

BLANKFEIN LLOYD C

Form 4

December 19, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB
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if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BLANKFEIN LLOYD C2. Issuer Name and Ticker or Trading
Symbol
GOLDMAN SACHS GROUP INC/
[GS]5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

C/O GOLDMAN, SACHS &
CO., 85 BROAD STREET3. Date of Earliest Transaction
(Month/Day/Year)
12/15/2006☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
Chairman of the Board and CEO

(Street)

4. If Amendment, Date Original
Filed(Month/Day/Year)6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

NEW YORK,, NY 10004

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price

Common
Stock, par
value \$
0.01 per
share

12/18/2006

J⁽¹⁾ V 62,085 A₍₁₎ \$ 0 1,274,132 DCommon
Stock, par
value \$
0.01 per
share

137,915 I

See
footnote ⁽²⁾

200,000 I

Common Stock, par value \$ 0.01 per share						See footnote <u>(2)</u>
Common Stock, par value \$ 0.01 per share				138,272	I	See footnote <u>(2)</u>
Common Stock, par value \$ 0.01 per share				113,511	I	See footnote <u>(3)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Restricted Stock Units	(4)	12/15/2006		A		77,776		(5)	(5)	Common Stock	77,
Nonqualified Stock Options (right to buy)	\$ 199.84	12/15/2006		A		209,228 (6)		(6)	11/25/2016	Common Stock	209

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BLANKFEIN LLOYD C	X		Chairman of	

C/O GOLDMAN, SACHS & CO.
85 BROAD STREET
NEW YORK, NY 10004

the Board and
CEO

Signatures

/s/ Roger S. Begelman,
Attorney-in-fact

12/19/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Reflects the distribution of 62,085 shares of the Issuer's common stock from a grantor retained annuity trust to the Reporting Person on
(1) December 18, 2006. This distribution was exempt from Section 16 pursuant to Rule 16a-13 under the Securities Exchange Act of 1934, as amended.

(2) As trustee of grantor retained annuity trust.

(3) Held through a trust, the sole trustee of which is the Reporting Person's spouse and the sole beneficiaries of which are immediate family members of the Reporting Person. The Reporting Person disclaims beneficial ownership of these shares.

The number of Restricted Stock Units ("RSUs") awarded to the Reporting Person was determined by dividing the dollar amount to be
(4) granted as RSUs (\$15,679,500) by \$201.60 (the closing price of the Issuer's Common Stock on the New York Stock Exchange on November 24, 2006, the last day of the Issuer's 2006 fiscal year).

(5) Of these RSUs, 40% vested immediately upon grant, with the remaining 60% vesting on November 27, 2009. The shares of Common Stock underlying these RSUs will be deliverable, without the payment of any consideration, in January 2010.

The number of Stock Options awarded to the Reporting Person was determined by dividing the dollar amount to be granted as options (\$10,453,000) by the value of each Stock Option based on a binomial option valuation method, which was \$49.96. Of these Stock
(6) Options, 40% vested immediately upon grant, with the remaining 60% vesting on November 27, 2009. The Stock Options become exercisable in January 2010, although the underlying shares are subject to transfer restrictions until January 2011. The Reporting Person earned a cash bonus of \$27,267,500 in addition to the equity grants being described in this filing for a total bonus of \$53,400,000 for fiscal 2006. The Reporting Person was the highest paid executive officer of the Issuer for the Issuer's 2006 fiscal year.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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