
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):
November 10, 2006

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.)

**85 Broad Street
New York, New York**

(Address of principal executive offices)

10004

(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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(d) On November 10, 2006, The Goldman Sachs Group, Inc. (the Registrant) announced that Rajat K. Gupta has been appointed as a member of the Registrant's Board of Directors, effective immediately. Mr. Gupta has been appointed to the Registrant's Corporate Governance and Nominating, Compensation and Audit Committees. A copy of the letter agreement between the Registrant and Mr. Gupta is being filed as Exhibit 99.1 hereto and is incorporated herein by reference.

A copy of the Registrant's press release relating to Mr. Gupta's appointment as director is being furnished as Exhibit 99.2 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are furnished or filed as part of this Current Report on Form 8-K:

99.1 Letter, dated November 10, 2006, from The Goldman Sachs Group, Inc. to Mr. Rajat K. Gupta.

99.2 Press release of the Registrant, dated November 10, 2006.

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: November 10, 2006

By: /s/ Gregory K. Palm

Name: Gregory K. Palm

Title: Executive Vice President
and General Counsel

November 10, 2006

Rajat K. Gupta
McKinsey & Company
3 Landmark Square
Suite 100
Stamford, CT 06901

Dear Rajat:

We are all very pleased that you have become a member of our Board of Directors. I am writing to set forth the terms of your compensation as a non-management director, which terms will remain in effect until modified by the Board.

Your term as a director commences today, November 10, 2006, and will run through March 27, 2007, the date of the next annual meeting of shareholders of The Goldman Sachs Group, Inc. ("GS Inc.").

Your prorated fiscal 2006 compensation (to be granted in December 2006) is as follows:

Fiscal 2006 Annual Retainer: \$6,250 (prorated from \$75,000, to be converted into fully vested restricted stock units¹ ("RSUs"))

Fiscal 2006 Annual Grant: 250 RSUs (prorated from 3,000 RSUs)

¹ A restricted stock unit constitutes an unfunded, unsecured promise to deliver a share of GS Inc. common stock on a predetermined date.

Rajat K. Gupta
November 10, 2006
Page Two

The number of RSUs granted to you for fiscal 2006 as a prorated Annual Retainer will be calculated using the same method as that used for determining grants to employees for fiscal 2006 year-end RSUs. The Annual Grant and Annual Retainer awards will be granted to you on the same date as fiscal year-end equity awards for fiscal 2006 are granted to employees of GS Inc. and its affiliates who are subject to Section 16 of the U.S. Securities Exchange Act of 1934. All RSUs granted as non-management director compensation provide for delivery of GS Inc. shares on the last business day of May in the calendar year following the calendar year in which you cease to be a director of GS Inc.

Any Options granted to you for future Annual Grants:

- (i) are immediately vested and first become exercisable on the earlier of (a) the same date that year-end options granted to employees of GS Inc. and its affiliates for the fiscal year to which the Annual Grant pertains become exercisable (or, if no employee options are granted for such year, then on the first eligible trading day for directors in January following the third anniversary of the grant date), and (b) the date on which you cease to be a director of GS Inc.;

Rajat K. Gupta
November 10, 2006
Page Three

- (ii) have an exercise price equal to the closing price (without giving effect to any after-hours trading sessions) of GS Inc. shares on the New York Stock Exchange on the date of grant; and
- (iii) expire ten years after the date of grant.

In addition, GS Inc. shares received upon exercise of Options for a particular fiscal year may not be transferred, and no cashless exercises of such Options are permitted, until the date on which shares received upon exercise of employee options for the fiscal year are transferable or, if no employee options are granted for such year, until the first eligible trading day for directors on or after the first anniversary of the initial exercise date for such Options. All Options and RSUs also will be subject to the terms and conditions of The Goldman Sachs Amended and Restated Stock Incentive Plan and the relevant award agreements.

I have enclosed various documents in connection with these arrangements. Please complete them as necessary, sign where indicated and return them in the enclosed envelope.

Sincerely,

/s/ Lloyd C. Blankfein

Lloyd C. Blankfein
Chairman & CEO
The Goldman Sachs Group, Inc.

Enclosures: The Goldman Sachs Amended and Restated Stock Incentive Plan
Signature Card for Equity-Based Awards and the Mellon Custody Account
Custody Agreement
Form W-9

The Goldman Sachs Group, Inc. | 85 Broad Street | New York, New York 10004



Rajat Gupta to Join Goldman Sachs Board

NEW YORK, November 10, 2006 — The Board of Directors of The Goldman Sachs Group, Inc. (NYSE: GS) today announced the appointment of Rajat Kumar Gupta as an independent director of the corporation. Mr. Gupta will serve on the Audit, Compensation and Corporate Governance and Nominating Committees of the Board. With the addition of Mr. Gupta, the Goldman Sachs Board has 13 directors, of whom ten are independent directors.

“Over his 32-year career, Rajat Gupta has been a valued source of counsel to institutions, governments and business leaders around the world,” said Lloyd C. Blankfein, Chairman and Chief Executive Officer of Goldman Sachs. “Our shareholders will be fortunate to have his strategic and operational expertise and judgment represented on our board.”

Mr. Gupta is Senior Partner of McKinsey & Company, a global management consulting firm. From 1994 to 2003, he was Worldwide Managing Director of McKinsey. Mr. Gupta serves as the United Nations Secretary-General’s Special Advisor on UN management reform, and is the Chairman of the Board of the Indian School of Business and of the Associates of the Harvard Business School. He also serves on the Advisory Board of the Kellogg School of Management at Northwestern University, and is a member of the Dean’s Advisory Board at Tsinghua University School of Economics and Management in Beijing.

In addition, Mr. Gupta is Co-Chair of the American India Foundation, a private sector representative for the board of the Global Fund to Fight AIDS, Tuberculosis and Malaria, and a member of the Dean’s Council of the Harvard School of Public Health.

He holds a bachelor of technology degree in mechanical engineering from the Indian Institute of Technology, and an MBA from Harvard Business School.

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Goldman Sachs is a leading global investment banking, securities and investment management firm, which provides a wide range of services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high net worth individuals. Founded in 1869, it is one of the oldest and largest investment banking firms. The firm is headquartered in New York and maintains offices in London, Frankfurt, Tokyo, Hong Kong and other major financial centers around the world.

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