to be the most profitable year since the assets went into production (2005), with revenues forecasted to be >$65mm

Challenges

- CNR continues to execute on long-term logistics strategy of constructing integrated mine-to-port rail network
- Looking to build out Colombia coal platform via bolt-on acquisitions of additional met and thermal coal mines as well as local infrastructure assets

La Francia Mine



Global Commodities

Review of Acquisitions: Cogentrix Energy

Cogentrix

Conventional Thermal Assets

- In 2003 Asset Co acquired Cogentrix Energy; at its peak the GS power platform included 30 power plants, comprising 5,625 MW of generation
- Since acquisition, GS sold ~80% of the portfolio, realizing more than $1.6 billion of gains, while keeping key components of the platform and personnel intact to take advantage of future acquisition and development opportunities
- Cogentrix remaining thermal asset footprint includes:
  1. **Cedar Bay:** 250 MW coal-fired cogeneration plant located in Florida
  2. **Hopewell & Portsmouth**: 50% interest in 240 MW of coal-fired cogeneration located in Virginia

Renewable Assets

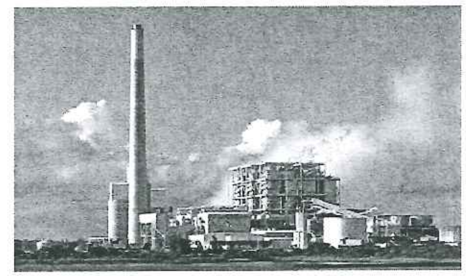
Starting in 2008, Cogentrix diversified into renewable energy development:

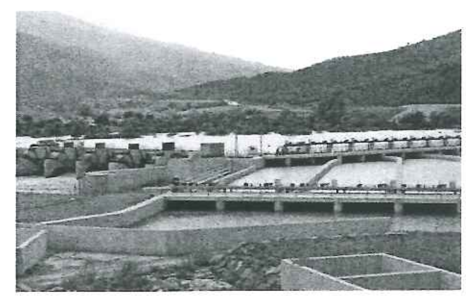
- **Eti Elektrik**: Portfolio of 488 MW of licensed and in-development renewable power projects in Turkey, consisting of 8 hydroelectric generation facilities and 2 wind plants; sale process underway to sell first two projects upon completion, comprising 57 MW
- **Sun Ray**: 43 MW thermal solar power plant located in California, contracted with Southern California Edison

Key Development Pipeline

- **Quail Brush Project**: 100 MW natural gas-fired peaking power facility contracted under long-term power sales agreement to San Diego Gas & Electric; online date in 2014
- **Alamosa Solar Project**: Finalizing construction of 30 MW concentrating photovoltaic solar power facility contracted under long-term power sales agreement to Public Service Company of Colorado

Power Assets





Global Commodities

Threat from Non-Traditional Competitors

- Glencore competes with GS Commodities but has a broader business mix, including significant production, refining, storing and transport activities
  - May be model for evolution of commodities trading
- Glencore's IPO in June 2011 was the largest IPO on the premium listed segment of the London Stock Exchange
  - While shares are currently trading below IPO level, Glencore still trades at a meaningful P/B premium to GS
- GS Commodities would likely be valued as a trading portfolio (approximately 1x tangible book value) if monetized in its current state with relatively limited physical presence
- GS may command valuation multiples for GS Commodities similar to Glencore if the business was able to grow physical activities, unconstrained by regulation and integrated with the financial activities

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	Key Business Lines
Marketing Activities	**Business most similar to current GS Commodities:** ■ Sales and trading of physical commodities, commodity-linked derivatives and related financial instruments ■ Source, store and transport physical commodities (note that GS does not have a meaningful physical commodities business) ■ Provide financing to producers and consumers of commodities
Industrial Activities	■ Produce, process and refine physical commodities ■ Metals and minerals, energy products and agricultural products
Commodity Company Investments	■ Minority and majority investments in a number of publicly listed commodity-focused companies ■ Portfolio companies not integrated with remainder of Glencore businesses

Glencore's 2010 balance sheet figures represent pro forma balances as if the IPO had taken place on December 31, 2010.

Goldman Sachs

July 25, 2012

Memorandum to: Stacy Bash-Polley, Alan M. Cohen, E. Gerald Corrigan, Isabelle Ealet, J. Michael Evans, Richard J. Gnodde, David J. Greenwald, Robert J. Katz, Eric S. Lane, Gwen R. Libstag, John F.W. Rogers, David C. Ryan, Jeffrey W. Schroeder, Michael S. Sherwood, David M. Solomon, Esta E. Stecher, Gene T. Sykes, John S. Weinberg

From: Chair: Gary D. Cohn

Subject: Firmwide Client and Business Standards Committee Meeting
Wednesday, 9 a.m. – 10:30 a.m. (EST)
200 West / 41 / PC
Dom: 888-360-9718; Int'l: 212-902-1055; Confirmation: #8912805

New York: SBP, GDC, EGC, JME, RJK, ESL, GRL, JFWR, JWS, DMS, GTS

London: IE, DJG

By Phone: JSW

Not Expected to Participate: AMC, RJG, DCR, MSS, EES

Agenda:

Roundtable Discussion

Review of Commodities Businesses — Tab I
(I. Ealet, G. Ekgran, P. O'Hagan, M. Shenouda)

Information Items:

Client Metrics: Week Ending July 20, 2012 — Tab II

1. Meeting Minutes of June 27, 2012 — Tab III
2. Forward Calendar

Follow-up Items from Prior Firmwide CBSC Meetings — Tab IV

Goldman Sachs

II. Risks Inherent to Commodities Business

Goldman Sachs

Global Commodities: Risk Overview

Commodities Business faces risks that differ to other areas of the Firm, due to:

- **Expansive Corporate Client Franchise**
  - >60% of Commodities Client Sales Credits vs. ~7% across the rest of Securities
- **Physicals Franchise Business**
  - ~20% of Franchise Activity in 2012
- **Assets and Pending Regulatory Reform**
  - Impact of 4(o) and Merchant Banking
- **Attrition**
  - ~14.5% Commodities Attrition YTD vs. 7.6% across Securities Division

Assets: Overview and Control Policies

Merchant Banking vs. 4(o) Control Policies

Assets Acquired under Merchant Banking

- Assets acquired under Merchant Banking include CNR, Metro and Vale
- Under Merchant Banking Authority the firm is allowed to invest in non-financial portfolio companies
  - Firm personnel not permitted to engage in "routine management" absent extraordinary circumstances
- Merchant Banking authority not available for investments that are extension of firm's own activities

Control Policies:

- Policy Regarding "Merchant Banking" Investments of GS Group, Inc. and its Subsidiaries
- Annual Training of GCPI personnel
- Email Surveillance
- Active involvement of Counsel
- Board Structure

Assets Acquired under 4(o)

- Portfolio companies owned under 4(o) include Cogentrix and Nucor - treated as part of firm's own activities

Control Policies:

- Subject to various firm policies, procedures and controls (varies according to specific asset)

Goldman Sachs

Regulatory Reform: Challenges

Regulatory Reform Impact

- **Interpretation of 4(o):**
  - Increases risk that forward expansion into new and physical products will be delayed or limited – recent examples:
    - Cosan Sugar JV
    - Physical Iron Ore Expansion
- **Position Limits**
  - Potential impact to Investor Business
- **Real Time Reporting**
  - Potential Liquidity Impact

JULY 9, 2013

Introduction

Goldman Sachs engages in two principal types of commodity-related activity: acting as a market maker and making investments in companies that are engaged in commodity-related activities. Each of these activities has a different profile. Goldman Sachs acts as a market maker through its Global Commodities Business Unit (Global Commodities). It invests in companies engaged in commodities-related activities through the Global Commodities Principal Investment (GCPI) group within Global Commodities and through certain other groups in the firm.

General Approach:

The guiding principle in how we approach these activities is to ask not simply whether we have the appropriate resources to conduct the activity (e.g. the know-how, infrastructure, operational and risk management capabilities) but also whether the activity promotes the interests of our clients and falls within the parameters of risk that are appropriate for our firm. Our conclusion with respect to these questions depends on our ability to manage such risks at the level of the business unit that would conduct the activity and oversee the management of these risks through the various committees described herein. Applying this principle results in our being selective with regard to the activities in which we choose to engage.

Commodity Markets:

Goldman Sachs, through various subsidiaries, has been an active market maker in commodities and commodity derivatives since 1981. In connection with these market-making activities, we are involved in making and taking delivery of commodities and, for a certain portion of our business, in arranging for the storage and transport of certain physical commodities. These activities are described more fully in Annex A. Our physical trading and related capabilities enable us to provide risk management solutions to our clients that complement the various financial services we perform for them and to hedge risks otherwise associated with our financial activities. Our client base includes a wide range of producers, consumers, investors and governmental entities.

Our marketing-making activities in physical commodities involve the following products:

- Power
- Natural Gas
- Oil & oil products
- Liquified natural gas (LNG)
- Natural gas liquids (e.g., ethane, butane and propane)

- Coal
- Freight
- Base metals
- Uranium
- Agricultural products – (e.g., palm oil, rubber and wheat)
- Emissions, carbon and renewable credits

Physical activities have grown and continue to grow as part of the overall mix of our business but remain a limited part of our market-making activities. We view our business holistically and from a market risk perspective do not distinguish between financially- and physically-settled transactions insofar as the market exposure for physical and financial market risk is relatively the same.

While market exposures between financially and physically-settled transactions are similar, physical activities involve operational risks (such as environmental risks) that do not exist in the context of financially-settled transactions. These risks are primarily associated with the potential for damage to occur in connection with the actual physical transportation and storage of commodities. The possibility of environmental risk arising from the settlement of transactions by accepting and transferring title on a transitory basis (which is the manner in which the majority of our physical activities are settled) is virtually non-existent.

With respect to the transport and storage of commodities, liability for damages is generally the responsibility of the legal entity that owns or operates the facilities involved in the particular incident rather than the owner of the commodity. Nevertheless, we take various steps as detailed herein to mitigate potential risk exposures. First, we are selective in choosing the business that we do. For example, Goldman Sachs arranges waterborne transport of hydrocarbons on a limited basis that rarely includes the transport of "persistent oils" (e.g., crude oil). Second, and perhaps more importantly, we apply criteria (approved by PCRC, defined below) to ensure that the vessels and facilities that are utilized to transport commodities and the operators of such vessels and facilities meet high performance standards.

To the extent we arrange for storage or transport of a commodity, we apply multiple controls. Before engaging in a new physical commodity activity (or an activity in which we have not engaged over an extended period of time), the proponents of engaging in the activity present their proposal and associated risk considerations to the firm's Physical Commodity Review Committee (PCRC). PCRC is tasked with maintaining a consistent approach to evaluating risks associated with the firm's commodities activities. In addition to review by PCRC, new activities are required to be reviewed by the applicable Regional New Activity Committee (RNAC) and/or the Firmwide New Activity

Committee (FNAC). These committees conduct a detailed review and ensure the activity can managed satisfactorily and are accountable for ensuring that business standards and practices (including those relating to reputational risk management and client service) are properly observed. Further, we vet vendors that provide commodity-related services.

Goldman Sachs manages the risks associated with our physical commodities businesses with the same rigor that we apply to the management of our derivatives businesses. We analyze each aspect of risk associated with any product in which we trade. For example, when we trade currencies we consider the risk that a central bank would impose restrictions on convertibility. Similarly, when we trade natural gas, we consider the risk that the pipeline may be subject to a force majeure that would interfere with our ability to transport gas to buyers.

<u>Commodity-Related Investments</u>:

Goldman Sachs, through various subsidiaries, invests in companies that are engaged in commodity-related activities. For example, we own CNR, which owns and operates an open-pit coal mine in Colombia.

As an investor in such companies, Goldman Sachs adheres to two guiding principles. First, we review the qualifications of the management of operating companies to confirm their competence to manage risks associated with the business. As an investor, we do not assume direct responsibility for operational or risk management. Second, we provide appropriate oversight through our involvement on the boards of directors of the portfolio companies and as an investor to ensure that the companies adhere to best practices with respect to environmental, health and safety (EHS) and reputational risk.

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2. Is there capital held against environmental/catastrophic risk in particular?

Operational risk capital, which is calculated using the Advanced Measurement Approach, is generally held for seven risk categories: legal and regulatory, execution and processing, internal fraud, external fraud, business disruption and system failure, employment practices and workplace safety, and damage to physical assets (DPA). While there is no explicit scenario for environmental/catastrophic damage for any business line or corporate area, exposure related to participation in commodity markets primarily resides in the damage to physical assets risk category in Global Commodities.

Global Commodities' operational risk loss during storage and transportation of its physical commodity assets is limited to the value of those assets as catastrophic/environmental risk resides with the facility operators. Estimates derived through scenario analysis are driven by the single largest value of energy assets in storage or transportation in the period. Basel-compliant insurance has been applied to capital in this risk category. As of 1Q 2013, Global Commodities operational risk capital for damage to physical assets risk was $3mm. Without the insurance application, this figure would have been $73mm, which reflects the highest dollar value of inventory at a single location, re-priced to the peak of the 1-year forward curve. Please refer to Appendix B for more detailed information.

Goldman Sachs holds operational risk capital for the Damage to Physical Assets risk for its corporate assets such as its headquarters in downtown New York City. Basel-compliant insurance has been applied to capital in this risk category. As of 1Q 2013, capital calculated for corporate asset damage related to uncontrollable events (e.g. terrorism, natural disasters, etc.) was $232mm. The capital calculated for corporate asset damage related to internal incidents (e.g. burst water pipes, fires caused by electronic malfunctions, etc.) was $21mm.

3. **How do you determine the appropriate level of insurance? How do discrete pieces of the insurance program come together both internally with regard to the business as well as the diversification benefits?**

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In late 2011, the Insurance group identified an opportunity to implement an additional layer of insurance protection for the firm. The group partnered with an industry leading broker and a syndicate of commercial insurers to develop an insurance program that provides GS Group and its subsidiaries/affiliates with contingent, third-party environmental/pollution liability coverage for risks that could emanate from either our physical trading activities or our investing activities. This program is particularly meaningful as it broadly covers environmental risk across all GS businesses.

Across all insurance programs there are industry standard exclusions or limitations to coverage for risks like nuclear, biological or chemical/radioactivity loss, fines and penalties, inherent vice, loss of market, Japan earthquake and terrorism/war.

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5. Describe any other methods or strategies used to hedge or mitigate the catastrophic/environmental risks of commodity activities.

Our first method and strategy to mitigate catastrophic/environmental risks is to be selective with regard to the types of activities that we choose to conduct.

Second, we apply risk mitigation policies and procedures to limit potential exposures to environmental risk.

Third, we take care to conduct activities in a manner that benefits from limitations on liability afforded by applicable law.

Finally, we conduct thorough review of the activity and the infrastructure we have to support such activity:

- Business Selection Process.
- Committee review as applicable
  - Physical Commodity Review Committee (PCRC)
  - Regional New Activity Committee (RNAC)
  - Firmwide New Activity Committee (FNAC)
  - Suitability Committee
  - Acquisition Review Committee (ARC)
  - Principal Investment Committee (PIC)
- Develop and apply risk mitigation policies and procedures to limit potential exposures to EHS risk, e.g.:
  - Vendor Management Review – all vendors (e.g. pipelines) undergo a thorough due diligence per firm policy
  - Vessel Vetting Review – vessels are reviewed based on criteria established by Goldman Sachs
  - Insurance – the firm maintains comprehensive insurance, covering transportation and storage of physical commodities
  - Legal / Structural Mitigants – conduct activities in a manner that benefits from limitations on liability afforded by applicable law
  - Technology / Risk Management Infrastructure – technology infrastructure to support activity (e.g. PIP)
- Ensuring we have the relevant technical capabilities & skills in our people

For example, in our coal and freight business, subsidiaries of Goldman Sachs charter vessels that transport dry freight commodities (e.g., coal, iron ore). Global Commodities does not own vessels in connection with market making activities but rather charters them for a particular voyage or under a time charter of a specified duration. Goldman

Sachs has established criteria (approved by PCRC) against which vessels are measured, which include:

- Lloyds 100A1 classification or equivalent (where the classification society is a member of the International Association of Classification Societies) and rating of not less than 3* by RightShip Pty Ltd.
- Maximum age of 20 years
- Coverage by a member of International Group of Protection and Indemnity Associations

In addition, we maintain an incident response program to promote efficient communication in the event that an incident occurs involving a cargo belonging to the firm.

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6. How do you measure and assess the catastrophic/environmental risk associated with physical commodity assets, including private investment vehicles, leasing structures, and any other arrangements?

For those activities where there is a possibility of environmental and catastrophic risks, we evaluate them in a disciplined manner. Prior to engaging such activities, the firm conducts a due diligence review of relevant risks and assesses the resources necessary to support the management of such risks. Those considerations include, among other items, inherent financial and physical risks, EHS risks, statutory liability, regulatory requirements, reputational implications, legal liabilities, transaction structure, operational risk management processes, systems and controls. We then assess these risks and validate internal processes in relation to 1) our ability to mitigate the risk, 2) the size of the transaction, 3) the transaction's potential return and 4) the relevant technical capabilities in our people. In addition, and where appropriate, we reserve capital against the risk and, or seek indemnities from such risk.

The firm employs in house expertise such as the Corporate Environmental Management team and external resources such as outside counsel or consultants to assist in identifying and reviewing relevant risks. After this initial review, the firm determines whether the risks associated with the activity may be mitigated appropriately.

In addition, when the firm is considering making an investment in a company that is engaged in activities that involve EHS risks, we will evaluate such risks when the investment is of a size that is meaningful in the context of such company. For investments that the firm makes in such companies, we in our capacity as investor promote observation of industry best practices by the companies in relation to EHS matters, including:

- Development, review, and regular maintenance of formal EHS policies, procedures and training
- Management focus and attention on EHS risk mitigation
  - Ensuring senior management responsibility for EHS oversight
  - Maintaining appropriate board oversight of EHS management
  - Where appropriate, ensuring that EHS reporting is incorporated in management reports (weekly, monthly, or quarterly) and evidencing EHS performance & metrics.
- Appropriate levels of insurance
- Performance of regular EHS audits (at least annually) by reputable and independent EHS consultants

In making these investments, the firm will take various measures to promote EHS risk management, the specifics of which will be context-dependent but in general would include insurance, contractual representations, warranties and related indemnity protections, transaction structure, legal structure protections, and policies and procedures. Due diligence conclusions and transactional mitigants are reviewed by various governance committees. These committees are discussed further in our responses to questions #8 and #9.

The investments that are within our portfolio are subject to the EHS policies and procedures which include ongoing monitoring and evaluation of catastrophic/environmental risk. In addition, and as required by FASB (SFAS 143), [illegible] and our relevant portfolio companies access and update the Asset Retirement Obligations (ARO liability) of our physical commodity assets.

7. **How do you evaluate the adequacy of mitigants to control losses associated with industrial activities (i.e. ownership of mining/storage facilities, freight transportation, and storage facilities) including catastrophic/environmental risk?**

When evaluating the adequacy of the mitigants put in place to control losses, Goldman Sachs takes the approach described in our response to Question 6. Each business unit has processes in place to monitor activities and investments that it conducts, including related catastrophic/environmental risk. For example, the investing businesses review the performance of their investments quarterly (if not more frequently). Where appropriate, this review includes an assessment of potential catastrophic/environmental risk. For physically traded commodities, the Logistics group within the firm's Operations division is responsible for oversight of physical assets in storage or transport, including monitoring the value of held physical inventory against insurance levels.

Additionally, the firm regularly monitors developments in the industry generally and revises its approach to evaluation and management of these risks in light of these. For example, the BP Gulf Spill prompted the firm to establish PCRC.

As PCRC has matured its impact has increased. In particular, we note that as businesses gained experience with PCRC their approach to EHS mitigants became more structured and consistent. Now, businesses routinely utilize PCRC best practices and recommendations from previous transactions to their diligence analysis of potential new opportunities, which enhances the efficiency of due diligence and the ability of business leaders to make informed investment decisions in light of EHS considerations. PCRC tracks industry best practices with a view toward enhancing its standards.

Broadly speaking, the adequacy of EHS mitigants is reviewed in line with industry best practices (ISO certifications, API standards, etc.), regional and national regulatory standards, organizational risk, legal precedent, and the application of insurance. Certain groups, such as PCRC, perform periodic reviews of existing activities and investments.

In addition, Internal Audit (IA) regularly reviews the firm's activities and investments. Each business actively engages with IA to determine audit plans & to perform thorough evaluations.

Included in this submission is Corporate Environmental Management's Environmental Policies and Procedures document (Appendix E) that is applied to all activities or investments for which they are called upon to review. This allows them to provide a consistent standard in their reviews.

8. How do you formally dimension and manage the reputational risks associated with the industrial activities that the firm does and or will engage in?

Since 2011 the firm has adjusted its procedures to ensure that all firmwide committees explicitly consider reputational risk as part of their assessment criteria. Additionally, the core function of the Environmental Markets Group (EMG) is to evaluate reputational risk associated with industrial activities and related environmental issues. The mandates and processes of this group and the committees that are most commonly engaged in assessing commodity related activity are described in more detail below.

Prior to committing to business on behalf of the firm, all advisory, financing and principal investing teams conduct an environmental, social and governance (ESG) review for all opportunities in the normal course of their due diligence. EMG, which sits within the Executive Office and reports into the Office of the Chairman, and the firm's Business Intelligence Group assist deal teams in evaluating transactions that have potential ESG sensitivities. Findings are passed on to key committees for review and input. If a transaction has significant ESG sensitivity and associated reputational risk, it is escalated for discussion and decision with key business leaders, appropriate committees, and the Chairman's Office. Where feasible, EMG will work with teams to identify ways to engage with the client to help mitigate the risk and have a positive outcome through its engagement. Where this is not feasible and involves potentially significant environmental damage, social issues, unacceptable risks or directly conflicts with the firm's Business Selection and Risk Management guidelines in the Environmental Policy Framework (EPF) (Appendix F), the firm will forgo the engagement.

In addition to this firmwide review process, EMG equips teams in sensitive sectors with due diligence guidelines and training to evaluate new business opportunities effectively. This includes background on current ESG issues and sensitivities in the sector and a framework of questions to discuss with a company. The existing guidelines are periodically updated and new guidelines are developed, as appropriate, to reflect evolving ESG issues. EMG's due diligence guidelines span 8 industry sectors and within some of these sectors we have sub-sector guidelines:

- Biofuels
- Chemicals
- Forestry
- Metals and mining

- Oil and gas[1]
- Power generation[2]
- Transportation
- Water

As examples, included in this submission (Appendix G and Appendix H) are EMG's due diligence guidelines for Metals and Mining (updated in 2012) and subsector guidelines for Unconventional Oil & Gas and Hydraulic Fracturing (newly developed in 2012).

The Firmwide New Activity Committee (FNAC) reviews proposals with a focus on answering the critical question of "should we" engage in a proposed new activity/product (considering reputational, client, suitability and other concerns). The Regional New Products Committees (sub-committees of the FNAC, with separate committees located in the Americas, Europe and Asia), discuss the "should we" question and on the detailed "can we" review (i.e., can the business be supported and controlled), recognizing that divisional and regional business leadership must analyze both questions prior to sponsoring a matter. New business opportunities in the physical commodities sector are reviewed by the relevant Regional New Product Committee, and, depending on the significance of the proposal, may also be reviewed by the FNAC. These committees discuss reputational risk the firm may face if the firm conducts the proposed activity. The business unit submitting a new product proposal is responsible for highlighting key reputational concerns to the committees as well as the mitigants the firm has put in place to control and prevent, to the extent possible, reputational and other risks. The committees evaluate these risks and mitigants and will reject opportunities, or require changes to the business model, if the committees feel the risks are too great.

In addition to the above referenced committees, the Firmwide Acquisition Review Committee (ARC) reviews all proposed legal entity acquisitions that will be (or potentially could be) consolidated into The Goldman Sachs Group Inc's consolidated balance sheet including via a consolidated subsidiary. Furthermore, each division has its own investment review committee (Principal Investment Committee for Securities Division and Investment Committee for the Merchant Banking Division).

As mentioned in the previous question's response, PCRC reviews all physical commodity-related activities that fall within that committee's mandate. PCRC considers reputational risk as part of its assessment of each activity. PCRC is a sub-committee of

[1]Subsector guidelines include: Unconventional Oil & Gas and Hydraulic Fracturing; and Oil Sands.
[2]Subsector guidelines include: Coal; Gas; Hydroelectric; and Nuclear Power Generation.

FNAC and reports its findings to FNAC (as part of the FNAC review process, FNAC members ensure that PCRC has reviewed and signed-off on an activity before commencing their review).

Additionally there are internal screening processes and committees within the business units which serve as an initial gating function and address many of the same issues prior to the firmwide review. Those committees review financial and reputational risks that could result from environmental or catastrophic events. Prior to submitting to these committees, transaction teams are required to conduct thorough due diligence including on EHS matters. As such, each transaction goes through several screens. Included in this submission (Appendix I) are examples of PCRC committee memos that highlight the analysis of EHS and reputational risks and the mitigants in place to reduce these issues.

9. **How and when is catastrophic/environmental risk presented to senior management and the Board of Directors? Describe any committees which review such risks and provide meeting minutes, presentations, or other documentation in which these risks were discussed.**

New business opportunities, including physical commodity trading and investing in companies that engage in physical commodity-related activities, are discussed with Senior Management in prior to the various Divisional and Firmwide Committee review processes. Through this escalation and evaluation process, depending on the potential environmental and catastrophic risks of the opportunity, a transaction may be structured in such a way that mitigates these risks. Ultimately, if Senior Management or the applicable Committees do not believe that these risks are sufficiently mitigated, the transaction will not be approved.

As described in the previous questions, various firmwide committees consider risks associated with engaging in commodities related activity. However, PCRC is a cross-divisional, firmwide governance committee responsible for maintaining a consistent approach to evaluating risks associated with the firm's activities in physical commodities that may have an impact on the environment, human health and safety. The Committee was authorized by the Firmwide New Products Committee (currently reporting to the Firmwide New Activity Committee) and established in September 2010. Members of PCRC have been selected from different areas across the firm with diverse background and expertise that is suited to review EHS risks. The PCRC membership includes individuals from the following areas of the firm: Operations, Legal, Compliance, Operational Risk Management and Analysis, Finance (includes Insurance), Securities Division, Merchant Banking, Investment Management Division, Corporate

Environmental Management and the Executive Office. Included in this submission (Appendix J) is a copy of the Physical Commodity Review Committee Charter.

Businesses presenting before the Committee are required to complete applicable templates and provide supporting documentation which specifically address EHS risks. Following review of the activity, the Committee provides recommendations to assist business units in avoiding, minimizing or mitigating EHS risks. In this capacity, the Committee also determines whether the firm has sufficiently addressed and mitigated such risks by approving, approving with conditions and/or constraints, or rejecting certain activities. The Committee reviews developments in law and industry practice that may have a bearing upon the efficacy or reliability of the firm's approach to these issues. In addition, the Committee periodically reviews existing businesses and investments regarding their approach to applicable EHS standards.

PCRC reports on its activities to the Firmwide New Activity Committee (FNAC) on a quarterly basis. There is a formal presentation to FNAC on an annual basis (Appendix K). In addition, the Chair of PCRC has presented to the board's Audit and Risk Committees. Updates regarding the activities of the Committee are presented to the Board as called for. The next update is planned to take place prior to the end of 2013.

10. Provide fair value adjustment balances for past 12 months for all physical commodity exposures as well as a description of the methodology used to determine the size of the adjustment.

Attached to this submission are the Global Valuation Adjustment Summary and the Global Valuation Adjustment Policy (Appendix L and Appendix M) for the Commodities business unit. Please note these valuation adjustments are derived from risk per product category, and are not segregated into physical commodities risk vs. derivative/forward settling risk.

Annex A: Description of Physical Activities Associated with Market-Making

Below is a more detailed description of the physical activities by product type. For each of the commodities described below, the majority of transactions are settled the basis that title is received and then transferred on a transitory basis.

- Power – Goldman Sachs purchases and sells power, which is settled by way of scheduling through central transmission organizations or utilities. In certain instances, Goldman Sachs arranges for transmission through transmission organizations or utilities in order to meet obligations under purchase and sale agreements. Goldman Sachs is registered as a "purchasing and selling entity" under the North American Electric Reliability Corporation, which has been certified by the Federal Energy Regulatory Commission to establish and enforce reliability standards. Goldman Sachs has entered into certain tolling agreements pursuant to which it procures fuel feedstock for a power generating plant, provides direction to the plant owner/operator with respect to the dispatch of the plant and purchases/sells the output from the plant.

- Natural Gas – Goldman Sachs purchases and sells natural gas, which is settled at central delivery points or at specific locations depending on the requirements of the relevant client or counterparty. Goldman Sachs also contracts with third parties to transport and/or store natural gas.

- Oil and refined products – Goldman Sachs purchase and sells crude oil and various refined products (e.g., gasoil, heating oil, gasoline). Goldman Sachs also contracts with third parties to transport and/or store crude oil and refined products. Goldman Sachs has entered into certain arrangements under which it provides crude oil or refined products to refineries or consumers (e.g., airlines) to meet requirements.

- Coal – Goldman Sachs purchases and sells coal which is settled at central delivery points or at specific locations depending on the requirements of the relevant client or counterparty. Goldman Sachs also contracts with third parties to transport and/or store coal.

- Freight – Goldman Sachs charters vessels in (under time or voyage charters) and then charters vessels out to counterparties under time or voyage charter basis.

- Metals – Goldman Sachs purchases and sells various industrial metals (e.g., aluminum, zinc, nickel), including transporting and storing such metals. The business principally consists of metals of a grade that meets the specification requirements of the London Metals Exchange (LME). When such metals are stored in LME registered warehouses the title to such material is evidenced by warrants issued by such warehouses.

- Uranium – Through its Nufcor subsidiary, Goldman Sachs purchases and sells U3O8 ("yellowcake") and UF6. Settlement of such transactions is generally effected through depositories operated by third parties whereby the purchaser/seller does not take actual possession of the material, similar to the manner in which "unallocated" gold transactions are settled.

- Agricultural products - Goldman Sachs purchases and sells palm oil, rubber and wheat, generally on a back to back basis where risk and title of the commodity pass through us in a chain.

- Carbon/Emissions - Goldman Sachs participates (purchases and sells) in both compliance and voluntary emissions markets in the U.S. and Europe acting as both principal and intermediary. The firm maintains and transfers physical emissions inventory across several registries. We do not consider these to constitute "physical" commodity transactions.

- Renewable Energy Certificates (RECs) – Goldman Sachs participates in REC markets to meet Renewable Portfolio Standards (RPS) state level requirements which impact our physical US Power portfolio. The firm purchases and sells RECs through the over the counter market as well as hold inventory and schedule these products via online exchanges. We do not consider these to constitute "physical" commodity transactions.

- Liquified natural gas (LNG) - Goldman Sachs purchases and sells LNG on a back to back basis where risk and title of the commodity pass through us in a chain. Goldman Sachs also arranges for transport and storage of LNG by waterborne vessels as conditions warrant.

- Natural gas liquids (e.g., ethane, butane and propane) - Goldman Sachs purchases and sells physical NGLs. Goldman Sachs may also arrange for transport and storage of NGLs.

Annex B: List of Exhibits Provided

Question	Exhibit	Document Name
Question 1	Appendix A	Regulatory Capital Requirements Detailed Methodology (Capital Attribution and Assessment)
Question 2	Appendix B	Operational Risk Capital for Damage to Physical Assets
Question 4	Appendix C	Commodities Business Insurance Summary (Landside, Waterborne, Pollution, Cargo and Israel Political Violence Programs)
	Appendix D	J Aron - Physical Trading Insurance Programs
Question 7	Appendix E	GS Environmental Policies and Procedures
Question 8	Appendix F	GS Environmental Policy Framework
	Appendix G	Metals and Mining ESG Guidelines
	Appendix H	Unconventional Oil & Gas and Hydraulic Fracturing ESG Guidelines
	Appendix I	1 Original PCRC Template
		2 Follow Up Presentation
		3 Additional EHS Risk Assessment Template
		4 Follow Up PCRC Minutes Jan2012
		5 Follow Up PCRC Minutes Aug2012
		6 Follow Up PCRC Minutes May2013
Question 9	Appendix J	Physical Commodity Review Committee Charter
	Appendix K	PCRC Presentation to the Firmwide New Activity Committee
Question 10	Appendix L	Global Valuation Adjustment Summary
	Appendix M	Global Commodity Valuation Adjustment Policy

Goldman Sachs

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EXHIBIT #7

Global Commodities & Global Special Situations Group

Presentation to the Board of Directors of The Goldman Sachs Group, Inc.

September 2013

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Goldman Sachs

Global Commodities
Competition

GS competes against regulated Financial Institutions, as well as less regulated Energy Companies & Independent Traders

2012 Revenues: Competitive Landscape[1]

Financial Institution Wallet Size Has Declined[1]

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Segment	2012 - 2013 Momentum	Leading Players	Approx. Sector Revenues[1] ($bn) 2009	2010	2011	2012
Financial Institutions		GS, MS, JPM, DB, BarCap, Citi, BAML	Redacted by the Permanent Subcommittee on Investigations			
Energy Companies[2]	→	BP, Shell, Total, Statoil, Gazprom, RWE, E.On, EDF, ENI				
Independent Traders	↑	Glencore, Noble, Mercuria, Vitol, Trafigura, Louis Dreyfus				
Total Industry			55-58	33-36	38-41	37-40

1. Source: Oliver Wyman; Financial Institution revenues include Franchise revenues only.
2. Trading businesses of oil and gas majors, power / gas producer - traders.

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Goldman Sachs

Global Commodities
Regulatory Environment

Review of Bank Holding Company (BHC) activities due in September 2013; this may prompt the Fed to issue an interpretation of 4(o) exemption

Franchise Activities

4(o) Exemption
- Provides a grandfather for GS / MS to engage in commodities activities in light of their having been engaged in commodities activities in 1997
- Assets must be < 5% of total assets
- Treatment is self-effecting; does not require Fed action
- Permits GS / MS physical franchise activity

Complementary Authority (4(k))
- Authority under which banks (e.g.: JPM) are able to conduct physical business which is viewed as complementary to their financial business
- Assets held must be < 5% of Tier 1 capital

Principal Investments

Merchant Banking Exemption (MBE)
- Authority to acquire assets / equity in non-financial entities
- Must be "bona fide" merchant banking and not strategic
- Prohibited from engaging in "routine management"
- Asset must be divested within 10 years
- Metro and CNR owned under MBE[1]

X Not permitted
? Uncertain
✓ Permitted

	4(o) Exemption	Complementary Authority	Less-Regulated Trading Company
New Financial Trading	✓	✓	✓
New Physical Trading	?	✓	✓
Routine Management of Principal Investments	?	X	✓

1. GS has preserved the ability to assert 4(o).

Global Commodities Client Franchise

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Global Commodities

Client Franchise & Physical Commodity Markets (Cont'd.)

Much of the activity that is considered 'physical' does not involve a commodity being moved

1. **Back-to-Back Intermediation** – GS intermediates a buyer and a seller, instantaneously transferring title to the commodity without moving or storing it[1]
2. **Storage / Book Transfer** – Ownership passes from seller to buyer in storage without the commodity being moved
3. **Transport** – The commodity is moved physically from seller to buyer (e.g.: By barge, pipeline, ship or truck)

Sample Breakdown of Activities (As % of Settled / Moved Volume)

For June 2013	Physically Settled Volume	Physical as a % of Total Settled Volume	Back-to-Back Intermediation	Storage / Book Transfer	Transport	Balance Sheet[2] ($mm)	
						Third Party	GS
Crude Oil & Oil Products	15mm bbls	1%					
Natural Gas	235mm mmBtu	8%					
Power	20mm MWh	24%					
Coal & Freight	2mm mt	5%					
Emissions	2mm mt	8%					
Uranium[3]	2mm lbs	100%					
Base Metals	0.5mm mt	4%					

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1. Entering into forwards/options on commodities that are subject to CFTC-approved futures contracts, where effort is taken to avoid taking/making delivery or title is taken and [illegible] back-to-back basis, is authorized by the Federal Reserve under authority that is separate from 4(o).
2. As of 30 June 2013: Data is shown in accordance with US GAAP (rather than internal management accounts), excluding Precious Metal inventory of $380mm and associated accounting gross ups of $1.2bn.
3. Uranium business currently under review. Please see Appendix for further details.

Goldman Sachs

Global Commodities

Physical Franchise Activity Review Process (Conducted Under 4(o))

In our Commodities Franchise, primary liability rests with the owner / operator of storage or transportation facilities; GS Commodities Franchise does not operate any storage or transportation facilities

1 **In-house Expertise**	■ Discussion regarding whether GS has relevant in-house expertise
2 **Vendor Diligence**	■ Business Intelligence Group ("BIG") & GS Logistics team in Commodities Operations conduct diligence and vendor suitability checks on all providers, such as pipeline operators, in line with the firm's wider Vendor Management Policy
3 **Establish Transport & Storage Policy**	■ Instituted best-in-class shipping, rail and pipeline transportation policies, enforced by GS Logistics team, include Critical Event Management Policy ■ Periodic review and enhancement of policies based on industry related "events" e.g.: Quebec rail
4 **Physical Commodity Review Committee**	■ Approval of entry into new physical trading business by Physical Commodities Review Committee ("PCRC") ■ PCRC reviews logistical, regulatory, compliance, environmental and reputational risks and draws its membership from across the firm
5 **Broader GS Committee Approvals**	■ Approval of Regional New Activities Committee ("RNAC") ■ Approval of risk limits by Divisional Risk Committee ("DRC") ■ Approval to sell product to client by either Structured Products Committee ("SPC") or Structured Investor Product Committee ("SIPC") ■ Approval of all investments to be integrated into GS financials directly or as Consolidated Investment Entities ("CIEs") by Acquisition and Disposition Review Committee ("ADRC")
6 **Insurance**	■ Maintenance and review of extensive insurance policies by GS corporate insurance team ■ Review of external insurance policies held by vendors
7 **On-going Review**	■ Periodic review of trading activities by PCRC, e.g.: Nufcor and Nexen, Client & Business Standards Committee ("CBSC"), and SecDiv Executive Committee ■ Regular reconciliation / price verification of all inventory positions held globally ■ Engagement of Internal Audit and third parties to audit storage, transportation and delivery practices ■ Vendor management review of service providers including health & safety, environmental and OFAC

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Global Commodities Principal Investments

▬ = Redacted by the Permanent Subcommittee on Investigations

Goldman Sachs

Global Commodities Principal Investments

Overview of Positions Held Under Merchant Banking Exemption

Introduction

- Global Commodities Principal Investing ("GCPI") evaluates investment opportunities in commodity-related businesses
- It seeks attractive risk-adjusted returns across the capital structure. Most activities are focused on private companies / assets which are then held under the Merchant Banking Exemption

Current Portfolio[1]

Investment	Description	Ownership (%)	Acquisition Date	Max Exit Date	Acquisition Price ($mm)	Current Book Value ($mm)	LTD Revenues ($mm)	Status
Metro	LME warehouse operator	100	2010	2020	451	396	429	Under review
CNR	Colombian coal assets	100	2010	2020	569	593	222[2]	Under review

Significant Recent Divestitures

Investment	Description	Acquisition Date	Exit Date	Acquisition Price ($mm)	LTD Revenues ($mm)
Cogentrix	US power assets	2003	2012	457	1,747[3]
Eti Elektrik	Turkish hydropower assets	2008	2013	[redacted]	[redacted]
LME	London-based metals exchange	2009 - 2011	2012	7	194
Syntech	Australian coal mine	2007	2011	[redacted]	[redacted]

In addition to the Physical Franchise controls on pg. B-9, we apply the following additional controls to our Principal Investments:

1. **Principal Investment Committee**
   - Approval of all investments above $75mm by Principal Investments Committee ("PIC")

2. **Establish Information Barriers**
   - Physical segregation of information between GCPI investments (e.g.: Metro) and franchise trading desks to prevent flow of MNPI, where appropriate

1. Financial data as of August 2013.
2. Includes coal and FX hedge gains of $246mm.
3. Excludes Linden, sold in 2006, with LTD gains of $891mm.

Global Commodities Principal Investments
Principal Investment: Metro

Metro International Trade Services

Business Snapshot

- Global warehouse operator primarily engaged in the storage of non-ferrous metals for customers of the London Metal Exchange (LME)
- Founded in 1991 and headquartered in Detroit, Metro has a global footprint of 131 warehouses in 19 cities
- As of end July 2013, Metro stored inventories of ~1.8mm tons, which represented a market share of ~23% of global LME inventory

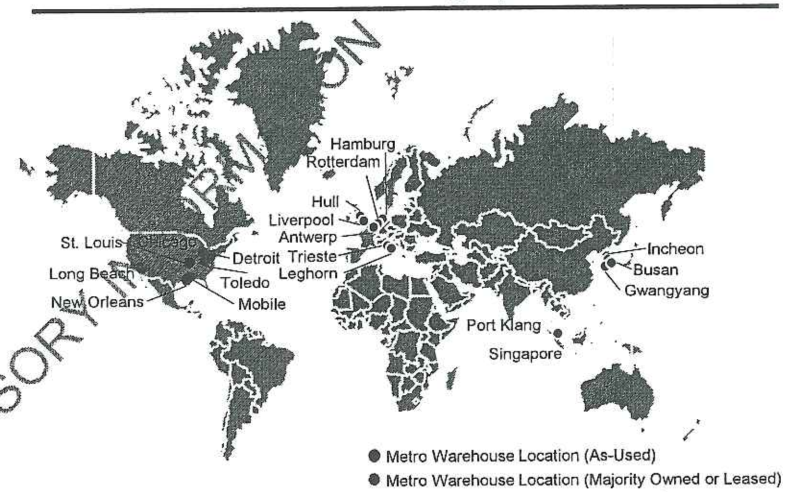
Corporate Governance

- Goldman Sachs acquired 100% of Metro under the Merchant Banking Exemption in February 2010
- Metro is governed by a board of GS employees from business as well as Federation divisions and has undergone several reviews by GS Internal Audit

Information Barriers

- Information Barriers in place between GS Sales & Trading function and Metro are in line with GS and LME requirements
- Requirements are met through procedures, physical separation and surveillance. Information Barriers were audited by PwC in April 2013

Global Warehousing Operations



Investment Summary ($mm)

Ownership	100%
Cash Invested (Equity)	$451
Dividend Returned (To Date)	501
Carrying Value (incl debt)	396
GCPI P&L (To Date)	429
Pre-Carry GCPI P&L	465
Carry Charge	$(36)

Note: *Financial data as of August 2013*

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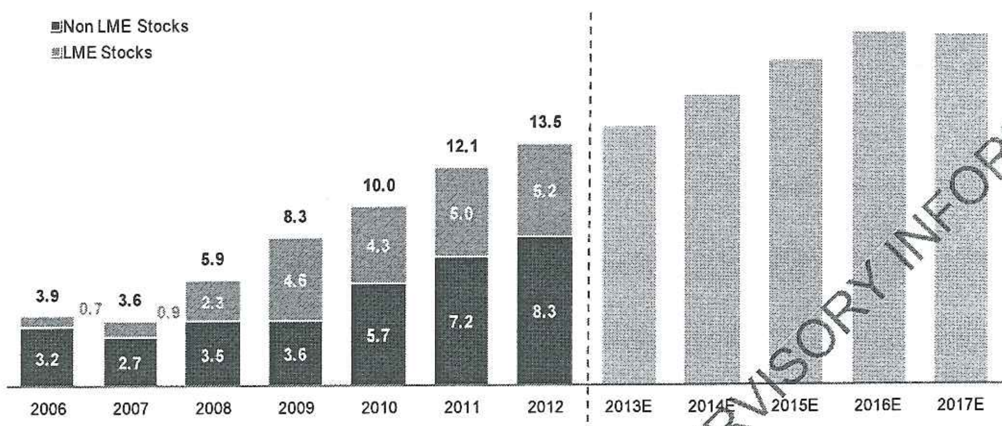
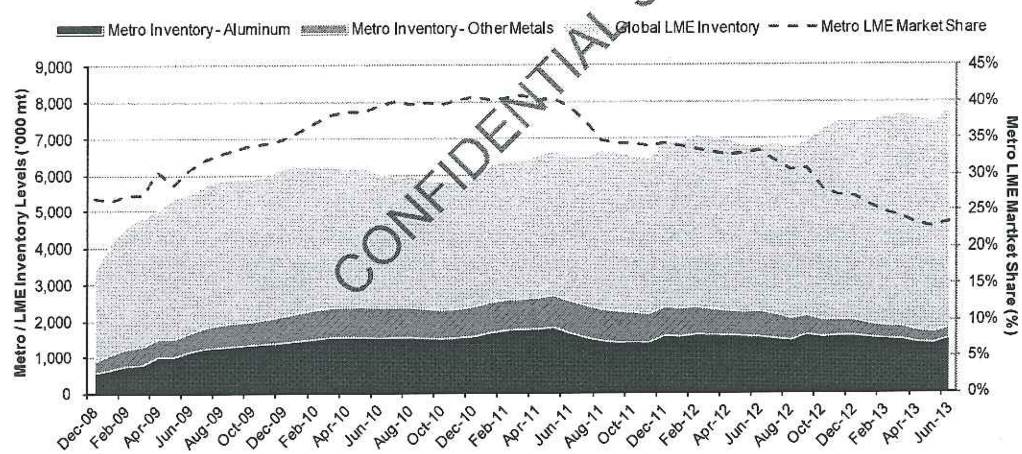
Global Commodities Principal Investments

Principal Investment: Metro (Cont'd.)

Global & LME Aluminum Inventories



Evolution of Metro Inventories



Source: *Wood Mackenzie Aluminium Long Term Outlook Q2 2013; LME Data as of Jul-2013; Metro International*

Market & Recent Events

Global Aluminum Inventories Have Been Rising Since Financial Crisis

- In the wake of the global economic crisis, aluminum demand dropped precipitously between 2008 and 2009
- Since that time, the global aluminum market has been "oversupplied"
- As a result, global as well as LME aluminum inventories have increased significantly

Recent Criticism of LME Warehousing System and Outbound Queues

- LME warehouses operate under a framework of rules including a minimum outbound delivery rate
- Long waiting times at certain LME locations to take metal out because of this rule have led to criticism of the LME warehousing system in general, and of Metro operations in particular

GS Has Responded To The Criticism On Several Levels

- Contacted commercial end user clients to offer to swap aluminum in the queue for spot aluminum
- Contacted commercial end users most vocal in their criticism of LME warehouses to ensure that we understand their concerns (e.g.: MillerCoors, Coca-Cola)
- CNBC interview and public support for recent LME proposal to reduce queues as well as consumer priority system and increased disclosure

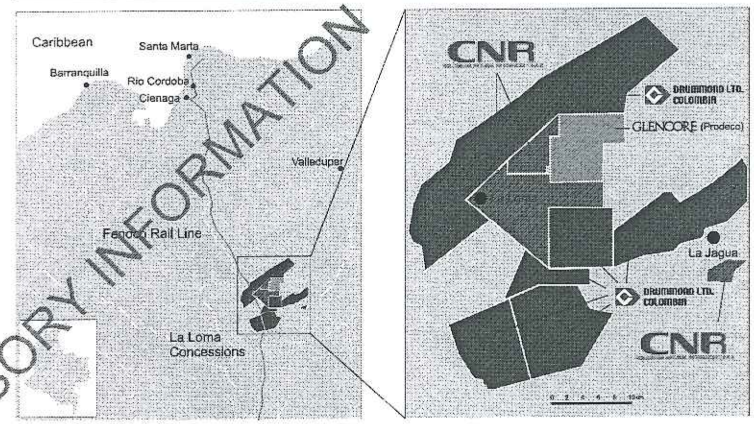
Global Commodities Principal Investments

Principal Investment: CNR

Asset Summary

- Colombian Natural Resources ("CNR"), a 100% owned subsidiary of Goldman Sachs, was established in January 2010 to acquire the Colombian coal assets of Coalcorp Mining Inc.
- In June 2012, CNR added to its portfolio by acquiring Vale Coal Colombia from Vale S.A.
- The combined portfolio includes
  - Coal assets: 4 coal concessions with total reserves of ~160 million tonnes ("Mt")
    - Operational assets include the La Francia and El Hatillo mines, with current total capacity of 6 Mt per annum ("Mtpa")
  - Rail assets: 17% ownership in the Fenoco rail line guaranteeing capacity of 7 Mtpa
  - Port assets: 100% ownership of the Rio Cordoba Port, with current capacity of 7.5 Mtpa
- CNR has significant expansion plans including
  - Expand production from 6 Mtpa to 10-12 Mtpa
  - Expand current mining operations from 2 to 5 open pit operations over the next 4 years
- Certain operational issues have arisen

Location of CNR Assets



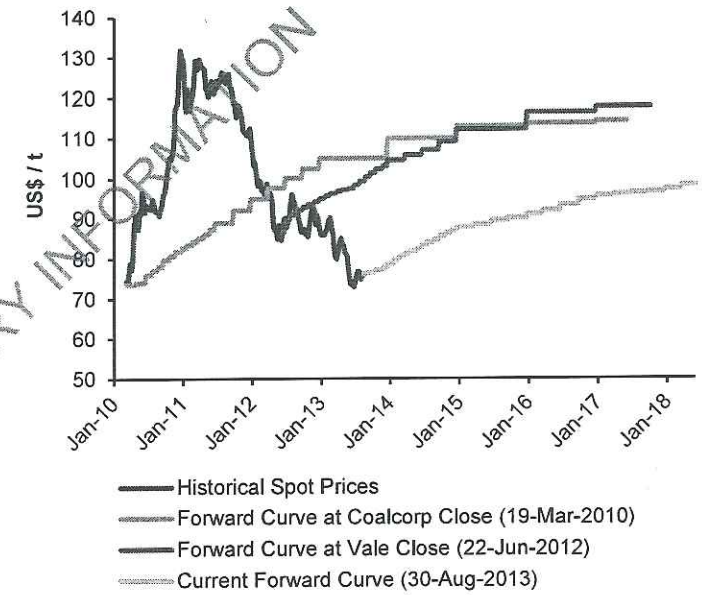
Global Commodities Principal Investments

Principal Investment: CNR (Cont'd.)

Investment Performance

- Coal prices have declined from $113 / Mt to $90 / Mt since the acquisition of Coalcorp[1], although MTM gains on a short coal hedge has produced accounting gains
- Economics to date:
  - Invested Cash: $569mm
  - Book Carrying Value: $593mm
  - Total LTD GCPI P&L: $222mm
    - Pre-Carry LTD P&L: $2mm
    - Carry Charge P&L: $(26)mm
    - Hedge P&L: $246mm
- An additional $5-7 / Mt price fall across the curve may trigger a permanent impairment of ~$200+mm, as CNR is not held at fair value
- This may be partly offset by MTM gains on hedges (if maintained)
- Gains in coal prices would result in hedge losses but would not result in a mark up of the coal mine asset value

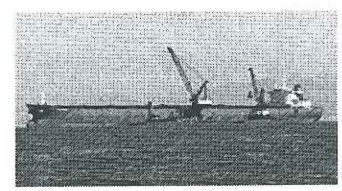
Historical Coal Pricing



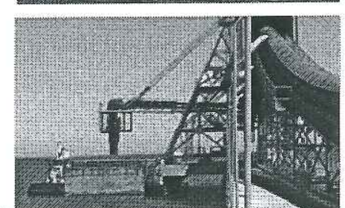
Port Project

- Currently, CNR barges coal out to sea in order for it to be loaded onto vessels via floating cranes
- New regulations require such ports convert to direct loading by January 2014
- CNR projects cost to be ~$220mm and is evaluating alternatives

Cranes



Direct Loading



1. Calendar 2015 prices.

Note: Financial data as of August 2013

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FRB-PSI-400091

Global Special Situations Group

Global Special Situations Group

Overview

Introduction

- The Global Special Situations Group ("GSSG") primarily specializes in lending to and investing in middle market companies on a risk-adjusted return basis. Equity investments are held under the merchant banking exemption
- All investments in GSSG are subject to GSSG Investment Committee; the controls applied to our commodities investments within GSSG are the same as those previously discussed
- GSSG has 19 investments in commodities assets totaling a current book value of $683mm vs. a $13bn total portfolio

GSSG Portfolio[1]

Investment	Description	% Ownership	Acquisition	Acquisition Price ($mm)	Current Book Value ($mm)	LTD Revenues ($mm)
Agriculture						
Shuanghui	Pork processing company	5%	2006			
Alternative Energy						
US Geothermal	Geothermal energy provider	50%	2006			
Three Winds Power	50 / 50 JV with Shell 153MW portfolio	50%	2004			
SunRun	Residential rooftop PV solar systems	N/A	2013			
Condon Wind Power	JV with Seawest. 50MW wind farm	50%	2003			
SunE Solar Fund	Commercial rooftop solar / photovoltaic power	99%	2005			
Clean Light	3MW solar PV plan in Mt. Laurel, NJ	100%	2011			
Exploration & Production						
Fairway II	Oil & gas exploration and drilling	96%	2010			
Fairway I	Oil & gas exploration and drilling	94%	2006			
Opal	Oil & gas exploration and drilling	86%	2007			
Brasoil	Brazilian oil & gas exploration	23%	2005			
Sea Rover	Deepwater oil & gas surveys	39%	2009			
Bali Oil & Gas	Deepwater oil & gas surveys	39%	2009			
Power						
GSRC Minnkota	Leases refined coal facilities	N/A	2013			
GSRC Sioux	Leases refined coal facilities	N/A	2013			
GS RC Investments	Leases refined coal facilities	N/A	2010			
GSRC Coffeen	Leases refined coal facilities	N/A	2010			

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Global Special Situations Group

Overview Cont'd

GSSG Portfolio Cont'd

Investment	Description	% Ownership	Acquisition	Acquisition Price ($mm)	Current Book Value ($mm)	LTD Revenues ($mm)
Transportation & Storage						
US Development III	Crude transloading	20%	2013	[redacted]		
Yamamoto Kaiun	Holding vessels for lease. Own one ship	80%	2008			
Total						

1. Equity investments where (a) the firm's investment is 20% or more of the company, or (b) have a cost basis or current carrying value of at least $200mm in entities the primary business of which is that of a producer or processor of, owner/operator of logistical facilities (including storage and transportation) for, or provider of logistical service in relation to, physical commodities.

Further Details on Select Investments

- **Fairway II**
  - Upstream oil and gas acquisition, development and production company
  - Focused on un-developed or under-developed acreage positions and properties across Texas and Oklahoma
  - Converts under-developed acreage from land value to proved reserve value through successful drilling
- **Opal**
  - Upstream oil and gas acquisition, development and production company
  - Focused on un-developed or under-developed acreage positions and properties across Texas, Oklahoma and New Mexico; Similar business model to Fairway II
- **US Geothermal**
  - Project level equity investment between GS and US Geothermal, Inc.
  - The Raft River geothermal project is a 10-13MW geothermal power plant located in Idaho
  - The project is a renewable, clean technology project that generates zero emissions
- **US Development ("USD")**
  - Logistics provider engaged in the design, finance, construction and operation of crude-by-rail and biofuel transloading
  - GSSG originally invested in USD in Feb 2007, purchasing [redacted] of preferred equity, which represented 50% ownership. In 2010, its three primary assets were sold to Kinder Morgan. The LTD P&L for USD I was [redacted]
  - In 2010, GSSG reinvested [redacted] to support USD's crude-by-rail strategy ("USD II"), which represented 32.5% ownership. USD II's crude-by-rail assets were sold in 2012 to Plains All American. The LTD P&L for USD II was [redacted]
  - During 2013 GSSG reinvested [redacted] ("USD III") in a crude-by-rail transloading strategy in Canada. GSSG's ownership following this transaction is 20%

= Redacted by the Permanent Subcommittee on Investigations

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Appendix

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Appendix
Recent Incidents & GS Response

Incident	Firms Involved	GS Response
FERC Fines	Barclays & JP Morgan	■ Commodities anti-manipulation policy reviewed and revised in November 2012 ■ New physical natural gas surveillance program. Program is designed to detect cases where the firm represents a significant portion of daily volume and report to trading supervisors ■ New physical power surveillance program with same purpose as natural gas program

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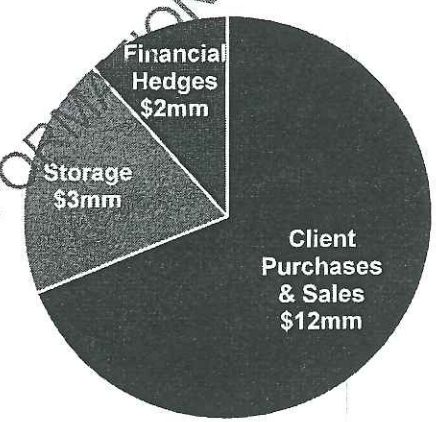
Appendix
Business Under Review: Uranium

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Overview

- Our Uranium franchise has only transacted in low-enriched Uranium[1] to date at variety of secure storage locations globally
- It provides clients with hedges through physical purchases and sales
- All receipts / deliveries are made on a book-transfer basis
- It operates predominantly as Nufcor International Ltd., which was purchased by GS in Q2 2009
- Through this we acquired $50m of physical low-enriched Uranium, rising to $263m at Y/E 2012
- The purchase was approved by the UK's FSA and operates under the 4(o) exemption in the US

Total Uranium 2012 Revenues: $17m



Top Clients By Revenue: 2009 - 2013

Name	Location	Type	Sales Credits
[redacted]	US	Utility	[redacted]
[redacted]	Germany	Utility	[redacted]
[redacted]	UK	Processor	[redacted]
[redacted]	United States	Utility	[redacted]
[redacted]	Australia	Producer	[redacted]

Secure Storage Locations In Which GS Holds Inventory[2]

Name	Location	Owner
ConverDyn	US	Honeywell
Cameco Corporation	Canada	Public
Comurhex	France	Areva
Eurodif	France	Areva
Urenco Ltd.	UK	UK & Dutch govt.

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[1] Specifically, GS trades U_3O_8, also known as "yellowcake," a mixture of uranium oxides produced after milling uranium ore, and UF_6, a uranium compound used in enrichment

[2] As of March 31, 2013

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Appendix
Physical Franchise Case Study

Crude Oil Supply / Oil Product Offtake Arrangement

- Client is headquartered in Dallas, Texas and engages in refining and marketing petroleum products primarily in the south-western and south central regions of the United States
- Their refineries produce clean-burning gasoline, ultra-low-sulfur diesel, jet fuel, specialty chemicals and advanced-performance asphalt products
- In February 2012, GS structured a crude oil supply and refined product offtake arrangement with them for their California refineries; this was the third such transaction GS had structured for the Client

Challenge	■ Client required financial support to make crude oil purchases ■ Client had ~$100mm tied up in existing crude oil and refined product inventories; a significant amount of cash for a smaller domestic refinery ■ Traditional commercial banks remain risk averse, generally advancing only 70-80% of the value of petroleum inventories
GS Solution	■ GS purchased the refinery's inventory at market prices ■ GS intermediated the majority of Client's crude purchases (up to 50,000 barrels / day) ■ GS purchased the majority of Client's refined products at a prevailing market price as they are produced
End Result & Value-Add	■ The transaction reduced working capital requirements associated with crude purchases and inventory ■ The WACC for the Client was lower than the cost of financing these working capital requirements with a traditional asset-backed loan and equity ■ The arrangement was volume-denominated, providing the Client with a stable mechanism for sourcing crude and managing liquidity regardless of prevailing market prices

In aggregate, the 3 transactions free up $450mm of working capital for the Client, representing ~20% of their total assets

FR Y-12
OMB Number 7100-0300
Approval expires December 31, 2015

Board of Governors of the Federal Reserve System

Consolidated Holding Company Report of Equity Investments in Nonfinancial Companies—FR Y-12

Report at the close of business as of the last calendar day of the reporting period.

This report is required by law: Section 5(c) of the Bank Holding Company Act (12 U.S.C. § 1844(c)) and Section 10 of the Home Owners Loan Act (12 U.S.C. § 1467a(b)).

The *Consolidated Holding Company Report of Equity Investments in Nonfinancial Companies* is to be prepared in accordance with the instructions provided by the Federal Reserve System. The Federal Reserve may not conduct or sponsor and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

NOTE: The *Consolidated Holding Company Report of Equity Investments in Nonfinancial Companies* must be signed and attested by an Executive Officer of the reporting holding company.

Date of Report: June 30, 2014
Month / Day / Year (BHEI 9999)

I, the undersigned Executive Officer of the named holding company, attest that the *Consolidated Holding Company Report of Equity Investments in Nonfinancial Companies* for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and is true and correct to the best of my knowledge and belief.

Sarah E. Smith
Printed Name of Executive Officer at Holding Company (BHEI C490)

Principal Accounting Officer
Title of Executive Officer of Holding Company (BHEI C491)

Signature of Executive Officer of Holding Company

08/13/14
Date of Signature (MM/DD/YYYY) (BHEI J196)

GOLDMAN SACHS GROUP THE
Legal Name of Holding Company (TEXT 9010)

200 WEST STREET
(Mailing Address of Holding Company) Street / P.O. Box (TEXT 9110)

NEW YORK	NY	10282
City (TEXT 9130)	State (TEXT 9200)	Zip Code (TEXT 9220)

Person to whom questions about this report should be directed:

Name / Title (TEXT 8901)

Area Code / Phone Number (TEXT 8902)

Area Code / FAX Number (TEXT 9116)

E-mail Address (TEXT 4086)

For Federal Reserve Bank Use Only

RSSD ID ____________

C.I. ________ S.F. ________

Public reporting burden for this information collection is estimated to average16.5 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Comments regarding this burden estimate or any other aspect of this information collection, including suggestions for reducing the burden, may be sent to Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0300), Washington, DC 20503.

Permanent Subcommittee on Investigations
EXHIBIT #8

GOLDMAN SACHS GROUP THE
Legal Name of Holding Company

June 30, 2014
As-of Date

For Federal Reserve Bank Use Only
RSSD ID ________
C.I. ________

Schedule A: Type of Investments

(If no activity or if the following section does not apply, please enter zero "0".)

Dollar Amounts in Millions	(Column A) Acquisition Cost			(Column B) Net Unrealized Holding Gains Not Recognized as Income			(Column C) Carrying Value			(Column D) Publicly Quoted Value			
	BHEI	Bil	Mil	BHEI	Bil	Mil	BHEI	Bil	Mil	BHEI	Bil	Mil	
1. Direct investments in public entities	C088		795	C089		0	C090		795	C091		849	1.
2. Direct investments in nonpublic entities	C093	6	283	C094		0	C095	6	288				2.
3. All indirect investments	C097	7	984	C098		0	C099	7	983				3.
4. Total portfolio (sum of items 1, 2, and 3)	C101	15	062	C102		0	C103	15	066				4.

Memoranda

	Number of Companies					
	BHEI	1-10	11-25	26-100	100+	
1. Total portfolio	C100			100		M.1.

Dollar Amounts in Millions	(Column A) Acquisition Cost			(Column B) Net Unrealized Holding Gains Not Recognized as Income			(Column C) Carrying Value			
	BHEI	Bil	Mil	BHEI	Bil	Mil	BHEI	Bil	Mil	
Financial holding companies only										
2. Investments held under Merchant Banking (GLBA) authority	C104	14	668	C105		0	C106	14	677	M.2.

Dollar Amounts in Millions	Income Amount			
	BHEI	Bil	Mil	
Only for holding companies filing FR Y-9C				
3. *Pre-tax* impact on net income from items 1, 2, and 3 above	B498	1	751	M.3.

Dollar Amounts in Millions	Off-Balance-Sheet Amount			
	BHEI	Bil	Mil	
For all holding companies				
4. Investments managed for others	C716	292	355	M.4.

Dollar Amounts in Millions	Income Amount			
	BHEI	Bil	Mil	
Only for holding companies filing FR Y-9C				
5. *Pre-tax* impact of management fee income (from item M4 above)	J443	1	140	M.5.

GOLDMAN SACHS GROUP THE
Legal Name of Holding Company

June 30, 2014
As-of Date

Schedule B: Type of Security

Dollar Amounts in Millions	(Column A) Acquisition Cost BHEI	Bil	Mil	(Column B) Carrying Value BHEI	Bil	Mil	
1. Common stock	C107	3	623	C108	3	611	1.
2. Convertible debt and convertible preferred stock	C109		852	C110		889	2.
3. Other equity instruments	C111	10	587	C112	10	566	3.
4. Total portfolio (sum of items 1, 2, and 3)	C113	15	062	C114	15	066	4.

Dollar Amounts in Millions	Off-Balance-Sheet Amount BHEI	Bil	Mil	
Memoranda				
1. Unused equity commitments	C115	2	577	M.1.

		Warrants BHEI		
2. Does the holding company hold any warrants or similar instruments received in connection with equity investment activity? (Enter "1" for yes; enter "0" for no.)	0=No 1=Yes	C717	1	M.2.

Schedule C: Type of Entity within the Banking Organization

Dollar Amounts in Millions	(Column A) Acquisition Cost BHEI	Bil	Mil	(Column B) Net Unrealized Holding Gains Not Recognized as Income BHEI	Bil	Mil	(Column C) Carrying Value BHEI	Bil	Mil	
1. Depository institutions:										
a. SBICs	C117		0	C718		0	C118		0	1.a.
b. Edge and agreement corporations	C121		0	C719		0	C122		0	1.b.
c. All other	C126		0	C720		0	C127		0	1.c.
2. Parent holding and other nonbank subsidiaries:										
a. SBICs	C136		0	C721		0	C137		0	2.a.
b. Edge and agreement corporations	C722		0	C723		0	C724		0	2.b.
c. Broker/Dealers	C131		717	C725		0	C132		717	2.c.
d. Private equity subsidiaries	C726		692	C727		0	C728		692	2.d.
e. All other	C145	13	653	C729		0	C146	13	657	2.e.
3. Total portfolio (sum of items 1.a through 2.e)	C150	15	062	C730		0	C151	15	066	3.
Memoranda										
1. Domestic investments	C155	7	706	C749		0	C156	7	706	M.1.
2. Foreign investments	C157	7	356	C750		0	C158	7	360	M.2.

GOLDMAN SACHS GROUP THE
Legal Name of Holding Company

June 30, 2014
As-of Date

Schedule D: Nonfinancial Investment Transactions During Reporting Period

	Direct Public Investments						Direct Nonpublic Investments						Indirect (Fund) Investments						
	(Column A) Acquisition Cost			(Column B) Carrying Value			(Column C) Acquisition Cost			(Column D) Carrying Value			(Column E) Acquisition Cost			(Column F) Carrying Value			
Dollar Amounts in Millions	BHEI	Bil	Mil	BHEI	Bil	Mil	BHEI	Bil	Mil	BHEI	Bil	Mil	BHEI	Bil	Mil	BHEI	Bil	Mil	
Type of Transaction																			
1. Purchases	C731		0	C732		0	J434		544	J435		544	C733		343	C734		343	1.
2. Less: return of capital	C735		13	C736		13	J436		256	J437		256	C737	1	184	C738	1	184	2.
3. Net valuation changes				C739		69				J438		453				C740		515	3.
4. Other	C741		0	C742		0	J439		-65	J440		-65	C743		-44	C744		-44	4.
5. Total transactions (sum of items 1 through 4)	C745		-13	C746		56	J441		223	J442		676	C747		-885	C748		-370	5.

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FRB-PSI-800016
PSI-FRB-12-000019

Goldman Sachs

NEW PRODUCT MEMORANDUM

To: Federation New Products Committee - Europe
Cc:

From: Magid Shenouda
Jonathan Fish
James Powell

Date: December 2008

Business
Sponsors: Isabelle Ealet

Subject: Uranium Trading

Executive Summary

The purpose of this memo is to seek approval from the Federation New Products Committee on the expansion of our Commodities Trading function to begin trading physical and financial Uranium products and processing rights.

More specifically, J. Aron & Company ("JANY") is to commence marketing and trading activities in physical Uranium through certain stages of the nuclear fuel cycle, and the associated activities of conversion and enrichment.

The intention is that this business will be initiated through the purchase and continuing operation of Nufcor International Limited, "Nufcor", an existing uranium products and processes trading house as part of the Stonehenge transaction. However, in the event that the Stonehenge transaction can not be concluded, we would develop a new uranium trading business within the existing European Gas and Power trading franchise.

In addition to this FNPC discussion, the proposed Nufcor transaction will go to the Acquisition Review Committee and the overall Stonehenge transaction will be discussed at [Divisional Risk].

Trading, operations and books and records will be controlled out of the London office.

Physical trading of uranium occurs by way of book-transfers of the products at various processing and storage facilities, and at no-stage does JANY intend to physically transport or handle any uranium product. Further approvals will be sought for any expansion of activities into physical handling or transportation of uranium products.

For the purposes of this memo, we have focused on the businesses conducted by Nufcor as this is where the initial activity is focused.

JANY Business Opportunity

Acquisition of Nufcor International Limited

The business opportunity is to acquire and operate an existing uranium trading business, Nufcor International Limited, which is a recognized name in the uranium industry, and has been operating in this field for over 40yrs.

The uranium fuel cycle consists of a number of uranium "products" each characterised by different purity and enrichment levels connected by a number of discreet processes to convert and enrich from mined uranium ore to enriched uranium, usable within fuel rods at nuclear reactors.

Nufcor periodically takes positions, on a book entry basis in the products uranium oxide (U3O8), uranium hexafluoride (UF6), and enriched uranium product (EUP).

Nufcor also takes positions in the rights to convert U3O8 to UF6 (Conversion Services Certificates) and the right to enrich UF6 (Separative Work Units or SWUs).

Nufcor's business model consists of 4 distinct activities:

1) Arbitrage across elements and processes in the uranium fuel cycle including time-spreads and inventory carry trades to capture contango differentials
2) Speculation on individual elements and processes in the fuel cycle
    a. Currently hold in inventory 1.15mio lbs of U3O8
    b. Currently hold in inventory 0.2mio kgU of UF6
    c. Currently hold in inventory 0.77mio kgU conversion service credits, which have been 'loaned' out to Honeywell for return in 2009, generating 'interest' income.
3) Fulfilment of Agency Agreements with two mining companies for the marketing and sale of U3O8
    a. Uranium One annual retainer plus commission on sales, 12mo termination
    b. Anglo Gold Ashanti annual retainer plus commission on sales, 12mo termination from June 2013
4) Provision of Advisory and Custodian services to Nufcor Capital Ltd, an AIM listed closed-ended investment fund that buys and holds UF6 & U3O8.
5) Nufcor currently hold 3.3mio common shares (8%) in Nufcor Capital Ltd plus deep out of the money warrants for a further 2.475mio shares.

The headcount associated directly with Nufcor's business is currently 6 London-based employees. We anticipate this would fall to 2-3 employees as part of the acquisition process.

Existing Trading Relationships:

Nufcor's current positions can be characterized as a portfolio of inventory holdings hedged with forward supply agreements and financial products.

It holds U3O8 conversion positions in North America and Europe, and has existing relationships with all Enrichment facilities except Rosatom (Russia).

Traded Volumes:

In 2008, Nufcor physically traded 3.6 m lbs of U3O8, and 0.46m KgU of UF6

In 2008, Nufcor traded 1.3 million lbs of U3O8e financially, using Exchange based products and bilateral swap agreements

In 2007, Nufcor traded 0.5m SWUs and 0.76 million Conversion Services credits

Portfolio Valuation

To value Nufcor's positions, we have derived a U3O8 forward curve from the NYMEX U308 futures contract. We have priced a conversion services forward curve flat with Ux Consulting Spot Conversion Services price indicator. We derive the UF6 forward curve from the U308 and the conversion services forward curves. We have conservatively valued the agency services business activities by crediting only the sales commissions currently due and payable. We have valued the advisory and custodian services business activities assuming the funds under management remain constant for 3 years.

The portfolio valuation as of 24 October was:

Uranium Inventory	$90mm
Uranium Forwards	$(55)mm
Uranium Agency & Advisory	$8mm
Nufcor Uranium Ltd (8%)	$4mm
Total	**$47mm**

Note that uranium inventory of Nufcor Uranium Ltd is currently valued at in excess of $180m, whereas the equity valuation is circa $75m, presenting a significant additional value opportunity.

Expected Start Date

Nufcor is a going concern, and will continue trading activity. Complete integration within the existing commodities infrastructure is expected to take 3months

Commercial Risks

The primary business risks associated with the trading physical and financial uranium products, that are faced by Nufcor as well as market activity generally include:

- **Physical Market liquidity**

Nufcor occasionally holds positions in 5 different elements of the uranium production cycle. Approximately 100 companies participate in buying/selling/trading some or all of these elements. Competitive tenders and bilaterally negotiated contracts are the common forms of transacting in these uranium products. We assume that churn is low, and that transactions generally are the result of periodic sales/procurement-driven strategies rather than frequent physical portfolio optimisation. Other than annual data, to date, we have not accessed data pertaining directly to market liquidity.

- **Financial Market Liquidity**

The NYMEX U3O8 futures contract, launched in May 2007, trades thinly and relatively near-dated. Daily volume traded is usually <7,500 lb, and is frequently 0 lb (NUFCOR's open interest is 139k lb). Current open interest is 661k lbs until March 2010 (representing <1% of physical U3O8 consumption over this time period). NUFCOR accounts for 20% of this open interest.

- **Lack of Spot Market**

"Spot" physical transactions in uranium products are considered those transactions for physical delivery within 12 months from transaction date. There is no spot market or spot price marker for transactions with just near-dated delivery and settlement

- **Market Reference Pricing**

There is currently no exchange-traded commodity market for physical uranium products. Weekly "spot" (see below) price indicators published by two consulting firms are accepted by the uranium industry as acceptable reference prices for floating price contracts. These weekly price markers are based on market sentiment and qualifying bids rather than on transactions completed. We have not tested the rigor/robustness of these price markers. One of them serves as the underlying settlement price for the NYMEX uranium futures contract

- **Information Asymmetry**.

The uranium product industry is characterised by traditional, long-term physical participants trading with each other. There is the potential that new entrant intermediaries will operate at a material and sustained information disadvantage to the established physical players in these products.

- **Health, Safety and Environmental Risk and Safety Record:**

Uranium processing and storage (in all forms) is heavily regulated, and conducted on a book transfer basis. That is, there are regulated storage, conversion and enrichment facilities responsible for all physical transfers and handling of the uranium products. Therefore JANY would hold legal title to the uranium products but not at any stage of its trading or marketing activities, physically hold uranium products. There is no expectation that JANY would engage in any direct physical movement of these products

Federation Considerations

Redacted By
Permanent Subcommittee on Investigations

Redacted By

Permanent Subcommittee on Investigations

- **Insurance**. We are currently investigating the extent to which liability concerns around nuclear incidents which are not afforded the financial protections of local nuclear liability laws can be addressed through privately provided nuclear liability insurance. It is not compulsory for facilities that process and store uranium concentrates and UF6 to maintain nuclear liability insurance.

Redacted By

Permanent Subcommittee on Investigations

■ **Compliance Issues:** (Yael Levy, Seung Earm, Rod Stern)

Policies & Procedures and Training

All uranium business will operate under existing internal policies and procedures and no changes to current policies and procedures are anticipated. To the extent that we acquire Nufcor personnel, they will be subject to the Firmwide Compliance Policies and Procedures and receive annual compliance trainings.

Account Opening

All new counterparties and customers will be subject to the firm's standard Account Opening Process, including Anti-money Laundering, Classification, Capacity and Authority checks. We anticipate most counterparties to be Market Professionals and will undergo suitability review for any structured or strategic transactions with any non-market professional client.

Should the bid for Nufcor be successful, there will potentially be additional due diligence needs to be carried out by Client Due Diligence and BIG in relation to unknown counterparties.

It is expected that the majority of clients will either have existing relationships with GSI or will be listed on exchange or government owned where account opening requirements are less onerous

Regulatory and Reputational Risks

As mentioned in the Legal section, given that JANY will only hold legal title to the uranium and will not own the facility or be in physical possession or delivery of the uranium, licensing is not expected to be problematic under the relevant local laws. In addition, given that JANY will not be the facility owners, JANY will not be subject to the government regulations applicable to production of uranium.

From an FSA registrations perspective, there are no additional registration requirements for individuals or the firm. In addition, there are no additional telephone taping or training requirements.

From a Regulatory Reporting standpoint, we are currently not aware of any reporting obligations but further due diligence will be conducted with external counsel to ensure reporting requirements are fulfilled. For example, some jurisdictions may require reporting on the basis of legal title if the inventory exceeds a certain amount.

Re acquisition of Nufcor as a separate legal entity, the Compliance section in the Acquisition Review Committee memo will discuss regulatory issues as far as the entity structure is concerned.

■ **Credit Issues:** (Pawel Adrjan, Sana Habib, Sara Farooqi)

Credit views the uranium industry as characterized by high barriers to entry, long lead times to bring production onstream, substantial geographic and producer concentration, and tight regulation of conversion, enrichment, and transportation processes. This results in a counterparty universe that is typically comprised of large multinational corporations or government-related entities, i.e. relatively strong credits. All uranium trade requests and new counterparties will be subject to the standard Credit review and approval guidelines.

Nufcor's uranium forward portfolio has a net short position (currently out of the money), so the portfolio will begin to generate mark to market exposure if uranium prices decline to the range of mid $20s/lb.

We have identified the following three areas of uranium trading that will involve GS taking credit risk, with specific follow up items noted in each case:

1- Forward and 'loan' positions

GS will take counterparty credit risk via forward trading of uranium products. Additionally, Nufcor's existing portfolio contains a 'loan' of conversion service credits to Honeywell that generates credit exposure.

Credit has conducted a high level overview of Nufcor's existing counterparties. Subject to more detailed analysis, which will follow in the next stage of the due diligence process, we have not identified any significant concerns relating to the credit quality of those counterparties compared to the size of the positions.

Credit concerns/follow-ups related to uranium trading are:

- Tenor: Uranium trades can be long-dated (i.e. >3 years)
- Settlement risk: Settlement is non-standard and lengthy with most counterparties, i.e. payment up to 30 days after delivery, although it varies in each contract
- Documentation: Trade documentation is not standardized and transactions are not captured by ISDA or other standard commodities master agreements. While some of Nufcor's contracts have credit

terms relating to rating downgrades and other termination events, other forms of credit support such as collateral do not appear to be a market standard. It is not clear whether uranium trades would benefit from legal netting

- Exposure modeling: Credit will need to be comfortable with trade capturing, accurate mark to market and potential exposure calculations. We will need to ensure good data quality, allowing for accurate stress testing and monitoring of exposures against credit limits

We will manage the tenor, settlement, and documentation risks by setting limits based on the credit quality of the counterparties, following the standard credit risk management process.

2- Inventory

Nufcor holds uranium inventory on an unallocated/ non-segregated basis with a number of storage facilities, generating credit risk to those entities.

We have obtained details on the actual location and value of Nufcor's current inventory:

U308	LBS	Mkt $/lb	Value
Cameco	154,931	54	8,366,274
Comurhex	119,451	54	6,450,354
Converdyn	348,851	54	18,837,954

UF6	KGU	$ / kgU	Value
Eurodif	153,448	150	23,017,200
USEC	49,662	150	7,449,300

Preliminary analysis of the counterparties to Nufcor's storage contracts has identified some credit concerns.

For USEC, Credit is concerned given the weak credit profile (public rating of B-/B3). Going forward, we would not want to add to this exposure, and we would work with business to manage this position.

For Cameco, Comurhex and Converdyn, Credit is comfortable based on the ownership or standalone profiles of these names.

3- Agency contracts

Credit risk in uranium marketing and agency agreements is limited to the commission fees owed to Nufcor by two uranium producers. Nufcor does not take any principal risk via these contracts, and they can be terminated with 12 months' notice.

With regards to the custodian and advisory services provided to Nufcor Capital Ltd., credit risk is also limited to the fee receivables. We do not currently anticipate any OTC trading with the fund.

■ **Controller issues:** (Ellis Kitchener, Mark Davis)

Product Controllers

After the integration of the business into our existing operational infrastructure, controllers envisage that we will be able to adequately subsume the volumes of Nufcor's business within our existing control infrastructure. In the interim we will agree a temporary control procedures with operations to mitigate risks to the firms pnl and completeness of our books and records.

The purchase of the Nufcor entity crystalizes the requirement for the completion of full financial and accounting due diligence. The transaction would also require sign of from NPC and Acquisition review committee (ARC).

In terms of mark-to-market (MTM) and P&L recognition, our understanding is that trading in the Uranium market is limited and is likely to remain so in the future. If it is determined that the spot market is not active, then we cannot conclude that the forward positions are derivatives and as such would not be MTM.

The physical inventory will need to be marked at FV, to be determined by the desk, product control and accounting policy. The lack of a liquid spot trading market would mean that the determination of FV would be skewed to trading activity, rather than published prices.

The disconnect between FV of physical inventory and the lack of MTM on the forward positions may result in P&L volatility for the Uranium portfolio.

Regulatory Reporting

GSI should not be used to house any new commodity risk. If GSI is used to intermediate trades between a 3rd party and JANY, the appropriate counterparty charges will be taken systematically.

■ **Technology Issues & Operational Issues:** (Chris Teverson, Ali Peera)

Nufcor's existing involvement in the uranium market is managed without direct physical ownership of the uranium products. The process is managed on an 'Unallocated' process where participants own the rights to certain products but that these are not directly physically assigned. In effect there is no physical delivery or logistics activities; with all transfers between mines, conversion and enrichment facilities effected through book entry. There is no expectation that we would engage in any direct physical movement of these products.

Trade Capture

The Nufcor entity is to be maintained and will be created in the existing JANY systems. All trades will ultimately be booked using the existing JANY infrastructure against this entity.

Incorporation of Nufcor in the JANY systems may take a while to implement and there may be a limited period where the risk is booked in SecDB but the operational processes are managed using a spreadsheet. The low trading volumes in Nufcor should enable operational risks to be managed prior to completing the transition.

Apart from managing the underlying uranium products (U3O8 , UF_6 currently) we will require objects to be able to book and track Conversion Credits and SWU (Seperative Work Units) to convert UF_6 to Enriched Uranium Products – although there is currently none of the latter product being transferred.

It is likely that the Elec Energy object will be utilized for booking the U3O8 and UF6 products and the Conversion Credits will be booked as Certificates. It is planned that these objects will enable the uranium products to eventually be managed through the existing Energy Scheduling System.

Logistics and Inventory Management

We have extensive experience of managing a wide range of physical commodity products both on an allocated and unallocated basis. It should be fairly straight forward to accurately represent the physical positions in our systems. We have experience of managing physical unallocated products for metals and coal (Bear Tolling Deal). We also have experience of managing products with varying levels of quality e.g. physical coal cargoes which has differing levels of % sulphur and differing energy values.
We also manage deliveries for products where delivery timings are prone to changes particularly in the LNG, coal and oil business.

Confirmations and Settlement

Some work would be required to set up new product lines and ensure trades flow to downstream operations systems. We would look to incorporate these products into the strategic OMNI-COS workflow for OTC products and to GMI for Listed Derivatives.

- **Strats** (Ossie Manners)

To be incorporated, a new legal entity will need to be set up within upstream and downstream systems to house all Nufcor trades. We will roll out CMLs for each product and delivery location to accurately reflect the location of inventory and future trades.

The share holding of Nufcor Uranium, and the associated warrants will be introduced through existing equity instruments.

For the Advisory & Agency agreements, we need to introduce them as future payment streams. This is similar to the mechanisms used in selling GSCI to S&P, so we anticipate that we can introduce this in a similar fashion.

We have existing instruments in and outside of SecDB through which we are comfortable to book and risk manage and delivery flexibility and storage costs. New instruments need to be incorporated to model the conversion service loan repayments, but this should not be problematic.

- **Tax Department issues** (Neil Reeve)

We understand the Uranium trading activities will be undertaken by, and booked in, Nufcor. The unique tax implications of the activities will be assessed as part of the proposed general corporate Tax Due Diligence to be undertaken (by Delloitte) in connection with the larger Stonehenge transaction. While we understand that Nufcor will never be engaged in the physical delivering, withdrawing or carriage of uranium product, we will nevertheless seek reassurance from the due diligence provider that no unusual reporting requirements or income, sales, VAT, environmental or other taxes are imposed on the business by any of the jurisdictions in which Nufcor operates. We anticipate that if the Due Diligence uncovers any tax concerns with the activities this would be discussed in detail with the desk.

In relation to the holding of Nufcor in the GS Group, this has not been finalised and will only be considered further when the Stonehenge transaction structure is known. If Nufcor is held beneath the UK deferral group, we will have to consider the tax implications of backing out any off-market contracts to JANY to the extent this will be necessary

- **MRMA** (Swati Jain)

MRMA has confirmed with the gas & power trading desk and strategists that MRMA's standard requirements will be met. MRMA standard requirements can be found at:
http://wwwd.ny.ficc.gs.com/ssps/ProdSource/FAQ_Question?faqq=FAQE+are+the+requirementsB7Z++0

MRMA should be able to view the risk on the positions in SecDB by running Slate report on the archives hence should be notified once the booking is done.

Also, from the discussions with controllers, we understand the positions will not be Marked to market and hence will sit out of VaR.

On this basis MRMA are comfortable to proceed with implementing the uranium business.

- **Business Intelligence Group** (Helen Symonds)

Given the nature of the sector, all uranium counterparties will be subject to review by BIG prior to onboarding.

In the context of the Stonehenge transaction, BIG is close to completing its review of the counterparties currently utilised by Nufcor. Those counterparties are all highly regulated and are operating out of lower risk jurisdictions (US, Canada, Europe) - to date, we have not identified any material issue that would prevent the firm from transacting with any of the counterparties.

ANNEX 1

WHAT IS URANIUM?

In its pure form, uranium, U, is a silvery white metal of very high density. It has the highest atomic mass of any naturally occurring element, found in rocks and ores which make up approximately 3% of the earth's crust.

The three naturally occurring isotopes of Uranium are uranium-238, uranium-235, and a very small amount of uranium-234. The percentage occurrence (by weight) and radioactivity properties of the naturally occurring isotopes of Uranium are approximately follows:

	Percent of Total Uranium in Crustal Rock			
Isotope	by weight	by radioactivity	Alpha energies, MeV (abundance)	Half-life (years)
^{234}U	0.0055	48.9	4.776 (72.5%) 4.723 (27.5%)	2.45×10^5
^{235}U	0.720	2.2	4.597 (5%) 4.395 (55%) 4.370 (6%) 4.364 (11%) 4.216 (5.7%) Others (17.3%)	7.04×10^8
^{238}U	99.2745	48.9	4.196 (77%) 4.147 (23%)	4.46×10^9

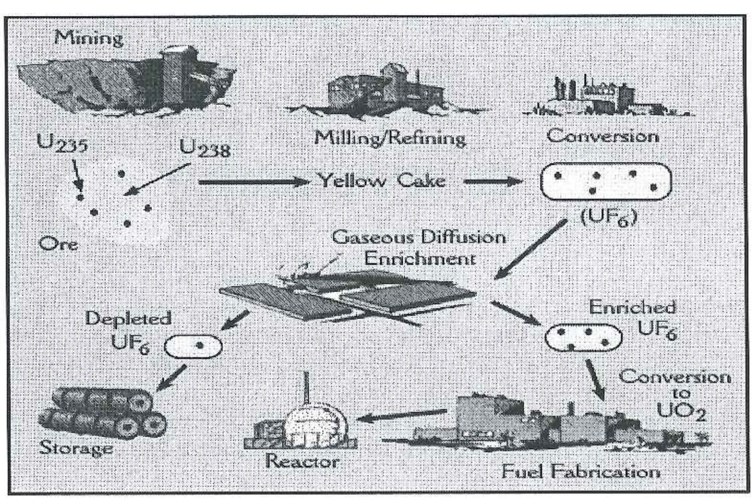
Source: Lide 1994

The sole commercial usage for uranium is for power generation and as can be seen, Uranium is a radioactive substance. As mined from the ground it is not usable as nuclear fuel, primarily because the rate of U-235 needs to be increased from 0.7% to 2%-4%.

To achieve this, the uranium ore is first refined and processed to generate triuranium octaoxide (U3O8) or "Yellowcake", which essentially is an inert, stable, insoluble oxide which can be safely handled.

From this point, it is "Converted" into UF6, usually in gaseous form, at one of 4 conversion facilities globally. UF6 then has to undergo the Enrichment process to increase the percentage level of U-235, to the level required for nuclear power generation. Once Enriched, UF6 is then solidified and processed into UO2, from which nuclear fuel rods are manufactured. This entire process is known as the Uranium Fuel processing cycle:

The Uranium Fuel Processing Cycle



RADIOACTIVITY

It is paramount to note that in all the processes from its natural form to enriched UF6, Uranium is a not a harmfully radioactive substance.

This is because Uranium decays slowly by emitting an alpha particle. The half-life of uranium-238 is about 4.47 billion years and that of uranium-235 is 704 million years – because of this, natural uranium, although it is radioactive, has a very low specific activity (i.e., the amount of radioactivity per gram) and thus, being a heavy metal, is considerably more hazardous from the standpoint of chemical toxicity.

In fact, for natural uranium the chemical toxicity is the overriding consideration and is approximately the same as the chemical toxicity of lead. Please note that we actively trade lead, and as such consider uranium to be a similar product.

About twenty million packages of all sizes containing radioactive materials are routinely transported worldwide annually on public roads, railways and ships. These use robust and secure containers. At sea, they are generally carried in purpose-built ships.

U3O8 is transported from the mines to conversion plants in 200-litre drums packed into normal shipping containers. No radiation protection is required beyond having the steel drums clean and within the steel container.

From the conversion plant, the uranium is in the form of uranium hexafluoride, which again is barely radioactive but has significant chemical toxicity. Consequently it is transported in special containers, which also function for storage.

Although Nufcor would never transact in fabricated fuel rods, or nuclear waste, it's interesting to note that since 1971 there have been more than 20 000 shipments of used fuel and high-level wastes (over 80 000 tonnes) over many million kilometres. There has never been any accident in which a container with highly radioactive material has been breached, or has leaked [1]

[1] *Primary source for section: International Atomic Energy Agency*

ANNEX 2: URANIUM MARKET OVERVIEW

PRODUCTION

1) Mining & Milling:
The majority of the mined uranium ore deposits are found in Australia (22%), Canada (21%) and Kazakhstan (16%).

Raw uranium is extracted through either, i) open pit mining, ii) underground mining or iii) In situ recovery.

Once recovered, the uranium ore is milled, purified and processed to produce a concentrate powder, known as "Yellow Cake" or U3O8, and then transported for the refining process.

2) Refining & Conversion

During this process, U3O8 is purified into UO3 and then, depending on its ultimate usage (type of nuclear reactor its intended for), it is converted into either UO2 or UF6.

U308 is principally stored at these refining and conversion locations, whereas processed UF6 is transported and stored at the enrichments facilities

The Nufcor business proposal involves transactions and inventories in U3O8 on a book-entry basis once it has been accepted into the conversion facilities

The business also includes trading of conversion credits, which entitle the holder to exchange volumes of U3O8 for UF6, and of the UF6 held at the enrichment facilities, but without the need for the holder to arrange for transportation or physically handle the uranium

3) Enrichment

Normal nuclear power reactors need to utilze fuel with a 3%-5% U-235 concentration level, whereas its approx 0.7% in natural deposits (Natural UF6 is 99.3% U-238). To achieve the necessary enrichment, lighter U-235 atoms have to be separated from heavier U-238 atoms to enable an increase in the U-235 concentration. This is either done through gaseous diffusion or centrifuge methods

These processes are sold through Seperative Work Units (SWUs), where 1 SWU is the unit that expresses the energy needed to separate U-235 and U-238.

The precise enrichment process depends on the amount of uranium feed (UF6) at the beginning of the process; the amount of SWU used; and the concentration of the U-235 atoms left over (tails assay) at the end of the process.

There is an inherent optimization and arbitrage exercise for nuclear operators and traders – through comparing the value of the enriched uranium (in part through the ultimate generated power price) to the cost of the UF6 fuel, and the price of the SWUs needed to perform the enrichment.

The Nufcor business proposal also involves trading of enriched uranium products (EUPs) and also SWUs to be able to optimize existing inventory positions and arbitrage future pricing opportunities, although Nufcor does not currently hold positions in these products

4) Fuel Manufacture

Once uranium is enriched, it can then be manufactured into fuel rods that can ultimately be used in nuclear reactors.

[The proposal does not envisage trading fuel rod manufacturing services, and at no stage would it be responsible for physically handling enriched uranium or fuel rods, as it is at this stage that the U-235 concentration levels are potentially harmful]

URANIUM UTILIZATION

There are 440 nuclear power reactors operating in 31 countries, with 96 new reactors under construction or planned for completion within the next 10years – these form the sole commercial demand for processed uranium.

World annual uranium consumption 178m lbs U3O8e
    Primary Production: 109m lbs U3O8e
    Secondary Souces: 69m lbs U3O8e

Nuclear Utilities purchase the uranium at all 4 stages of production outlined above, and then if necessary, contract for the processing necessary to convert the material into usable fuel. Due to the ultimate usage, the market is heavily concentrated, with no more than 100 entities involved in different parts of the traded markets.

62% of the uranium demand is supplied from the "primary market" of extraction and production process. The remainder is from Secondary supplies – from existing inventories, reprocessed used reactor fuel and decommissioning of nuclear armaments. In recent years, highly enriched uranium, derived from dismantling of Russian nuclear weapons has become the major secondary source (equivalent to a large mine), but supplies from this source are contracted only until 2013, and other sources will be depleted over the forthcoming years.

URANIUM MARKETS

Traditionally, uranium is contracted under bilaterally negotiated transactions, although Exchange based products, including the Nymex Uranium futures contract for U3O8 have been increasing in stature over the last couple of years.

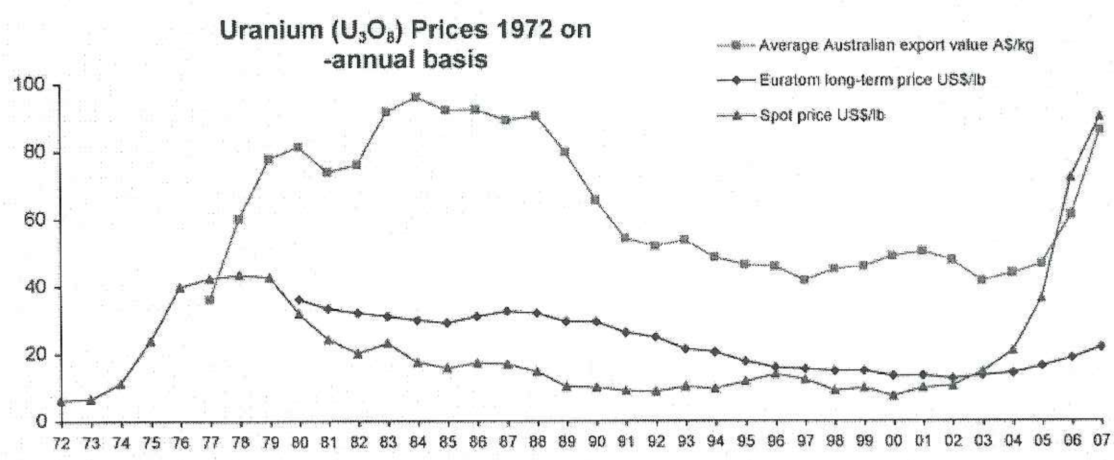
The bilateral agreements are heavily negotiated, long term structured trades (up to 10yr), based on a fixed price with escalation through inflation or economic performance (GDP) indices.
    In 2007, about 250 million pounds of U3O8 were contracted in the long term market

A smaller "spot" market exists, with delivery within 1yr of contracting. Spot transactions are typically priced referencing to the value quoted by one of 3 market information sources (Ux, TradeTech & Nukem).
    In 2007 around 20m pounds of U3O8 was contracted here.

U3O8 has standardized pricing, irrespective of the holding location

UF6 is purchased priced either as a North American product, or a European product, depending on the delivery location, and Conversion Credits have the same geographical specification[1]

MARKET DYNAMICS



Note that the Euratom long-term price is the average price of uranium delivered into the EU that year under long term contracts. It is not the price at which long-term contracts are being written in that year.

[1] *Sources for Section: Cameco, International Atomic Energy Agency, World Nuclear Association*

PHYSICAL COMMODITY REVIEW COMMITTEE: MEETING MINUTES

Meeting Date: May 17, 2013

Meeting Type: Ad Hoc

Location:

Time: 8:15amEST – 9:15amEST

Dial in 212-902-4292 passcode 419310

NY: 200W/12th Floor/ Room 104/ LDN: PBC/008/200 DAL 6031CD/004/1453

Attendance: See Annex A

Quorum Requirement Met: Yes

Meeting Chairperson(s): Denise Wyllie

Secretary: Jenny Chin/Jeff Fernandez

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1) **Administrative Matters:** Magid Shenouda was recused.

2) **Transaction Review:** The London Commodities presented to the committee the book title purchases and sales of enriched uranium (UF6) that will be stored at Global Nuclear Fuel's (GNF-A)fabrication facility in North Carolina, U.S.

3) **Background and Key Discussion:**

The commodities business is looking to expand its uranium trading portfolio to include UF6 with enrichment levels up to 5% (the civil nuclear threshold according to the U.S. Nuclear Regulatory Commission. Proposed transaction involves both purchases and sales of enriched UF6 where title transferred on a book transfer basis (where GS will never take actual possession) at the GNF-A facility. All uranium storage accounts are held in the name of Nufcor International Limited, a GS subsidiary.

Topics addressed/discussed included the following:

- Deal team went through the transaction structure with respect purchase of UF6 from AFR/USEC in 2013 stored at GNF-A facility to sale of UF6 to Exelon in 2018.
- Title transfer between buyer and seller is via book transfer process on instruction from the seller to the facility within the time parameters set out by the facility.
- GS will not be a transporter of the enriched UF6 and GS will not be the operator of the storage facility.
- The hazards relating to stored enriched UF6: 1) chemical exposure to florine and metal floride, and 2) criticality exposure – auto reaction of stored canister with water and pressure.
- While GNF-A has property (1st party) and liability (3rd party) insurance, it cannot be relied upon due to potential dilution and specific coverage exclusion in a catastrophic nuclear event.
- GNF-A's EHS organizational structure/governance, management, policies and procedures.
- UF6 stored at GNF-A facility is fungible and comingled. The canisters stored will not have specific title identification.

4) **Reputational Risks:** Potential reputational risk to GS as title owner of the UF6. Deal team to provide better understanding of public disclosure of title ownership. GNF-A confirmed that they are not required to disclose ownership of the material stored at their facility.

5) **Outcome/Follow up:** The meeting outcome is **Reviewed with Conditions**. Deal team is to provide information regarding the following.

EHS

- Any EHS metrics that have deal with the general operation of the GNF storage facility (not only relating to nuclear/NRC incidents)
    - Deal team advised that GNF-A is willing to provide further details on HSE and other internal policies to GS after signing of the contract and confidentiality agreement.

Reputational:

- What, if any, public disclosures is GNF / USEC required to provide to the government or any other agency about the business and title holders with whom it transacts
    - GNF-A confirmed that they are not required to disclose ownership of the UF6 stored at their facility.

These conditions were satisfied by deal time and the deal has subsequently been approved on May 17, 2013.

6) **Reports/Updates:** The PCRC Template and supporting documents were presented and circulated prior to the meeting.

7) **Other Business and Material:** None

8) **Prior Meeting Minutes Approval:** None

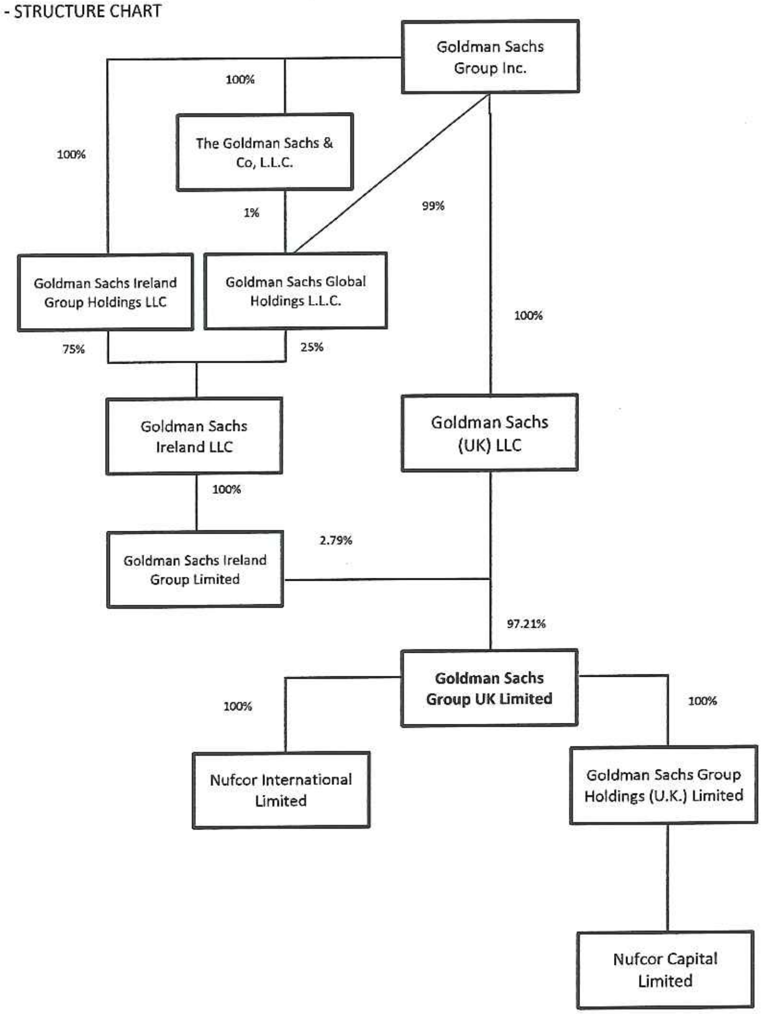
Annex A: Attendance

Chairperson(s), Members, Counsel and Secretary	*Present*	*Absent*
Chairperson: Denise Wyllie	Yes	
COO: Max Bulk		Yes
Member: Greg Agran		Yes
Member: Alistair Cross	Yes	
Member: Mark D'Arcy	Yes	
Member: Gary Hayes	Yes	
Member: David Herrmann	Yes	
Member: Scott Lebovitz	Yes	
Member: Sabrina Liak	N/A	
Member: Milt Millman		Yes
Member: Kyung-Ah Park	Yes	
Member: Magid Shenouda	Yes	
Member: Joel Sulkes	Yes	
Member and Counsel: Steve Bunkin	Yes	
Secretary: Jenny Chin	Yes	
Secretary: Jeff Fernandez	Yes	
Observer: Robert Dannenberg		Yes
Observer: Raymond Clifford	Yes	

Other Attendees
None

Presenter(s)
Jonathan Gaylard
Jonathan Fish
James Marchese
David Gallagher
Michelle Zammit
Jolie Norris

NUFCOR - STRUCTURE CHART



Permanent Subcommittee on Investigations
EXHIBIT #11

CONFIDENTIAL

GSPSICOMMODS00046240

chadbourne

Chadbourne & Parke LLP
1200 New Hampshire Avenue, NW
Washington, DC 20036
telephone: (202) 974-5600

Abbe David Lowell
direct tel (202) 974-5605
adlowell@chadbourne.com

October 2, 2014

By E-mail

Ms. Elise J. Bean
Permanent Subcommittee on Investigations
Homeland Security & Governmental Affairs Committee
United States Senate
199 Russell Senate Office Building
1st & Constitution, N.E.
Washington, D.C. 20510

Re: Follow-Up Requests

Dear Ms. Bean:

I write on behalf of The Goldman Sachs Group, Inc. ("Goldman Sachs" or the "Firm") in connection with the efforts of the Permanent Subcommittee on Investigations (the "Subcommittee") to better understand the nature and scope of activities of U.S. banks in physical commodities.[1] Goldman Sachs responds to certain requests attached to your email dated September 9, 2014, which we reproduce below for your convenience. We are continuing to work diligently on the remaining requests and will supplement this submission with additional responses as soon as possible.

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[1] The Goldman Sachs Group, Inc. is the Firm's publicly-held parent company. Information relevant to the Subcommittee's requests involves the activities of affiliates controlled by the Firm operating both inside and outside the United States.

Permanent Subcommittee on Investigations
EXHIBIT #12

PSI-GoldmanSachs-21-000001

Redacted By

Permanent Subcommittee on Investigations

Request No. 9: Please confirm that no Goldman entity had a tolling agreement with any of the power plants that had supply contracts with Nufcor.

Goldman Sachs has not entered into tolling agreements with utilities that were party to supply contracts with Nufcor.

Request No. 10: Please confirm that, from 2009 to the present, Nufcor has stored U308 uranium products at a Comeko facility in Ontario, Canada, Comurhex facility in France, and Converdyn facility in Illinois; and UF6 uranium products at a Eurodif facility in France, Urenco facility in Germany/UK/Netherlands, and Louisiana Energy Services facility in New Mexico, and at no other locations. If this information is incorrect, please correct it to identify all of the facilities at which Goldman stored either U308 or UF6 uranium products since 2009.

We confirm that since the time of the Nufcor Acquisition to the present, the only facilities at which Nufcor International has maintained inventories of U308 or UF6 are those facilities identified above in this Request, other than that Nufcor International has maintained inventory balances of UF6 at the USEC facility in Paducah, Kentucky but has maintained no inventory at this facility since December 2012.

Request No. 11: Please confirm that Nufcor traded 20,000 pounds of U308 in 2009, but that its trading has steadily declined since and that its 2014 trading is estimated to be 4,000 pounds of U308.

The volumes traded (*i.e.*, purchased and sold) within the specified periods are set forth below:

- Between June 30, 2009 and December 31, 2009, Nufcor traded 650,000 lbs of U308.
- In 2010, Nufcor traded 4.7m lbs of U308.
- In 2011, Nufcor traded 8.2m lbs of U308.
- In 2012, Nufcor traded 13.7m lbs of U308.
- In 2013, Nufcor traded 12.8m lbs of U308.
- In the first half of 2014, Nufcor traded 1.9m lbs of U308.

Nufcor Uranium Utility Supply Contracts at the time of the Nufcor Acquisition (June 30, 2009)								
Counterparty	Transaction Type (Buy / Sell)	Product (U308 / UF6)	Delivery Term		Delivery Frequency	Total Contract Volume	Outstanding Volume (at June 30, 2009)
			Start Date	End Date			
Redacted by the Permanent Subcommittee on Investigations	Sale	U3O8	1-Jan-07	31-Dec-09	Quarterly	1,000,000	180,000
	Sale	U3O8	1-Jan-09	31-Dec-11	Up to 3 deliveries per year	600,000	600,000

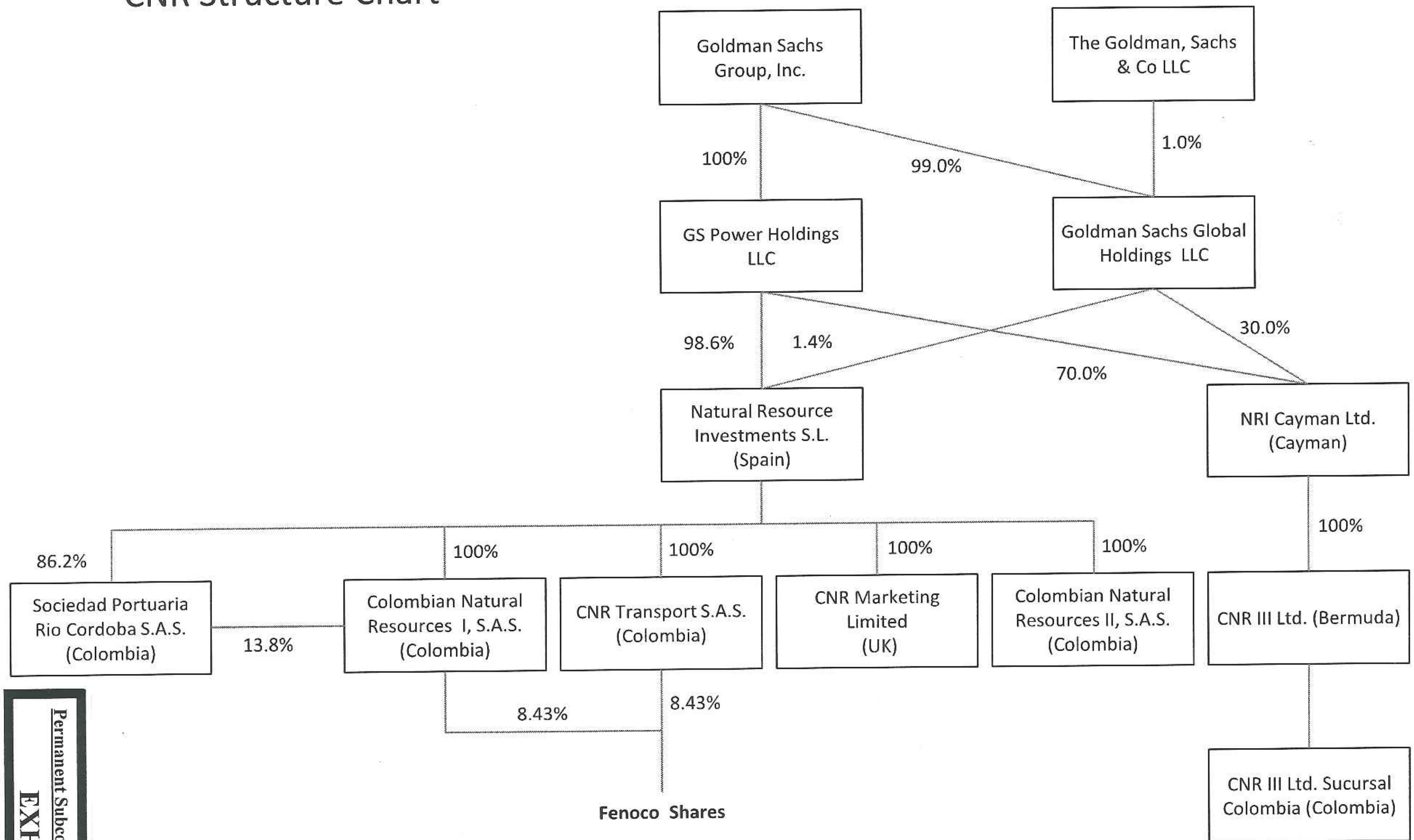
Nufcor Uranium Utility Supply Contracts as at June 30, 2014							
Counterparty	Transaction Type (Buy / Sell)	Product (U308 / UF6)	Delivery Term		Delivery Frequency	Total Contract Volume	Outstanding Volume (at June 30, 2014)
			Start Date	End Date			
Redacted By Permanent Subcommittee on Investigations	Sale	U3O8	1-Jan-12	31-Dec-14	Semi-annual	1,075,000	370,000
	Sale	U3O8	1-Jan-15	31-Dec-18	Semi-annual	1,125,000	1,125,000
	Sale	U3O8	1-Oct-15	1-Oct-15	Single	50,000	50,000
	Sale	U3O8	22-Sep-14	22-Sep-14	Single	75,000	75,000
	Sale	U3O8	9-Mar-15	9-Mar-15	Single	50,000	50,000
	Sale	U3O8	4-Jan-16	4-Jan-16	Single	65,000	65,000
	Sale	Conversion	1-Jan-14	1-Dec-17	Annual in 2015 and 2017	110,000	110,000
	Sale	U3O8	1-Sep-15	1-Sep-15	Single	50,000	50,000
	Sale	U3O8	1-Sep-15	1-Sep-15	Single	50,000	50,000
	Sale	U3O8	2-Sep-15	2-Sep-15	Single	100,000	100,000
	Sale	U3O8	2-Sep-15	2-Sep-15	Single	100,000	100,000
	Sale	U3O8	1-Dec-17	1-Dec-17	Single	50,000	50,000
	Sale	U3O8	1-Mar-16	1-Mar-16	Single	100,000	100,000
	Sale	Conversion	1-Jan-14	31-Dec-17	Annual in 2014, 2016 and 2017	200,000	200,000
	Sale	U3O8	6-Apr-15	6-Apr-15	Single	100,000	100,000
	Sale	U3O8	1-Sep-15	1-Sep-15	Single	50,000	50,000
	Sale	U3O8	1-Sep-15	1-Sep-15	Single	50,000	50,000
	Sale	U3O8	2-Sep-15	2-Sep-15	Single	100,000	100,000
	Sale	U3O8	2-May-16	2-May-16	Single	100,000	100,000

PSI-GoldmanSachs-21-000014

Nufcor Uranium Utility Supply Contracts as at June 30, 2014							
Counterparty	Transaction Type (Buy / Sell)	Product (U308 / UF6)	Delivery Term		Delivery Frequency	Total Contract Volume	Outstanding Volume (at June 30, 2014)
			Start Date	End Date			
	Sale	U3O8	1-Sep-15	1-Sep-15	Single	200,000	200,000
	Sale	U3O8	2-May-16	2-May-16	Single	100,000	100,000
	Sale	UF6	1-Dec-14	1-Dec-14	Single	11,000	11,000
	Sale	U3O8	1-Mar-16	1-Mar-16	Single	100,000	100,000
	Sale	U3O8	1-Jun-16	1-Jun-16	Single	71,604	71,604
	Sale	U3O8	1-Jun-16	1-Jun-16	Single	100,000	100,000
	Sale	Conversion	1-Jan-14	31-Dec-17	Annual in 2014, 2016 and 2017	142,000	142,000
	Sale	U3O8	2-Sep-14	2-Sep-14	Single	100,000	100,000
	Sale	U3O8	2-Sep-14	2-Sep-14	Single	100,000	100,000
	Sale	U3O8	1-Jun-16	1-Jun-16	Single	100,000	100,000
	Sale	UF6	15-Dec-14	15-Dec-14	Single	74,000	74,000
	Sale	U3O8	1-Jun-16	1-Jun-16	Single	90,530	90,530
	Sale	U3O8	3-Jan-17	3-Jan-17	Single	200,000	200,000
	Sale	U3O8	1-Jun-16	1-Jun-16	Single	50,000	50,000
	Sale	Conversion	1-Jan-14	31-Dec-17	annual	148,000	148,000
	Sale	U3O8	6-Apr-15	6-Apr-15	Single	100,000	100,000
	Sale	U3O8	1-Apr-15	1-Apr-15	Single	200,000	200,000
	Sale	U3O8	1-Jun-16	1-Jun-16	Single	100,000	100,000
	Sale	UF6	1-Mar-13	30-Sep-15	Semi-annual	360,000	180,000
	Sale	UF6	1-Jul-12	1-Jul-14	Annual	379,000	59,000

Redacted By
Permanent Subcommittee on Investigations

CNR Structure Chart



Permanent Subcommittee on Investigations
EXHIBIT #13

GSPSICOMMODS00046318

EXCERPT

These materials are important and require your immediate attention. They require shareholders of Coalcorp Mining Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisors. If you have any questions or require further information regarding the voting of your shares, please contact Laurel Hill Advisory Group toll free at: 1-800-503-9439.

Coalcorp

COALCORP MINING INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON FEBRUARY 11, 2010 AND MANAGEMENT INFORMATION CIRCULAR

RECOMMENDATION TO SHAREHOLDERS

The Board of Directors of Coalcorp Mining Inc. Unanimously Recommends that Shareholders VOTE FOR the Proposed Transaction Resolution as Described in the Accompanying Management Information Circular

January 19, 2010

Coalcorp

January 19, 2010

Dear Shareholder,

You are cordially invited to attend a special meeting of shareholders of Coalcorp Mining Inc. ("**Coalcorp**" or the "**Corporation**"), which will be held at St. Andrew's Club & Conference Centre, 150 King Street West, 27th Floor, Toronto, Ontario at 10:00 a.m. (Toronto Time) on February 11, 2010 (the "**Special Meeting**") to consider and vote upon the Proposed Transaction (as defined herein).

On January 7, 2010, Coalcorp announced that it and certain of its wholly owned subsidiaries had entered into agreements with a wholly owned subsidiary of Goldman Sachs Group, Inc. (through one or more of its affiliates, "**Goldman Sachs**") providing for the sale by those subsidiaries of their mining and related infrastructure assets to Goldman Sachs, for total cash consideration of USD$151 million, subject to certain closing adjustments (the "**Purchase Price**") and the assumption of certain liabilities, for a total transaction value in excess of USD$201 million. The transaction includes:

(a) an asset purchase agreement dated as of January 6, 2010 among the Corporation, its subsidiary, Compañia Carbones del Cesar ("**CDC**") and GS Power Holdings LLC (the "**Purchaser**"), a subsidiary of Goldman Sachs, providing for the sale by CDC to the Purchaser of the La Francia I mining concessions and related infrastructure assets (the "**CDC Assets**") for cash consideration of USD$100 million and the assumption of certain liabilities of Coalcorp, including but not limited to the liabilities under the Coal Sale Contract (as defined herein) with a mark-to-market value of approximately USD$50 million based on prevailing coal prices, and

(b) a share purchase agreement among the Corporation, its subsidiary, Pianta Ltd. ("**Pianta**") and the Purchaser providing for the sale by Pianta to the Purchaser of all of the issued and outstanding shares (the "**Adromi Shares**") of Adromi Capital Corp. ("**Adromi**"), which entity holds the Corporation's interests in the La Francia II mining concession, for cash consideration of USD$51 million.

The disposition of the CDC Assets by CDC and the Adromi Shares by Pianta is collectively referred to herein, as the "**Proposed Transaction**". The Proposed Transaction is subject to certain closing conditions, including the approval of Coalcorp's shareholders at the Special Meeting, and is expected to be completed shortly following the Special Meeting.

The attached management information circular (the "**Circular**") sets forth among other things, information about: (i) the Special Meeting, (ii) the unanimous recommendation by the Special Committee in favour of the Proposed Transaction and the unanimous approval by the Board of Directors of the Corporation, (iii) the background to the Proposed Transaction and the strategic alternatives review process that led to the Proposed Transaction, (iv) summaries of the purchase agreements entered into in connection with the Proposed Transaction, and (v) the special resolution in respect of the Proposed Transaction to be voted upon at the Special Meeting. In addition, the Fairness Opinion (as defined herein) is included as an appendix to the Circular.

On the unanimous recommendation of the Special Committee, and upon consideration of the Fairness Opinion, the Board of Directors of Coalcorp has unanimously determined that the Proposed Transaction is in the best interests of Coalcorp and its shareholders and other stakeholders. Accordingly, the Board of Directors unanimously recommends that you VOTE FOR the special resolution approving the Proposed Transaction.

The Proposed Transaction is the result of the strategic alternatives review process as previously announced by Coalcorp, which was a comprehensive and thorough strategic review which included, (i) careful consideration of a number of strategic alternatives, including continuing as a stand-alone business, seeking potential equity/debt financing, pursuing a restructuring and/or capitalization, and other various commercial arrangements, (ii) engaging in formal discussions with a number of interested parties and the conducting of a formal strategic auction process, (iii) full and careful consideration of the submitted offers and proposals from the auction process, and (iv) the receipt of the Fairness Opinion. In the event the Proposed Transaction is not completed, and in light of its current financial condition, it is likely that the Corporation will have to seek creditor protection or commence insolvency proceedings.

The Corporation's largest shareholder, Pala Investments Holdings Limited, which holds approximately 44% of Coalcorp's outstanding shares and approximately 13.05% of the aggregate principal amount of Coalcorp's outstanding Senior Notes (as defined herein) has entered into a support agreement with the Purchaser to vote its shares for the Proposed Transaction at the Special Meeting.

We encourage you to read the materials in the Circular carefully. Your vote is important. Whether or not you attend the Special Meeting to vote on the Proposed Transaction, please take the time to vote your shares in accordance with the instructions contained in the Circular. If you have any questions or require further information regarding the voting of your shares, please contact Laurel Hill Advisory Group toll free via telephone at: 1-800-503-9439 or by email at: assistance@laurelhillag.com.

Sincerely,

(Signed) *"Juan Carlos Gomez"*

Juan Carlos Gomez
Interim Chief Executive Officer

FR Y-10
OMB Number 7100-0297
Expires December 31, 2011

Board of Governors of the Federal Reserve System

This FR Y-10 report was received by the Federal Reserve Bank of New York on 04/14/2010 at 6:42 PM EDT.

The Report Confirmation Number is 77749.

Report of Changes in Organizational Structure — FR Y-10

Cover Page

Submission Date 04/14/2010
(MM/DD/YYYY)

Reporter's Name, Street, and Mailing Address

GOLDMAN SACHS GROUP, INC., THE
Legal Name

200 West Street
Street Address

NEW YORK, NEW YORK
City and County

NY, UNITED STATES
State/Province, Country

10282
Zip/Postal Code

Reporter's Mailing Address (if different from street address)

Mailing City

Mailing State/Province, Country

Zip/Postal Code

Contact's Name and Mailing Address for this Report

Ronald Christopher, Vice President
Name and Title

212-855-0587
Phone Number (Include area code and if applicable, the extension)

646-769-7663
Fax Number (Include area code)

ronald.christopher@gs.com
E-mail Address

30 Hudson Street, 39th Floor
Contact's Mailing Address (if different from reporter's)

Jersey City
Mailing City

NJ, UNITED STATES
Mailing State/Province, Country

07302
Zip/Postal Code

Authorized Official

I, ______________________________ ,
Printed Name & Title

am an authorized official of this company named above, and hereby declare that this report is true and complete to the best of my knowledge and belief.

Filed Electronically
Signature of Authorized Official

Date of Signature

Does the reporter request confidential treatment for any portion of this submission?

☐ Yes

Please identify the report schedule(s) and item(s) to which this request applies:______________________

☐ **In accordance with the instructions on page GEN-2, a letter justifying the request is being provided.**

☐ **The information for which confidential treatment is sought is being submitted separately and labeled "Confidential."**

☒ No

Public reporting burden for the information collection is estimated to average 1.25 hour per response, including time to gather and maintain the data and complete the information collection. The Federal Reserve may not conduct or sponsor, and a person is not required to respond to any information collection unless it displays a currently valid OMB control number.

This report is required by law: Sections 4(k) and 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. §§ 1843(k), 1844(c)(1)(A)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11(a)(1), 25(7) and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 321, 601, 611a and 615); Section 211.13(c) of Regulation K (12 CFR 211.13(c)); and Sections 225.5(b) and 225.87 of Regulation Y (12 CFR 225.5(b) and 225.87).

Permanent Subcommittee on Investigations
EXHIBIT #15

2380443

FRB Use Only	
ID_RSSD_TOP (top tier BHC)	2380443
ID_RSSD_E1 (direct holder)	
ID_RSSD_E2 (reportable company)	

4(k) Schedule

Use this schedule to provide required post-transaction notice for activities, formations and acquisitions of companies, and large merchant banking and insurance company investments authorized under Section 4(k) of the Bank Holding Company Act.

Check box if correction: ☐

Post-Transaction Notice Section

1.a. Event Type (check one only):

1.b. Date of Event: ____________ (MM/DD/YYYY)

☐ New Activity Commenced Directly by an FHC or Through an Existing Subsidiary
☐ New Activity Commenced Through Acquisition of a Going Concern
☐ New Activity Commenced Through a De Novo Formation

2. New Activities Commenced

For the event type checked in item 1.a, report the FRS Legal Authority code and the five or six-digit NAICS activity code for each new activity. Provide a text description of the activity if unable to identify a five or six-digit NAICS activity corresponding to the activity.

	FRS Legal Authority Code (check one)	NAICS Activity Code	Description of Activity
2.a.	☐ 311 / ☐ 312		
2.b.	☐ 311 / ☐ 312		
2.c.	☐ 311 / ☐ 312		

Large Merchant Banking or Insurance Company Investments Section

Use this section to report certain merchant banking or insurance company investments when the FHC directly or indirectly acquires more than 5 percent of a Nonbanking Company's voting shares or total equity or assets and the cost of the investment exceeds 1) $200 million; or 2) 5 percent of tier 1 capital, whichever is less.

1. Date of Event: 03/19/2010 (MM/DD/YYYY)

2. Direct Holder's Name and Location

GS POWER HOLDINGS LLC
Legal Name

City and County	State/Province	Country
Wilmington, NEW CASTLE	DE	UNITED STATES

3. Nonbanking Company's Name and Location

COLOMBIAN NATURAL RESOURCES I, S.A.S.
Legal Name

City and County	State/Province	Country
Bogota		COLOMBIA

4. Direct Holder's Investment in Nonbanking Company
Report the percentage amount in a, b, or c, as applicable.

a. 100 % Voting Securities

b. ______ % Total Equity

c. ______ % Assets

5. Initial Aggregate Cost of Investment to the FHC: $ 204 (in millions of U.S. dollars)

Report Confirmation Number 77749:
Submitted on 04/14/2010 (6:42 PM EDT)

FR Y-10 Online
Supplemental Information

This page contains information designed to identify or describe the transaction(s) within the report.

Reporter Name and Address

GOLDMAN SACHS GROUP, INC., THE

200 West Street

NEW YORK, NY 10282

UNITED STATES

Contact Information

Ronald Christopher

212-855-0587

Report Description/Comments

COLOMBIAN NATURAL RESOURCES I, S.A.S. - 4(k) Schedule, event date 3/19/2010

Permissible under BHCA 4(o), but investment complies with the Merchant Banking regulations.

Report Confirmation Number 77749:
Submitted on 04/14/2010 (6:42 PM EDT)

EXCERPT

C.I. Colombian Natural Resources I SAS

and

J. Aron & Company

MARKETING AGREEMENT

Permanent Subcommittee on Investigations

EXHIBIT #16

THIS MARKETING AGREEMENT (hereinafter referred to as the "**Agreement**") is made this 26th day of September , 2011

BETWEEN:

(1) **C.I. Colombian Natural Resources I S.A.S** a *sociedad por acciones simplificada* organized and existing under the laws of Colombia, whose registered place of business is Calle 113 #7-80 Piso 12, Bogotá D.C., Colombia ("**CNRI**" or the "**Principal**"); and

(2) **J. Aron & Company**, a general partnership organised under the laws of New York, whose principal place of business is 200 West Street, New York, New York 10282-2198, USA (hereinafter referred to as "**Aron**", and each of the Principal and Aron are individually referred to as a "**Party**" and together as the "**Parties**").

WHEREAS:

(A) The Principal has the right to export and sell Coal; and

(B) The Principal wishes to appoint Aron to perform the Services, and Aron wishes to accept such appointment, on the terms and conditions set out in this Agreement.

IT IS HEREBY AGREED as follows:

1. **DEFINITIONS**

1.1 In this Agreement, the following initially capitalized terms shall have the following meaning:

"**Approved Enquiry**" has the meaning set forth in clause 3.5.

"**Aron Coal**" means coal which Aron (acting as principal) has purchased or, as of the relevant time, contracted to purchase from the Principal.

"**Business Day**" means a day (other than Saturday and Sunday) on which the clearing banks in London and commercial banks in New York, New York and Bogotá D.C. are open for business. A Business Day shall be deemed to end at 5:00 pm Eastern Standard Time.

"**Blending Coal**" means coal from a source other than the Mine which is used by the Principal for the purpose of blending with coal from the Mine to enhance the quality of Coal sold by the Principal.

"**Characteristics**" has the meaning set forth in clause 4.4.

"**Coal**" means all the coal, other than Previously Contracted Coal, produced by and from the Mine and includes Blending Coal acquired by Principal.

"**Colombia Delivery**" means a delivery of Coal (a) within Colombia, (b) to a customer incorporated, registered, organised or domiciled in Colombia or (c) which is not intended for export from Colombia. For the avoidance of doubt, Colombia Delivery does not include any delivery of Coal that is intended for export from Colombia.

"**Commencement Date**" means January 1, 2011.

"**Customer**" has the meaning set forth in clause 3.5.

"**Enquiry**" has the meaning set forth in clause 3.3.

"**Mine**" means the La Francia 1 mine located in the province of Cesar, Colombia and which is the subject matter of mining concessions 5160 and GAK-152.

"**Previously Contracted Coal**" means coal which the Principal has as of the Commencement Date agreed in a binding and unconditional contract to sell to Vitol S.A. (or an entity affiliated with Vitol S.A.) or to Aron.

"**Price Level**" means the market price for Coal.

"**Principal Termination Amount**" has the meaning set forth in Annex B.

"**Sale Contract**" has the meaning set forth in clause 3.5.

"**Services**" means the services identified in Annex A.

"**Specified Transaction**" means any transaction between the Principal and Aron that is a spot, forward, option or swap transaction in or with respect to one or more currencies, commodities, securities, rates, index or other measure of financial or economic risk or any other similar transaction (or any combination thereof).

"**Successor Entity**" means, with respect to a Party, a partnership, corporation, trust or other organization in whatever form that succeeds (whether by merger, reorganization, or otherwise) to all or substantially all of that Party's assets and business and that assumes such obligations by contract, operation of law or otherwise.

2. APPOINTMENT OF ARON AS AGENT

2.1 The Principal hereby appoints Aron as its exclusive agent for the performance of the Services, and Aron hereby agrees to act as the Principal's exclusive agent in connection with the Services, in accordance with the terms of this Agreement.

2.2 The relationship of the Principal and Aron created under this Agreement is that of principal and agent, and the scope of the authority of Aron is exclusively set out in this Agreement. The Principal and Aron acknowledge and agree that:

(i) it is not their intention to create between them the relationship of partners and nothing in this Agreement will be construed as constituting such a relationship between them; and

(ii) it is not their intention to create a relationship of employer and employee and nothing in this Agreement will be construed as creating such a relationship.

3. INFORMATION; MARKETING AND SALE OF COAL; OTHER SERVICES

3.1 Any of the information listed below (collectively, the "**Marketing Information**") in the possession of one Party shall be communicated to and shared with the other Party with such frequency as the Parties shall determine from time to time.

(i) Price Levels;

(ii) the Principal's current and forward production schedules, identifying the quantity and quality (both at production and at the time of loading into trucks and vessels) of Coal being produced and reasonably expected to be produced by the Mine for marketing by Aron on the terms and conditions set out in this Agreement;

(iii) the quality of Blending Coal available in the market;

(iv) the tonnage of Blending Coal expected to be required by Principal;

(v) the Principal's trucking and rail schedules, capacities and terms, in respect of trucking and rail delivery both to port and to domestic customers;

(vi) the Principal's stockpile quantities and capacities at the Mine and at any loadports used by the Principal;

(vii) the Principal's contractually confirmed vessel loading slots at loading ports, and opportunities to acquire additional slots; and

(viii) the Principal's credit requirements for potential purchasers of Coal.

3.2 Subject to the restrictions contained in this clause 3.2 and clause 5.2, Aron shall market for the sale by the Principal to prospective customers all Coal, taking into account any relevant Marketing Information. Subject to the restrictions contained in clause 5.2, such prospective customers may be in any location whatsoever (and the Principal may identify and propose locations to Aron), and the sale and delivery may be in any location whatsoever, providing that Aron shall not (a) market or provide any other Services in relation to Previously Contracted Coal or (b) (i) send the Principal any Enquiry concerning, (ii) market Coal for, or (iii) pursue (as agent, on behalf of the Principal, pursuant to this Agreement) any agreement in respect of, the sale of Coal by the Principal for Colombia Delivery. For the avoidance of doubt, Aron shall not be entitled to any Commission in respect of any sales of Coal prohibited by this clause 3.2.

3.3 Aron shall promptly notify the Principal in writing of any opportunity to sell Coal to a prospective customer which (a) complies with clauses 3.2 and 5.2, (b) is materially consistent with the Marketing Information, and (c) entails delivery of Coal to the Customer on (i) FOB or CIF terms or (ii) any other terms agreed between the Parties (provided that the Commission payable in relation to any such prospective sale must, if not specified in clause 6.1, be agreed before the relevant Enquiry can become Approved Enquiry). Such notice (an "**Enquiry**") shall include information relevant to the opportunity, including, but not limited to, the identity of the prospective customer and the prospective quantity, quality, price and delivery terms for the Coal to be sold.

3.4 The Principal shall exercise commercially reasonable endeavours to notify Aron within three (3) days of receipt of an Enquiry from Aron if it wishes Aron to pursue a sale of Coal based on an Enquiry. Decisions whether to pursue a sale of Coal based on an Enquiry shall be made by the Principal in its sole and absolute discretion. If the Principal determines not to approve an Enquiry, Aron shall not seek to negotiate a contract for the sale of Coal to the relevant prospective customer. The Principal shall have no liability to Aron for or in connection with any Enquiry which is not approved.

3.5 If the Principal wishes that Aron pursue a sale based on an Enquiry, either solely on the terms of the Enquiry itself, or subject to conditions, the Principal shall notify Aron accordingly (an "**Approved Enquiry**"), and Aron shall use its reasonable endeavours to negotiate, as agent only for and on behalf of the Principal, a contract for the sale of Coal to the relevant prospective customer (taking into account any conditions imposed by the Principal or other agreement between the Parties). Aron shall have no liability to the Principal for or in connection with any Approved Enquiry in respect of which for any reason whatsoever a binding sale contract is not executed. Any final and binding contract with a customer shall (and as between Aron and the Principal may only) be executed by the Principal. The Principal shall execute any and all documents and perform any and all acts reasonably required by Aron to evidence or give effect to the foregoing. A contract for the sale of Coal executed by both the Principal and the counterparty thereto (a "**Customer**") is referred to herein as a "**Sale Contract.**"

3.6 Pursuant to clause 3.3, a Sale Contract may entail delivery of Coal to the Customer on (a) FOB or CIF terms or (b) any other terms agreed between the Parties (providing that the Commission payable in relation to such deliveries is, if not specified in clause 6.1, agreed no later than the time an Enquiry becomes an Approved Enquiry). For Sale Contracts on CIF terms, Aron shall, on behalf of the Principal and taking account of any conditions imposed by the Principal or other agreements between the Parties, procure necessary freight services for no additional compensation to Aron other than the Freight Commission specified in Clause 6.1, and the Principal shall execute and perform all agreements and perform all acts and pay all the costs and expenses incurred or associated with such freight services. Sale Contracts shall include provisions stating that vessel and cargo nominations shall be given by the Customer to Aron and Aron shall forward all such nominations to the Principal. In addition, the Principal shall keep Aron informed of all other material communications between Principal and Customer.

3.7 At the request of Principal, Aron shall exercise reasonable endeavours to locate on the Principal's behalf as the Principal's agent: (a) Blending Coal supplies from third parties to facilitate blending of the Coal to meet specific quality requirements of prospective customers, Customers, and markets; and (b) port services to facilitate delivery of Coal to Customers. Contracts concerning Blending Coal and/or port services shall be entered into and executed and performed by Principal.

4. EXCLUSIVITY

4.1 Subject to clauses 4.2 and 7.2, during the Term of this Agreement the Principal shall not (a) instruct or otherwise allow any person or entity other than Aron to perform the Services and/or act as agent for the marketing or sale of Coal, (b) enter any agreement with any third party for the sale of Coal other than pursuant to a Sale Contract or (c) take any action which compromises or could reasonably be expected to compromise its ability to perform its obligations under this Agreement. Any failure to comply with the foregoing shall constitute a material breach by Principal under this Agreement for purposes of clause 8.1(b).

4.2 Nothing in this Agreement shall restrict the Principal from marketing and selling Coal for Colombia Delivery.

4.3 Subject to clause 4.4 only, nothing in this Agreement shall restrict Aron from entering into (as principal or as agent) any agreements (including, without limitation, any agreement for the sale or purchase of coal or any other commodity) and/or engaging in any activities (including, without limitation, any marketing, promotional, transactional, or other commercial activities) with any current or prospective customer, client, person or other entity. In addition, nothing in this Agreement shall restrict Aron from purchasing Coal from the Principal on its own behalf, on terms to be agreed, provided, however, that with respect to such purchase Aron shall not be entitled to payment of Commission.

4.4 If Aron (as a principal and not as agent for Principal) offers to sell to any prospective customer Aron Coal, and the quality, quantity and delivery (timing and location) terms (collectively, the "**Characteristics**") for such Aron Coal are the same as the Characteristics for Coal that Aron (as agent hereunder) could offer for sale to such prospective customer, then Aron shall use all reasonable endeavours to procure that any coal sold to such customer comprises Coal and Aron Coal in equal quantities and at the same price. In the event of any breach of this clause 4.4 by Aron, Principal shall calculate any damages suffered by it resulting from such breach and submit a damages claim in writing to Aron, together with a certification as to the method by which the amount of such claim was calculated. Any such claim shall be limited as set out in clause 9. Aron shall be liable for and pay to Principal the amount of such claim within 30 days of receipt. Any disputes arising from any such claims shall be submitted to arbitration as set out in clause 11.2. Without limiting any other rights provided in this Agreement, the parties shall continue to perform hereunder during the pendency of any such dispute.

5. REPRESENTATIONS AND WARRANTIES

5.1 Subject to clause 5.2 below, the Principal represents and warrants that it has obtained and will obtain and keep valid and in force throughout the Term any and all production and export licenses and/or government and other approvals and permits which it is required to obtain and keep valid in order to perform its obligations under this Agreement (including without limitation to sell and export all the Coal at all times to any Customer and destination worldwide).

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first written above.

C.I. COLOMBIAN NATURAL RESOURCES I SAS

Signed by: ________________

Name: Juan Carlos Gomez

Title: General Manager

J. ARON & COMPANY

Signed by: Donna Mansfield

Name: Donna Mansfield

Title: Attorney in Fact

EXCERPT

C.I. Colombian Natural Resources I S. A. S.

Financial Statements for the years ended on the 31st of December of 2013 and 2012 and Statutory Auditor's Report

Permanent Subcommittee on Investigations
EXHIBIT #17

CERTIFICATE OF THE LEGAL REPRESENTATIVE AND OF THE ACCOUNTANT OF THE COMPANY

To the shareholders of
C.I. Colombian Natural Resources I S. A. S.

The 12th of March of 2014

The undersigned Legal Representative and accountant of C.I. Colombian Natural Resources I S. A. S. hereby certify that the financial statements of the company as of December 31, 2013 and 2012 have been faithfully taken from the books and that before making them available to you and to third parties we have verified the following affirmations contained in them:

a. All the assets and liabilities included in the financial statements of the Company as of December 31, 2013 and 2012 exist and all the transactions included in said statements have been made during the period ended in those dates.

b. All the economic facts of the company during the years ended on December 31, 2013 and 2012 have been acknowledged in the financial statements.

c. The assets represent probable future economic benefits (rights) and the liabilities represent probable future economic sacrifices (obligations), obtained or in the charge of the Company as of the 31st of December of 2013 and 2012.

d. All the elements have been acknowledged at their appropriate values pursuant to the accounting principles generally accepted in Colombia.

e. All the economic facts that affect the company have been correctly classified, described and disclosed in the financial statements.

Juan Carlos Gómez Fernández
Legal Representative

Néstor Moreno Acosta
C. P. A.
Professional Card No. 47396 – T

C.I. COLOMBIAN NATURAL RESOURCES I S. A. S.

NOTES TO THE FINANCIAL STATEMENTS

31st of December of 2013 and 2012
(in thousands of Colombian pesos)

NOTE 1 – REPORTING ENTITY AND OPERATIONS

Reporting Entity

The Company was incorporated in the 13th of January of 2010, by private instrument of the sole shareholder, registered on the 14th of January of 2010 under number No. 01354258 of Book IX; its legal term is indefinite.

Its corporate purpose is the marketing and sale of Colombian products abroad, acquired in the national market or made by national producers; the exploration, exploitation, transportation and marketing of coal. The mining activities take place in the municipality of El Paso, Department of.

Financial Condition

As it can be seen in the financial statements, the Company presents cumulative losses as of the 31st of December of 2013 of $ [redacted] which have reduced in a substantial manner the net equity to a level below the subscribed capital, evidencing a balance of a contrary nature. Currently, the management and the Board of Directors continue with their endeavors to recover the normal operation of the Company and to improve the cash flow, according to the plans set forth below:

a) Reduction of the subscribed capital: The General Shareholders' Meeting held on the 11th of February of 2014, approved the reduction of [redacted] shares of subscribed capital without effective reimbursement of contributions, with the facility to absorb, in a partial manner, the cumulative losses of the Company.

b) Capitalization by the Shareholders: The meeting of the Board of Directors held on the 12th of February of e 2014, authorized and issued [redacted] shares in favor of the sole shareholder of the Company, subject to the right of first refusal of a par value of $ 1 and with a placement premium (additional capital) of $ 36.74, for a total capitalization of [redacted] which was paid on the 13th of February of 2014.

c) The Company envisions to make additional capitalizations according to the cash flow requirements or to the economic condition of the organization.

Operations

a) On the 27th of December of 1991 the Ministry of Mines and Energy and the company called Siminera S. A. entered into Concession Contract Number 5160, for the exploration and exploitation of coal by Siminera S. A., in the municipality of El Paso, Department del Cesar, for a period of 30 years. On the 25th of August of 1997, Siminera S. A. assigned to Compañía Carbones del Cesar Ltda. (currently Compañía Carbones del Cesar S. A.) its rights on this contract, which was approved by the Ministry of Mines and Energy in Resolution 701594 of the 23rd of October of 1997. Compañía Carbones del Cesar S. A., assigned to Colombian Natural Resources I S. A. S. (currently C.I. Colombian Natural Resources I S. A. S.) its rights on this contract, which was approved by the Ministry of Mines and Energy in Resolution SFOM 026 of the 22nd of February of 2010.

b) On the 22nd of February of year 2006 Colombian Mining and Geology Institute - Ingeominas and Compañía Carbones del Cesar S. A. (currently Compañía Carbones del Cesar S. A.) entered into Concession Contract Number GAK - 152 for the exploration and exploitation of a coal deposit, located in jurisdiction of the municipality of El Paso, Department del Cesar, for a period of 30 years. Compañía Carbones del Cesar S. A., assigned to Colombian Natural Resources I S. A. S. (currently C.I. Colombian Natural Resources I S. A. S.) its rights on this contract, which was approved by the Ministry of Mines and Energy by Resolution SFOM 027 of the 22nd of February of 2010.

c) The concession contracts state that the Company must comply with the "Works and Investment Program" presented to the Ministry of Mines and Energy and that it must pay to the relevant entities the royalties, as per the provisions of Law 756 of 2002. During 2013 royalties for $ [redacted] were acknowledged, that corresponded to Concession No. 5160 and [redacted] of Concession No. GAK-152.

d) The company changed its corporate name to C. I. Colombian Natural Resources I S. A. S., by private document registered on the 3rd of December of 2010 under number No. 01433472 of Book IX.

e) On the 21st of January of 2013, in a sudden manner, Consorcio Minero del Cesar S. A. S sent a letter announcing the unilateral termination of the La Francia Mine's operation Contract, based on the alleged breach of the Company. In parallel, the mine's activities were suspended on the same day and all the machinery of the consortium and of its members was abandoned on the field. During the next two weeks, the inventory of coal on the yards was shipped to the port, and from then onwards the mine's activity was completely halted. On the 15th of April a group of women and children who said to be relatives of the CMC'S employees blocked the access to the camp of the El Hatillo mine. In this way, the conflict at the La Francia mine irradiated also to that mine, owned by CNR III Ltd. Colombia Branch. CNR I started several legal actions for the unblocking of the mine, including protection petitions and police proceedings filed with the mayor of El Paso, as well as a request of administrative protection before the National Mining Agency ANM. Likewise, a large number of letters was sent to request the intervention of police and military authorities, the Governor of Cesar, the office of the Attorney General and the People's Defender Office, as well as to the Mines and Interior Ministries, among other.

The total blockade of the La Francia mine lasted for 244 days, until the 22nd of September of 2013, and it was lifted thanks to a private agreement in which CNR I paid a cash bonus of $ 20,000 to each one of the persons that were still protesting, Once CNR I resumed the control of the mine, the activities to recover the productive areas were started, particularly the pumping of water from the pit.

The suspension of activities also led to the suspension of the activities of the mine's contractors. For that reason, CNR I invoked force majeure with the contractors called M&M Servicios de la Loma Ltda. and RB Multiservicios La Loma. Once the operations were restored, we received out - of - court claims from RB Multiservicios La Loma, with whom an amicable settlement was made and a compensation amount If $ 42,332 was paid, and from Luis Bernardo Piedrahíta and Jima Servicios Ltda., arguing breach of contract on the part of CNR I, which have not led to court claims to date.

Regarding the Company's commercial commitments, at the start of the mine's blockade, CNR I sent to its clients letters invoking a force majeure event. Nevertheless, up to August most of the coal shipments were performed using coal from our affiliate company CNR III Ltd. Colombia Branch. Other commitments were postponed pr cancelled through direct agreements with the buyers. In the second half of the year, some commitments could not be honored because there was no further availability of coal from CNR III, and therefore in August the company, once again, invoked force majeure before the following clients: AES Gener S. A., ECL S. A. and GDF Suez Energy Management Trading. With the first two clients it was possible to reach agreements to postpone the shipments. GDF rejected the existence of a force majeure event, so a settlement agreement was entered into on the 19th of February of 2014 in which CNR I agreed to pay USD $ 237,000.

On the 17th of October of 2013 CNR I entered into a new agreement for the operation of the La Francia mine with the Spanish – based company Excavaciones y Proyectos de Colombia S. A. S - EPSA. The agreement contemplates the production of [redacted] tons of coal per year and the exploitation of the mine's resources until the exhaustion thereof or until year 2018, whichever is first. It also contemplates a 'preliminary period' during which there is a reduced production of approximately one third. Since the date of execution and as of the date of this report, the contract is being performed in such preliminary mode.

f) Direct Loading:

Law 1450 of 2011 ordered that, as from the 1st of January of 2014, the maritime ports that handle coal must do so using a direct – loading system. Bearing in mind that in all probability the Río Córdoba port, through which CNR I exports its coal, would not have the direct loading system ready for that date, During year 2013 CNR I analyzed other options, in particular the possibility to load its coal at Puerto Nuevo which, being a public port, had to offer access to third parties.

In this sense, on the 28th of June of 2013, the company lodged with Puerto Nuevo a request for port services for the export of 3 million tons of coal per year during years 2014 and 2015. On the 19th of July, Puerto Nuevo answered the request and announced that it was completing all pertinent proceedings with the National Government. On the 18th of November of 2013, the company insisted to Puerto Nuevo to obtain the access to the port terminal; on the 5th of December of 2013, Puerto Nuevo answered that it had established an access policy and invited the Company to lodge a request according to the procedures therein established, Once CNR reviewed this access policy, the Company could establish that it is not in agreement with Resolution 2734 of 2013 of the Transport Ministry or with Law 1 of 1991 and all other regulations applicable, and besides in practice it made impossible the access of CNR or of any other that the companies affiliated with Puerto Nuevo. In consequence, the Compañía has filed with different entities of the National Government an analysis of the legality of PNSA'S access policy, for these to review such policy and to adapt it so it complies with the guidelines set forth for the public – access ports. To date, the access policy initially established is in force and Puerto Nuevo argues that it does not have available capacity to be offered to third parties.

g) Utilization of the Rio Córdoba Port

As from the 1st of January of 2014 the Río Córdoba Port, utilized by CNR I for the export of coal, stopped all of its operations by virtue of article 113 of Law 1450 of 2011, which states that as from that date all loading had to be made using ships' direct loading systems. Therefore, CNR I stopped all coal railway transportation and export activities. Currently, the Company is studying other options that allow the sale of coal, which include (i) the access to Puerto Nuevo's public port; (ii) the access to Drummond's port; (iii) the domestic sale of coal.

h) Continuity of the Business.

▬▬ = Redacted by the Permanent Subcommittee on Investigations

Currently, the company is exploring options for the international marketing of its coal; meanwhile, it is carrying out all arrangements necessary to complete all other mining projects within the current conditions.

It has been projected that the La Francia continues operating during year 2014 under the 'preliminary period' scheme, with an operation reduced to approximately one third of the production agreed with EPSA. The estimated production for the year is of [redacted] tons of coal, which will be stored in the mine's yards. On the 3rd of March of 2014 la Compañía filed with the National Mining Agency the request to have a reduced operation, with the argument that CNR I does not have an export port; to date the National Mining Agency – ANM has not given its answer.

[redacted]

Redacted By

Permanent Subcommittee on Investigations

[redacted]

chadbourne

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Abbe David Lowell
direct tel (202) 974-5605
adlowell@chadbourne.com

October 8, 2014

By E-mail

Ms. Elise J. Bean
Permanent Subcommittee on Investigations
Homeland Security & Governmental Affairs Committee
United States Senate
199 Russell Senate Office Building
1st & Constitution, N.E.
Washington, D.C. 20510

Re: Follow-Up Requests

Dear Ms. Bean:

I write on behalf of The Goldman Sachs Group, Inc. ("Goldman Sachs" or the "Firm") in connection with the efforts of the Permanent Subcommittee on Investigations (the "Subcommittee") to better understand the nature and scope of activities of U.S. banks in physical commodities.[1] Goldman Sachs responds to the last remaining requests attached to your email dated September 9, 2014 as well as the supplemental questions set forth in Tyler Gellasch's email dated October 3, 2014, which we reproduce below for your convenience.

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[1] The Goldman Sachs Group, Inc. is the Firm's publicly-held parent company. Information relevant to the Subcommittee's requests involves the activities of affiliates controlled by the Firm operating both inside and outside the United States.

Permanent Subcommittee on Investigations
EXHIBIT #18

Redacted By

Permanent Subcommittee on Investigations

Request No. 31: Please provide a copy (translated into English) of the Feb. 2013 ANLA order, decision, or regulation barring further coal expansion in the Cesar region of Colombia pending remediation of environmental issues related to coal. Please provide the ANLA order, decision, or regulation related to the Colombian government's initiative to relocate certain families affected by coal-related environmental problems in the Cesar region. Please describe any actions taken by CNR or Goldman in response, even though CNR has not sought to expand its coal operations since 2013.

Enclosed as Exhibit C (bearing production numbers GSPSICOMMODS00047310-41) are relevant excerpts, translated into English, from the relevant resolutions passed by ANLA in 2010 and 2011. We are not aware of any February 2013 ANLA order or decision responsive to this Request.

CNR has taken various steps to reduce dust emissions, including increasing the size of its fleet or water spraying trucks, undertaking additional road maintenance, and rehabilitating sites for the storage of overburden generated through the mining process. With regard to resettlement, CNR has worked with other mining companies in the region to advance the goals of the government to effectuate the initiative in conformity with applicable World Bank standards. The group hired rePlan, a leading consultant of internationally recognized standing, to develop a resettlement management plan.

Request No. 33: Please describe the labor disputes that affected the La Francia and Hatillo mines and the Fenoco railway in 2013, how and when those disputes were resolved, and the current status of any labor disputes affecting the mines or railroad.

El Hatillo: Since 2012, CNR has been in ongoing discussions and negotiations to reach a collective bargaining agreement with the Sintramienergetica, the union that represents 30 of a total of 74 employees. Ultimately, the parties were unable to reach an agreement by March 2014. In accordance with applicable procedures, CNR has requested the Ministry of Labor of Colombia to convene an arbitration panel to decide the dispute.

Fenoco: Members of the Sintraime union initiated a strike against Fenoco in July 2012. This strike was resolved in August 2012. In September 2013, Fenoco and the union reached a collective labor agreement that is currently in place.

La Francia: CNR has experienced no significant labor disputes with its employees at the La Francia mine in 2013.

Request No. 34: Please confirm that, from 2011-2013, CNR exported coal from Colombia via ship and that it shipped the coal on an approximately quarterly basis.

During the period from 2011 to 2013, CNR typically delivered coal each month to one or more purchasers.

Request No. 35: Please identify the approximate percentage of CNR coal that was shipped to the United States each year and the percentage shipped to non-U.S. locations from 2011 to 2013.

The overwhelming majority of coal sales made by CNR were done on an FOB Colombia basis. As such, CNR fulfilled its obligation upon delivering the coal to the purchaser's vessel and did not know the destination of the coal.

Request No. 38: Please list all Goldman contracts to supply or transport coal from 2011 to 2013, by describing the number and nature of the contracts; the coal recipients (providing their name, type of business, and location); the approximate volumes of coal involved; the approximate frequency of deliveries; and the extent to which the coal was provided from the CNR mines in Colombia.

Enclosed as Exhibit D (bearing production numbers GSPSICOMMODS00047342-43) is a chart Goldman Sachs prepared in response to Request No. 38 containing the requested information.

Redacted By

Permanent Subcommittee on Investigations

chadbourne

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November 4, 2014

By E-mail

Tyler Gellasch, Esq.
Permanent Subcommittee on Investigations
Homeland Security & Governmental Affairs Committee
United States Senate
199 Russell Senate Office Building
1st & Constitution, N.E.
Washington, D.C. 20510

Re: Follow-Up Requests

Dear Mr. Gellasch:

I write on behalf of The Goldman Sachs Group, Inc. ("Goldman Sachs" or the "Firm") in connection with the efforts of the Permanent Subcommittee on Investigations (the "Subcommittee") to better understand the nature and scope of activities of U.S. banks in physical commodities.[1] Goldman Sachs responds to certain requests you have made by email and telephonically, which we reproduce below for your convenience. We are continuing to work diligently on your remaining requests and will supplement this submission with additional responses as soon as possible.

Coal Request No. 1: Please confirm that J. Aron acted as the exclusive marketing and sales agent for CNR after the acquisition of each of the Colombian mines but prior to the entry of the formal 2011 marketing agreement.

We confirm that J. Aron acted as the exclusive marketing and sales agent for CNR after the acquisition of the Colombian mines owned by CNR and that a formal written marketing agreement was subsequently signed following the completion of the acquisition. We note that this practice is not unusual insofar as J. Aron also acts as marketing and sales agent for unaffiliated mines on what we believe to be an exclusive basis without formal written marketing agreements in place.

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1 The Goldman Sachs Group, Inc. is the Firm's publicly-held parent company. Information relevant to the Subcommittee's requests involves the activities of affiliates controlled by the Firm operating both inside and outside the United States.

Permanent Subcommittee on Investigations
EXHIBIT #19

New York Washington, DC Los Angeles Warsaw Istanbul Dubai Beijing

Coal Request No. 2: Please confirm that J. Aron acted as the exclusive marketing and sales agent for the El Hatillo mine after its acquisition.

We confirm that J. Aron acted as the exclusive marketing and sales agent for the El Hatillo mine after its acquisition.

Coal Request No. 3: Please confirm that the "individuals" who received settlement payments from CNR in July of 2013 were all current or former "employees," as opposed to anyone who was protesting.

We confirm that the individuals who received settlement payments were former employees of CMC, the company that acted as operator for CNR's La Francia mine. The identity of the individuals as CMC employees was verified by CNR, which maintained a list of such individuals for security purposes, and by the union of which the individuals were members. A list of these individuals was provided to the Colombian Ministry of Labor.

Coal Request No. 4: Explain why an October 2012 document generated by the Federal Reserve states that "GS avoids the appearance of over control of its coal mine business by not hedging its underlying coal exposure to maintain legal protection," whereas a September 2013 document generated by Goldman Sachs indicates that Goldman Sachs hedged its investment in CNR.

You have asked us to reconcile a statement to the effect that "GS avoids the appearance of over control of its coal mine business by not hedging its underlying coal exposure to maintain legal protection" with information contained in a September 2013 presentation to the Board of Directors of Goldman Sachs describing hedges relating to the firm's exposure to CNR. You have not provided and we do not have a copy of the document that contains the statement, but we understand it was prepared by a regulator and assume that the regulator was the Federal Reserve Bank of New York.

Obviously, we did not make the quoted statement and are therefore not in a position to reach any definitive conclusions as to its meaning. That said, the statement appears to distinguish between two different types of hedge positions. On the one hand, the management of a portfolio company may implement hedges to protect the cash flows of the company against fluctuations or declines resulting from changes in the prices of commodities produced by the portfolio company, such as coal prices for a coal mining company. On the other hand, the shareholder of a portfolio company may implement hedges to protect it against the possibility that the value of its investment may decline as a result of changes in the prices of commodities produced by the portfolio company. As we discussed in our September 5, 2014 meeting, Goldman Sachs in its capacity as a shareholder entered into the second type of transaction. As we indicated at that meeting, the purpose of entering into such hedges was to protect Goldman Sachs against the risk that the value of the CNR investment would decline as a result of a fall in coal prices. As we told you at our September 5th meeting, the statement from the document prepared by the regulator does not in our view accurately describe the reasons why we implemented the hedging program in the manner we did.

* * *

We wish to stress that certain information included in this submission in response to the requests by the Subcommittee did not previously exist in this form. Goldman Sachs used various technology and manual resources to generate this information. While Goldman Sachs believes that the information contained in this letter is reasonably accurate, Goldman Sachs cannot make an absolute representation that it is complete or that there were not some inadvertent errors in their preparation. We will provide further updates or corrections if we determine that corrections are warranted.

* * *

Redacted By

Permanent Subcommittee on Investigations

Sincerely,

Abbe David Lowell

Enclosures

cc: Elise J. Bean, Esq.
Mr. Joseph Bryan
Steven R. Peikin, Esq.

Metals & Mining

Background to Environmental and Social Due Diligence

As a part of Goldman Sachs' Environmental Policy Framework, the firm has developed guidance for due diligence processes involving transactions in environmentally sensitive sectors. The following pages provide the transaction team with background on the potential environmental and social impacts of the sector and guidance for conducting thorough due diligence with the company.

Please contact the **ESG Transaction Review Team** with any questions.

I. Environmental and Social Impacts of Metals and Mining Operations

Mining attracts considerable scrutiny from civil society and the general public due to the scale of environmental and social impacts, and in some geographies, revenue management and governance concerns. Additionally, due diligence on mining transactions may be challenging as impacts may extend well beyond the site's geographic boundaries and operational timeframe – for example, associated facilities (haul roads, rail links, port facilities, accommodation areas, captive power plants etc.) whose existence is solely or largely dependent on the mine may impinge on the environment and local communities as much as the mine site itself.

The major phases in mine development are (a) exploration; (b) mine development; c) extraction (underground and open pit); (d) ore beneficiation; (e) storage and transport; and (f) closure and reclamation. The scope of this due diligence checklist focuses on development, extraction and closure (where key E&S concerns are frequently evident), but impacts from ore beneficiation and storage and transport should also be considered during evaluation. Key concerns for the sector include:

Ecological and Social Sensitivities: Some projects are inherently higher-risk because they are located in areas of ecological or social sensitivity, such as the rainforest or areas with populations of indigenous peoples. Project development may result in the physical and/or economic displacement of people (including relocation and loss of assets such as land, crops, water, houses), and increased access by third parties to previously remote areas may create additional environmental impacts. Special attention should be paid to mines in the following situations:

— Within, adjacent to, or near a declared area of ecological sensitivity (world heritage sites, national parks, preserves, etc).

— Mine development will require displacement of individuals or communities.

— Mine development will require development of roads into previously undeveloped areas.

— "Mountaintop removal" mining.

— Mines adjacent to sensitive ecological receptors such as rivers, oceans, water supply lakes, etc.

— Mine development will require deforestation

Operational Sensitivities: Some projects also have risk associated with the planned or current types of operations on site. Additional risks may be posed by projects which:

— Adopt direct riverine or submarine tailings disposal, or where there is risk of acid mine drainage;

— Use large volumes of water for beneficiation which could reduce the availability and/or quality of water for downstream users and fisheries;

— Reduce the water table and cause shallow water wells and groundwater resources to be impacted;

— Generate fugitive dust emissions causing health impacts to nearby communities; or which

— Have inadequate financial provisions for mine rehabilitation after closure.

Legacy Poor Performance: Where there is a history of pollution or social conflicts surrounding mining projects in a given region (including locations where there has been damage to or closure of operations and/or NGO campaigns), underlying tensions and concerns about the sector can persist and create a higher hurdle for more recent entrants, regardless of a company's own performance history. On the other hand, sometimes companies have to overcome their own blemished track record in seeking access to new resources (e.g. in Papua New Guinea – BHP Billiton's OK Tedi mine, the Philippines – Lafayette's Rapu Rapu tailings accident, and Peru – Newmont's Yanacocha mercury spill).

Preclusions: Members of the International Council on Mining and Metals have committed to designate "no-go" areas barring mining in areas that are legally protected for nature conservation. Some disposal methods (e.g. riverine or submarine tailings disposal) are effectively illegal in developed countries, though still used in developing countries (e.g. Indonesia, the Philippines, Papua New Guinea), which can lead to accusations of double standards for multinational companies.

Political Instability, Poor Governance and Transparency: Exploration and development is increasingly focusing on emerging markets where governance and enforcement capacity may be weak. In recent years, there has been increased interest in the way in which governments utilize mining revenues, coupled with increasing demands that these revenues be used to develop the regions where the reserves are exploited. In some areas, corrupt officials divert a significant percentage of mining revenues to personal gains resulting in high levels of civic unrest as local communities do not benefit from the mining revenues and royalties.

Climate Change: New (or expanded) coal mining proposals are creating increased scrutiny because of climate change concerns (methane emissions from deep mines, and the burning of coal to generate power). There is significant sensitivity to this issue for mines that supply coal to power generators in the U.S., China and India.

Safety: High accident rates in some geographies (e.g. China, Russia and India), coupled with a number of high profile mining incidents in others (e.g. U.S., Australia) have drawn significant attention to mining companies' safety records and high-risk extraction methods such as retreat mining. The safety records of mines in developing or emerging markets may be unacceptable when compared to standards adopted in areas like the U.S., Australia and Western Europe that may have more rigorous regulatory oversight. Underground mining operations may have a greater sensitivity due to the tendency for fatalities to occur as cluster events.

II. Key Environmental Issues for Specific Metals

Mining, as broadly defined, includes both the extraction and milling processes. Methods used for different metals present specific environmental challenges.

Metal	Extraction Methods	Milling Processes
Non-Ferrous: **Base Metals (e.g. copper, nickel, tin)**	■ Open pit ■ Underground ■ Heap or in-situ leaching	■ Crushing and grinding ■ Floatation ■ Leaching
Non-Ferrous: **Precious Metals (e.g. gold, silver)**	■ Open pit ■ Underground ■ Heap Leaching	■ Crushing and grinding ■ Floatation ■ Cyanide leaching
Uranium	■ Open pit ■ Underground ■ In situ leaching	■ Crushing and grinding ■ Floatation ■ Leaching

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Metal	Extraction Methods	Milling Processes
Coal	■ Strip mining ■ Open pit ■ Underground ■ Mountain top removal	■ Floatation ■ Coal washing
Iron Ore	■ Open pit ■ Underground	■ Floatation ■ Leaching

Guidance on the specific environmental and social risks that may be associated with each mining method is provided below.

Extraction Method	Key Issues / Guidance
Open pit	■ Potential significant loss of natural habitat and biodiversity. Significant earth disturbance, although topsoil and overburden usually kept for site rehabilitation ■ Potential resettlement (especially outside of Organization of Economic Development (OECD) countries-some other way to generalize?) ■ Rehabilitation planning, financing and management critical ■ Tailings management (and associated water quality issues, including acid mine drainage) may be an issue Heap Leaching • Typically used with lower grade ores • Crushed ore is heaped in large lines piles or as fill in lined valleys • Cyanide is typically sprayed over the piles for gold leaching and hydrochloric or sulfuric acid is used for non-ferrous metal extraction. The leached solution is then recovered and processed. • Can result in contamination of surface and groundwater resources.
In situ leaching	■ Little surface disturbance and no tailings or waste rock generated ■ May require explosive or hydraulic fracturing ■ Typically involves injection of acids and other contaminants into the fractured formation ■ Potentially mobilizes heavy metals and radioactive heavy metals ■ Potential contamination of groundwater (requires regular monitoring during and after mining operations) limits locations at which this method can be safely utilized
Mountain top removal	■ Controversial and much-opposed practice often involving significant natural habitat destruction, large-scale use of explosives, and damage to adjacent valleys and water courses ■ Social and community impacts may be significant ■ Use of this practice largely restricted to eastern US
Strip mining	■ Natural habitat loss and earth disturbance, although topsoil and overburden usually kept for site rehabilitation
Underground – continuous mining	■ Potential collapse of mines poses safety risks to miners ■ May result in subsidence (property damages and changes in hydrology) ■ Coal mine methane can be encountered and is highly combustible, creating hazard to mine stability and miners' safety (major cause of mortalities in China, India, US) ■ Other dangerous atmospheres such as carbon monoxide and sulphur dioxide may exist, creating a hazard to miner's safety.
Underground – longwall mining	■ Better safety record than continuous mining due to fewer workers underground ■ May cause subsidence (property damages and changes in hydrology) ■ Coal mine methane can be encountered and is highly combustible, creating hazard to mine stability and miners' safety (major cause of mortalities in China, India, US) ■ Other dangerous atmospheres such as carbon monoxide and sulphur dioxide may exist, creating a hazard to miner's safety.

Extraction Method	Key Issues / Guidance
Underground – uranium mining	■ Uranium ore emits radon gas, a cancer-causing radioactive gas – mines require adequate ventilation and monitoring ■ Other dangerous atmospheres such as carbon monoxide and sulphur dioxide may exist, creating a hazard to miner's safety. ■ Concerns about security and weapons proliferation downstream in the supply chain

Milling Process	Key Issues / Guidance
Coal washing	■ Waste water is generally a slurry held in lagoons – highly polluting and containing toxic metals and compounds indigenous to the ore body ■ Potential degradation of water resources either by drawdown of groundwater levels, diversion or damming of surface waterways, or contamination of waters by accidental site discharges
Cyanide leaching	■ Use (and transport) of cyanide poses risks to workers and communities ■ Discharge of effluents containing heavy metals may contaminate water resources ■ Tailings dams and long-term management may be an issue – tailings laden with cyanide add complexities to storage and disposal ■ International Cyanide Management Code certification and chemical destruction of the cyanide is considered best practice
Floatation	■ Tailings storage and disposal management ■ Discharge of effluents containing heavy metals may contaminate water resources
Crushing and grinding	■ Significant releases of dust containing metals, including mercury, may result from drying the ore concentrate
Leaching	■ Discharge of effluents containing heavy metals may contaminate water resources

III. Sensitive Countries for Metals & Mining Transactions

A combination of weak governance, legacy poor performance in the sector, and environmental and social sensitivities associated with exploration and production techniques can combine to create particular reputational and investment risks in the metals and mining sector in some countries and regions. If a client has projects in development in any of these countries, please consult the **ESG Transaction Review Team** for additional guidance.

Bangladesh	Dem. Rep. of Congo	Indonesia	Nigeria	Turkmenistan
Bolivia	Ecuador	Kazakhstan	Pakistan	United States
Brazil	Equatorial Guinea	Laos	Papua New Guinea	Uzbekistan
Cameroon	Ethiopia	Liberia	Peru	Zambia
Chad	Guinea	Mauritania	Philippines	Zimbabwe
China	India	Niger	Sudan	

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Environmental & Social Due Diligence

Metals & Mining – Explanation of Best Practices and Guidance to Assess Client Performance

Environmental and Social Management

All projects should include an Environmental Impact Assessment (EIA). Ensure that there has been full and effective consultation and that the EIA has been submitted to and approved by relevant authorities.

Most companies will have an environmental and social policy; however there is wide variation in the credibility, impact and depth of management plans, so appropriate diligence needs to be done to determine the strength of the program. Common elements of a strong Environmental and Social Management System (ESMS) include:

- *clear technical standards and criteria*, including a thorough description of resources and extraction technologies and the rationale for using these technologies;
- *clear environmental standards*, based on a baseline environmental assessment and an assessment of potential social and environmental impacts of operations, with time-bound and quantitative commitments on targets and deliverables;
- *clear social requirements*, based on the needs and rights of local people (particularly indigenous peoples), provision of a safe and healthy working environment and the long term contribution to local and national economies; and
- *clear monitoring, process and transparency requirements*, based on consistent benchmarking against objective and measurable performance standards, a commitment to obey the law, development through consultation with relevant stakeholders, and fair, transparent, independent decision-making procedures which avoid conflicts of interest. Documentation of audits and training programs are crucial to monitoring and transparency.

Companies should also be able to demonstrate a clear chain of command in terms of environmental and social responsibility at operational levels, and ultimate accountability for performance should be vested with senior management. Strong ESMS plans will require managers and other staff (including contractors) to receive training in ESMS and will include appropriate incentives to insure compliance. Certification under ISO 14001 for environmental management is considered a best practice. As a major area of risk relates to the activities of third party goods and services suppliers, evidence that companies recognize and are trying to manage these risks is an important indicator of both commitment and capacity. Joint ventures with local companies are a common mechanism for multinational mining companies to access resources in emerging markets.

New assets may be located in areas of high biodiversity. Check if the company has commitments to avoid operations in environmentally sensitive areas such as World Heritage Sites, or high conservation value forests. International Council on Mining & Metals (ICMM) commitments regarding operating in ecologically sensitive areas, plus heightened attention from NGOs make assets in ecologically important areas increasingly difficult to develop.

Legal claims against the company might include fines, penalties, prison sentences for staff (arising from pollution, compensation from communities that have lost land or assets), significant delays in construction/development of projects/infrastructure, impaired ability to access new assets based on previous performance.

Evidence of active participation in a recognized industry forum with clear standards (e.g. International Council on Mining and Metals) can also be a leading indicator of commitment to environmental and social performance (though free riders are not unknown). Evidence of active engagement and benchmarking against peers in such forum is usually indicative of stronger and more significant commitment.

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Environmental & Social Due Diligence

Metals & Mining – Explanation of Best Practices and Guidance to Assess Client Performance

Health and Safety

The occupational health & safety (OHS) record of a company is a leading indicator of wider environmental and social commitments. Trends need to be interpreted carefully, but declining incidence and favorable comparison of incidents against industry peers are leading indicators of overall performance. For underground coal mines, high fatality rates and cluster events have drawn national criticism in a number of countries (including USA, Russia, India and China). Certification under OHSAS 18001 for Health and Safety is considered a best practice.

Stakeholder Engagement

Community liaison provides a mechanism through which the company can consult with local stakeholders and also a way in which these stakeholders can voice concerns and grievances. Companies that do not have a community liaison (or similar) mechanism in place will be less likely to understand or respond to local concerns, which are often the flash point of tensions between communities and companies over poor practices. Indicators that there is effective consultation at the operational level include evidence of regular meetings with stakeholders, the presence of a grievance mechanism and partnerships with civil society organizations and/or local communities to address environmental and social issues.

If operations occur in areas where there are indigenous peoples, clients should be able to demonstrate with a high degree of comfort that indigenous peoples have been involved in free prior informed consultation in relation to mining activities.

If the company has been subject to protests, it is important to understand the nature and scope of opposition. Determine whether the views of critics are credible (or will be perceived as such by third parties), the degree to which activists have access to the media, and whether they represent local or international perspectives. Some NGOs' involvement may pose greater reputational risk to the firm than that of other activists. Note as well whether campaigns have documented specific grievances towards the company and its specific operations versus more generalized grievances towards the sector in general. Incidents of violence, protest by local communities, international media attention, kidnapping, and occupation or damage to plants and equipment are clear indicators of problems. A particular area of concern may also relate to the use of security forces (government or private) and whether firearms have been discharged in relation to company operations or security of assets. The company should demonstrate how it has addressed any issues.

Transparency

Best practice includes both (i) public disclosure of an annual report describing environmental and social performance (ideally verified by third parties) and (ii) evidence of effective consultation with communities adjacent to assets (including the presence of a grievance mechanism for those communities). It is also important to note whether companies disclose the results of environmental and social performance assessments to local peoples and employees as this is indicative of overall commitments to transparency and stakeholder engagement.

It is important that companies disclose the payments made to host governments as the principal concerns are that revenues may be misused by government, there may not be an equitable distribution of tax revenues/benefits with affected communities, and companies may not be paying a fair rate for the reserves they are exploiting. To counter these concerns there is a growing voice for disclosure of information (see the Extractive Industries Transparency Initiative) from both companies and governments to demonstrate the scale and use of revenues.

Environmental & Social Due Diligence

Metals & Mining – Explanation of Best Practices and Guidance to Assess Client Performance

Climate Change

There is increasing pressure on all companies across industries to acknowledge and take steps to address climate change and the impact of their operations on the problem. This concern is especially prevalent in the coal industry, where concern to date has focused on coal-fired generation. However, increasingly activists are looking further upstream in the value chain.

The energy sources and total energy consumption should be part of the evaluation of a mining asset. Efforts should be made to optimize equipment utilized onsite to reduce energy consumption. When power is generated onsite, carbon emissions should be considered in the design of the power units to the extent practicable. Assets should seek to reduce carbon footprints where possible through alterations in operational practices such as use of rail in lieu of trucking, local sources of run of river hydro for power and other opportunities that may be present locally. Some projects may generate tradable carbon credits and additional economic value for the asset.

Companies which acknowledge the risks posed by climate change and which are taking steps to address it (participation in industry forums or coalitions, working on clean coal / carbon capture & storage research, etc.) are less likely to be targeted

Goldman Sachs

Environmental & Social Due Diligence Guidance

Metals & Mining

Environmental and Social Management

1. Where are the company's operations located, and what extraction and milling techniques are being utilized?
2. If the transaction relates to a specific project, has the company undertaken an environmental impact assessment (EIA) and has it been approved by relevant authorities? Will any rivers or other water resource be redirected or relocated? Are there forest compensation plans in-place?
3. Are there any operations currently located or planned near protected areas? If so, please describe approval process for development and mitigants for potential impacts.
4. Does the company have an environmental and social management system (ESMS) in place (e.g. ISO 14001)? If so, please describe key features, including but not limited to a) scope, b) environmental and social impact assessment, c) monitoring plan, d) third-party verification procedures, e) standards/targets and ongoing performance evaluation criteria.
5. Do the company's environmental policy and management require the protection of biodiversity or commit to the adherence of industry best practices (e.g. Energy and Biodiversity Initiative)? Please describe any monitoring and management systems.
6. How is the ESMS implemented? Please describe employee (and contractor, if applicable) training procedures and responsibility for performance at both the operational and management levels.
7. Is there a mine closure plan? Has it been approved by relevant authorities? Are funds being reserved to adequately fund closure?
8. Do contracts with third parties require contractors to adhere to the company's environmental, social and safety standards?
9. Are there outstanding legal claims or actions relating specifically to the company's environmental and social performance? If so, please describe.
10. Is the company an active member of the International Council on Mining and Metals (ICMM) or another forum / coalition that seeks to address environmental and social issues?
11. Has the company formally recognized climate change as an environmental concern? Does the company measure its greenhouse gas emissions and report on these, and are there any efforts underway to reduce emissions from the company's operations? Does the company report on energy usage?

Health and Safety

12. Were any employees and/or contractors killed or seriously injured in accidents in the course of their work this past year or in previous years? If so, please describe the nature of the accidents. What is the annual incident rate for non-fatal days lost for the last few years?
13. Is there a formal Health and Safety plan in place? Is the operation OHSAS 18001 certified what documentation is available regarding audits of the health and safety plan as well as the training program associated with the plan?
14. Are explosives used in the operations? What are the safety and security measures surrounding these operations?

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Stakeholder Engagement

15. Does the company consult regularly with local stakeholders and communities about its operations? Please describe the frequency of engagement and any specific community liaison / grievance mechanisms that are in place.
16. Do any of the company's operations occur in areas where there are indigenous peoples? If so, have they been consulted in relation to the company's operations? Will any communities be displaced or require relocation by the operation?
17. Has the company ever been subject to complaints, campaigns, negative media reports, or protests from NGOs, activists or local communities over environmental and/or social issues? If so, please describe.
18. Has it been necessary to shut down operations at company assets due to legal enforcement or local stakeholder grievances? If so, describe.

Transparency

19. Does the company report publicly against its ESMS targets and objectives? If so, how regularly and in what form?
20. Does the company disclose payments it makes to host governments? Is there transparency in how governments distribute revenue or royalty payments?

Additional Questions for Coal Mining Companies

21. If the company does any deep mining, what is the company doing to address the risks associated with methane leakage (capture, storage, etc)?
22. What are the company's largest customers? Does the company sell a significant amount of coal to any power companies – if so, which ones?

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chadbourne

Chadbourne & Parke LLP
1200 New Hampshire Avenue, NW
Washington, DC 20036
telephone: (202) 974-5600

Abbe David Lowell
direct tel (202) 974-5605
adlowell@chadbourne.com

October 20, 2014

By E-mail

Tyler Gellasch, Esq.
Permanent Subcommittee on Investigations
Homeland Security & Governmental Affairs Committee
United States Senate
199 Russell Senate Office Building
1st & Constitution, N.E.
Washington, D.C. 20510

Re: Follow-Up Requests

Dear Mr. Gellasch:

I write on behalf of The Goldman Sachs Group, Inc. ("Goldman Sachs" or the "Firm") in connection with the efforts of the Permanent Subcommittee on Investigations (the "Subcommittee") to better understand the nature and scope of activities of U.S. banks in physical commodities.[1] Goldman Sachs responds to certain requests you have made by email on October 8, 2014 (the "October 8 Email") as further refined through our telephone conversations—as well as additional telephonic requests that you have made—which we reproduce below for your convenience. We are continuing to work diligently on your remaining requests and will supplement this submission with additional responses as soon as possible.

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[1] The Goldman Sachs Group, Inc. is the Firm's publicly-held parent company. Information relevant to the Subcommittee's requests involves the activities of affiliates controlled by the Firm operating both inside and outside the United States.

October 8 Email Request No. 2: Provide information regarding the tonnage of aluminum that was loaded out of one Metro International Trade Services LLC ("Metro") warehouse in Detroit and back into a second Metro warehouse in Detroit.

In response to this Request, Metro has prepared the table below showing the tonnage of aluminum that was loaded out each year during the period from February 2010 to January 2014 from one Metro-operated shed in the Detroit warehouse location and directed to be shipped to another Metro-operated shed in the Detroit warehouse location. Such aluminum was directed to be shipped to such location pursuant to the metal owner's instructions. After metal is loaded out, the owner has various options, including selling the aluminum to a consumer of physical aluminum, storing the aluminum off-warrant or re-warranting the metal in an LME warehouse. To the extent that the metal owner decides to re-warrant the aluminum in a Metro-operated shed and then cancels the warrant, such aluminum would be placed in the queue pursuant to the LME rules and loaded out accordingly.

Aluminum Tonnage Shipped (Metro Warehouse (Detroit) to Metro Warehouse (Detroit))	
Year Shipped	**Tonnage Shipped (MT)**
2010 (From February)	69,725
2011	100,000
2012	200,000
2013	219,025
2014 (Through January)	38,975

Redacted By

Permanent Subcommittee on Investigations

	A	B	C	D	E
1					
2		INVOICES RECEIVED			
3		GLENCORE			
4		Invoice			
5		Date	Number	Total Amount	
6	Pay date				
7	27-Jun-13	21-Jun-13	690113-2	$ 9,909,280.66	
8	27-Jun-13	21-Jun-13	690117-2	$ 402,190.77	
9	26-Sep-13	24-Sep-13	706265	$ 321,105.33	
10					
11		RED KITE			
12		20-Dec-12	RDET1500	$ 5,735,700.00	
13		20-Dec-12	RDET000719	$ 632,720.00	
14	3-Jan-13	26-Dec-12	RDET000723	$ 2,878,696.25	
15	(a)	28-Jan-14	RDET000709	$ 14,084,401.27	
16			RDET000710		
17			RDET000712		
18			RDET000713		
19	(a)	28-Jan-14	RDET000719	$ 2,932,731.91	
20					
21		INVOICES ISSUED			
22		RED KITE			
23		27-Jan-14	0113505-IN	$ 41,595.82	
24		27-Jan-14	113505A-IN	$ 35,950.00	
25		19-Feb-14	0113532-IN	$ 37,626.46	
26					
27		5-Mar-14	0113558-IN	$ 49,441.02	
28					
29		19-Mar-14	0113562-IN	$ 330,743.97	
30					
31					
32					
33					
34	Notes to table:				
35	(a) Amount was not paid. Instead, it was offset against outstanding accounts receivable owed to Metro.				

Permanent Subcommittee on Investigations
EXHIBIT #22a

Confidential

GSPSICOMMODS00046871

	F	G	H	I
1				
2				
3				
4				
5	Amount related to specific deals			
6	Deal #	mt	FA/mt	Total
7				
8	DET-1524	50,046.872	$ 198.00	$ 9,909,280.66
9	DET-1524S	19,949.939	$ 20.16	$ 402,190.77
10	DET-1524S	21,407.022	$ 15.00	$ 321,105.33
11				
12				
13	DET-1500	159,325.000	$ 36.00	$ 5,735,700.00
14	DET-1500	17,600.000	$ 35.95	$ 632,720.00
15	DET-1500	80,075.000	$ 35.95	$ 2,878,696.25
16	DET-1500(N)	84,207.028	$ 160.00	$ 13,473,124.48
17				
18				
19				
20	DET-1500(N)	17,458.813	$ 160.00	$ 2,793,410.08
21				
22				
23				
24	DET-1500	1,001.826	$ 30.00	$ 30,054.78
25	DET-1500	1,000.000	$ 35.95	$ 35,950.00
26	DET-1500	502.338	$ 30.00	$ 15,070.14
27		500.000	$ 35.95	$ 17,975.00
28	DET-1500	749.284	$ 30.00	$ 22,478.52
29		750.000	$ 35.95	$ 26,962.50
30	DET-1500	5,003.174	$ 30.00	$ 150,095.22
31		5,025.000	$ 35.95	$ 180,648.75
32				
33				
34				
35				

GLENCORE Ltd.

METRO INTERNATIONAL TRADE
20495 Pennsylvania Avenue
48180 Brownstown MI

INVOICE NO: 690113-2 AMENDED COPY

TERMS: Payment to be remitted via Telegraphic Transfer before {Payment Term Needed}

ATTN: ACCOUNTS PAYABLE

REFERENCE:

DATE: 21-June-13

CONTRACT: 162-13-54802-001-S

P.O.: 198 prem for det-1524

	Regular Invoice		US DOLLARS
Charges:	50,046.872 mt X 198 dollars/mt=		9,909,280.66
	Total Due Glencore Ltd.	**25-June-13**	9,909,280.66
Payment:	**Payment via Telegraphic Transfer to:** **Citibank NA** **New York** **ABA 021 000 089** **Account Name Glencore Ltd.** **Account# 3042-5974**		

APPROVED
Freight Allowance
Gabriella Vagnini
Location Detroit
Date 6/26/2013

DEAL # DET-1524
Metal Type Aluminum
FA $ 198.-/mt
Total MT 50046,872
Batch # ______
Wire Date June 27, 2013
See attached for details
*Needs 2nd & 3rd Approval

APPROVED
LEO S PRICHARD 88P
Location DETROIT
Date 26 JUN 2013
Desc FREIGHT ALLOWANCE

Three Stamford Plaza - 301 Tresser Boulevard - Stamford CT 06901-3244 - U.S.A.
Telephone (203) 328-4900 - Telefax (203) 978-2610

GLENCORE Ltd.

METRO INTERNATIONAL TRADE
20495 Pennsylvania Avenue
48180 Brownstown MI

INVOICE NO: 690117-2 AMENDED COPY

TERMS: Payment to be remitted via Telegraphic Transfer before {Payment Term Needed}

ATTN: ACCOUNTS PAYABLE

REFERENCE:

DATE: 21-June-13

CONTRACT: 162-13-54799-002-P

P.O.: 20 dollars for det1524s

	Regular Invoice	US DOLLARS
Charges:	19,949,939 x 20.16 BSP ~~20,103,071~~ mt ~~X 20~~ dollars/mt= 402,061.42	~~402,061.42~~
	Total Due Glencore Ltd. 25-June-13	~~402,061.42~~
Payment:	Payment via Telegraphic Transfer to: Citibank NA New York ABA 021 000 089 Account Name Glencore Ltd. Account# 3042-5974 Pay this Amount	402,190.77 BSP #402,190.77

APPROVED
Freight Allowance,
Gabriella Wagner.
Location Detroit
Date 6/26/2013

DEAL # DET-1524S
Metal Type Aluminum
FA $ 20.16/mt
Total MT 19,949,939
Batch # 201216
Wire Date June 27, 2013
See attached for details
*Needs 2nd & 3rd Approval

APPROVED
LEO S. PRICHARD BSP
Location DETROIT
Date 26 JUN 2013
Desc FREIGHT ALLOWANCE

Permanent Subcommittee on Investigations
EXHIBIT #22c

04-
2215-DT
1290 NO⊕
2455 DT⊖

GLENCORE Ltd.

INVOICE NO: 706265

METRO INTERNATIONAL TRADE
6850 Middlebelt Road
48174 Romulus MI

TERMS: Payment to be remitted via
Telegraphic Transfer before
{Payment Term Needed}

ATTN: ACCOUNTS PAYABLE

REFERENCE:

DATE: 24-September-13

CONTRACT: 162-13-54798-001-S

P.O.: 15/mt swap balt

	Regular Invoice		US DOLLARS
Charges:	DET-15245 21,407.022mt at $15/mt Premium		321,105.33
	Total Due Glencore Ltd.	26-September-13	321,105.33
Payment:	Payment via Telegraphic Transfer to: Citibank NA New York ABA 021 000 089 Account Name Glencore Ltd. Account# 3042-5974	APPROVED Leo Prichard SSP Location DETROIT Date 25 SEP 2013 Desc. FREIGHT ALLOWANCE	

APPROVED
By: Gabriella Vagnini
DATE 25 Sept 2013
Initial

APPROVED
Freight Allowance
Katie Kuhlman
Location Detroit
Date 9/25/13

DEAL # DET-15245 ✓
Metal Type Aluminum ✓
FA $ 15-/mt ✓
Total MT 21,407.022 ✓
Batch # 001249
Wire Date 26-SEP-2013
See attached for details
*Needs 2nd & 3rd Approval

Permanent Subcommittee on Investigations
EXHIBIT #22d

Red Kite Master Fund Limited

Metro International Trade Services
6850 Middlebelt Road
Romulus,
Michgan 48174
USA

Your ref: DET 1500

Our ref:

Date: 13 November 2012

DEBIT NOTE

Aluminium T-Bars/Ingots/Sows
LME Brands
Origin Canada / USA

To Agreed Initial Rebate on 6,373 lots Aluminium
Cancelled in November 2012 in LME Warehouse Metro Detroit

Ref	date	no of lots	Round weight /mt	rebate /mt
RDET000709	07-Nov-12	1,000	25,000	
RDET000710	08-Nov-12	754	18,850	
RDET000711	08-Nov-12	2,725	68,125	
RDET000712	09-Nov-12	1,062	26,550	
RDET000713	09-Nov-12	832	20,800	
		6,373	159,325	@ USD 36.00 PMT

ACTUAL MT 158,471.854

Total Payable

USD 5,735,700.00

Payment by SWIFT/DIRECT AUTHENTICATED TELEX to:
Standard Chartered Bank London
Swift Code: SCBLGB2L
For Account: Red Kite Master Fund Limited
Account Number 01 01 2550725 50
IBAN: GB14SCBL60910412550725
Cover with Standard Chartered Bank New York
Swift Code: SCBLUS33

For and on behalf of
Red Kite Master Fund Limited

APPROVED
Leo Prichard 8SP
Location DETROIT
Date 13 NOV 12
Desc. PREPAID FREIGHT ALLOWANCE

APPROVED
FOT PMT
Gabriella Vagnini
Location Detroit
Date 11/13/2012
DEAL # DET-1500
Metal Type Aluminum
$ 36 /mt
Total MT 159,325
Batch #
Wire Date 11/13/2012
See attached for details

RED KITE MASTER FUND LIMITED
P.O. Box HM 1540, Hamilton HM FX, Bermuda
Email: info@redkite.bm

Permanent Subcommittee on Investigations
EXHIBIT #22e

Red Kite Master Fund Limited

Metro International Trade Services
6850 Middlebelt Road
Romulus,
Michgan 48174
USA

Your ref: RDET000719

Our ref:

Date: 20 December 2012

DEBIT NOTE	
Aluminium T-Bars / Sows LME Brands Origin Canada / USA	
To Agreed Initial Rebate on 704 lots Aluminium in LME Warehouse Metro Detroit	Paul
Cancellation date 19 Dec 2012 17,600.000 mt nett USD 35.95 PMT	USD 632,720.00
APPROVED Leo Prichard 88? Location DETROIT Date 3 JAN 13 Desc. FOT REFUND	APPROVED FOT PmT Gabriella Vegnini Location Detroit Date Jan 3, 2013 DEAL # DET-1500 Metal Type Aluminum FOT $ 35.95 /mt Total MT 17,600mt Batch # — Wire Date ASAP See attached for details
Payment by SWIFT/DIRECT AUTHENTICATED TELEX to: Standard Chartered Bank London Swift Code: SCBLGB2L For Account: Red Kite Master Fund Limited Account Number 01 01 2550725 50 IBAN: GB14SCBL60910412550725 Cover with Standard Chartered Bank New York Swift Code: SCBLUS33	*Note FOT is Always Calculated at rounded MT.
For and on behalf of Red Kite Master Fund Limited	

Reques[t] Actual F[OT] Rate p[er] Brigid[,] Michae[l] Approx[...]

RED KITE MASTER FUND LIMITED
P.O. Box HM 1540, Hamilton HM FX, Bermuda
Email: info@redkite.bm

Red Kite Master Fund Limited

Metro International Trade Services
6850 Middlebelt Road
Romulus,
Michgan 48174
USA

Your ref: RDET000719
Our ref:
Date: 28 January 2014

Inv# DET1500N02

DEBIT NOTE

Aluminium T-Bars

LME Registered Brands

To Agreed Warranting Rebate on 704 lots Aluminium
in LME Warehouse Metro Detroit

Reference	Issue date	Warrants	MT
RDET000719	22-Dec-13	704	17,458.816
Total		704	17,458.816

Incentive	~~17,458.816~~ 17,458.813 mt	nett @	USD 160.00 PMT	~~USD 2,793,410.56~~ 2793,410.08
Adjustment	17,458.816 mt	nett @	USD 7.98 PMT	USD 139,321.35
Nett Payable				USD 2,932,731.91
				USD 2,932,731.43 — OK TOTAL

APPROVED
Leo Prichard 88?
Location DETROIT
Date 31 JAN 14
Desc. FREIGHT ALLOWANCE
Total Payable

APPROVED
Freight Allowance
Gabriella Vegnini
Location Detroit
Date 29 Jan 2014
DEAL # DET-1500(N)
Metal Type Aluminum
FA $ 160 /mt
Total MT 17,458.813
Batch # 001313
Wire Date per accounting

Payment by SWIFT/DIRECT AUTHENTICATED TELEX to:
Standard Chartered Bank London
Swift Code: SCBLGB2L
For Account: Red Kite Master Fund Limited
Account Number 01 01 2550725 50
IBAN: GB14SCBL60910412550725
Cover with Standard Chartered Bank New York
Swift Code: SCBLUS33

For and on behalf of
Red Kite Master Fund Limited

Permanent Subcommittee on Investigations
EXHIBIT #22g

Red Kite Master Fund Limited

Metro International Trade Services
6850 Middlebelt Road
Romulus,
Michgan 48174
USA

Your ref: RDET000709, RDET000710, RDET000712, RDET000713

Our ref:

Date: 28 January 2014

Inv# DETISCON01

DEBIT NOTE

Aluminium T-Bars

LME Registered Brands

To Agreed Warranting Rebate on 3,373 lots Aluminium in LME Warehouse Metro Detroit

Reference	Issue Date	Warrants	MT
RDET000709	28-Nov-13	1,000	25,091.981
RDET000710	28-Nov-13	479	12,016.974
RDET000712	28-Nov-13	1,062	26,493.732
RDET000713	28-Nov-13	832	20,603.945
	Total	3,373	84,206.632

84,207.028 mt

Incentive ~~84,206.632~~ mt nett @ USD 160.00 PMT

Adjustment 84,206.632 mt nett @ USD 7.26 PMT

Nett Payable

APPROVED

Leo Prichard 88?

Location DETROIT

Date 31 JAN 14

Desc. FREIGHT ALLOWANCE

Total Payable

USD 13,473,124.48

~~USD 13,473,061.12~~

USD 611,340.15 ✓ SEE ATTACHED

~~USD 14,084,401.27~~

USD 14,084,464.63

ok

TOTAL

Payment by SWIFT/DIRECT AUTHENTICATED TELEX to:
Standard Chartered Bank London
Swift Code: SCBLGB2L
For Account: Red Kite Master Fund Limited
Account Number 01 01 2550725 50
IBAN: GB14SCBL60910412550725
Cover with Standard Chartered Bank New York
Swift Code: SCBLUS33

APPROVED
Freight Allowance
Gabriella Vagolal
Location Detroit
Date 29 Jan 2014

DEAL # DET-ISCON
Metal Type Aluminum
FA $ 160 / mt
Total MT 84,207.028
Batch # 020314
Wire Date Per Refinance
See attached for details

For and on behalf of
Red Kite Master Fund Limited

01.31.14
WASH / AR

Permanent Subcommittee on Investigations
EXHIBIT #22h

WARRANT FINANCE AGREEMENT

DATED 15 SEPTEMBER 2010

DB ENERGY TRADING LLC

AND

METRO INTERNATIONAL TRADE SERVICES LLC

THIS AGREEMENT is made on 15 September 2010

BETWEEN:

(1) **DB ENERGY TRADING LLC** a company incorporated in the State of Delaware with company registration number 38-3712197 and having its registered address at 1301 Fannin, Suite 2300, Houston TX 77002 U.S.A. (**DBET**); and

(2) **METRO INTERNATIONAL TRADE SERVICES LLC** a company organized in the State of Delaware with company registration number 3544210 and having its registered address at 6850 Middlebelt Road, Romulus, MI 48174 U.S.A. (**Counterparty**).

Collectively, the **Parties** (and **Party** shall be construed accordingly).

WHEREAS:

(A) The Parties intend to enter into a transaction in respect of Aluminium meeting LME delivery requirements (the **Transaction**).

(B) The Parties wish to enter into the Transaction for the Finance Period at discounted warehouse rental rates in the manner set out in and subject to the provisions of this Agreement.

IT IS HEREBY AGREED as follows:

1. INTERPRETATION

In this Agreement:

1.1 The following terms and expressions shall bear the meanings given to them hereunder, unless otherwise defined in this Agreement or the context requires otherwise:

Agreement, or **This Agreement**, means the present contract with the exclusion of any other document.

Aluminium means primary aluminium with impurities no greater than in the registered designation P1020A in the North American and International Registration Record entitled *International Designations and Chemical Composition Limits for Unalloyed Aluminum (revised March 2007)*.

Business Day means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and Detroit, and for the purposes of settlement only, New York.

Effective Date means the date on which this Agreement becomes legally binding upon the Parties, such date to be the date on which both parties have duly executed this Agreement.

Event of Default means any event or circumstance specified in Clause 11.

Final Warehouse means a warehouse in a FTZ, Detroit U.S.A owned by the Counterparty.

Finance Period means from 15Sep10 to 16Feb11 (the **Finance Period End Date**).

FOT Charge means 'free-on-truck', and as of the date of this Agreement is USD32.95 per ton of Aluminium.

Goods means the Notional Amount of Aluminium on the Effective Date in any of the relevant Shapes, represented (i) initially by Warrants in the SWORD account of Deutsche Bank AG, London Branch and held on behalf of DBET and (ii) alternatively during the term of this Agreement, as a Warehouse Receipt.

Initial Warehouse means LME listed warehouse, Detroit U.S.A. owned by the Counterparty.

LME means the London Metal Exchange operated by the London Metal Exchange Ltd. or any successor thereto.

Logistics Charge means a charge for logistics in respect of moving any Aluminium between the Initial Warehouse and the Final Warehouse, and as of the date of this Agreement is USD10 per ton of Aluminium.

Notional Amount means 4000 lots of Aluminium (with a weight tolerance of +/- 2 per cent).

Party means a party to this Agreement.

Queue means the time period from (and including) the date when the holder of Aluminium instructs the Warehouse Company to take the Aluminium out of a Warehouse to (and including) the date when the Aluminium actually leaves a Warehouse.

Reduced Rent means the rent rate agreed by the Parties for the Finance Period

Relevant Warehouse means (i) any warehouse for the storage of Aluminium which as of any relevant time is listed as an approved warehouse on the LME website (www.lme.com) and (ii) where such Aluminium may be held in the form of Warrants by a relevant holder.

Rent Limit means USD28.35 per ton of Aluminium for the time period in the queue prior to the Aluminium leaving the Initial Warehouse.

Shape means ingots, t-bars or sows.

Slots means trucking slots that a holder of metal may request from the Warehouse Company at a Warehouse for the purpose of taking the relevant metal out of the Warehouse.

Transaction Document means this Agreement and/or any other document designated as such by the Parties.

Transport Cost means the sum of the FOT Charge and the Logistics Charge.

USD or **U.S. Dollars** means the lawful currency of the United States of America.

Warehouse means both the Initial Warehouse and Final Warehouse.

Warehouse Company means Counterparty.

Warehouse Receipt means a transferable and numbered receipt issued by the Warehouse Company, on which it is certified that the holder is entitled to receive a specific quantity of goods of a specific kind and quality, and which shall be construed to be a document of legal title, with the details of the Goods placed off-warrant under Clause 3.3 including, where applicable, the relevant numbering of the Goods.

Warehouse Services mean the services to be provided, under this Agreement and for the Finance Period, by the Warehouse Company and in accordance with the standard terms and conditions of the Warehouse Company.

Warrant means a transferable and numbered receipt, settled through SWORD, on which it is certified that the holder is entitled to receive a specific quantity of goods of a specific kind and quality, and which shall be construed to be a document of legal title, with the details specified in Annex 1.

1.2 In this Agreement:

(a) words denoting persons include bodies corporate and unincorporated associations of persons;

(b) references to a party to this Agreement include the successors or assigns (immediate or otherwise) of that party;

(c) the words including and include shall mean including without limitation and include without limitation, respectively;

(d) any reference importing a gender includes the other genders;

(e) any reference to a time of day is to Detroit, U.S.A. time;

(f) any reference to US$ or US Dollars is to United States dollars;

(g) any reference to a period shall, where the last day of that period is a day that is not a Business Day, terminate on the next Business Day;

(h) any reference to writing includes typing, printing, lithography, photography and facsimile but excludes any other form of electronic communication;

(i) any reference to a document is to that document as amended, varied or novated from time to time otherwise than in breach of this Agreement or that document;

(j) an Event of Default being outstanding means that it has not been waived;

(k) any reference to a company includes any company, corporation or other body corporate wheresoever incorporated; and

(l) any reference to a company or firm includes any company or firm in succession to all, or substantially all, of the business of that company or firm.

2. REPRESENTATIONS AND WARRANTIES

2.1 DBET represents and warrants to the Counterparty as follows:

(i) It is duly incorporated under the laws of Delaware as a limited liability corporation.

(ii) DBET has all necessary corporate authority, for DBET to sign and deliver, and perform the transactions contemplated in this Agreement and this Agreement constitutes valid and binding obligations of DBET.

(iii) Its performance of its obligations under this Agreement is lawful under the laws of its incorporation.

2.2 Counterparty represents and warrants to the Counterparty as follows:

(i) It is duly incorporated under the laws of the State of Michigan, domiciled in Michigan, registered in Michigan under Company No. 3544210.

(ii) The Articles of Association of Counterparty include provisions which give power, and all necessary corporate authority has been obtained and action taken, for Counterparty to sign and deliver, and perform the transactions contemplated in this Agreement and this Agreement constitutes valid and binding obligations of Counterparty.

(iii) Its performance of its obligations under this Agreement are lawful in the United States of America and the State of Michigan.

3. WARRANT FINANCE TRANSACTION AND RENT

3.1 Following the Effective Date and in respect of the Finance Period, the Parties agree that DBET will request the maximum number of Slots and place the Goods or part of the Goods off-warrant as soon as possible thereafter but dependent on existing demand for slots.

3.2 Counterparty will immediately issue to DBET a Warehouse Receipt for the Goods placed off-warrant.

3.3 The Parties agree that although Slots will be requested as of the Effective Date, the Goods will be in the Queue to exit the Initial Warehouse and no firm time for such exit can be given as of the date of this Agreement. DBET undertakes on a commercially reasonable basis to inform the Counterparty on a weekly basis any updates as to timing for this exit of the Goods.

3.4 Whilst the Goods are in the Queue, DBET shall pay warehouse rent at the full rate. However, if the rent paid by DBET exceeds the Rent Limit, then Counterparty agrees to pay any excess amount to DBET's nominated account.

3.5 DBET shall pay a Transport Cost to Counterparty as for the movement of the Goods from the Initial Warehouse to the Final Warehouse. In respect of the Goods, no further Transport Costs shall be payable by DBET to the Counterparty once this amount has been paid.

3.6 For the Finance Period, Counterparty agrees to hold in custody the Goods at either Warehouse.

3.7 In respect of the Finance Period, Counterparty will perform the warehousing services in accordance with the present Agreement and/or as may be agreed in writing from time to time by the Parties in the relevant confirmation.

3.8 If during the Finance Period, DBET decides to sell the Goods to a third party then DBET shall pay a loading charge to Counterparty to its nominated account an amount in USD equal to USD 65 per ton of Aluminium.

4. **WAREHOUSING SERVICES**

4.1 In respect of this Agreement and in accordance with the Warehouse Company's standard terms and conditions applicable to the relevant Warehouse:

(a) The Warehouse Company shall make arrangements (i) for the goods to be safely stored in each Warehouse pursuant to the terms set out in this Agreement, so that the Goods shall be labelled or numbered in such a way that the labels or numbers are clearly visible and can be identified in the records of DBET and (ii) shall supervise, manage and monitor the Goods in accordance with this Agreement and DBET's instructions and will hold the Goods in each Warehouse at all times for the whole Finance Period.

(b) It is agreed and intended that the Warehouse Company will hold possession of the Goods in each Warehouse on account of DBET and will hold no title whatsoever.

(c) The Warehouse Company shall issue, in respect of the Goods represented by a Warehouse Receipt, monthly commodity reports to DBET as customary for the relevant Warehouse and provide such other reports and information (including any warehouse charges outstanding) reasonably requested by DBET from time to time.

(d) The Warehouse Company undertakes that, subject to the confidential obligations under applicable laws and regulations, any representative(s) of or person(s) nominated by DBET shall have access during all normal hours of business (subject to one (1) Business Day prior written notice) to any books, records, information or other data or system held by the Warehouse Company relating to the goods.

(e) For the avoidance of doubt, any costs, fees or charge associated with Clause 4.2 and 4.3 above are included in the Reduced Rent.

(f) Insurance

(g) The Warehouse Company shall maintain at all times appropriate and sufficient levels of fraud insurance with reputable insurers.

(h) The Warehouse Company will provide DBET, on request and no later than 24 hours from DBET's request in writing, with evidence of the current insurance policies in place.

5. **INDEMNITY**

5.1 The Warehouse Company shall indemnify DBET against any liabilities, losses or damages whatsoever, including but not limited to the Goods, caused by any breach of its obligations, whether contractual or not, under this Agreement.

6. **RELEASE OF GOODS**

6.1 Thirty (30) calendar days prior to the end of the Finance Period, the Parties shall in good faith negotiate as to which actions in clause 7.2 below shall apply.

6.2 At the end of the Finance Period and notwithstanding the location of the Goods, the Parties may either (i) agree to enter and negotiate the terms of a new transaction or (ii) DBET may request the Counterparty to re-warrant the Goods so that they are represented by Warrants in a Warehouse.

6.3 Where DBET request the Goods to be re-warranted in accordance with clause 7.2 above, then Counterparty shall pay USD42.95 per ton to DBET using the account in its Standard Settlement Instructions (SSI).

6.4 Where DBET request the Goods to be re-warranted in accordance with clause 7.2 above, the Warehouse Company acknowledges and agrees that all the relevant expenses and fees charged and/or which may be incurred in relation to the movement of the Goods from either Warehouse to any Relevant Warehouse, shall be fully paid by the Warehouse Company with no responsibility for DBET.

6.5 Where DBET request the Goods to be re-warranted in accordance with clause 7.2 above and Counterparty has failed to re-warrant the Goods by the Finance Period End Date, Counterparty agrees to pay all expenses incurred in a commercially reasonable manner caused by any delay to DBET using the account in its SSI.

6.6 Unless otherwise provided in this Agreement, the Warehouse Company shall at all times be required to act in accordance with any and all instructions issued by DBET and shall disregard any instructions as may be received from any other third party, and shall immediately inform DBET in writing of such instructions.

7. **RECORDS AND REPORTING REQUIREMENTS**

The Warehouse Company shall maintain such books and records for three years after all the Goods have been Released, and shall produce, at DBET's request in writing, such statements as necessary to properly account for all the Goods so released.

8. **GOVERNING LAW AND JURISDICTION**

8.1 This Agreement and any non contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with New York law.

8.2 Both Parties submit to the non-exclusive jurisdiction of the courts of the State of New York and Texas for any action suit, claim or proceeding arising under or relating to this Agreement. and expressly waives any objection it may have to such jurisdiction or the convenience of such forum. Each party waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding relating to this Agreement.

8.3 Nothing in this Agreement, whether express or implied, is intended to or shall be construed so as to confer upon or give to any person, other than the parties hereto and their respective permitted successors and assigns, any rights or remedies under or by reason of this Agreement

9. NOTICES

9.1 The contact details of each Party for all communication in connection with this Agreement are as set out below:

(a) for Party A:

Address: 1301 Fannin, Suite 2300, Houston TX 77002 U.S.A.
Fax Number: 713-653-5180
Email: commodities.contracts@db.com
Attention: Commodities Contracts

With a copy to:
Address: Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
Fax number: +44 (0) 207 545 4970
Email: evan.richards@db.com/physicalsettlement@list.db.com
Attention: Evan Richards/Physical Settlement

(b) for Party B:
Address: 6850 Middlebelt Road, Romulus, MI 48174 U.S.A.

Fax number: 0017347213963
Email: cwibbelman@metroftz.com
Attention: Christopher Wibbleman

9.2 Any Party may change its contact details by giving five (5) Business Days' notice to the other Party.

9.3 Any notice or other communication shall be deemed to have been given:

(a) if delivered by hand on the date of delivery; or

(b) if sent by post, on the second Business Day after it was put into the post;

(c) if sent by fax, on the date of transmission, if transmitted before 7.00 p.m. (local time at the country of destination) on any Business Day, and in any other case on the Business Day following the date of transmission; or

(d) if sent by email or any other electronic communication, when received in legible form.

9.4 A communication given under paragraph 10.3 above but received on a day that is not a Business Day or after hours on a Business Day in the place of receipt will only be deemed to be given on the next Business Day in that place.

10. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Clause 10 is an Event of Default. For purposes of this Clause 10, a reference to this Agreement shall include a reference to every Confirmation issued under this Agreement.

10.1 Breach of obligations

Counterparty does not comply with any term of this Agreement, unless the non-compliance:

(a) is capable of remedy; and

(b) is remedied within three (3) Business Days of DBET giving notice of the breach to Counterparty.

10.2 Misrepresentation

A representation or warranty made by Counterparty in this Agreement is incorrect or misleading in any material respect when made, unless the circumstances giving rise to the misrepresentation or breach of warranty:

(a) are capable of remedy; and

(b) is remedied within three (3) Business Days of DBET giving notice of the breach to Counterparty.

10.3 LME Approval

The Warehouse Company ceases to be an LME approved warehouse company and/or ceases to be listed on the LME's website as one of the approved companies.

10.4 Insolvency

Any of the following occurs in respect of Counterparty:

(a) it is, or is deemed for the purposes of any applicable law to be, unable to pay its debts as they fall due or insolvent;

(b) it admits its inability to pay its debts as they fall due;

(c) it suspends making payments on any of its debts or announces an intention to do so;

(d) by reason of actual or anticipated financial difficulties, it begins negotiations with any creditor for the rescheduling or restructuring of any of its indebtedness;

(e) the value of its assets is less than its liabilities (taking into account contingent and prospective liabilities); or

(f) a moratorium is declared in respect of any of its indebtedness.

If a moratorium occurs in respect of Counterparty, the ending of the moratorium will not remedy any Event of Default caused by the moratorium.

10.5 **Insolvency proceedings**

(a) Except as provided below, any of the following occurs in respect of Counterparty:

(i) Any step is taken with a view to a moratorium or a composition, assignment or similar arrangement with any of its creditors;

(ii) a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, administration or dissolution or any such resolution is passed;

(iii) any person presents a petition, or files documents with a court or any registrar, for its winding-up, administration, dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise);

(iv) an order for its winding-up, administration or dissolution is made;

(v) any liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer is appointed in respect of it or any of its assets;

(vi) its shareholders, directors or other officers request the appointment of, or give notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer; or

(vii) any other analogous step or procedure is taken in any jurisdiction.

(b) Paragraph (a) does not apply to a petition for winding-up presented by a creditor which is being contested in good faith and with due diligence and is discharged or struck out within 30 calendar days.

10.6 **Change of Control**

(a) Counterparty's Holding Company as at the date of this Agreement ceases to hold, directly or indirectly, at least the majority of the total share capital and/or the majority of the voting rights attributable to the share capital of Counterparty, unless DBET waives its rights under Clause 11.6 in writing pursuant to sub-section (b) below

(b) Should a Change of Control happen, or should a Change of Control be in the process of happening, Counterparty will immediately inform DBET in writing. DBET will, within five (5) Business Days from such a request, inform Counterparty whether or not it waives its rights under Clause 11.6. DBET will not unreasonably deny the waiver, always provided that the Change of Control does not affect the rating and/or the financial stand and/or the credit worthiness of Counterparty.

10.7 **Effectiveness of Transaction Documents**

(a) It is or becomes unlawful for any party to perform any of its obligations under the Transaction Documents.

(b) Any Transaction Document is not effective in accordance with its terms or is alleged by any party to it to be ineffective in accordance with its terms for any reason.

(c) Counterparty repudiates a Transaction Document or evidences an intention to repudiate a Transaction document.

11. TERMINATION PURSUANT TO AN EVENT OF DEFAULT

(a) Without prejudice to any other remedy that a Party may have under this Agreement, at law, or otherwise, upon the occurrence of an Event of Default, DBET shall be immediately entitled to designate a date in writing for the early termination of any or all of the Transactions, being a date no sooner than the date of the notice (such date an **Early Termination Date**).

(b) On the Early Termination Date, each Transaction in respect of which the Early Termination Date was designated together with each Party's rights and obligations thereunder will be automatically terminated, except that:

(i) Clauses 1, 2, 4, 5, 6, 7.2 to 7.4, 8, 9, 10, 12, 13, 14, 15 and 17 shall survive the termination and remain to be in full effect and force after the Early Termination Date; and

(ii) any termination shall not release a Party from any liability which as of the Early Termination Date has already accrued to the other Party or which thereafter may accrue in respect of any act or omission prior to such termination.

12. WAIVER OF IMMUNITY

To the extent that Counterparty may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), it hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

13. LANGUAGE

The language of this Agreement and the transactions envisaged by it is English and all notices to be given in connection with this Agreement must be in English. All demands, requests, statements, certificates or other documents or communications to be provided in connection with this Agreement and the transactions envisaged by it must be in English or accompanied by a certified English translation; in this case the English translation prevails unless the document or communication is a statutory or other official document or communication.

14. SEVERABILITY

If a term of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any jurisdiction, that will not affect:

(a) the legality, validity or enforceability in that jurisdiction of any other term of this Agreement; or

(b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Agreement.

15. TERMINATION

15.1 Subject to Clause 12, and without prejudice to Clause 16.2, DBET may terminate this Agreement by giving advance written notice of at least 90 calendar days to Counterparty.

15.2 Without prejudice to any other rights or remedies that DBET may have under this Agreement, at law or otherwise, DBET shall be entitled to terminate this Agreement with immediate effect, upon written notice, in case of breach by Counterparty of any of its obligations under this Agreement.

15.3 Following a termination notice under this Clause each Warrant Finance Transaction, together with each Party's rights and obligations thereunder will be automatically terminated, except that:

(a) Clauses 1, 2, 4, 5, 6, 7.2 to 7.4, 8, 9, 10, 12, 13, 14, 15 and 17 shall survive the termination and remain to be in full effect and force after the termination date to the extent that it is necessary to close out any existing Warrant Finance Transaction; and

(b) any termination shall not release Counterparty from any liability which as of the termination date has already accrued to DBET or which thereafter may accrue in respect of any act or omission prior to such termination.

16. WHOLE AGREEMENT

This Agreement and the Warrant Finance Confirmations contain the whole agreement between the Parties. Except as required by statute, no terms shall be implied or incorporated (whether by custom, usage or otherwise) into this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

AS WITNESS this Agreement has been signed by the Parties (or their duly authorised representatives) on the date stated at the beginning of this Agreement.

Signatories

Signed by
DB ENERGY TRADING LLC

By: William Donnelly
Its: Director

By:
Its: Brandon Diket
Vice President

Signed by
METRO INTERNATIONAL TRADE SERVICES LLC

By:
Its:

Annex I

DETAILS OF WARRANTS OWNED BY DBET AS OF THE EFFECTIVE DATE

[to be inserted]

EXCERPT

Goldman Sachs

Overview Off-warrant Deals

Metro has been approached again by a client planning to cancel metal for the purpose of off-warrant financing deals. Similar to previous deals Metro has decided to offer off-warrant storage space to the client in order to keep the business in-house.

	Jan 2012 Deal	Feb 2012 Deal	Feb/Mar 2012 Deal	Sept 2012 Deal
Tonnage (kt)	■ 100 kt	■ 100 kt	■ 50 kt	■ 160 kt
Rent & FOT Rate Structure	■ FOT and full rent in queue ■ 8 cents/t/d for off-warrant storage after initial 90 days of free rent ■ After 12 months from shipment date metal reverts back to full rent			■ FOT and full rent in queue ■ Full LME rent for off-warrant material until Dec 2013
Day-One Incentive	■ Metro pays $33/t	■ Metro pays $58/t	■ Metro pays $58/t	■ Metro pays $36/t
Client Optionality	■ Cancel deal and sell metal/remove from Metro off-warrant storage or re-warrant with Metro			
Cancellation Terms	■ Client pays $60/t	■ Client pays $85/t	■ Client pays $85/t	■ Client pays $65/t
Re-warranting Terms	■ Metro pays $69/t, if re-warranted within 6 months from cancellation date (sliding scale down thereafter)	■ Metro pays $44/t, if re-warranted within 9 months from cancellation date (sliding scale down thereafter)	■ Metro pays $47/t, if re-warranted within 9 months from cancellation date (sliding scale down thereafter)	■ Metro pays $160/t, if re-warranted by Dec 2013 ■ Metro reimburses the difference between current published rent and 2013/2014 published rent, if material is re-warranted
Status	■ Re-warranted ■ Of the three deals 100kt were re-negotiated to $95/t and 100kt to $120/t at re-warranting			■ Metal has not shipped out yet