
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported):
August 18, 2016**

THE GOLDMAN SACHS GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

No. 001-14965
(Commission
File Number)

No. 13-4019460
(IRS Employer
Identification No.)

200 West Street
New York, New York
(Address of principal executive offices)

10282
(Zip Code)

Registrant's telephone number, including area code: (212) 902-1000

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events.

On August 18, 2016, The Goldman Sachs Group, Inc. (the “Registrant”) entered into a replacement capital covenant (“Series O RCC”). Under the Series O RCC, the Registrant covenanted in favor of certain of its Covered Debtholders (as defined in the Series O RCC), that it will not redeem or purchase more than \$397,000,000 of the Registrant’s 5.30% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series O, liquidation preference \$25,000 per share, including any depositary shares representing such preferred stock (“Series O Preferred Stock”), unless the applicable redemption or purchase price does not exceed a maximum amount determined by reference to the aggregate amount of net cash proceeds the Registrant has received from the sale of common stock, rights to acquire common stock, qualifying preferred stock or mandatorily convertible preferred stock since August 18, 2016. The foregoing is a brief description of the terms of the Series O RCC. It does not purport to be complete in all respects. This description is subject to and qualified in its entirety by reference to the Series O RCC, a copy of which is attached hereto as Exhibit 99.1.

On August 19, 2016, the Registrant retired 4,861.01 shares of its perpetual Non-Cumulative Preferred Stock, Series E and 1,638.96 shares of its perpetual Non-Cumulative Preferred Stock, Series F that it received in exchange for 486,101 5.793% Fixed-to-Floating Rate Normal Automatic Preferred Enhanced Capital Securities of Goldman Sachs Capital II (CUSIP No. 381427AA1) and 163,896 Floating Rate Normal Automatic Preferred Enhanced Capital Securities of Goldman Sachs Capital III (CUSIP No. 38144QAA7), respectively, that it purchased in the tender offer that expired on August 16, 2016.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits.**

The following exhibit is filed as part of this Current Report:

- 99.1 Replacement Capital Covenant for the Registrant’s Preferred Stock, Series O, dated as of August 18, 2016, entered into by the Registrant, in favor of and for the benefit of each Covered Debtholder (filed herewith).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE GOLDMAN SACHS GROUP, INC.
(Registrant)

Date: August 19, 2016

By: /s/ Kenneth L. Josselyn
Name: Kenneth L. Josselyn
Title: Assistant Secretary

EXHIBIT INDEX

- 99.1 Replacement Capital Covenant for the Registrant's Preferred Stock, Series O, dated as of August 18, 2016, entered into by the Registrant, in favor of and for the benefit of each Covered Debtholder (filed herewith).

REPLACEMENT CAPITAL COVENANT, dated as of August 18, 2016 (this “*Replacement Capital Covenant*”), by THE GOLDMAN SACHS GROUP, INC., a corporation duly organized and existing under the laws of the State of Delaware (together with its successors and assigns, the “*Corporation*”), in favor of and for the benefit of each Covered Debtholder (as defined below).

Recitals

A. On July 27, 2016, the Corporation issued 26,000 shares of 5.30% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series O, liquidation preference \$25,000 per share (including any depositary shares representing such preferred stock, the “*Securities*”).

B. The Corporation is entering into and disclosing the content of this Replacement Capital Covenant in the manner provided below with the intent that the covenants provided for in this Replacement Capital Covenant be enforceable by each Covered Debtholder and that the Corporation be estopped from disregarding the covenants in this Replacement Capital Covenant, in each case to the fullest extent permitted by applicable law.

C. The Corporation acknowledges that reliance by each Covered Debtholder upon the covenants in this Replacement Capital Covenant is reasonable and foreseeable by the Corporation and that, were the Corporation to disregard its covenants in this Replacement Capital Covenant, each Covered Debtholder would have sustained an injury as a result of its reliance on such covenants.

NOW, THEREFORE, the Corporation hereby covenants and agrees as follows in favor of and for the benefit of each Covered Debtholder.

SECTION 1. *Definitions*. Capitalized terms used in this Replacement Capital Covenant (including the Recitals) have the meanings set forth in Schedule I hereto.

SECTION 2. *Limitations on Purchase of Securities*. The Corporation hereby promises and covenants to and for the benefit of each Covered Debtholder that neither the Corporation nor any Subsidiary shall redeem or purchase all or any part of the Securities prior to the Termination Date, except to the extent that the applicable redemption or purchase price does not exceed the sum of the following amounts:

(i) 133.33% of the aggregate amount of (a) net cash proceeds received by the Corporation or any Subsidiary from the sale of Common Stock and rights to acquire Common Stock and (b) the Market Value of any Common Stock that the Corporation or any Subsidiary has delivered or issued as consideration for property or assets in an arm’s-length transaction or in connection with the conversion of any convertible or exchangeable securities, other than securities for which the Corporation has received equity credit from any NRSRO, in each case since the Measurement Date (without counting any proceeds received more than once for purposes of the limitations set forth in this Section 2); plus

(ii) 100% of the aggregate amount of net cash proceeds received by the Corporation or any Subsidiary since the Measurement Date (without counting any proceeds received more than once for purposes of the limitations set forth in this Section 2) from the sale of Qualifying Preferred Stock or Mandatorily Convertible Preferred Stock;

in each case to Persons other than the Corporation and its Subsidiaries; *provided, however*, that the provisions of this Replacement Capital Covenant shall not apply to (a) the purchase of the Securities or

any portion thereof by any Subsidiary in connection with the distribution thereof or market-making or other secondary market activities, (b) the exchange of any of the Securities for Common Stock having a Market Value or Qualifying Preferred Stock having an aggregate liquidation preference not less than the liquidation preference of such Securities or (c) any other redemption or purchase of the Securities so long as the aggregate liquidation preference of the outstanding Securities immediately following such redemption or purchase is at least \$253,000,000.

SECTION 3. *Covered Debt.* (a) The Corporation represents and warrants that the Initial Covered Debt is Eligible Debt.

(b) On or during the 30-day period immediately preceding any Redesignation Date with respect to the Covered Debt then in effect, the Corporation shall identify the series of Eligible Debt that will become the Covered Debt on and after such Redesignation Date in accordance with the following procedures:

(i) the Corporation shall identify each series of its then outstanding long-term indebtedness for money borrowed that is Eligible Debt;

(ii) the Corporation shall designate one of such series to be the series of Eligible Debt that will become the Covered Debt on and after such Redesignation Date; and

(iii) the series of outstanding long-term indebtedness for money borrowed that is determined to be Covered Debt pursuant to clause (ii) above shall be the Covered Debt for purposes of this Replacement Capital Covenant for the period commencing on the related Redesignation Date and continuing to but not including the Redesignation Date as of which a new series of outstanding long-term indebtedness is next determined to be the Covered Debt pursuant to the procedures set forth in this Section 3(b).

(c) *Notice.* In order to give effect to the intent of the Corporation described in Recital B, the Corporation covenants that:

(i) simultaneously with the execution of this Replacement Capital Covenant or as soon as practicable after the date hereof, it shall (x) give (or cause to be given) notice to the Holders of the Initial Covered Debt, in the manner provided in the indenture relating to the Initial Covered Debt, of this Replacement Capital Covenant and the rights granted to such Holders hereunder and (y) file a copy of this Replacement Capital Covenant with the Commission as an exhibit to a Form 8-K under the Securities Exchange Act;

(ii) so long as the Corporation is a reporting company under the Securities Exchange Act, the Corporation shall include in each annual report filed with the Commission on Form 10-K under the Securities Exchange Act a description of the covenant set forth in Section 2 and identify in such annual report the series of long-term indebtedness for borrowed money that is Covered Debt as of the date such Form 10-K is filed with the Commission;

(iii) if a series of the Corporation's long-term indebtedness for money borrowed (1) becomes Covered Debt or (2) ceases to be Covered Debt, the Corporation shall give (or cause to be given) notice of such occurrence within 30 days to the holders of such long-term indebtedness for money borrowed in the manner provided for in the indenture, fiscal agency agreement or other instrument under which such long-term indebtedness for money borrowed was

issued and report such change in a current report on Form 8-K including or incorporating by reference this Replacement Capital Covenant, and in the Corporation's next quarterly report on Form 10-Q or annual report on Form 10-K, as applicable;

(iv) if, and only if, the Corporation ceases to be a reporting company under the Securities Exchange Act, the Corporation shall (1) post on its website the information otherwise required to be included in Securities Exchange Act filings pursuant to clauses (ii) and (iii) of this Section 3(c) and (2), to the extent permitted by Bloomberg and any other similar third-party vendor that makes available to the marketplace information with respect to securities that are Covered Debt by posting such information on an electronically accessible screen (each an "Investor Screen"), cause a notation to be included on each such Investor Screen identifying the relevant series of indebtedness of the Corporation that is Covered Debt from time to time as Covered Debt for purposes of this Replacement Capital Covenant and cause a hyperlink to a definitive copy of this Replacement Capital Covenant to be included on the Investor Screen for each series of Covered Debt (but only so long as such series is Covered Debt); and

(v) promptly upon request by any Holder of Covered Debt, the Corporation shall provide such Holder with an executed copy of this Replacement Capital Covenant.

(d) The Corporation agrees that, if at any time the Covered Debt is held by a trust (for example, where the Covered Debt is part of an issuance of trust preferred securities), a holder of the securities issued by such trust may enforce (including by instituting legal proceedings) this Replacement Capital Covenant directly against the Corporation as though such holder owned Covered Debt directly, and such holder shall be deemed to be a holder of "Covered Debt" for purposes of this Replacement Capital Covenant for so long as the indebtedness held by such trust remains Covered Debt hereunder.

SECTION 4. *Termination, Amendment and Waiver.* (a) The obligations of the Corporation pursuant to this Replacement Capital Covenant shall remain in full force and effect until the earliest date (the "Termination Date") to occur of:

(i) the date on which all Securities held by Persons that are not Subsidiaries have been redeemed or have been purchased in accordance with this Replacement Capital Covenant,

(ii) the date, if any, on which the Holders of a majority in principal amount of the then-effective series of Covered Debt consent or agree in writing to the termination of this Replacement Capital Covenant and the obligations of the Corporation hereunder,

(iii) the date on which the Corporation has no series of outstanding Eligible Debt, and

(iv) September 4, 2022.

From and after the Termination Date, the obligations of the Corporation pursuant to this Replacement Capital Covenant shall be of no further force and effect.

(b) This Replacement Capital Covenant may be amended or supplemented from time to time by a written instrument signed by the Corporation with the consent of the Holders of a majority by principal amount of the then-effective series of Covered Debt, provided that this Replacement Capital Covenant may be amended or supplemented from time to time by a written instrument signed only by the Corporation (and without the consent of the Holders of the then-effective series of Covered Debt) if

(i) such amendment or supplement eliminates Common Stock or rights to acquire Common Stock as a security or securities covered by clause (i) of Section 2 if after the date of this Replacement Capital Covenant, an accounting standard or interpretive guidance of an existing accounting standard issued by an organization or regulator that has responsibility for establishing or interpreting accounting standards in the United States becomes effective such that there is more than an insubstantial risk that failure to eliminate Common Stock or rights to acquire Common Stock would result in a reduction in the Corporation's earnings per share as calculated in accordance with generally accepted accounting principles in the United States, (ii) such amendment or supplement is not adverse to the Holders of the then-effective series of Covered Debt and an officer of the Corporation has delivered to the Holders of the then-effective series of Covered Debt in the manner provided for in the indenture, fiscal agency agreement or other instrument with respect to such Covered Debt a written certificate stating that, in his or her determination, such amendment or supplement is not adverse to the Holders of the then-effective series of Covered Debt, (iii) the effect of such amendment or supplement is solely to impose additional restrictions on, or eliminate certain of, the types of securities qualifying as Replacement Capital Securities (other than the securities covered by clause (i) above), and an officer of the Corporation has delivered to the Holders of the then-effective series of Covered Debt in the manner provided for in the indenture, fiscal agency agreement or other instrument with respect to such Covered Debt a written certificate to that effect or (iv) such amendment postpones the date set forth in clause (iv) of Section 4(a).

(c) For purposes of Sections 4(a) and 4(b), the Holders whose consent or agreement is required to terminate, amend or supplement the obligations of the Corporation under this Replacement Capital Covenant shall be the Holders of the then-effective Covered Debt as of a record date established by the Corporation that is not more than 30 days prior to the date on which the Corporation proposes that such termination, amendment or supplement becomes effective.

SECTION 5. *Miscellaneous.* (a) This Replacement Capital Covenant shall be governed by and construed in accordance with the laws of the State of New York.

(b) This Replacement Capital Covenant shall be binding upon the Corporation and its successors and assigns and shall inure to the benefit of the Covered Debtholders as they exist from time-to-time (it being understood and agreed by the Corporation that any Person who is a Covered Debtholder at the time such Person acquires, holds or sells Covered Debt shall retain its status as a Covered Debtholder for so long as the series of long-term indebtedness for borrowed money owned by such Person is Covered Debt and, if such Person initiates a claim or proceeding to enforce its rights under this Replacement Capital Covenant after the Corporation has violated its covenants in Section 2 and before the series of long-term indebtedness for money borrowed held by such Person is no longer Covered Debt, such Person's rights under this Replacement Capital Covenant shall not terminate by reason of such series of long-term indebtedness for money borrowed no longer being Covered Debt).

(c) All demands, notices, requests and other communications to the Corporation under this Replacement Capital Covenant shall be deemed to have been duly given and made if in writing and (i) if served by personal delivery upon the Corporation, on the day so delivered (or, if such day is not a Business Day, the next succeeding Business Day), (ii) if delivered by registered post or certified mail, return receipt requested, or sent to the Corporation by a national or international courier service, on the date of receipt by the Corporation (or, if such date of receipt is not a Business Day, the next succeeding Business Day), or (iii) if sent by telecopier, on the day telecopied, or if not a Business Day, the next succeeding Business Day, provided that the telecopy is promptly confirmed by telephone confirmation thereof, and in each case to the Corporation at the address set forth below, or at such other address as the Corporation may thereafter notify to Covered Debtholders or post on its website as the address for notices under this Replacement Capital Covenant:

The Goldman Sachs Group, Inc.
200 West Street
New York, New York 10282
Attention: Treasurer
Facsimile No: (212) 902-3325

IN WITNESS WHEREOF, the Corporation has caused this Replacement Capital Covenant to be executed by its duly authorized officer, as of the day and year first above written.

THE GOLDMAN SACHS GROUP, INC.

By: /s/ Jane M. Kelsey

Name: Jane M. Kelsey

Title: Attorney-in-Fact

Definitions

“*Business Day*” means each day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in New York, New York are authorized or required by law or executive order to remain closed.

“*Commission*” means the United States Securities and Exchange Commission.

“*Common Stock*” means common stock of the Corporation (including treasury shares and shares of common stock issued pursuant to the Corporation’s dividend reinvestment plan and employee benefit plans).

“*Corporation*” has the meaning specified in the introduction to this instrument.

“*Covered Debt*” means (a) at the date of this Replacement Capital Covenant and continuing to but not including the first Redesignation Date, the Initial Covered Debt and (b) thereafter, commencing with each Redesignation Date and continuing to but not including the next succeeding Redesignation Date, the Eligible Debt identified pursuant to Section 3(b) as the Covered Debt for such period.

“*Covered Debtholder*” means each Person (whether a Holder or a beneficial owner holding through a participant in a clearing agency) that buys or holds long-term indebtedness for money borrowed of the Corporation during the period that such long-term indebtedness for money borrowed is Covered Debt.

“*Eligible Debt*” means, at any time in respect of any issuer, each series of then outstanding long-term indebtedness for money borrowed of such issuer that (a) upon a bankruptcy, liquidation, dissolution or winding up of the issuer, ranks senior to the Junior Subordinated Notes, (b) has an outstanding principal amount of not less than \$100,000,000, and (c) was issued through or with the assistance of a commercial or investment banking firm or firms acting as underwriters, initial purchasers or placement or distribution agents. For purposes of this definition as applied to securities with a CUSIP number, each issuance of long-term indebtedness for money borrowed that has (or, if such indebtedness is held by a trust or other intermediate entity established directly or indirectly by the issuer, the securities of such intermediate entity that have) a separate CUSIP number shall be deemed to be a series of the issuer’s long-term indebtedness for money borrowed that is separate from each other series of such indebtedness.

“*Holder*” means, as to the Covered Debt then in effect, each holder of such Covered Debt as reflected on the securities register maintained by or on behalf of the Corporation with respect to such Covered Debt.

“*Initial Covered Debt*” means the Corporation’s 6.345% Junior Subordinated Debentures due February 15, 2034, CUSIP No. 38143VAA7.

“*Mandatorily Convertible Preferred Stock*” means cumulative preferred stock with (a) no prepayment obligation on the part of the issuer thereof, whether at the election of the holders or otherwise, and (b) a requirement that the preferred stock convert into Common Stock within three years from the date of its issuance at a conversion ratio within a range established at the time of issuance of the preferred stock, subject to customary anti-dilution adjustments.

“*Market Value*” means, on any date, the closing sale price per share of Common Stock (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions by the New York Stock Exchange or, if the Common Stock is not then listed on the New York Stock Exchange, as reported by the principal U.S. securities exchange on which the Common Stock is traded or quoted; if the Common Stock is not either listed or quoted on any U.S. securities exchange on the relevant date, the Market Value will be the average of the mid-point of the bid and ask prices for the Common Stock on the relevant date submitted by at least three nationally recognized independent investment banking firms selected for this purpose by the Board of Directors of the Corporation or a committee thereof.

“*Measurement Date*” means August 18, 2016.

“*NRSRO*” means a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Securities Exchange Act.

“*Permitted Remedies*” means, with respect to any securities, one or more of the following remedies:

(a) rights in favor of the holders of such securities permitting such holders to elect one or more directors of the issuer (including any such rights required by the listing requirements of any stock or securities exchange on which such securities may be listed or traded); and

(b) complete or partial prohibitions on the issuer paying distributions on or repurchasing common stock or other securities that rank *pari passu* with or junior as to Distributions to such securities for so long as distributions on such securities, including unpaid distributions, remain unpaid.

“*Person*” means any individual, corporation, partnership, joint venture, trust, limited liability company or corporation, unincorporated organization or government or any agency or political subdivision thereof.

“*Qualifying Preferred Stock*” means non-cumulative perpetual preferred stock of the Corporation that (a) ranks *pari passu* with or junior to all other preferred stock of the Corporation, and (b) is subject to a Qualifying Replacement Capital Covenant, and (c) as to which the transaction documents provide for no remedies as a consequence of non-payment of dividends other than Permitted Remedies.

“*Qualifying Replacement Capital Covenant*” means a replacement capital covenant, as identified by the Corporation’s Board of Directors acting in good faith and in its reasonable discretion and reasonably construing the definitions and other terms of this Replacement Capital Covenant, that is substantially similar either to this Replacement Capital Covenant or to a replacement capital covenant (i) entered into by another company that at the time it enters into such replacement capital covenant is a reporting company under the Securities Exchange Act and (ii) that restricts the related issuer and its subsidiaries from redeeming, repaying or purchasing identified securities except to the extent of the applicable percentage of the net proceeds from the issuance of specified replacement capital securities that have terms and provisions at the time of redemption, repayment or purchase that are as or more equity-like than the securities then being redeemed, repaid or purchased within a specified period prior to the date the issuer gives notice of such redemption or repayment or the date of such purchase; provided

that (a) the period specified by such Qualifying Replacement Capital Covenant may commence on any date on or after the Measurement Date (it being understood that if such period commences prior to the date the Corporation enters into such Qualifying Replacement Capital Covenant and if the Corporation shall have redeemed or purchased any Securities hereunder pursuant to Section 2 prior to such date in connection with any issuance of replacement capital securities, such Qualifying Replacement Capital Covenant shall not permit the Corporation to redeem, repay or purchase the identified securities in connection with such issuance) and (b) a Qualifying Replacement Capital Covenant with respect to preferred stock may provide that it terminates at any time on or after September 4, 2022.

“Redesignation Date” means, as to the Covered Debt in effect at any time, the earlier of (a) the date that is two years prior to the final maturity date of such Covered Debt and (b) if the Corporation elects to redeem, or the Corporation or a Subsidiary of the Corporation elects to repurchase, such Covered Debt either in whole or in part with the consequence that after giving effect to such redemption or repurchase the outstanding principal amount of such Covered Debt is less than \$100,000,000, the applicable redemption or repurchase date.

“*Replacement Capital Covenant*” has the meaning specified in the introduction to this instrument.

“*Securities*” has the meaning specified in Recital A.

“*Securities Exchange Act*” means the Securities Exchange Act of 1934, as amended.

“*Subsidiary*” means, at any time, any Person the shares of stock or other ownership interests of which having ordinary voting power to elect a majority of the board of directors or other managers of such Person are at the time owned, or the management or policies of which are otherwise at the time controlled, directly or indirectly through one or more intermediaries (including other Subsidiaries) or both, by the Corporation.

“*Termination Date*” has the meaning specified in Section 4(a).