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The Goldman Sachs Group, Inc.

Euro Medium-Term Notes, Series C
Subordinated Euro Medium-Term Notes, Series E

TERMS OF SALE

Unless the context requires otherwise, references to the notes refer to both the Series C euro medium-term notes and the Series E Subordinated euro medium-term notes. The following terms may apply to the notes that The Goldman Sachs Group, Inc. may sell from time to time. The specific terms of each note will be included in the final terms relating to that note.

- stated maturity of up to 40 years from the date of issue
- fixed or floating interest rate, or issued with original issue discount
- amount of principal or interest may be determined by reference to one or more underlying indices, commodities, securities or other measures or instruments
- may be subject to redemption at the option of The Goldman Sachs Group, Inc. or repayment at the option of the holder
- not amortized or subject to a sinking fund
- may be convertible, exercisable or exchangeable, at our option or the holder's option, into or for securities of one or more issuers other than The Goldman Sachs Group, Inc.
- may be denominated in U.S. dollars or in other currencies, currency units or composite currencies and payable in the denominated or other currencies
- denominations of at least U.S.$2,000 or, if denominated in other currencies, denominations of at least €1,000 or the equivalent thereof
- settlement in immediately available funds

The notes will not be secured by any property or assets. The Series C euro medium-term notes will not be subordinated to any of our other debt obligations. The Series E subordinated euro medium-term notes will rank junior in right of payment to our senior indebtedness, including the Series C euro medium-term notes.

Any of the terms described above may be varied in the applicable final terms.

The Goldman Sachs Group, Inc. may offer and sell these notes to or through one or more underwriters, dealers and agents, including Goldman Sachs International, or directly to purchasers, on a continuous or delayed basis.

Application has been made to the Commission de Surveillance du Secteur Financier (the "CSSF"), which is the competent Luxembourg authority under the Prospectus Directive for approving this European base prospectus. The CSSF assumes no responsibility as to the economic and financial soundness of the notes or the quality or solvency of The Goldman Sachs Group, Inc. in accordance with Article 7(7) of the Luxembourg Act dated July 10, 2005, which implements the Prospectus Directive. Application has been made to the Luxembourg Stock Exchange for notes issued under the Series C and Series E euro medium-term notes programs to be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange. Notes issued under one of those programs may also be listed on an alternative stock exchange or may not be listed at all. References to the Prospectus Directive include Directive 2003/71/EC of the European Parliament and of the Council (and amendments thereto, including Directive 2010/73/EU of the European Parliament and of the Council, (the "2010 PD Amending Directive"), to the extent implemented in the Relevant Member State) and any relevant implementing measure in each Relevant Member State. The Goldman Sachs Group, Inc. is under no obligation to maintain the listing of any notes that are listed. See "Listing and General Information" below.

This European base prospectus constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. The European Base Prospectus should be read together with any supplements thereto, all documents incorporated by reference therein and the applicable final terms.

Subject to certain exceptions, the notes may not be offered, sold or delivered, directly or indirectly, in the United States of America or to U.S. persons. See "Plan of Distribution". **The notes have not been and will not be registered under the United States Securities Act of 1933, as amended, or under the securities or blue sky laws of any state. Neither the U.S. Securities and Exchange Commission nor any other regulatory body has approved or disapproved of the notes or passed upon the accuracy or inaccuracy of this European base prospectus. This European base prospectus is not for use in, and may not be delivered to or inside, the United States.**

The notes we may issue are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

The Goldman Sachs Group, Inc. may use this European base prospectus in the initial sale of any note. In addition, Goldman Sachs International or any other affiliate of The Goldman Sachs Group, Inc. may use this European base prospectus in a market-making transaction in any note after its initial sale. ***Unless The Goldman Sachs Group, Inc. or its agent informs the purchaser otherwise in the confirmation of sale, this European base prospectus is being used in a market-making transaction.***

If the notes are stated in the applicable final terms to be issued under the new safekeeping structure ("NSS"), then we will deliver these notes to a common safekeeper for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg"). Global notes which are not issued under NSS will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg.

See "Risk Factors" beginning on p. 10 for a discussion of certain risks that should be considered in connection with an investment in certain types of notes which may be offered hereby.

Goldman Sachs International

European Base Prospectus, dated June 28, 2012

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Unless the context otherwise requires, references in this European base prospectus to "The Goldman Sachs Group, Inc.", "we", "our" and "us" mean only The Goldman Sachs Group, Inc. and do not include its consolidated subsidiaries. References to "Goldman Sachs" and the "Goldman Sachs Group" refer to The Goldman Sachs Group, Inc. together with its consolidated subsidiaries. Also, when we refer to "holders" we mean those who own notes registered in their own names, on the books that we or our agents maintain for this purpose; "holders" does not refer to those who own beneficial interests in notes registered in street name or in notes issued in global — *i.e.*, book-entry — form through Euroclear SA/NV, Clearstream Banking, *société anonyme*, or another depositary. Prospective owners of beneficial interests in the notes issued in global form should read the section entitled "Description of the Program — Form, Exchange, Registration and Transfer" below.

We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this European base prospectus. Neither this European base prospectus nor any final terms constitutes an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation in that jurisdiction. Neither the delivery of this European base prospectus, any final terms nor any sale made pursuant to those documents, shall, under any circumstances, create any implication that there has been no change in the affairs of The Goldman Sachs Group, Inc. since the date of the document or that the information contained within the documents is correct as of any time subsequent to its date.

The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

The credit ratings of The Goldman Sachs Group, Inc. referred to in the European Base Prospectus have been issued by DBRS, Inc., Fitch, Inc., Moody's Investors Service, and Standard & Poor's Ratings Services, each of which is established in the United States (together, the "US CRAs").

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not either (1) issued or validly endorsed by a credit rating agency established in the European Union ("an EU CRA") and registered with the European Securities and Markets Authority ("ESMA") under Regulation (EU) No. 1060/2009, amended by Regulation (EU) No. 513/2011 (as amended, the "CRA Regulation") or (2) issued by a credit rating agency established outside the European Union which is certified under the CRA Regulation.

The EU affiliates of DBRS, Inc., Fitch, Inc., Moody's Investors Service, Standard & Poor's Ratings Services are registered EU CRAs on the official list, available at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs. The ESMA has approved the endorsement by such EU affiliates of credit ratings issued by the corresponding US CRAs. Accordingly, credit ratings issued by the US CRAs may be used for regulatory purposes in the EU. In addition to the US CRAs mentioned, Rating and Investment Information, Inc. ("R&I") has issued a credit rating. This rating is incorporated in the European Base Prospectus for information purposes only. R&I is incorporated in a third country but has not applied for the registration under the CRA Regulation.

Responsibility Statement

The Goldman Sachs Group, Inc. accepts responsibility for the information contained in this European base prospectus. To the best of the knowledge and belief of The Goldman Sachs Group, Inc. (which has taken all reasonable care to ensure that such is the case), the information contained in this European base prospectus is in accordance with the facts and contains no omission likely to affect the import of such information. Where information contained in this European base prospectus has been sourced from a third party, such information has been

accurately reproduced and so far as The Goldman Sachs Group, Inc. is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

In relation to notes listed on the Official List of the Luxembourg Stock Exchange, this European base prospectus is valid for a period of twelve months. The Goldman Sachs Group, Inc. has undertaken, in connection with the listing of the notes, that if there shall occur any material adverse change in the financial condition or operations of The Goldman Sachs Group, Inc. or any modification or amendment to the terms and conditions of the notes such that this European base prospectus would be inaccurate or misleading, The Goldman Sachs Group, Inc. will prepare and make available a supplement to this European base prospectus or a further European base prospectus for any subsequent issue of notes to be listed on the Official List of the Luxembourg Stock Exchange.

In connection with the issue of any tranche of notes, Goldman Sachs International (or persons acting on its behalf) may over-allot notes (provided that, in the case of any tranche of notes to be listed on the Official list of the Luxembourg Stock Exchange, the aggregate principal amount of notes allotted does not exceed 105 per cent of the aggregate principal amount of the relevant tranche) or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, there is no assurance that Goldman Sachs International (or persons acting on its behalf) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant tranche of notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant tranche of notes and 60 days after the date of the allotment of the relevant tranche of notes. Any stabilization action or over-allotment must be conducted by Goldman Sachs International (or persons acting on its behalf) in accordance with all applicable laws and rules.

Any insurance company or fiduciary of a pension plan or other employee benefit plan that is subject to the prohibited transactions rules of the Employee Retirement Income Security Act of 1974, as amended, or the Internal Revenue Code of 1986, as amended, including an IRA or a Keogh plan (or a governmental plan to which similar prohibitions apply), and that is considering purchasing the notes with the assets of the insurance company or the assets of the plan, should consult with its counsel regarding whether the purchase or holding of the notes could become a "prohibited transaction" under ERISA, the Internal Revenue Code or any substantially similar prohibition in light of the representations a purchaser or holder in any of the above categories is deemed to make by purchasing and holding the notes. This is discussed in more detail under "Employee Retirement Income Security Act" below.

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SUMMARY OF THE EUROPEAN BASE PROSPECTUS

The following is a summary of the European base prospectus and the Series C euro medium-term notes and Series E subordinated euro medium-term notes programs of The Goldman Sachs Group, Inc. and should be read as an introduction to, and in conjunction with, the remainder of the European base prospectus, including any documents incorporated by reference therein, and the applicable final terms, and you should base your investment decision on a consideration of the European base prospectus, including any documents incorporated by reference therein, and the applicable final terms as a whole. No civil liability attaches to us in respect of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the remainder of the European base prospectus, including any documents incorporated by reference therein, and the applicable final terms. Where a claim relating to information contained in the European base prospectus or the applicable final terms is brought before a court in a member state of the European Economic Area, the plaintiff may, under the legislation of the member state where the claim is brought, be required to bear the costs of translating these documents before legal proceedings are initiated.

The summary is qualified in its entirety by the remainder of this European base prospectus, including any documents incorporated by reference therein, and the applicable final terms. If there are any differences between your final terms and this European base prospectus, your final terms will control with regard to your note.

Issuer

The Goldman Sachs Group, Inc.

Description of issuer

The Goldman Sachs Group, Inc. is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in all major financial centers around the world. Our headquarters are located at 200 West Street, New York, NY 10282, U.S.A., telephone +1 (212) 902-1000.

Our activities are conducted in the following segments:

- *Investment Banking.* Investment Banking is comprised of:
  - *Financial Advisory*, which includes advisory assignments with respect to mergers and acquisitions, divestitures, corporate defense activities, risk management, restructurings and spin-offs, and derivative transactions directly related to these client advisory assignments; and
  - *Underwriting*, which includes public offerings and private placements of a wide range of securities, loans and other financial instruments, and derivative transactions directly related to these client underwriting activities.
- *Institutional Client Services*. Institutional Client Services is comprised of:
  - *Fixed Income, Currency and Commodities Client Execution*, which includes client execution activities related to making markets in interest rate products, credit products, mortgages, currencies and commodities; and

	• *Equities*, which includes client execution activities related to making markets in equity products, as well as commissions and fees from executing and clearing institutional client transactions on major stock, options and futures exchanges worldwide. Equities also includes our securities services business, which provides financing, securities lending and other prime brokerage services to institutional clients, including hedge funds, mutual funds, pension funds and foundations, and generates revenues primarily in the form of interest rate spreads or fees, and revenues related to our insurance activities. • *Investing and Lending* which includes our investing activities and the origination of loans to provide financing to clients. These investments and loans are typically longer-term in nature. We make investments, directly and indirectly through funds that we manage, in debt securities, loans, public and private equity securities, real estate, consolidated investment entities and power generation facilities. • *Investment Management* which provides investment management services and offers investment products (primarily through separately managed accounts and commingled vehicles, such as mutual funds and private investment funds) across all major asset classes to a diverse set of institutional and individual clients. Investment Management also offers wealth advisory services, including portfolio management and financial counseling, and brokerage and other transaction services to high-net-worth individuals and families.
Dealers	We may offer and sell the notes to or through one or more dealers or directly to purchasers on a continuous or delayed basis. Dealers include Goldman Sachs International and any other dealers we may, from time to time, appoint.
Fiscal agent	The Bank of New York Mellon.
Listing agent, paying agent and transfer agent	We have initially appointed Banque Internationale à Luxembourg as listing agent, paying agent and transfer agent for all notes listed on the Official List of the Luxembourg Stock Exchange. We may at any time terminate the appointment of any listing agent, paying agent or transfer agent and appoint additional such agents. However, we will maintain a paying agent in a European city until all outstanding notes have been delivered to the fiscal agent for cancellation, or monies sufficient to pay all amounts due on such notes have been made available for payment. For so long as any notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, one paying agent will be located in Luxembourg. Another paying agent will be in a Member State of the European Union that will not be obliged to withhold or deduct tax on the notes pursuant to European Council Directive 2003/48/EC.

Calculation agent	We have initially appointed Goldman Sachs International as calculation agent. We may at any time, without your consent and without notifying you, terminate the appointment of any calculation agent and appoint additional calculation agents.
Use of proceeds	We intend to use the net proceeds from the sale of the notes to provide additional funds for our operations and for other general corporate purposes.
Issuance in series	Each of the Series C euro medium-term notes and the Series E subordinated euro medium-term notes constitute a single, distinct series of notes. We may from time to time issue additional series, which may have different terms.
Currencies	Notes will be denominated in U.S. dollars or other currencies, as specified in the applicable final terms.
Denominations	Unless otherwise specified in the applicable final terms, notes denominated in Japanese yen will have minimum denominations of ¥1,000,000, notes denominated in U.S. dollars will have minimum denominations of U.S.$2,000, notes denominated in euros will have minimum denominations of €1,000, notes denominated in British pounds sterling will have minimum denominations of £1,000, and notes denominated in any other currency will have minimum denominations equal to at least €1,000.
Form of notes	We will issue notes as global notes in registered form. If the notes are stated in the applicable final terms to be issued under NSS and that they are intended to be eligible collateral for Eurosystem monetary policy, the notes will be registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg, and we will deliver these notes to a common safekeeper for Euroclear and Clearstream, Luxembourg. Global notes in registered form which are not issued under NSS will be deposited with, and registered in the name of a nominee of, a common depositary for Euroclear and Clearstream, Luxembourg or other clearing system as specified in the applicable final terms.
Types of notes	We may issue fixed rate notes, floating rate notes and indexed notes, including combinations thereof. A note may provide for either cash settlement or physical settlement. Some notes may be convertible, exercisable or exchangeable into or for securities of an issuer other than The Goldman Sachs Group, Inc.
Stated Maturity	In general, notes will have a stated maturity of up to 40 years from the date of issue.
Interest-bearing notes	Notes may bear interest at a fixed or floating rate. Fixed rate notes include zero coupon notes, and other discount securities, which are issued at a price lower than the face amount. Floating rate notes bear interest at rates based on one or more of the base rates specified in the European base prospectus or the applicable

	final terms. A base rate may be adjusted by adding or subtracting a specified number of basis points or multiplying it by a specified percentage and may be subject to a minimum rate or a maximum rate, as specified in the applicable final terms.
Indexed notes	Notes may provide that amounts payable on the notes will be determined by reference to one or more indices, to securities of one or more issuers, currencies or commodities, one or more credit events, or any other financial, economic or other measure or instrument.
Sinking fund	Unless otherwise indicated in the applicable final terms, the notes will not be entitled to the benefit of a sinking fund.
Redemption at our option	Unless otherwise specified in the applicable final terms, we will not be entitled to redeem the notes before maturity, provided that we may redeem the notes in the event of certain developments involving changes in law, as described below, and, if the applicable final terms provide for the gross-up of any payments due on the notes, we may redeem the notes in the event of changes involving U.S. withholding taxes.
Repayment at your option	You will not be entitled to require us to buy your note from you before maturity, unless otherwise specified in the applicable final terms.
Payment of additional amounts	Unless otherwise specified in the applicable final terms, we will make all payments on the notes without deducting U.S. withholding taxes, unless we are required by law to do so and, if we are required by law to deduct U.S. withholding taxes, we will not pay additional amounts on those payments unless the applicable final terms provide for the gross-up of any payments due on the notes and only under certain circumstances as described below under "Description of the Program — Payment of Additional Amounts."
Redemption upon change in law	Unless otherwise specified in the applicable final terms, we may redeem, as a whole but not in part, any outstanding notes, if, as a result of (i) the adoption of or any change in any applicable law or regulation or (ii) the promulgation of or any change in the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation, the calculation agent determines that we and/or any of our affiliates will incur a materially increased cost in performing our obligations under the notes or if such performance becomes illegal, in whole or in part.
Mergers and similar transactions	We will not merge or consolidate with another corporation or corporate entity, unless certain conditions are met.
Restrictions on liens	With respect to the Series C euro medium-term notes, we will not create, assume, incur or guarantee any indebtedness for borrowed money secured by a pledge, lien or other similar encumbrance on any of the equity interests that we or any of our subsidiaries own in Goldman, Sachs & Co., unless we also secure the notes on an equal or priority basis or our board of directors determines that the liens do not materially detract from or interfere with the value or control of those

	interests, as of the date of such determination.
Defeasance and covenant defeasance	Unless otherwise specified in the applicable final terms, if there is a change in U.S. federal tax law, we will be entitled, in the case of all fixed rate notes payable in U.S. dollars and do not include the provisions described below under "Description of the Program — Payment of Additional Amounts," to release ourselves from all obligations under the notes, subject to certain conditions. Moreover, unless otherwise specified in the applicable final terms, we will be entitled, in the case of all fixed rate notes payable in U.S. dollars, to release ourselves from any other restrictive covenants relating to the notes, subject to similar conditions as those referred to above.
Events of default and remedies	Unless otherwise specified in the applicable final terms, if an event of default occurs and is continuing, with respect to your note you may, after giving effect to any applicable grace period, by written notice to us and the fiscal agent, declare the principal of your note to be immediately due and payable.
Meetings, modification and waiver of covenants	The fiscal agency agreement contains provisions for convening meetings of holders to consider matters affecting their interests. Certain changes require each affected holder's approval, others require no approval by holders and still others require the approval of two-thirds of the holders.
Payment mechanics for notes	Unless otherwise specified in the applicable final terms, all payments on notes will be made in the applicable specified currency, subject to certain exceptions. We will make payments on a global note in accordance with the applicable policies of the relevant clearing systems which, unless specified in the applicable final terms will be Euroclear and Clearstream, Luxembourg. We will make payments on a note in registered non-global form by paying interest due on an interest payment date to the holder at the address shown on the register for such notes as of the close of business on the regular record date and all other payments by check or via wire transfer at the corporate trust office of the fiscal agent and the office of the paying agent, against surrender of the note.
Governing law	New York
Listing and admission to trading	Application has been made to admit the notes to trading on the regulated market of the Luxembourg Stock Exchange and listing on the Official List of the Luxembourg Stock Exchange unless otherwise specified in the applicable final terms. However, we are under no obligation to maintain the listing of any notes that are listed.
Clearing systems	Unless otherwise specified in the applicable final terms, Euroclear and Clearstream, Luxembourg.
Market-making	This European base prospectus may be used by Goldman Sachs International in connection with offers and sales of the notes in market-

	making transactions.
Status of notes under the U.S. securities laws	The notes are not, and will not be, registered under the U.S. Securities Act of 1933 and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in transactions exempt from the registration requirements.
Selling restrictions	For a description of certain restrictions on offers, sales and deliveries of the notes and the distribution of offering material in certain jurisdictions, see "Plan of Distribution" and the applicable final terms.
Risk factors	We face a variety of risks, including market, credit, liquidity, operational, legal and regulatory risks. In addition, the notes are subject to a number of risks, including those related to credit market conditions, interest rate levels, our credit rating, global market conditions, certain tax-related risks as well as the risk that the notes may not have an active trading market. Indexed notes and notes denominated or payable in or linked to foreign currencies are subject to additional risks, including that you may lose all or a portion of the principal invested and may receive no interest, the volatility of the indices or currencies, and that we may engage in business activities that are adverse to your interests. For more information see "Risk Factors" on page 10 and the applicable final terms. You should understand these risks before making any investment decision.

RISK FACTORS

Certain Factors That May Affect Our Business

For a discussion of certain factors affecting our business, see "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 (pp. 21-34), which is incorporated by reference into this European base prospectus, or the corresponding section of any future Annual Report on Form 10-K or Quarterly Report on Form 10-Q filed by us, which may be incorporated by reference into a supplement to the European base prospectus. We also may disclose additional risks relevant to your particular note in the applicable final terms.

Considerations Relating to Notes Generally

The Notes We May Issue Are Not Insured by the Federal Deposit Insurance Corporation

None of the notes offered hereby will be a deposit insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government authority. The Series C euro medium-term notes will rank *pari passu* with all other unsecured and unsubordinated indebtedness of The Goldman Sachs Group, Inc. The Series E subordinated euro medium-term notes will rank junior in right of payment to the senior indebtedness of The Goldman Sachs Group Inc., including the Series C euro medium-term notes.

Any Notes We May Issue May Not Have an Active Trading Market

Even if your notes are listed on a stock exchange, a secondary market for any notes we may issue is unlikely to develop. Even if a secondary market for a note develops, it may not provide significant liquidity and we and/or our affiliates have no obligation to make a market with respect to the note and make no commitment to make a market in or repurchase the note. We expect that transaction costs in any secondary market would be high. As a result, the difference between bid and asked prices for the note in any secondary market could be substantial.

Changes in Interest Rates Are Likely to Affect the Market Price of Any Notes We May Issue

We expect that the market price of any notes we may issue will be affected by changes in interest rates, although these changes may affect such notes and a traditional debt security to different degrees. In general, if interest rates increase, we expect that the market value of a fixed income instrument which paid interest payments and an amount equal to the outstanding face amount of a note you may purchase on the same schedule as that note would decrease, whereas if interest rates decrease, we expect that the market value of such a fixed income instrument would increase.

The Market Price of Any Notes We May Issue May Be Influenced by Many Unpredictable Factors and If You Buy a Note and Sell It Prior to the Stated Maturity Date, You May Receive Less Than the Face Amount of Your Note

The following factors, most of which are beyond our control, will influence the market price of any notes we may issue:

- economic, military, financial, regulatory, political, terrorist and other events that affect securities generally;
- interest and yield rates in the market;
- the time remaining until a note matures;
- our creditworthiness, whether actual or perceived, and including actual or anticipated upgrades or downgrades in our credit ratings or changes in other credit measures; and

- in the case of an indexed note, the market price of the relevant index or indices or, if applicable, index components, and the volatility — *i.e.,* the frequency and magnitude of changes in the market price of the relevant index or, if applicable, index components.

As a result of these and other factors, if you buy a note and sell it prior to maturity, you may receive less than the outstanding face amount of your note. Moreover, these factors interrelate in complex ways, and the effect of one factor may offset or enhance the effect of another factor.

Changes in Our Credit Ratings May Affect the Market Price of a Note

Our credit ratings are an assessment of our ability to pay our obligations, including those on any notes we may issue. Consequently, actual or anticipated changes in our credit ratings may affect the market price of a note. However, because the return on a note is typically dependent upon certain factors in addition to our ability to pay our obligations on the note, an improvement in our credit ratings will not reduce the other investment risks related to any such notes.

The following table sets forth our unsecured credit ratings as of the date of this European base prospectus:

	Short-Term Debt	Long-Term Debt	Subordinated Debt	Preferred Stock
Dominion Bond Rating Service Limited [1]	R-1 (middle) [6]	A (high) [7]	A [7]	BBB [8]
Fitch, Inc. [2]	F1 [9]	A [10]	A– [10]	BB+ [11]
Moody's Investors Service [3]	P-2 [12]	A3 [13]	Baa1 [13]	Ba2 [14]
Standard & Poor's [4]	A-2 [15]	A– [16]	BBB+ [17]	BB+ [18]
Rating and Investment Information, Inc. [5]	a-1 [19]	A+ [20]	N/A	N/A

[1] All rating categories other than AAA and D also contain subcategories "(high)" and "(low)". The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category.
[2] The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to the "AAA" Long-Term Rating category, or categories below "B".
[3] Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.
[4] Ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.
[5] A plus (+) or minus (-) sign may be appended to the categories from AA to CCC to indicate relative standing within each rating category. The plus and minus signs are part of the rating symbols.
[6] Superior credit quality. The capacity for the payment of short-term financial obligations as they fall due is very high. Differs from R-1 (high) by a relatively modest degree. Unlikely to be significantly vulnerable to future events.
[7] Good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable.
[8] Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.
[9] Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
[10] High credit quality. "A" ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
[11] Speculative. "BB" ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time.
[12] Issuers (or supporting institutions) rated Prime-1 have a strong ability to repay short-term debt obligations.
[13] Obligations rated A are considered upper-medium grade and are subject to low credit risk.
[14] Obligations rated Baa are subject to moderate credit risk. They are considered medium grade and as such may possess certain speculative characteristics.
[15] A short-term obligation rated "A-2" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.
[16] An obligation rated "A" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.
[17] An obligation rated "BBB" exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
[18] An obligation rated "BB" is less vulnerable to non-payment than other speculative issues. However, it faces major on-going uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.
[19] Certainty of the fulfillment of a short-term obligation is high.
[20] High creditworthiness supported by a few excellent factors.

A rating is not a recommendation to buy, sell or hold any of our securities. Any or all of these ratings are subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating.

The specific meaning of each of the credit ratings is set out by the relevant credit ratings agency in the applicable web site, as follows: for Dominion Bond Rating Service Limited, see http://www.dbrs.com/ratingPolicies/list/name/rating+scales; for Fitch, Inc., see http://www.fitchratings.com/web_content/ratings/fitch_ratings_definitions_and_scales.pdf; for Moody's Investors Service, see http://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_79004; for Standard & Poor's, see http://www.standardandpoors.com/ratings/definitions-and-faqs/en/us and for Rating and Investment Information, Inc., see http://www.r-i.co.jp/eng/cfp/about/definition.html.

We Cannot Advise You of the Non-U.S. Tax Consequences of Owning or Trading Any Notes We May Issue

Because you are a U.S. alien holder, you should consult your own legal and tax advisors with respect to the tax characterization of any notes we may issue in your taxing jurisdiction. For a summary of the principal U.S. federal income and estate tax consequences of notes to a U.S. alien holder, see "United States Taxation" below.

Unless Otherwise Specified in the Applicable Final Terms, We Will Not Compensate Holders If We Have to Deduct Taxes from Payments on Any Notes We May Issue or If Information About Holders or Any Payment on the Notes is Required to Be Reported

With certain exceptions, as of the date of this European base prospectus, payments on any notes we may issue are not subject to U.S. federal withholding or other tax provided that the holder is a U.S. alien holder. Withholding from payments on a note may be required if a holder fails to provide a completed Internal Revenue Service Form W-8BEN. See the section entitled "United States Taxation" below for more information.

Unless otherwise specified in the applicable final terms, we will not gross up any payments due on the note to which the final terms relate and we will not compensate holders for any amount that may be withheld or due because of tax law changes with regard to withholding tax. Unless otherwise specified in the applicable final terms, during the term of the note, whether or not due to a change in law, if any withholding or other tax, assessment or other governmental charge is imposed on payments on the note by the United States or any other jurisdiction or any political subdivision or taxing authority thereof or therein (including any payment upon redemption, repurchase or stated maturity of a note), and we are required to deduct that tax, charge or assessment from any payment we make on the note (including any payment upon redemption, repurchase or stated maturity of a note), we will make that payment only after making such deduction and will not pay holders any additional amounts to compensate them for the deduction.

Consequently, if you purchase a note in these circumstances and a deduction is required to be made, you will receive less than what you would otherwise have been entitled to receive as payment on your note on the stated maturity date.

We cannot predict whether any such changes in law will occur during the term of any notes we may issue and, if they do occur, the amounts that may have to be deducted.

If We Redeem Your Notes or Make an Adjustment upon a Change in Law, You May Receive Less than Your Initial Investment

If we determine that performance under the notes has become unlawful or impractical in whole or in part for any reason, we may cancel such notes and, if permitted by applicable law, pay the purchaser of such notes an amount equal to the non-scheduled repayment amount of such notes notwithstanding such illegality, as determined by the calculation agent in its sole and absolute discretion. The non-scheduled repayment amount may be less than if you were to reinvest the redemption proceeds at any effective interest rate as high as the interest rate or yield on the notes being redeemed and you may only be able to do so at a significantly lower rate. You should consider reinvestment risk in light of other investments available at that time.

In addition, the calculation agent may make an adjustment to the terms if a change in law has occurred. The adjustments may result in the amount payable at maturity being reduced to or being valued at an amount less than your initial investment.

Considerations Relating to Indexed Notes

We use the term "indexed notes" to mean any notes whose value is linked to any underlying asset or index. Indexed notes may present a high level of risk, and investors in certain indexed notes may lose their entire investment. In addition, the treatment of indexed notes for U.S. federal income tax purposes is often unclear due to the absence of any authority specifically addressing the issues presented by any particular indexed note. Thus, if you propose to invest in indexed notes, you should independently evaluate the federal income tax consequences of purchasing an indexed note that apply in your particular circumstances. You should also read "United States Taxation" below for a discussion of U.S. tax matters.

Considerations Relating to Indexed Notes Generally

Investors in Indexed Notes Could Lose Their Investment

The principal amount and/or interest payable on an indexed note, the cash value or physical settlement value of a physically settled note will be determined by reference to the price, value or level of one or more securities, currencies, commodities or other properties, any other financial, economic or other measure or instrument, including the occurrence, or non-occurrence of any event or circumstance, and/or one or more indices or baskets of any of these items. We refer to each of these as an "index" or "indices". The direction and magnitude of the change in the value of the relevant index will determine the principal amount of an indexed note payable at maturity and/or the amount of interest payable on the interest payment date and the cash value or physical settlement value in the case of a physically settled note. The terms of a particular indexed note may or may not include a guaranteed return of a percentage of the face amount at maturity or a minimum interest rate. Thus, if you purchase an indexed note that does not guarantee the return of 100% of principal, you may lose all or a portion of the principal invested and may receive no interest on your investment.

The Return on Indexed Notes May Be Below the Return on Similar Securities

Depending on the terms of an indexed note, as specified in the applicable final terms, you may not receive any periodic interest payments or receive only very low payments on the note. As a result, the overall return on a note may be less than the amount you would have earned by investing the face amount of a note in a non-indexed debt security that bears interest at a prevailing market fixed or floating rate.

Payments on Indexed Notes May Be Linked to the Average Performance of the Underlying Indices and Not the Overall Change in the Index Performance

The formula used to determine the amounts payable on an indexed note may be calculated by reference to the average performance of the underlying index or indices over a number of observation dates and not by reference to the overall change in the index or indices over the life of your note. In this case, relevant index levels on one or more of these dates may be sufficiently low or high to offset any overall gain or decline in the index, in which case you might receive no payment amount on the note or a payment amount that is less than the amount that would have been paid had the payment amount been linked to the change in the index from the issue date (or other date, as specified in the applicable final terms) to the final observation date or the stated maturity date, as the case may be.

Use of Leverage Factors Over 100 Percent May Result in Disproportionate Exposure to the Negative Performance of the Underlying Index

Where the applicable final terms of the notes provide that the redemption amount of such note is based upon the performance of the underlying index multiplied by a leverage factor which is over 100 percent, a purchaser may participate disproportionately in any positive performance and/or may have a disproportionate exposure to any negative performance of the underlying index. Due to this leverage effect, the notes represent a very speculative and risky form of investment since any loss in the value of the underlying index carries the risk of a correspondingly higher loss.

The Issuer of a Security or Currency That Serves as an Index Could Take Actions That May Adversely Affect an Indexed Note

The issuer of a security or currency that serves as an index or part of an index for an indexed note will have no involvement in the offer and sale of the note and no obligations to the holder of the note. The issuer may take actions, such as a merger or sale of assets, without regard to the interests of the holder. Any of these actions could adversely affect the value of a note based on an index linked to such security.

If the index for an indexed note includes a non-U.S. dollar currency or other asset denominated in a non-U.S. dollar currency, the government that issues that currency will also have no involvement in the offer and sale of the indexed note and no obligations to the holder of that note. That government may take actions that could adversely affect the value of such note. See "— Considerations Relating to Notes Denominated or Payable in or Linked to Currencies Other Than Your Own Principal Currency — Government Policy Can Adversely Affect Foreign Currency Exchange Rates and an Investment in a Foreign Currency Note" below for more information about these kinds of notes.

An Indexed Note May Be Linked to a Volatile Index, Which May Adversely Affect an Investment

Some indices are highly volatile, which means that their value may change significantly, up or down, over a short period of time. It is impossible to predict the future performance of an index based on its historical performance. The amount of principal or interest that can be expected to become payable on an indexed note may vary substantially from time to time. Because the amount of principal or interest payable on an indexed note is generally calculated based on the value of the relevant index on a specified date or over a limited period of time, volatility in the index increases the risk that the return on an indexed note may be adversely affected by a fluctuation in the level of the relevant index.

The volatility of an index may be affected by financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of an indexed note.

Indices May Move in Opposite Directions, Which May Affect the Amount You Receive on an Indexed Note Linked to a Basket of Indices

If you purchase an indexed note, the amount you may receive on the note, if any, may be based on the performance of a basket of indices comprised of index components such as equity securities, debt securities and/or commodities and related contracts. The market price for different types of index components may move in opposite directions. As a result, the level of the indices to which the note is linked may move such that the index performance of one or more index components may offset or be offset by the index performance of one or more of the other basket indices, which ultimately may result in a decrease in the overall return on the note or no payment amount on your note.

Underlying Indices of Emerging Markets May be Volatile and Unstable

Where the applicable final terms of the notes reference one or more emerging market underlying indices, purchasers of such notes should be aware that the political and economic situation in countries with emerging economies or stock markets may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristic of more developed countries, including a significant risk of currency value fluctuation. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with neighboring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognize private property rights and have at times nationalized or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalization or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of an underlying asset investment in those countries. The small size and inexperience of the securities markets in certain countries and the limited volume of trading in securities may make the underlying assets illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of the underlying indices.

Information About an Index or Indices May Not Be Indicative of Future Performance

If we issue an indexed note, we may include historical information about the relevant index or indices in the applicable final terms. Any information about indices that we may provide will be furnished as a matter of information only, and you should not regard the information as indicative of the range of, or trends in, fluctuations in the relevant index or indices that may occur in the future.

If the Level of an Index Changes, the Market Price of an Indexed Note May Not Change in the Same Manner

An indexed note may trade quite differently from the performance of the relevant index or indices. Changes in the level of the index may not result in a comparable change in the market price of your note. Some of the other reasons for this disparity are discussed above under "— Considerations Relating to Notes Generally — The Market Price of Any Notes We May Issue May Be Influenced by Many Unpredictable Factors and If You Buy a Note and Sell It Prior to the Stated Maturity Date, You May Receive Less Than the Face Amount of Your Note".

If You Purchase an Indexed Note, You Will Have No Rights with Respect to any Underlying Index, Securities, Commodities or Other Index Components or Related Contracts to which Your Note is Linked.

Investing in an indexed note will not make you a holder of the index, any index securities, index commodities or other index components or contracts with respect thereto. As a result, you will not have

any voting rights, any right to receive dividends or other distributions or any other rights with respect to any of the index components. Your note will be paid in cash, and you will have no right to receive delivery of any such index components.

There Is No Affiliation Between the Issuers of Any of the Index Securities Contained in an Equity or Debt Index Included in an Indexed Note and Us, and We Are Not Responsible for Any Disclosure by Such Issuers

Unless we indicate in the applicable final terms, we are not affiliated with any of the issuers of the securities to which a note is linked or included in any of the equity or debt indices included in an index, or the sponsor of any of these indices. We and our affiliates may currently or from time to time in the future engage in business with the issuers of other index securities included in any of the equity or debt indices included in an indexed note. Nevertheless, neither we nor any of our affiliates assumes any responsibility for the adequacy or accuracy of any publicly available information about any issuers of index securities. You, as an investor in a note, should make your own investigation into the indices and the issuers of the index securities that make up the relevant index or indices. See the applicable final terms for additional information about the relevant index or indices to which a particular note is linked.

Neither the sponsors of any of the relevant index or indices included in an indexed note nor any of the issuers of the index securities other than, where applicable, ourselves and Goldman, Sachs & Co. or Goldman Sachs International, as index sponsor of any index published by it are involved in any offering of notes in any way and none of them has any obligation of any sort with respect to an indexed note. Neither the sponsors of the indices nor any of the issuers of the index securities have any obligation to take your interests into consideration for any reason, including in taking any corporate actions that might affect the market price for your note. Any of the sponsors of any of the indices may decide to discontinue calculating and publishing such index, which would mean that the calculation agent, which unless we indicate in the applicable final terms will be one of our affiliates, would have discretion in making determinations with respect to such index.

Special Considerations Relating to Indexed Notes Linked to Stock or Bond Indices

An Index to Which an Indexed Note Is Linked Could Be Changed or Become Unavailable

Some indices compiled by us or our affiliates or third parties may consist of or refer to several or many different securities, commodities or currencies or other instruments or measures. The compiler of such an index typically reserves the right to alter the composition of the index and the manner in which the value of the index is calculated. An alteration may result in a decrease in the value of or return on an indexed note that is linked to the index. The indices for our indexed notes may include published indices of this kind or customized indices developed by us or our affiliates in connection with particular issues of indexed notes.

A published index may become unavailable, or a customized index may become impossible to calculate in a normal manner, due to events such as war, natural disaster, cessation of publication of the index or a suspension or disruption of trading in one or more securities, commodities or currencies or other instruments or measures on which the index is based. If an index becomes unavailable or impossible to calculate in a normal manner, the terms of a particular indexed note may allow us to delay determining the amount payable as principal or interest on an indexed note or may use an alternative method to determine the value of the unavailable index. Alternative methods of valuation are generally intended to produce a value similar to the value resulting from reference to the relevant index. However, it is unlikely that any alternative method of valuation we use will produce a value identical to the value that the actual index would produce. If we use an alternative method of valuation for a note linked to an index of this kind, the value of the note, or the rate of return on it, may be lower than it otherwise would be.

Some indexed notes are linked to indices that are not commonly used or have been developed only recently. The lack of a trading history may make it difficult to anticipate the volatility or other risks associated with an indexed note of this kind. In addition, trading in these indices or their underlying

stocks, commodities or currencies or other instruments or measures, or options or futures contracts on these stocks, commodities or currencies or other instruments or measures, may be limited, which could increase their volatility and decrease the value of the related indexed notes or the rates of return on them.

If You Purchase an Indexed Note, the Return on the Note Will Not Reflect the Return or Any Distributions, Dividends or Other Payments Made on Any Index Components

In the case of an indexed note, the sponsor of each index to which the note is linked will calculate the level of the relevant index by reference to the market prices of the index securities, commodities or other index components or contracts with respect thereto included in that index, without taking account of the value of any distributions, dividends or other payments. As a result, if you invest in an indexed note, the return on your note will not reflect the return you would realize if you actually owned the index components and received the distributions, dividends or other payments made on them.

The Policies of an Index Sponsor and Changes Affecting an Index or Indices or Any of Its Components Could Affect the Amount Payable on an Indexed Note and Its Market Value

The policies of an index sponsor concerning the calculation of the index level, additions, deletions or substitutions of index components and the manner in which changes affecting the index components or their issuers, such as dividends, reorganizations or mergers, are reflected in the index level could affect the index level and, therefore, the amount payable on any indexed notes we may issue on the stated maturity date and the market value of any such notes prior to such date. The amount payable on an indexed note and its market value could also be affected if the index sponsor changes these policies, for example, by changing the manner in which it calculates the index level, or if the index sponsor discontinues or suspends calculation or publication of the index level, in which case it may become difficult to determine the market value of the note. If events such as these occur or if the index level is not available on any relevant observation date because of a market disruption event or for any other reason, the calculation agent — which initially will be Goldman Sachs International, our affiliate — may determine the index level on any such determination date — and thus the amount payable on the stated maturity date — in a manner it considers appropriate, in its sole discretion.

Special Considerations Relating to Indexed Notes Linked to Commodities, Commodity Indices and Commodity Strategies

Commodity Prices May Change Unpredictably, Affecting the Market Price of an Indexed Note Linked to a Commodity, Commodity Index or Commodity Strategy in Unforeseeable Ways

The performance of a commodity, and consequently the corresponding commodity contract, is dependent upon various factors which are beyond our control, including supply and demand, liquidity, weather conditions and natural disasters, direct investment costs, location and changes in tax rates as set out in more detail below. Commodity prices are more volatile than other asset categories, making investments in commodities riskier and more complex than other investments.

- Supply and demand — The planning and management of commodities supplies is very time-consuming. This means that the scope for action on the supply side is limited and it is not always possible to adjust production swiftly to take account of demand. Demand can also vary on a regional basis. Transport costs for commodities in regions where these are needed also affect their prices. The fact that some commodities take a cyclical pattern, such as agricultural products which are only produced at certain times of the year, can also result in major price fluctuations.
- Liquidity — Not all commodities markets are liquid and able to quickly and adequately react to changes in supply and demand. The fact that there are only a few market participants in the commodities markets means that speculative investments can have negative consequences and may distort prices.

- Weather conditions and natural disasters — Unfavorable weather conditions can influence the supply of certain commodities for the entire year. This kind of supply crisis can lead to severe and unpredictable price fluctuations. Diseases and epidemics can also influence the prices of agricultural commodities.
- Direct investment costs — Direct investments in commodities involve storage insurance and tax costs. Moreover, no interest or dividends are paid on Commodities. The total returns from investments in commodities are therefore influenced by these factors.
- Governmental programs and policies, national and international political, military, terrorist and economic events, changes in interest and exchange rates and trading activities in commodities and related contracts — Commodities are often produced in emerging market countries, with demand coming principally from industrialized nations. The political and economic situation is, however, far less stable in many emerging market countries than in the developed world. They are generally much more susceptible to the risks of rapid political change and economic setbacks. Political crises can affect purchaser confidence, which can as a consequence affect commodity prices. Armed conflicts can also impact on the supply and demand for certain commodities. It is also possible for industrialized nations to impose embargos on imports and exports of goods and services. This can directly and indirectly impact commodity prices. Furthermore, numerous commodity producers have joined forces to establish organizations or cartels in order to regulate supply and influence prices.
- Changes in tax rates — Changes in tax rates and customs duties may have a positive or a negative impact on the profitability margins of commodities producers. When these costs are passed on to purchasers, the changes will affect prices.

These factors may affect in varying ways the value of an indexed note linked to a commodity or commodity index, and various factors may cause the value of different index components and the volatilities of their prices to move in inconsistent directions and at inconsistent rates.

If Your Note is Linked to a Commodity, Commodity Index or Commodity Strategy, Suspension or Disruptions of Market Trading in the Basket Commodities Included in the Commodity Index or Commodity Strategy and Related Futures Markets May Adversely Affect the Value of the Notes

If you purchase a note that is linked to a commodity, commodity index or commodity strategy, you should bear in mind that the commodity markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, the participation of speculators and government regulation and intervention. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in contract prices which may occur during a single business day. These limits are generally referred to as “daily price fluctuation limits” and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a “limit price”. Once the limit price has been reached in a particular contract, trading in the contract will follow the regulations set forth by the trading facility on which the contract is listed. Limit prices may have the effect of precluding trading in a particular contract, which could adversely affect the value of the index and, therefore, the value of your notes.

Factors affecting the performance of commodity indices

Commodity indices are indices which track the performance of a synthetic production weighted basket of commodity contracts on certain physical commodities. The level of the commodity index replicates an actual investment in commodity contracts, and therefore goes up or down depending on the overall performance of this weighted basket of commodity contracts. Although commodity indices track the performance of the commodity markets, in a manner generally similar to the way in which an index of equity notes tracks the performance of the share market, there are important differences between a commodity index and an equity index. First, an equity index typically weights the shares in the index based on market capitalization, while the commodities included in a commodity index are weighted based on their world production levels and the dollar value of those levels. Second, unlike shares, commodity

contracts expire periodically and, in order to maintain an investment in commodity contracts, it is necessary to liquidate such commodity contracts before they expire and establish positions in longer-dated commodity contracts. This feature of a commodity index, which is discussed below under "Exposure to "Rolling" and its Impact on the Performance of a Commodity Index and Commodity Strategy", has important implications for changes in the value of a commodity index. Finally, the performance of a commodity index is dependent upon the macroeconomic factors relating to the commodities that underpin the commodities contracts included in such commodity index, such as supply and demand, liquidity, weather conditions and natural disasters, direct investment costs, location and changes in tax rates; see " — Commodity Prices May Change Unpredictably, Affecting the Market Price of an Indexed Note Linked to a Commodity, Commodity Index or Commodity Strategy in Unforeseeable Ways". The performance of commodity contracts in one sector may offset the performance of commodity contracts in another sector.

While holding an inventory of physical commodities may have certain economic benefits (for example, a refinery could use a reserve of crude oil for the continuation of its operations), it also poses administrative burdens and costs, including those arising from the need to store or transport physical commodities. These requirements and costs may prove unattractive to investors who are interested solely in the price movement of commodities. Commodity contracts permit an investor to obtain exposure to the prices of commodities without directly incurring these requirements and costs. However, an investor in commodity contracts, or in an index of commodity contracts, can be indirectly exposed to these costs, which may be reflected in the prices of the commodity contracts and therefore in the level of a commodity index. In addition, the fact that commodity contracts have publicly available prices allows calculation of an index based on these prices. The use of commodity contracts, therefore, allows the index sponsor to separate the exposure to price changes from the ownership of the underlying physical commodity, and thus allow participation in the upside and downside movement of commodity prices independently of the physical commodity itself.

If the Price of The Underlying Physical Commodities Increases, the Level of the Commodity Index or Commodity Strategy Will Not Necessarily Also Increase and Redemption Amounts in Respect of Notes That Reference Commodity Indices or Commodity Strategies Do Not Reflect Direct Investment in Physical Commodities or Commodity Contracts

If the price of the underlying physical commodities increases, the level of the commodity index or commodity strategy will not necessarily also increase, for two reasons. The redemption amount payable on notes that reference a commodity index or commodity strategy is linked to the performance of such commodity index or commodity strategy, which in turn tracks the performance of the basket of commodity contracts included in such commodity index or commodity strategy, rather than individual physical commodities themselves. Changes in the prices of commodity contracts should generally track changes in the prices of the underlying physical commodities, but, as described above, the prices of commodity contracts might from time to time move in ways or to an extent that differ from movements in physical commodity prices. Therefore, the prices of a particular commodity may go up but the level of the commodity index or commodity strategy may not change in the same way. Second, because commodity contracts have expiration dates — *i.e.*, dates upon which trading of the commodity contract ceases, there are certain adjustments that need to be made to the commodity index or commodity strategy in order to retain an investment position in the commodity contracts. These adjustments, which are described below and primarily include the mechanic of "rolling" may have a positive or negative effect on the level of the commodity index or commodity strategy. This feature of a commodity index or commodity strategy is discussed below under "Exposure to "Rolling" and Its Impact on the Performance of a Commodity Index and Commodity Strategy". As a result, these adjustments may, in certain instances, cause a discrepancy between the performance of the commodity index or commodity strategy and the performance of the underlying commodity contracts. Accordingly, purchasers in Notes that reference commodity indices or commodity strategies as underlying assets may receive a lower payment upon redemption of such notes than such purchaser would have received if he or she had invested directly in commodities or a security whose redemption amount was based upon the spot price of physical commodities or commodity contracts that were scheduled to expire on the maturity date of the notes.

Exposure to "Rolling" and its Impact on the Performance of a Commodity Index and Commodity Strategy

- **Rolling.** Since any commodity contract has a predetermined expiration date on which trading of the commodity contract ceases, holding a commodity contract until expiration will result in delivery of the underlying physical commodity or the requirement to make or receive a cash settlement. "Rolling" the commodity contracts means that the commodity contracts that are nearing expiration (the "near-dated commodity contracts") are sold before they expire and commodity contracts that have an expiration date further in the future (the "longer-dated commodity contracts") are bought. This would allow an actual investor to maintain an investment position without receiving delivery of physical commodities or making or receiving a cash settlement. As a commodity index or commodity strategy replicates an actual investment in commodity contracts, it takes into account the need to roll the commodity contracts included in such commodity index or commodity strategy. Specifically, as a near-dated commodity contract approaches expiration, the commodity index or commodity strategy is calculated as if the near-dated commodity contract is sold and the proceeds of that sale are used to purchase a longer-dated commodity contract of equivalent value in the next available delivery month.
- **Backwardation.** When the price of the near-dated commodity contract is greater than the price of the longer-dated commodity contract, the market for such contracts is referred to as in "backwardation". If the rolling process occurs when the price of a commodity contract is in backwardation, this results in a greater quantity of the longer-dated commodity contract being acquired for the same value. Rolling contracts in a backwardated market can affect the level of the commodity index or commodity strategy.
- **Contango.** When the price of the near-dated commodity contract is lower than the price of the longer-dated commodity contract, the market for such contracts is referred to as in "contango". If the rolling process occurs when the price of a commodity contract is in contango, this results in a smaller quantity of the longer-dated commodity contract being acquired for the same value. Rolling contracts in a contango market can affect the level of the commodity index or commodity strategy.
- **Rolling affects the level of the Commodity Index.** "Rolling" can affect a commodity index or commodity strategy in two ways. Firstly, if the commodity index or commodity strategy synthetically owns more commodity contracts as a result of the rolling process, albeit at a lower price (backwardation), the gain or loss on the new positions for a given movement in the prices of the commodity contracts will be greater than if the commodity index or commodity strategy had owned the same number of commodity contracts as before the rolling process. Conversely, if the commodity index or commodity strategy synthetically owns fewer commodity contracts as a result of the rolling process, albeit at a higher price (contango), the gain or loss on the new positions for a given movement in the prices of the commodity contracts will be less than if the commodity index or commodity strategy had owned the same number of commodity contracts as before the rolling process. These differentials in the quantities of contracts sold and purchased may have a positive or negative effect on the level of the commodity index or commodity strategy (measured on the basis of its dollar value). Secondly, in a contango market, and in the absence of significant market changes, the prices of the longer-dated commodity contracts which the commodity index or commodity strategy synthetically buys and holds are expected to, but may not, decrease over time as they near expiry. The expected decrease in price of these longer-dated commodity contracts as they near expiry can potentially cause the level of the commodity index or commodity strategy to decrease. Conversely, in a backwardated market, and in the absence of significant market changes, the prices of the longer-dated commodity contracts are expected to, but may not, increase over time as they near expiry. The expected increase in price of these longer-dated commodity contracts as they near expiry can potentially cause the level of the commodity index or commodity strategy to increase.
- **The effects of "Rolling" may be mitigated.** The trend in prices of the commodity contracts may mitigate the effects of rolling. Also, as the commodity index or commodity strategy includes many

different types of commodity contracts, each of those commodity contracts may be in a different type of market, either backwardation or contango, and therefore may offset any losses and gains attributable to rolling. In addition and in the case of a commodity strategy only, as referred to below under "The Performance of Commodity Strategies May Significantly Differ From the Underlying Commodity Index", by having different rules to the commodity index on which it is based governing the procedure by which expiring positions in the commodity contracts underlying such commodity strategy may be rolled forward into more distant contract expirations, the commodity strategy may seek to mitigate the effects of contango from those employed by the commodity index. There can be no assurance, however, that these modifications will be effective in mitigating the effects of contango on the rolling of contracts or that the modifications themselves will not adversely affect the value of the note to which such commodity strategy is linked.

Prices of Commodity Contracts Underlying a Commodity Index or a Commodity Strategy May Change Unpredictably, Affecting the Market Price of the Notes Linked to Such Commodity Index or Commodity Strategy in Unforeseeable Ways

Trading in commodities has been and can be extremely volatile. Commodity prices are affected by a variety of factors that are unpredictable, including, without limitation, changes in supply and demand relationships, weather, governmental programs and policies, national and international political, military, terrorist and economic events, fiscal, monetary and exchange control programs, changes in interest and exchange rates and changes, suspensions or disruptions of market trading activities in commodities and related contracts.

These factors may affect the value of your notes linked to a commodity index or commodity strategy, in varying ways, and different factors may cause the value of different commodities underlying a commodity index or commodity strategy, and the volatilities of their prices, to move in inconsistent directions and at inconsistent rates.

Commodity Indices and Commodity Strategies are Subject to Changes in Composition or Discontinuance

A commodity index or commodity strategy sponsor is responsible for the composition, calculation and maintenance of a commodity index or commodity strategy. The sponsor of a commodity index or commodity strategy will have no involvement in the offer and sale of the notes and will have no obligation to any purchaser of such notes. The sponsor of a commodity index or commodity strategy may take any actions in respect of such commodity index or commodity strategy without regard to the interests of the purchasers of the notes, and any of these actions could adversely affect the market value of the notes. The sponsor of any commodity index or commodity strategy can add, delete or substitute the commodity contracts of such commodity index or commodity strategy or make other methodological changes that could change the weighting of one or more commodity contracts, such as rebalancing the commodities in the commodity index or commodity strategy. The composition of a commodity index or commodity strategy may change over time as additional commodity contracts satisfy the eligibility criteria or commodity contracts currently included in such commodity index or commodity strategy fail to satisfy such criteria. Such changes to the composition of the commodity index or commodity strategy may affect the level of such commodity index or commodity strategy as a newly added commodity contract may perform significantly worse or better than the commodity contract it replaces, which in turn may affect the payments made by the Issuer to the purchasers of the notes. The sponsor of any such commodity index or commodity strategy may also alter, discontinue or suspend calculation or dissemination of such commodity index or commodity strategy. In such circumstances, the calculation agent would have the discretion to make determinations with respect to the level of the commodity index or commodity strategy, for the purposes of calculating the amount payable on redemption of the notes.

If A Disruption Event Occurs, The Calculation Agent May Determine the Value of the Commodity Contract, and Consequently the Commodity Index or Commodity Strategy, Regardless of Whether

the Commodity Index or Commodity Strategy Sponsor Continues Calculation of Commodity Index Level by Sponsor

If a disruption event occurs with respect to any commodity contract included in the commodity index or commodity strategy, the adjustment provisions included in the terms and conditions of the notes will apply, including the determination by the calculation agent of the value of the commodity contract and the commodity index or commodity strategy on the date specified in such notes. However, regardless of the disruption event, the sponsor of the commodity index or commodity strategy may continue to calculate and publish the level of such commodity index or commodity strategy. In such circumstances, purchasers of the notes should be aware that the value of the commodity index or commodity strategy determined by the calculation agent upon the occurrence of a disruption event may not reflect the value of the commodity index or commodity strategy as calculated and published by the sponsor of such commodity index or commodity strategy for the relevant valuation date, nor would the calculation agent be willing to settle, unwind or otherwise using any such published value while a disruption event is occurring with respect to any commodity contract included in a commodity index or commodity strategy.

A Commodity Index or Commodity Strategy May Include Commodity Contracts That Are Not Traded On Regulated Futures Exchanges

A commodity index or commodity strategy may not always comprise exclusively of regulated futures contracts and could at varying times include over-the-counter contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. As a result, trading in such contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the same provisions of, and the protections afforded by, the U.S. Commodity Exchange Act of 1936, as amended, or other applicable statues and related regulations, that govern trading on U.S. regulated futures exchanges or similar statues and regulations that govern trading on regulated U.K. future exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities and the inclusion of such contracts in a commodity index may be subject to certain risks not presented by most U.S. or U.K. exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

The Performance of Commodity Strategies May Significantly Differ From the Underlying Commodity Index

Commodity strategies are based on commodity indices but may have different rules from the commodity index governing the procedure by which expiring positions in certain component commodity contracts included in the commodity strategy are rolled forward into more distant contract expirations. The purchasers of notes that reference commodity strategies should be aware that the risk factors relating to commodity indices apply to such notes, but that redemption amounts in respect of such notes do not reflect the performance of the commodity index on which the relevant commodity strategy is based. In particular, the different rules governing the procedure by which expiring positions in certain of the component commodity contracts included in the commodity strategy are rolled forward into more distant contract expirations are likely to result in significant differences between the performance of the commodity strategy and the performance of the commodity index on which such commodity strategy is based since one component of the value of a commodity contract is the period remaining until its expiration.

Special Considerations Relating to Indexed Notes Linked to Stocks

If Your Note is Linked to One or More Stocks, You Will Have Only Limited Anti-Dilution Protection

If we issue a note linked to one or more stocks, Goldman Sachs International, as calculation agent for the note, or such other calculation agent as we will select, will adjust the reference price of, or make other adjustments relating to, each relevant stock for stock splits, reverse stock splits, stock dividends, extraordinary dividends and other events that affect the stock issuer's capital structure, but only in the

situations we describe in "Description of the Program — Indexed Notes — Stocks — Adjustments — Additional Adjustments" below. The calculation agent will not be required to make an adjustment for every corporate event that may affect the stock. For example, the calculation agent will not make an adjustment for events such as an offering of a stock for cash by the stock issuer, a tender or exchange offer for less than all the outstanding stock by a third party. Those events or other actions by a stock issuer or a third party may nevertheless adversely affect the market price of the stock and, therefore, adversely affect the value of the note. The stock issuer or a third party could make an offering or a tender or exchange offer, or the stock issuer could take any other action, that adversely affects the value of the stock and the note but does not result in an anti-dilution adjustment.

Special Considerations Relating to Indexed Notes Linked to Depositary Receipts

Redemption Amounts Do Not Reflect Direct Investment in the Shares Underlying the Depositary Receipts

American Depositary Receipts ("ADRs") are instruments issued in the United States in the form of share certificates in a portfolio of shares held outside the United States in the country of domicile of the issuer of the underlying shares. Global Depositary Receipts ("GDRs") are also instruments in the form of share certificates in a portfolio of shares held in the country of domicile of the issuer of the underlying shares. As a rule they are distinguished from share certificates referred to as ADRs in that they are normally publicly offered and/or issued outside the United States.

The redemption amount payable on notes that reference depositary receipts may not reflect the return a purchaser would realize if he or she actually owned the relevant shares underlying the depositary receipts and received the dividends paid on those shares because the price of the depositary receipts on any specified valuation dates may not take into consideration the value of dividends paid on the underlying shares. Accordingly, purchasers in notes that reference depositary receipts as underlying indices may receive a lower payment upon redemption of such notes than such purchaser would have received if he or she had invested in the shares underlying the depositary receipts directly.

Depositary Receipts are Exposed to Risk of Non-Distributions

The issuer of the underlying shares may make distributions in respect of their shares that are not passed on to the purchasers of its depositary receipts, which can affect the value of the depositary receipts and the notes.

Depositary Receipts are Exposed to the Risk of Adjustments to Underlying Shares

If we issue a note linked to depositary receipts, Goldman Sachs International, as calculation agent for the note, or such other calculation agent as we will select, will adjust the reference price of, or make other adjustments relating to, each relevant depositary receipt in the event of stock splits, reverse stock splits, stock dividends, extraordinary dividends and other events that affect the underlying stock issuer's capital structure, but only in the situations we describe in "Description of the Program — Indexed Notes — Stocks — Adjustments — Additional Adjustments" below. The calculation agent will not be required to make an adjustment for every corporate event that may affect the stock underlying a depositary receipt. For example, the calculation agent will not make an adjustment for events such as an offering of a stock for cash by the stock issuer, a tender or exchange offer for less than all the outstanding stock by a third party. Those events or other actions by a stock issuer or a third party may nevertheless adversely affect the market price of the stock and the related depositary receipts and, therefore, adversely affect the value of the note. The stock issuer or a third party could make an offering or a tender or exchange offer, or the stock issuer could take any other action, that adversely affects the value of the stock, the related depositary receipt and the note but does not result in an anti-dilution adjustment.

Special Considerations Relating to Indexed Notes Linked to Funds

Where the notes are linked to one or more funds of an underlying index, the purchasers of such notes are exposed to the performance of such funds. The purchases will bear the risk that such performance cannot be predicted and purchasers should be aware that the limited availability of last sale information and quotations for funds may make it difficult for many purchasers to obtain timely, accurate data for the price or yield of such funds.

The valuation of a fund is generally controlled by the relevant fund manager or the investment adviser (as the case may be) of the fund. Valuations are performed in accordance with the terms and conditions governing the fund. Such valuations may be based upon the unaudited financial records of the fund and any accounts pertaining thereto. Such valuations may be preliminary calculations of the net asset values of the fund and the accounts. The fund may hold a significant number of investments which are illiquid or otherwise not actively traded and in respect of which reliable prices may be difficult to obtain. In consequence, the relevant fund manager or the investment adviser may vary certain quotations for such investments held by the fund in order to reflect its judgment as to the fair value thereof. Therefore, valuations may be subject to subsequent adjustments upward or downward. Uncertainties as to the valuation of the fund assets and/or accounts may have an adverse effect on the net asset value of the fund where such judgments regarding valuations prove to be incorrect.

A fund, and any fund components in which it may invest, may utilize (inter alia) strategies such as short-selling, leverage, securities lending and borrowing, investment in sub-investment grade or non-readily realizable investments, uncovered options transactions, options and futures transactions and foreign exchange transactions and the use of concentrated portfolios, each of which could, in certain circumstances, magnify adverse market developments and losses. Funds, and any fund components in which it may invest, may make investments in markets that are volatile and/or illiquid and it may be difficult or costly for positions therein to be opened or liquidated. No assurance can be given relating to the present or future performance of any fund or any fund component in which it may invest. The performance of each fund and fund component in which it may invest is dependent on the performance of the fund managers in selecting fund components and the management of the relevant component in respect of the fund components. No assurance can be given that these persons will succeed in meeting the investment objectives of the fund, that any analytical model used thereby will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which a fund has or may invest will prove accurate.

Funds may be subject not only to market price fluctuations, but also to numerous other factors that may trigger the substitution of any relevant fund by other constituents (which may, or may not be, another fund). Such substitution would change the profile and composition of the notes. If so specified in the applicable final terms, in the event of an occurrence of a merger event, an insolvency, a delisting or a substation event in respect of one or more of the funds specified in the applicable final terms, the calculation agent may replace the original fund with an alternative investment fund, but if it is unable to select a replacement or substation fund and/or a date for such substitution on the terms described herein the calculation agent may replace an original fund or a replacement fund, as applicable, with an index or a basket of indices, therefore changing the profile and composition of the notes.

Considerations Relating to the Role of The Goldman Sachs Group, Inc. and Its Affiliates

Trading and Other Transactions by Us in Instruments Linked to an Index or the Components of an Index May Impair the Market Price of an Indexed Note

We, through Goldman Sachs International or one or more of our other affiliates, expect to hedge our obligations under an indexed note by purchasing some or all of the following: index securities (in the case of an indexed note linked to an equity or debt index), index commodities (in the case of an indexed note linked to a commodity index) and options or futures on any of the indices or index components or other instruments linked to any of the indices or index components. We also expect to adjust any such hedges by, among other things, purchasing or selling any of the foregoing, at any time and from time to time and

to unwind such hedges by purchasing or selling any of the foregoing at any time. We may also enter into, adjust and unwind hedging transactions relating to other index-linked notes whose returns are linked to one or more indices. Any of these hedging activities may affect the level of any of the indices — directly or indirectly by affecting the price of the index components — and, therefore, may adversely affect the market price of the relevant notes. It is possible that we, through our affiliates, could receive substantial returns with respect to our hedging activities while the market price of the relevant notes may decline. You should read the discussion of use of proceeds in the applicable final terms for more information on the securities transactions in which we or one or more of our affiliates may engage.

Goldman Sachs International and our other affiliates may also engage in trading in one or more of the index components or instruments linked to any of the indices or index components included in an indexed note for their proprietary accounts, for other accounts under their management or to facilitate transactions, including, in the case of notes linked to an equity index, block transactions, on behalf of customers. Any of these activities of Goldman Sachs International or our other affiliates could affect the level of any of the indices — directly or indirectly by affecting the price of any index components — and, therefore, could adversely affect the market price of the relevant notes. We may also issue, and Goldman Sachs International and our other affiliates may also issue or underwrite, other securities or financial or derivative instruments with returns linked to changes in the level of any of the indices or index components. By introducing competing products into the marketplace in this manner, we and our affiliates could adversely affect the market price of the relevant notes.

The fiscal agency agreement governing notes we may issue under this European base prospectus does not, with respect to indexed notes, impose any restriction on our ability or the ability of any of our affiliates to purchase or sell all or any portion of the index components or instruments linked to those components or the indices.

Our Business Activities May Create Conflicts of Interest Between You and Us

As noted above, Goldman Sachs International and our other affiliates expect to engage in trading activities related to one or more of the indices included in an indexed note and the relevant index components that are not for your account or on your behalf. These trading activities may present a conflict between your interest in an indexed note and the interests Goldman Sachs International or our other affiliates have in their proprietary accounts, in facilitating transactions, including, in the case of notes linked to an equity index, block trades, for their customers and in accounts under their management. These trading activities, if they influence the level of the relevant index, could be adverse to your interests as a beneficial owner of an indexed note.

Goldman Sachs International and our other affiliates may, at present or in the future, engage in business with the issuers of the index securities contained in an equity or debt index included in an indexed note, including by making loans to or equity investments in those companies or providing advisory services to them. These services could include merger and acquisition advisory services. Any such activities may present a conflict between the obligations of Goldman Sachs International or another of our affiliates and your interests as a beneficial owner of an indexed note. Moreover, one or more of our affiliates may have published or in the future expect to publish research reports with respect to one or more of the issuers of the index securities contained in an equity or debt index included in an indexed note or the commodities and contracts underlying a commodity index included in an indexed note. Any of these activities by any of our affiliates may affect the level of any of the indices and, therefore, the market price of the relevant notes.

We or One of Our Affiliates May Be the Index Sponsor of an Index or Indices to Which Your Note Is Linked and Will Have the Authority to Make Determinations That Could Materially Affect Your Note in Various Ways and Create Conflicts of Interest

The index or indices to which your note is linked may be developed, owned, calculated and maintained by us or one of our affiliates. As index sponsor, we would be responsible for the composition, calculation and maintenance of the index and would have determinative influence over its composition,

calculation and maintenance. The judgments that we or our affiliates, as index sponsor, would make in connection with the composition, calculation and maintenance of the index, could affect both the market price of your note and the amount payable at maturity.

We or our affiliates, in our capacity as index sponsor of an index to which your note is linked, would have no obligation to take your interests into consideration for any reason. We or our affiliates may decide to discontinue calculating and publishing the index which could mean that Goldman Sachs International, our affiliate, as calculation agent, would have the discretion to make determinations with respect to the index levels of the index for purposes of calculating the amount payable at maturity.

As Calculation Agent, Goldman Sachs International Will Have the Authority to Make Determinations That Could Affect the Market Price of an Indexed Note, When the Note Matures and the Amount Payable at Maturity

As calculation agent, Goldman Sachs International will have discretion in making various determinations that affect the market price of an indexed note, including all determinations regarding the relevant index or indices (including adjustments, rebasing and substitution, among other factors), any successor indices, index reference prices, contract prices, market disruption events, exchange business days, observation dates, any other factors or events relevant to the calculation of amounts dependent on the performance of the index or indices, business days, if applicable, interest amounts and interest payment dates, and the stated maturity could adversely affect the market price for the note and may present Goldman Sachs International with a conflict of interest of the kind described above under "— Our Business Activities May Create Conflicts of Interest Between You and Us".

Considerations Relating to Notes Denominated or Payable in or Linked to Currencies Other Than Your Own Principal Currency

If you intend to invest in a note whose principal and/or interest is payable in a currency other than your own principal currency, which we refer to as a "foreign currency", or a note that may be settled by delivery of or reference to a foreign currency or property denominated in or otherwise linked to a foreign currency, you should consult your own financial, tax and legal advisors as to the currency risks entailed by your investment. Notes of this kind may not be an appropriate investment for investors who are unsophisticated with respect to foreign currency transactions.

An Investment in a Foreign Currency Note Involves Currency-Related Risks

An investment in a note denominated in a foreign currency may entail significant risks that may not be associated with a similar investment in a note payable solely in your own principal currency. These risks include the possibility of significant changes in rates of exchange between your currency and the various foreign currencies or composite currencies and the possibility of the imposition or modification of foreign exchange controls or other conditions by foreign governments. These risks generally depend on factors over which we have no control, such as financial, economic, military and political events and the supply of and demand for the relevant currencies in the global markets.

Changes in Foreign Currency Exchange Rates Can Be Volatile and Unpredictable

Rates of exchange between currencies have been highly volatile, and this volatility may continue and perhaps spread to other currencies in the future. Fluctuations in currency exchange rates could adversely affect an investment in a note denominated in, or whose value is otherwise linked to, a foreign currency. Depreciation of the specified currency against your own principal currency could result in a decrease in the market value of your note, including the principal payable at maturity. That in turn could cause the market value of your note to fall. Depreciation of the foreign currency against your own principal currency could result in a decline in the market value of your note.

Government Policy Can Adversely Affect Foreign Currency Exchange Rates and an Investment in a Foreign Currency Note

Foreign currency exchange rates can either float or be fixed by sovereign governments. From time to time, governments use a variety of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing foreign currency notes may be that their yields or payouts could be significantly and unpredictably affected by governmental actions. Even in the absence of governmental action directly affecting foreign currency exchange rates, political, military or economic developments in the country issuing the specified foreign currency for a note or elsewhere could lead to significant and sudden changes in the foreign currency exchange rate between the foreign currency and your principal currency. These changes could affect your principal currency equivalent value of the note as participants in the global currency markets move to buy or sell the foreign currency or your own principal currency in reaction to these developments.

Governments have imposed from time to time and may in the future impose exchange controls or other conditions, including taxes, with respect to the exchange or transfer of a specified currency that could affect exchange rates as well as the availability of a specified currency for a note at its maturity or on any other payment date. In addition, the ability of a holder to move currency freely out of the country in which payment in the currency is received or to convert the currency at a freely determined market rate could be limited by governmental actions.

Non-U.S. Dollar Notes Will Permit Us to Make Payments in U.S. Dollars or Delay Payment If We Are Unable to Obtain the Specified Currency

Notes payable in a currency other than U.S. dollars will provide that, if the other currency is not available to us at or about the time when a payment on the notes comes due because of circumstances beyond our control, we will be entitled to make the payment in U.S. dollars or delay making the payment. These circumstances could include the imposition of exchange controls or our inability to obtain the other currency because of a disruption in the currency markets. If we made payment in U.S. dollars, the exchange rate we would use would be based on the most recently available noon buying rate in New York City for cable transfers of the other currency, available from the Federal Reserve Bank of New York. The most recently available rate may be for a date substantially before the payment date. A determination of this kind may be based on limited information and would involve significant discretion on the part of the exchange rate agent, as specified in the applicable final terms. As a result, the value of the payment in U.S. dollars an investor would receive on the payment date may be less than the value of the payment the investor would have received in the other currency if it had been available, or may be zero. These matters are discussed under "Description of the Program — Features Common to All Notes — Currency of Notes" and "Description of the Program — Payment Mechanics for Notes" below. In addition, the unavailability of the specified non-U.S. currency will expose you to currency risks with respect to the U.S. dollar which would not have existed had the specified non-U.S. currency been available.

We Will Not Adjust Any Notes to Compensate for Changes in Foreign Currency Exchange Rates

Except as described above, we will not make any adjustment or change in the terms of any note in the event of any change in exchange rates for the relevant currency, whether in the event of any devaluation, revaluation or imposition of exchange or other regulatory controls or taxes or in the event of other developments affecting that currency or any other currency. Consequently, investors in notes will bear the risk that their investment may be adversely affected by these types of events.

In a Lawsuit for Payment on a Non-U.S. Dollar Note, an Investor May Bear Foreign Currency Exchange Risk

The notes will be governed by New York law. Under Section 27 of the New York Judiciary Law, a state court in the State of New York rendering a judgment on a note denominated in a foreign currency

other than U.S. dollars would be required to render the judgment in the specified currency; however, the judgment would be converted into U.S. dollars at the exchange rate prevailing on the date of entry of the judgment. Consequently, in a lawsuit for payment on a note denominated in a currency other than U.S. dollars, investors would bear currency exchange risk until judgment is entered, which could be a long time. You will therefore be exposed to currency risk with respect to both the U.S. dollar and, if applicable, the foreign currency.

In courts outside of New York, investors may not be able to obtain judgment in a specified currency other than U.S. dollars. For example, a judgment for money in an action based on a non-U.S. dollar note in many other U.S. federal or state courts ordinarily would be enforced in the United States only in U.S. dollars. The date used to determine the rate of conversion of the currency in which any particular note is denominated into U.S. dollars will depend upon various factors, including which court renders the judgment.

Information About Foreign Currency Exchange Rates May Not Be Indicative of Future Performance

If we issue a note denominated in a specified currency other than U.S. dollars, we may include in the applicable final terms a currency supplement that provides information about historical exchange rates for that currency in relation to the U.S. dollar. Any information about exchange rates that we may provide will be furnished as a matter of information only, and you should not regard the information as indicative of the range of, or trends in, fluctuations in foreign currency exchange rates that may occur in the future. That rate will likely differ from the exchange rate used under the terms that apply to a particular note. In addition, the historical relationship between the U.S. dollar and the specified non-U.S. currency may not be an accurate proxy for the historical relationship between your own principal currency and that currency.

Determinations Made By the Exchange Rate Agent

All determinations made by the exchange rate agent shall be at its sole discretion (except to the extent it is expressly provided in this European base prospectus or in the applicable final terms that any determination is subject to approval by us) and, in the absence of manifest error, shall be conclusive for all purposes and will bind all holders of the notes and us. The exchange rate agent will not have any liability for its determinations.

DOCUMENTS INCORPORATED BY REFERENCE

The Goldman Sachs Group, Inc. files documents and information with the United States Securities and Exchange Commission, which we refer to as the "SEC". The following documents, which The Goldman Sachs Group, Inc. has filed with the SEC, are hereby incorporated by reference into this European base prospectus:

(1) the Annual Report on Form 10-K for the fiscal year ended December 31, 2011 (File No. 001-14965) (which we refer to as the 2011 Form 10-K), including Exhibit 21.1 thereto (which we refer to as the 2011 Exhibit 21.1), which we filed with the SEC on February 28, 2012;

(2) the Proxy Statement relating to our 2012 Annual Meeting of Shareholders on May 24, 2012 (File No. 001-14965) (which we refer to as the 2012 Proxy Statement), which we filed with the SEC on April 13, 2012;

(3) the Current Report on Form 8-K dated April 17, 2012 (File No. 001-14965) (which we refer to as the April 17 Form 8-K) which we filed with the SEC on April 17, 2012; and

(4) the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2012 (File No. 001-14965) (which we refer to as the 2012 First Quarter Form 10-Q), which we filed with the SEC on May 9, 2012.

(5) Item 8.01 of the Current Report on Form 8-K dated June 22, 2012 (such incorporated section referred to below as the "June 22 Form 8-K"), which we filed with the U.S. Securities and Exchange Commission (the "SEC") on June 22, 2012

The Goldman Sachs Group, Inc. will provide without charge to each person to whom this European base prospectus is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been incorporated by reference into this European base prospectus, excluding exhibits to those documents. Unless otherwise indicated, any exhibits to those documents are not incorporated by reference into, and do not form part of, this European base prospectus. You can request those documents from Investor Relations, 200 West Street, New York, NY 10282, telephone +1 (212) 902-0300. In addition, such documents will be available free of charge from the Luxembourg listing agent, Banque Internationale à Luxembourg, *société anonyme*, from its principal office in Luxembourg. Our filings with the SEC are also available through the SEC's website at http://www.sec.gov. In addition, the European base prospectus and any SEC filings incorporated by reference into this European base prospectus will be filed with the Commission de Surveillance du Secteur Financier, and the Luxembourg Stock Exchange will publish such documents on its website at http://www.bourse.lu.

The following table indicates where information required by the Prospectus Directive to be disclosed in, and incorporated by reference into, the European base prospectus can be found in the documents referred to above. Any information not listed in the cross reference table but included in the documents incorporated by reference is provided for information purposes only.

Information required by the Prospectus Regulation	Document/Location
Selected financial information for the fiscal years ended December 31, 2011, December 31, 2010 and December 31, 2009 *(Annex IV, Section 3 of the Prospectus Regulation)*	2011 Form 10-K (p. 215)
Risk factors *(Annex IV, Section 4 of the Prospectus Regulation)*	2011 Form 10-K (pp. 21-34)

Information about us	
History and development of our company *(Annex IV, Section 5.1 of the Prospectus Regulation)*	2011 Form 10-K (p. 1)
Investments *(Annex IV, Section 5.2 of the Prospectus Regulation)*	2011 Form 10-K (pp. 81-82) 2012 First Quarter Form 10-Q (pp. 140-141)
Business overview	
Our principal activities *(Annex IV, Section 6.1 of the Prospectus Regulation)*	2011 Form 10-K (pp. 1-6, 115)
Our principal markets *(Annex IV, Section 6.2 of the Prospectus Regulation)*	2011 Form 10-K (pp. 1, 37, 43-44, 190-193)
Organizational structure *(Annex IV, Section 7 of the Prospectus Regulation)*	2011 Form 10-K (p. 26 and Exhibit 21.1)
Trend information *(Annex IV, Section 8 of the Prospectus Regulation)*	2011 Form 10-K (pp. 40-44) 2012 First Quarter Form 10-Q (pp. 106-108)
Administrative, management and supervisory bodies, including conflicts of interest *(Annex IV, Section 10 of the Prospectus Regulation)*	2011 Form 10-K (pp. 35-36) 2012 Proxy Statement (pp. 1-3, 7-21, 55-57)
Audit committee *(Annex IV, Section 11.1 of the Prospectus Regulation)*	2012 Proxy Statement (pp. 21-22, 48-49)
Beneficial owners of more than five per cent. *(Annex IV, Section 12 of the Prospectus Regulation)*	2012 Proxy Statement (p. 60)
Financial information	
Audited historical financial information for the fiscal years ended December 31, 2011 and December 31, 2010 *(Annex IV, Section 13.1-13.4 of the Prospectus Regulation)*	2011 Form 10-K (pp. 110-212)
Audit report *(Annex IV, Section 13.1 of the Prospectus Regulation)*	2011 Form 10-K (p. 109)
Balance sheet *(Annex IV, Section 13.1 of the Prospectus Regulation)*	2011 Form 10-K (p. 111)
Income statement *(Annex IV, Section 13.1 of the Prospectus Regulation)*	2011 Form 10-K (p. 110)
Cash flow statement *(Annex IV, Section 13.1 of the Prospectus Regulation)*	2011 Form 10-K (p. 113)
Accounting policies and explanatory notes *(Annex IV, Section 13.1 of the Prospectus Regulation)*	2011 Form 10-K (pp. 45-49, 115-212)

Financial or trading position (*Annex IV, Section 13.7 of the Prospectus Regulation*)	2011 Form 10-K (pp. 110-212) April 17 Form 8-K (pp. 2-4)
Interim and other financial information *(Annex IV, Section 13.5 of the Prospectus Regulation)*	2012 First Quarter Form 10-Q (pp. 2-104)
Unaudited selected interim financial information *(Annex IV, Section 3 of the Prospectus Regulation)*	April 17 Form 8-K (pp. 7-11)
Legal and arbitration proceedings (*Annex IV*, *Section 13.6 of the Prospectus Regulation)*	2011 Form 10-K (pp. 34, 195-207) 2012 First Quarter Form 10-Q (pp. 87-100, 169)
Share capital *(Annex IV, Section 14.1 of the Prospectus Regulation)*	2011 Form 10-K (pp. 111-112, 177-179) 2012 First Quarter Form 10-Q (pp. 4-5, 72-74)
Credit ratings *(Annex V, Section 7.5 of the Prospectus Regulation)*	2011 Form 10-K (pp. 91-92) 2012 First Quarter Form 10-Q (pp. 151-152) June 22 Form 8-K

INTRODUCTION

The Goldman Sachs Group, Inc. is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Founded in 1869, we are one of the oldest and largest investment banking firms. Our headquarters are located at 200 West Street, New York, NY 10282, telephone +1 (212) 902-1000. We also maintain offices in all major financial centers around the world.

The Goldman Sachs Group, Inc. has entered into an agreement with Goldman Sachs International, an affiliate of The Goldman Sachs Group, Inc., under which Goldman Sachs International will, and other dealers may, act as agents for the placement, or purchase for resale, of notes issued by The Goldman Sachs Group, Inc.

USE OF PROCEEDS

We intend to use the net proceeds from the sale of the notes to provide additional funds for our operations and for other general corporate purposes.

We will receive the net proceeds only from sales of the notes made in connection with their original issuance. We do not expect to receive any proceeds from resales of the notes by Goldman Sachs International or any of our other affiliates in market-making transactions. We expect our affiliates to retain the proceeds of their market-making resales and not to pay the proceeds to us.

DESCRIPTION OF THE PROGRAM

Information About Our Series C Euro Medium-Term Notes and Series E Subordinated Euro Medium-Term Note Program

General Description of the Program

When we refer to "notes" in this European base prospectus, unless otherwise indicated, we mean both the Series C euro medium-term notes and the Series E subordinated euro medium-term notes. The notes may be issued pursuant to this European base prospectus and the relevant final terms prepared in connection with a particular issuance of notes. The notes will not be secured by any property or assets. The Series C euro medium-term notes will not be subordinated to any of our other debt obligations. The Series E subordinated euro medium-term notes will rank junior in right of payment to our senior indebtedness, including the Series C euro medium-term notes. We may offer and sell these notes to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis.

The Notes May Be Senior or Subordinated

We may issue Series C euro medium-term notes or Series E subordinated euro medium-term notes. Neither the Series C euro medium-term notes nor the Series E subordinated euro medium-term notes will be secured by any property or assets of The Goldman Sachs Group, Inc. or its subsidiaries. Thus, by owning a note, you are one of our unsecured creditors.

The Series C euro medium-term notes will constitute part of our senior debt and will rank equally with all of our other unsecured and unsubordinated debt.

The Series E subordinated euro medium-term notes will constitute part of our subordinated debt and will be subordinated in right of payment to all of our senior indebtedness, as defined in "— Subordination Provisions" below.

The Notes Will Be Issued Under the Fiscal Agency Agreement

The notes will be issued pursuant to a document called the fiscal agency agreement. The fiscal agency agreement is a contract between The Goldman Sachs Group, Inc. and The Bank of New York Mellon (formerly known as The Bank of New York), which acts as fiscal agent. The fiscal agent performs certain administrative duties for us. The fiscal agent does not act as an indenture trustee on your behalf.

We May Issue Other Series of Debt Securities

The fiscal agency agreement permits us to issue different series of notes from time to time. Each of the Series C euro medium-term notes and the Series E subordinated euro medium-term notes will, respectively, be a single, distinct series of notes. We may, however, issue notes in such amounts, at such times and on such terms as we wish. The notes will differ from one another, and from other series, in their terms.

When we refer to the "notes" or "these notes", unless otherwise indicated, we mean the Series C euro medium-term notes, and the Series E subordinated euro medium-term notes. When we refer to a "series" of notes, we mean a series, such as the notes, issued under our fiscal agency agreement. When we refer to an "issue" or an "issuance" of notes, we mean an issue of notes having the same terms and conditions, including any reopenings of that issuance.

Amounts That We May Issue

The fiscal agency agreement does not limit the aggregate amount of notes that we may issue. Nor does it limit the number of series or the aggregate amount of any particular series we may issue. Also, if we issue notes having the same terms in a particular offering, we may "reopen" that offering at any later time and offer additional notes having the same stated maturity date, interest payment dates, if any, and other terms, except for the date of issuance and issue price. See "— Form, Exchange, Registration and Transfer — Extensions for Further Issuances" below.

The fiscal agency agreement and the notes do not limit our ability to incur other indebtedness or to issue other securities. Also, we are not subject to financial or similar restrictions by the terms of the notes or the fiscal agency agreement, except as described under "— Restriction on Liens" below.

Use of This European Base Prospectus in Market-Making Transactions

Our affiliates may use this European base prospectus to resell notes in market-making transactions from time to time, including both notes that we have issued before the date of this European base prospectus and notes that we have not yet issued. See "Plan of Distribution" below. In this European base prospectus, the term "this offering" means the initial offering of the notes made in connection with their original issuance. This term does not refer to any subsequent resales of notes in market-making transactions.

We Are a Holding Company

Because our assets consist primarily of interests in the subsidiaries through which we conduct our businesses, our right to participate as an equity holder in any distribution of assets of any of our subsidiaries upon the subsidiary's liquidation or otherwise, and thus the ability of our note holders to benefit from the distribution, is junior to creditors of the subsidiary, except to the extent that any claims we may have as a creditor of the subsidiary are recognized. Many of our subsidiaries, including our broker-dealer, bank and insurance subsidiaries, are subject to laws that restrict dividend payments or authorize regulatory bodies to block or reduce the flow of funds from those subsidiaries to us. Restrictions or regulatory action of that kind could impede access to funds that we need to make payments on our obligations, including debt obligations. Because some of our subsidiaries, including Goldman, Sachs & Co., are partnerships in which we are a general partner or the sole limited partner, we may be liable for their obligations. We also guarantee many of the obligations of our subsidiaries. Any liability we may have for our subsidiaries' obligations could reduce our assets that are available to satisfy our direct creditors, including investors in our notes.

Governing Law

The fiscal agency agreement and the notes will be governed by New York law.

This Section Is Only a Summarized Discussion of the Fiscal Agency Agreement and of Certain Terms of Your Note

Our fiscal agency agreement and related documents, including your note, contain the full legal text of the matters described in this section and your final terms. A copy of our fiscal agency agreement is available for inspection at the corporate trust office of the fiscal agent in the Borough of Manhattan, New York City and at the office of the paying agent listed at the end of this European base prospectus.

Investors should carefully read the description of the terms and provisions of the notes and the fiscal agency agreement below. This section and your final terms summarize all the material terms of the fiscal agency agreement and your note. They do not, however, describe every aspect of the fiscal agency agreement and your note. For example, in this section entitled "Description of the Program" and your final

terms, we use terms that have been given special meaning in the fiscal agency agreement, but we describe the meaning of only the more important of those terms.

As you read this section, please remember that the specific terms of your notes as described in your final terms will supplement and, if applicable, may modify and replace the general terms described in this section and elsewhere in this European base prospectus. If there are any differences between your final terms and this European base prospectus, your final terms will control with regard to your note. Thus, the statements we make in this section may not apply to your note.

When we refer to your final terms, we mean the final terms describing the specific terms of the note you purchase. The terms we use in any final terms that we also use in this document will have the meaning we give them in this document, unless we say otherwise in the applicable final terms.

Features Common to All Notes

Form of Notes

We will issue each note in registered form. If the notes are stated in the applicable final terms to be issued under NSS and that they are intended to be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations, then the notes will be registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg and we will deliver these notes to a common safekeeper for Euroclear and Clearstream, Luxembourg. Delivering the notes to a common safekeeper does not necessarily mean that the notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time or all times during their life.

Global notes in registered form which are not issued under NSS will be deposited with, and registered in the name of a nominee of, a common depositary for Euroclear and Clearstream, Luxembourg or other clearing system as specified in the applicable final terms.

For a further discussion of global notes in registered form, see "— Form, Exchange, Registration and Transfer" below.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable final terms.

Principal Amount, Stated Maturity and Maturity

Unless otherwise stated, the principal amount of a note means the principal amount payable at its stated maturity, unless such amount is not determinable, in which case the principal amount of a note is its face amount. Any notes owned by us or any of our affiliates are not deemed to be outstanding.

The term "stated maturity" with respect to any note means the day on which the principal amount of that note is scheduled to become due. The principal may become due sooner, by reason of redemption or acceleration after a default or otherwise in accordance with the terms of the note or later, due to the automatic extension of the stated maturity or the extension of the stated maturity at our election or the election of the holder, in each case, in accordance with the terms of the note. The day on which the principal actually becomes due, whether at the stated maturity or otherwise, is called the "maturity" of the principal.

In connection with any tranche of notes, the price and amount of notes to be offered under the program will be determined by us and the relevant dealer at the time of offer in accordance with prevailing market conditions.

Currency of Notes

Each note will be denominated in a currency, composite currency or basket of currencies or currency unit or units that will be specified on the face of the note and in the applicable final terms. We refer to this currency, composite currency, basket of currencies or currency unit or units as a "specified currency". Some notes may have different specified currencies for principal and interest. You will have to pay for your note by delivering the requisite amount of the specified currency for the principal to Goldman Sachs International or another firm that we name in your final terms, unless other arrangements have been made between you and us or you and that firm. We will make payments on the notes in the applicable specified currency or in another currency; for a further discussion of payment see "— Payment Mechanics for Notes" below. Unless otherwise specified in the applicable final terms, Goldman Sachs International will be the exchange rate agent for any note denominated in a currency that is not the U.S. dollar.

Unless otherwise specified in the applicable final terms, notes denominated or payable in Japanese yen must have an original maturity of at least one year and will have minimum denominations of ¥1,000,000. Notes denominated or payable in U.S. dollars will have minimum denominations of U.S.$2,000. Notes denominated or payable in euros will have minimum denominations of €1,000. Notes denominated or payable in British pounds sterling will have minimum denominations of £1,000. Notes denominated in any other currency or composite currency will have minimum denominations equal to at least €1,000 at the time of issuance.

See "Risk Factors — Considerations Relating to Notes Denominated or Payable in or Linked to Currencies Other Than Your Own Principal Currency" above for more information about the risks of investing in notes denominated in a currency different from your own principal currency.

Types of Notes

We may issue the following three types of notes:

- ***Fixed Rate Notes.*** A note of this type will bear interest at a fixed rate described in the applicable final terms. This type includes zero coupon notes, which bear no interest and are instead issued at a price lower than the principal amount. See "— Interest Rates — Fixed Rate Notes" below.
- ***Floating Rate Notes.*** A note of this type will bear interest at rates that are determined by reference to an interest rate formula. In some cases, the rates may also be adjusted by adding or subtracting a spread or multiplying by a spread multiplier and may be subject to a minimum rate or a maximum rate. The various interest rate formulas and these other features are described below under "— Interest Rates — Floating Rate Notes". If your note is a floating rate note, the formula and any adjustments that apply to the interest rate will be specified in your final terms.
- ***Indexed Notes.*** A note of this type provides that the principal amount payable at its stated maturity, and/or amounts payable during the life of the note, will be determined by reference to, directly or indirectly:
  - — securities of one or more issuers;
  - — one or more currencies;
  - — one or more commodities;
  - — any consumer price or other inflation index;

— any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance and credit events relating to one or more issuers or securities;

— one or more indices; and/or

— one or more baskets of the items described above;

as specified in the applicable final terms.

A note may have elements of each of the three types of notes listed above. For example, a note may bear interest at a fixed rate in some periods and at a floating rate in others. Similarly, a note may provide for a payment of principal at maturity linked to an index and also bear interest at a fixed or floating rate.

An indexed note may provide either for cash settlement or for physical settlement by delivery of the underlying security or another property of the type listed above. It may also provide that the form of settlement may be determined at our option or at the holder's option. Some indexed notes may be convertible, exercisable or exchangeable, at our option or the holder's option, into or for securities of an issuer other than The Goldman Sachs Group, Inc.

If you are a holder of an indexed note, you may receive a principal amount at maturity (including upon acceleration following an event of default) that is less than the outstanding face amount of your note or you may receive no principal amount at all, depending upon the formula used to determine the amount payable and the value of the applicable index or indices at maturity. The value of the applicable index or indices may fluctuate over time.

If you purchase an indexed note, your final terms will include information about the relevant index or indices, about how any amounts that are to become payable will be determined by reference to the price or value of each index, about the terms on which the security may be settled physically or in cash, about any additional foreign exchange or other risks and about any additional tax considerations. Unless the final terms otherwise specify, Goldman Sachs International will be the calculation agent that will calculate the amounts payable with respect to the indexed note and may exercise significant discretion in doing so. You should carefully read "Risk Factors — Considerations Relating to Indexed Notes" above and any risk factors specified in the relevant final terms before you purchase any indexed notes.

Original Issue Discount Notes

A fixed rate note, a floating rate note or an indexed note may be an original issue discount note. A note of this type is issued at a price lower than its principal amount and provides that, upon redemption or acceleration of its maturity, an amount less than its principal amount will be payable. An original issue discount note may be a zero coupon note.

Sinking Fund

Unless otherwise indicated in your final terms, the notes will not be entitled to the benefit of any sinking fund — that is, we will not deposit money on a regular basis into a separate custodial account to repay your notes.

Information in the Final Terms

Your final terms will describe the specific terms of your note, which will include some or all of the following terms of your note:

- the specified currency or currencies for principal and interest and, if the specified currency is not U.S. dollars, certain other terms relating to your note;

- the authorized denomination;
- the issue price at which we originally issue your note, expressed as a percentage of the aggregate principal amount;
- the original issue date;
- the stated maturity, which will not be more than 40 years from the original issue date and, if applicable, any provisions for the extension of the stated maturity date;
- whether your note is a fixed rate note, a floating rate note, an indexed note or whether it combines elements of each of these types of notes;
- whether your notes are represented by a global note or a master global note;
- if your note is a fixed rate note, the annual rate at which your note will bear interest for the relevant periods and the interest payment dates, if different from those stated under "— Interest Rates — Fixed Rate Notes" below;
- if your note is a floating rate note, the interest rate basis for the relevant periods, which may be one of the ten base rates described under "— Interest Rates — Floating Rate Notes" below or any other interest rate formula as specified in your final terms; any applicable index currency or maturity, spread or spread multiplier or initial base rate, maximum rate or minimum rate; if the interest rate basis for your notes is the CMT rate, the designated CMT Reuters screen page; if the interest rate basis for your notes is the federal funds rate, whether the federal funds rate will be determined by reference to the federal funds (effective) rate or the federal funds open rate; and the interest reset, determination, calculation and payment dates, all of which we describe under "— Interest Rates — Floating Rate Notes" below; the day count convention used to calculate interest payments for any period; the business day convention; and the calculation agent;
- if your note is an indexed note, the principal amount, if any, we will pay you at maturity, the amount of interest, if any, we will pay you on the relevant interest payment date or dates or the formula we will use to calculate these amounts, and the terms on which your note will be exchangeable for or payable in cash, securities of an issuer other than The Goldman Sachs Group, Inc. or other property in addition to certain other information relating to the indexed note;
- if your debt security may be converted into or exercised or exchanged for debt or equity securities of one or more issuers other than The Goldman Sachs Group, Inc. or one of its affiliates, the terms on which such conversion, exercise or exchange may occur, including whether conversion, exercise or exchange may occur, including whether such conversion, exercise or exchange is mandatory, at the option of the holder or at our option, the period during which such conversion, exercise or exchange may occur, the initial conversion, exercise or exchange price or rate and the circumstances or manner in which the amount of common or preferred stock or other securities issuable upon conversion, exercise or exchange may be adjusted;
- whether your note is an original issue discount note and, if so, the yield to maturity;
- if applicable, or to the extent we want to modify the provisions described in this European base prospectus, the circumstances under which your note may be redeemed at our option or repaid at the holder's option before the stated maturity, including any redemption or repayment commencement date, redemption or repayment date(s), redemption or repayment price(s) and redemption or repayment period(s), all of which we describe under "— Redemption and Repayment" below;
- whether your note will be listed on the Official List of the Luxembourg Stock Exchange or any other exchange;
- whether your note is a Series C euro medium-term note or a Series E subordinated euro medium-term note; and

- any other terms of your note which could be different from those described in this European base prospectus.

Notes Offered During Subscription Period

The final terms will also specify if an offering of securities is open for subscription for a specified period of time and, if so, will specify the following:

- if applicable, the process for notification to applicants of the amount allotted and an indication whether dealing in the notes being offered may begin before such notification is made;
- any conditions to which the offer is subject;
- the total amount of the offer and how the amount of notes offered may be increased;
- if applicable, the time period during which the offer will be open and a description of the subscription process;
- if applicable, a description of the possibility to reduce subscriptions and the manner for refunding excess amounts paid by subscribers;
- if applicable, details of the minimum and/or maximum subscription amount;
- if applicable, the method and time limits for paying up the notes being offered; or
- if applicable, a full description of the manner and date in which results of the offer are to be made public.

Market-Making Transactions

If you purchase your note in a market-making transaction, you will receive information about the issue price, trade and settlement dates in a separate confirmation of sale. A market-making transaction is one in which Goldman Sachs International or another of our affiliates resells a note it has previously acquired from another holder. A market-making transaction in a particular note occurs after the original issuance and sale of the note.

Business Days

The following definitions of "business day" may apply to any note, as specified in the applicable final terms:

"Euro business day" means each Monday, Tuesday, Wednesday, Thursday and Friday on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System, or any successor system, is open for business.

"London business day" means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in London generally are authorized or obligated by law, regulation or executive order to close and, in the case of any note for which LIBOR is an interest rate basis, is also a day on which dealings in the applicable index currency are transacted in the London interbank market.

"New York business day" means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City generally are authorized or obligated by law, regulation or executive order to close.

Unless otherwise specified in the applicable final terms, for all notes, a business day must be at least a New York business day. Additional business days not defined above may apply to your note and will be described in the applicable final terms.

Business Day Conventions

As specified in the applicable final terms, the following business day conventions may apply to any note with regard to any relevant date other than one that falls on the stated maturity date:

"Following Business Day Convention" or "Following Adjusted Business Day Convention" means, for any interest payment date, other than the stated maturity date, if such date would otherwise fall on a day that is not a business day, such date will be postponed to the next day that is a business day.

"Modified Following Business Day Convention" or "Modified Following Adjusted Business Day Convention" means, for any interest payment date, other than the stated maturity date, if such date would otherwise fall on a day that is not a business day, such date will be postponed to the next day that is a business day; *provided* that, if such day would fall in the next succeeding calendar month, the date of payment with respect to such interest payment date will be advanced to the business day immediately preceding such interest payment date.

"Following Unadjusted Business Day Convention" means, for any interest payment date, other than the stated maturity date, that falls on a day that is not a business day, any payment due on such interest payment date will be postponed to the next day that is a business day; *provided* that interest due with respect to such interest payment date shall not accrue from and including such interest payment date to and including the date of payment of such interest as so postponed.

"Modified Following Unadjusted Business Day Convention" means, for any interest payment date, other than the stated maturity date, that falls on a day that is not a business day, any payment due on such interest payment date will be postponed to the next day that is a business day; *provided* that, that interest due with respect to such interest payment date shall not accrue from and including such interest payment date to and including the date of payment of such interest as so postponed; and *provided further* that if such day would fall in the next succeeding calendar month, the date of payment with respect to such interest payment date will be advanced to the business day immediately preceding such interest payment date.

In all cases, if the stated maturity date or any earlier redemption or repayment date with respect to a note falls on a day that is not a business day, any payment of principal, premium, if any, and interest otherwise due on such day will be made on the next succeeding business day, and no interest on such payment shall accrue for the period from and after the stated maturity date, redemption date or repayment date, as the case may be.

Interest Rates

This subsection describes the different kinds of interest rates that may apply to your note, if it bears interest.

Fixed Rate Notes

A note of this type will bear interest at a fixed rate specified in your final terms. This type of note, includes zero coupon notes, which bear no interest and are instead issued at a price lower than the principal amount. See "— Features Common to All Notes — Original Issue Discount Notes" above for more information about zero coupon and other original issue discount notes.

Each fixed rate note, except any zero coupon note, will bear interest from its original issue date or from the most recent interest payment date to which interest on the note has been paid or made available for payment. Interest will accrue on the principal of a fixed rate note at a fixed rate per annum stated in the note and the applicable final terms, until the principal is paid or made available for payment or the note is converted or exchanged. Your final terms will describe the interest periods and relevant interest payment dates on which interest on fixed rate notes will be payable. Each payment of interest due on an

interest payment date or at maturity will include interest accrued from and including the last date to which interest has been paid or made available for payment, or from the issue date if none has been paid, or made available for payment, to, but excluding, the interest payment date or the date of maturity. We will compute interest on fixed rate notes on the basis of a 360-day year of twelve 30-day months (30/360 (ISDA) day count convention), unless your final terms provide that we will compute interest on a different basis. We will pay interest on each interest payment date and at maturity as described under "— Payment Mechanics for Notes" below.

If your note is a zero coupon note, the applicable final terms may specify the original issue discount and the accreted value. The accreted value will be (1) as of any date prior to the stated maturity date, an amount equal to the sum of (A) the original issue price of your note and (B) the portion of the excess of the face amount of your note over the original issue price which shall have been accreted from the issue price on a daily basis and compounded annually on a date specified in the applicable final terms, up to and including the stated maturity date, at a rate that will be specified in the applicable final terms from the original issue date, computed on the basis of a 360-day year consisting of twelve 30-day calendar months; and (2) as of any date on or after the stated maturity date, the face amount of your note.

Floating Rate Notes

In this subsection, we use several specialized terms relating to the manner in which floating interest rates are calculated. These terms appear in ***bold, italicized*** *type the first time they appear, and we define these terms in "— Special Rate Calculation Terms" at the end of this subsection.*

A note of this type will bear interest at rates that are determined by reference to an interest rate formula specified in the final terms. In some cases, the rates may be adjusted by adding or subtracting a spread or multiplying by a spread multiplier and may be subject to a minimum rate or a maximum rate, as described in greater detail below. If your note is a floating rate note, the formula and any adjustments that apply to the interest rate will be specified in your final terms.

Each floating rate note will bear interest from its original issue date or from the most recent interest payment date to which interest on the note has been paid or made available for payment. Interest will accrue on the principal of a floating rate note at the annual rate determined according to the interest rate formula stated in the note and the applicable final terms, until the principal is paid or made available for payment. We will pay interest on each interest payment date and at maturity as described under "— Payment Mechanics for Notes" below.

Base Rates

We currently expect to issue floating rate notes that bear interest at rates based on one or more of the following base rates:

- the commercial paper rate;
- the prime rate;
- LIBOR;
- EURIBOR;
- the treasury rate;
- the CMT rate;
- the CD rate;
- the CMS rate;

- the federal funds rate; and/or
- the 11th district cost of funds rate.

We describe each of these base rates in further detail below in this subsection. If you purchase a floating rate note, your final terms will specify the type of base rate that applies to your note. A note may bear interest at any of the base rates specified above or at any other rate, as specified in the applicable final terms.

Initial Base Rate

For any floating rate note, the base rate in effect from and including the original issue date to but excluding the first interest reset date will be the initial base rate. Unless otherwise specified in your final terms, the initial base rate will be the interest rate determined on the first interest determination date.

Spread or Spread Multiplier

In some cases, the base rate for a floating rate note may be adjusted:

- by adding or subtracting a specified number of basis points, called the spread, with one basis point being 0.01%;
- by multiplying the base rate by a specified percentage, called the spread multiplier; or
- by a combination of the foregoing.

If you purchase a floating rate note, your final terms will specify whether a spread or spread multiplier will apply to your note and, if so, the amount of the spread or spread multiplier.

Maximum and Minimum Rates

The actual interest rate, after being adjusted by the spread or spread multiplier, may also be subject to either or both of the following limits:

- a maximum rate — *i.e.*, a specified upper limit that the actual interest rate in effect at any time may not exceed; and/or
- a minimum rate — *i.e.*, a specified lower limit that the actual interest rate in effect at any time may not fall below.

If you purchase a floating rate note, your final terms will specify whether a maximum rate and/or minimum rate will apply to your note and, if so, what those rates are.

Whether or not a maximum rate applies, the interest rate on a floating rate note will in no event be higher than the maximum rate permitted by New York law, as it may be modified by U.S. law of general application. Under current New York law, the maximum rate of interest, with some exceptions, for any loan in an amount less than $250,000 is 16% and for any loan in the amount of $250,000 or more but less than $2,500,000 is 25% per year on a simple interest basis. No limits apply to loans of $2,500,000 or more.

The rest of this subsection describes how the interest rate and the interest payment dates will be determined, and how interest will be calculated, on a floating rate note.

Interest Reset Dates

The rate of interest on a floating rate note will be reset, by the calculation agent described below, daily, weekly, monthly, quarterly, semi-annually or annually (each, an “interest reset period”). The date on

which the interest rate resets and the reset rate becomes effective is called the interest reset date. Except as otherwise specified in the applicable final terms, the interest reset date will be as follows:

- for floating rate notes that reset daily, each business day;
- for floating rate notes that reset weekly and are not treasury rate notes, the Wednesday of each week;
- for treasury rate notes that reset weekly, the Tuesday of each week, except as otherwise described in the next to last paragraph under "— Interest Determination Dates" below;
- for floating rate notes that reset monthly, the third Wednesday of each month;
- for floating rate notes that reset quarterly, the third Wednesday of March, June, September and December of each year;
- for floating rate notes that reset semi-annually, the third Wednesday of each of two months of each year as specified in the applicable final terms; and
- for floating rate notes that reset annually, the third Wednesday of one month of each year as specified in the applicable final terms.

For a floating rate note, the interest rate in effect on any particular day will be the interest rate determined with respect to the latest interest reset date that occurs on or before that day. There are several exceptions, however, to the reset provisions described above.

The base rate in effect from and including the original issue date to, but excluding, the first interest reset date will be the initial base rate. For floating rate notes that reset daily or weekly, the base rate in effect for each day following the second business day before an interest payment date to, but excluding, the interest payment date, and for each day following the second business day before the maturity date to, but excluding, the maturity date, will be the base rate in effect on that second business day.

Unless otherwise specified in the applicable final terms, if any interest reset date would otherwise be a day that is not a business day, the interest reset date will be adjusted in accordance with the applicable business day convention.

Interest Determination Dates

The interest rate that takes effect on an interest reset date will be determined by the calculation agent by reference to a particular date called an interest determination date. Except as otherwise specified in the applicable final terms:

- For all floating rate notes other than LIBOR notes, EURIBOR notes, treasury rate notes and 11th district cost of funds rate notes, the interest determination date relating to a particular interest reset date will be the second business day before the interest reset date.
- For LIBOR notes, the interest determination date relating to a particular interest reset date will be the second London business day preceding the interest reset date, unless the ***index currency*** is pounds sterling, in which case the interest determination date will be the interest reset date. We refer to an interest determination date for a LIBOR note as a LIBOR interest determination date.
- For EURIBOR notes, the interest determination date relating to a particular interest reset date will be the second euro business day preceding the interest reset date. We refer to an interest determination date for a EURIBOR note as a EURIBOR interest determination date.
- For treasury rate notes, the interest determination date relating to a particular interest reset date, which we refer to as a treasury interest determination date, will be the day of the week in which the interest reset date falls on which treasury bills — *i.e.*, direct obligations of the U.S. government — would normally be auctioned. Treasury bills are usually sold at auction on the Monday of each week, unless that day is a legal holiday, in which case the auction is usually held

on the following Tuesday, except that the auction may be held on the preceding Friday. If as the result of a legal holiday an auction is held on the preceding Friday, that Friday will be the treasury interest determination date relating to the interest reset date occurring in the next succeeding week. If the auction is held on a day that would otherwise be an interest reset date, then the interest reset date will instead be the first business day following the auction date.

- For 11th district cost of funds rate notes, the interest determination date relating to a particular interest reset date will be the last working day, in the first calendar month before that interest reset date, on which the Federal Home Loan Bank of San Francisco publishes the monthly average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District for the second calendar month before that interest reset date. We refer to an interest determination date for an 11th district cost of funds rate note as an 11th district interest determination date.

The interest determination date for any other floating rate note will be as specified in your final terms.

Unless otherwise specified in the applicable final terms, if any interest determination date would otherwise be a day that is not a business day, the interest determination date will be adjusted in accordance with the applicable business day convention.

Interest Calculation Dates

As described above, the interest rate that takes effect on a particular interest reset date will be determined by reference to the corresponding interest determination date. Except for LIBOR notes and EURIBOR notes, however, the determination of the rate will actually be made on a day no later than the corresponding interest calculation date. Unless otherwise specified in the applicable final terms, the interest calculation date will be the earlier of the following:

- the tenth calendar day after the interest determination date or, if that tenth calendar day is not a business day, the next succeeding business day;
- the business day immediately preceding the interest payment date or the maturity date, whichever is the day on which the next payment of interest will be due; or
- in the case of floating rate notes listed on the Official List of the Luxembourg Stock Exchange, the first date of the interest period — *i.e.*, the period from and including the original issue date, or the last date interest was paid or made available for payment, to, but excluding, the payment date — beginning on or after the interest reset date.

The calculation agent need not wait until the relevant interest calculation date to determine the interest rate if the rate information it needs to make the determination is available from the relevant sources sooner.

Interest Payment Dates

The interest payment dates for a floating rate note will depend on when the interest rate is reset and, unless we say otherwise in the applicable final terms, will be as follows:

- for floating rate notes that reset daily, weekly or monthly, on the third Wednesday of each month or the third Wednesday of March, June, September and December of each year, as specified in the applicable final terms;
- for floating rate notes that reset quarterly, on the third Wednesday of March, June, September and December of each year;
- for floating rate notes that reset semi-annually, on the third Wednesday of the two months of each year specified in the applicable final terms; or
- for floating rate notes that reset annually, on the third Wednesday of the month specified in the applicable final terms.

Regardless of these rules, if a note is originally issued after the regular record date and before the date that would otherwise be the first interest payment date, the first interest payment date will be the date that would otherwise be the second interest payment date. We define "regular record date" under "— Payment Mechanics for Notes — Who Receives Payment?" below. Unless otherwise specified in the applicable final terms, if any interest payment date would otherwise be a day that is not a business day, the interest payment date will be adjusted in accordance with the applicable business day convention.

Calculation of Interest

Calculations relating to floating rate notes will be made by the calculation agent, an institution that we appoint as our agent for this purpose. That institution could include any affiliate of ours, such as Goldman Sachs International. The final terms for a particular note will name the institution that we have appointed to act as the calculation agent for that note as of its original issue date. Unless otherwise specified in the applicable final terms, we have initially appointed Goldman Sachs International as our calculation agent for all the floating rate notes. We may appoint a different institution to serve as calculation agent from time to time after the original issue date of the notes without your consent and without notifying you of the change. We may also appoint different calculation agents for different notes. Absent manifest error, all determinations of the calculation agent will be final and binding on you and us, without any liability on the part of the calculation agent.

For each floating rate note, the calculation agent will determine, on the corresponding calculation or interest determination date, as described above, the interest rate that takes effect on each interest reset date. In addition, the calculation agent will calculate the amount of interest that has accrued during each interest period — *i.e.*, the period from and including the original issue date, or the last date to which interest has been paid or made available for payment, to, but excluding, the payment date. For each interest period, the calculation agent will calculate the amount of accrued interest as the product of the face amount of the floating rate note multiplied by the applicable interest rate multiplied by an accrued interest factor for the interest period. This factor will be determined in accordance with the day count convention specified in the applicable final terms, including the following:

- If "1/1 (ISDA)" is specified, the factor will be equal to 1.
- If "Actual/Actual (ISDA)", or "Act/Act (ISDA)" is specified, the factor will be equal to the number of days in the interest period divided by 365 (or, if any portion of that interest period falls in a leap year, the sum of (1) the number of days in that portion of the interest period falling in a leap year divided by 366 and (2) the number of days in that portion of the interest period falling in a non-leap year divided by 365).
- If "Actual/Actual (ICMA)" is specified, the factor will be equal to the number of days in the interest period, including February 29 in a leap year, divided by the product of (1) the actual number of days in such interest period and (2) the number of interest periods in the calendar year
- If "Actual/Actual (Bond)" is specified, the factor will be equal to the number of calendar days in the interest period, divided by the number of calendar days in the interest period multiplied by the number of interest periods in the calendar year.
- If "Actual/Actual (Euro)" is specified, the factor will be equal to the number of calendar days in the interest period divided by 365 or, if the interest period includes February 29, 366.
- If "Actual/365 (Fixed)", "Act/365 (Fixed)", "A/365 (Fixed)" or "A365F" is specified, the factor will be equal to the actual number of days in the interest period divided by 365.
- If "Actual/360 (ISDA)", "Act/360 (ISDA)" or "A/360 (ISDA)" is specified, the factor will be equal to the number of days in the interest period divided by 360.
- If "Actual/360 (ICMA)" is specified, the factor will be equal to the number of calendar days in the period, including February 29 in a leap year, divided by 360 days.

- If "30/360 (ISDA)", "360/360 (ISDA)" or "Bond Basis (ISDA)" is specified, the number of days in the interest period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y(2) - Y(1))] + [30 \times (M(2) - M(1))] + (D(2) - D(1))}{360}$$

where:

"Y(1)" is the year, expressed as a number, in which the first day of the interest period falls;

"Y(2)" is the year, expressed as a number, in which the day immediately following the last day included in the interest period falls;

"M(1)" is the calendar month, expressed as a number, in which the first day of the interest period falls;

"M(2)" is the calendar month, expressed as a number, in which the day immediately following the last day included in the interest period falls;

"D(1)" is the first calendar day, expressed as a number, of the interest period, unless such number would be 31, in which case D(1) will be 30; and

"D(2)" is the calendar day, expressed as a number, immediately following the last day included in the interest period, unless such number would be 31 and D(1) is greater than 29, in which case D(2) will be 30.

- If "30E/360", "30E/360 (ISDA)" or "Eurobond Basis" is specified, the number of days in the interest period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y(2) - Y(1))] + [30 \times (M(2) - M(1))] + (D(2) - D(1))}{360}$$

where:

"Y(1)" is the year, expressed as a number, in which the first day of the interest period falls;

"Y(2)" is the year, expressed as a number, in which the day immediately following the last day included in the interest period falls;

"M(1)" is the calendar month, expressed as a number, in which the first day of the interest period falls;

"M(2)" is the calendar month, expressed as a number, in which the day immediately following the last day included in the interest period falls;

"D(1)" is the first calendar day, expressed as a number, of the interest period, unless such number would be 31, in which case D(1) will be 30; and

"D(2)" is the calendar day, expressed as a number, immediately following the last day included in the interest period, unless (i) such number would be 31, and (ii), if "30E/360 (ISDA)" is specified, that day is also the last day of February, in which case D(2) will be 30.

Unless otherwise specified in the applicable final terms, commercial paper rate notes, prime rate notes, LIBOR notes, EURIBOR notes, CD rate notes, federal funds rate notes and 11th district cost of

funds rate notes will be subject to the Actual/360 (ISDA) day count convention, and treasury rate notes, CMT rate notes and CMS rate notes will be subject to the Actual/Actual (ISDA) day count convention.

Upon the request of the holder of any floating rate note, the calculation agent will provide the interest rate then in effect, and, if determined, the interest rate that will become effective on the next interest reset date with respect to such floating rate note. The calculation agent's determination of any interest rate will be conclusive for all purposes and binding in the absence of manifest error.

All percentages resulting from any calculations relating to a note will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point (*e.g.*, 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655)). All amounts used in or resulting from any calculations will be rounded upward or downward, as appropriate, to the nearest cent, in the case of U.S. dollars and euros, or to the nearest corresponding hundredth of a unit, in the case of a currency other than U.S. dollars, with one-half cent or one-half of a corresponding hundredth of a unit or more being rounded upward.

In determining the base rate that applies to a floating rate note during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as described in the following subsections. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any agent participating in the distribution of the relevant floating rate notes and its affiliates, and they may include affiliates of The Goldman Sachs Group, Inc.

With respect to any floating rate note listed on the Official List of the Luxembourg Stock Exchange, the calculation agent communicates the interest rate for each interest period, together with the amount of interest which will accrue in respect of the note's minimum denomination during such interest period, the interest payment date on which such interest will be payable, the interest period and the number of days in the interest period, to The Goldman Sachs Group, Inc., Clearstream, Luxembourg, Euroclear, any paying agent and the Luxembourg Stock Exchange no later than noon, Luxembourg time, on the first day of such interest period. The published amount of interest to accrue and the interest payment date may subsequently be modified without notice in the event that the interest period is shortened or lengthened pursuant to the terms of the note.

Commercial Paper Rate Notes

If you purchase a commercial paper rate note, your note will bear interest at a base rate equal to the commercial paper rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The commercial paper rate will be the ***money market yield*** of the rate, for the relevant interest determination date, for commercial paper having the ***index maturity*** specified in your final terms, as published in ***H.15(519)*** opposite the heading "Commercial Paper — Nonfinancial". If the commercial paper rate cannot be determined as described above, the following procedures will apply:

- If the rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the commercial paper rate will be the rate, for the relevant interest determination date, for commercial paper having the index maturity specified in your final terms, as published in ***H.15 daily update*** or any other recognized electronic source used for displaying that rate, opposite the heading "Commercial Paper — Nonfinancial".
- If the rate described above does not appear in H.15(519), H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the commercial paper rate will be the money market yield of the arithmetic mean of the following offered rates for U.S. dollar commercial paper that has the relevant index maturity and is

placed for an industrial issuer whose bond rating is "AA", or the equivalent, from a nationally recognized rating agency: the rates offered as of 11:00 A.M., New York City time, on the relevant interest determination date, by three leading U.S. dollar commercial paper dealers in New York City selected by the calculation agent.

- If fewer than three dealers selected by the calculation agent are quoting as described above, the commercial paper rate for the new interest period will be the commercial paper rate in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

CD Rate Notes

If you purchase a CD rate note, your note will bear interest at a base rate equal to the CD rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The CD rate will be the rate, on the relevant interest determination date, for negotiable U.S. dollar certificates of deposit having the index maturity specified in your final terms, as published in H.15(519) opposite the heading "CDs (secondary market)". If the CD rate cannot be determined in this manner, the following procedures will apply:

- If the rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the CD rate will be the rate, for the relevant interest determination date, described above as published in H.15 daily update, or another recognized electronic source used for displaying that rate, under the heading "CDs (secondary market)".
- If the rate described above does not appear in H.15(519), H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the CD rate will be the arithmetic mean of the following secondary market offered rates for negotiable U.S. dollar certificates of deposit of major U.S. money center banks with a remaining maturity closest to the specified index maturity and in a representative amount: the rates offered as of 10:00 A.M., New York City time, on the relevant interest determination date, by three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in New York City, as selected by the calculation agent.
- If fewer than three dealers selected by the calculation agent are quoting as described in the prior paragraph, the CD rate in effect for the new interest period will be the CD rate in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

CMS Rate Notes

If you purchase a CMS rate note, your note will bear interest at a base rate equal to the CMS rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The CMS rate will be the rate, on the relevant interest determination date, appearing on Reuters page ISDAFIX2 (or any successor or replacement page) under the heading "EURIBOR Basis-EUR" or "LIBOR Basis-EUR", for the applicable index maturity at 10:00 A.M., London time, as specified in the applicable final terms. If the CMS rate cannot be determined in this manner, the following procedures will apply:

- If the rate described above does not appear on Reuters page ISDAFIX2 under the appropriate heading for the index maturity specified in your final terms at 10:00 A.M., London time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the CMS rate will be determined on the basis of the mid-market semi-annual swap rate quotations provided by five leading swap dealers in the London interbank market at approximately 10:00 A.M., London time, on the relevant interest determination date. For this purpose, the semi-annual swap rate means the mean of the bid and offered rates for the

semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the index maturity specified in your final terms commencing on the relevant interest determination date with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an actual/360 day count basis, is equivalent to EURIBOR (in the case of EURIBOR Basis-EUR) or LIBOR (in the case of LIBOR Basis-EUR) with a maturity of three months, as such rate may be determined in accordance with the provisions set forth under "— EURIBOR Notes". The calculation agent will select the five swap dealers in its sole discretion and will request the principal London office of each of those dealers to provide a quotation of its rate.

- If at least three quotations are provided, the CMS rate for that interest determination date will be the arithmetic mean of the quotations, eliminating the highest and lowest quotations or, in the event of equality, one of the highest and one of the lowest quotations.
- If fewer than three quotations are provided, the calculation agent will determine the CMS rate in its sole discretion.

CMT Rate Notes

If you purchase a CMT rate note, your note will bear interest at a base rate equal to the CMT rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The CMT rate will be the following rate as published in H.15(519) opposite the heading "Treasury Constant Maturities", as the yield is displayed on the ***designated CMT Reuters screen page*** under the heading ". . . Treasury Constant Maturities . . . ", under the column for the ***designated CMT index maturity*****:**

- If the designated CMT Reuters screen page is the Reuters screen FRBCMT page, the rate for the relevant interest determination date; or
- If the designated CMT Reuters screen page is the Reuters screen FEDCMT page, the weekly or monthly average, as specified in your final terms, for the week that ends immediately before the week in which the relevant interest determination date falls, or for the month that ends immediately before the month in which the relevant interest determination date falls, as applicable.

If the CMT rate cannot be determined in this manner, the following procedures will apply:

- If the applicable rate described above is not displayed on the relevant designated CMT Reuters screen page at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the CMT rate will be the applicable treasury constant maturity rate described above — *i.e.*, for the designated CMT index maturity and for either the relevant interest determination date or the weekly or monthly average, as applicable — as published in H.15(519).
- If the applicable rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, then the CMT rate will be the treasury constant maturity rate, or other U.S. treasury rate, for the designated CMT index maturity and with reference to the relevant interest determination date, that:

  — is published by the Board of Governors of the Federal Reserve System, or the U.S. Department of the Treasury; and

  — is determined by the calculation agent to be comparable to the applicable rate formerly displayed on the designated CMT Reuters screen page and published in H.15(519).

- If the rate described in the prior paragraph does not appear at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is

available from one of those sources at that time, then the CMT rate will be the yield to maturity of the arithmetic mean of the following secondary market offered rates for the most recently issued treasury notes having an original maturity of approximately the designated CMT index maturity and a remaining term to maturity of not less than the designated CMT index maturity minus one year and in a representative amount: the offered rates, as of approximately 3:30 P.M., New York City time, on the relevant interest determination date, of three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these offered rates, the calculation agent will request quotations from five of these primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. Treasury notes are direct, non-callable, fixed rate obligations of the U.S. government.

- If the calculation agent is unable to obtain three quotations of the kind described in the prior paragraph, the CMT rate will be the yield to maturity of the arithmetic mean of the following secondary market offered rates for treasury notes with an original maturity longer than the designated CMT index maturity, with a remaining term to maturity closest to the designated CMT index maturity and in a representative amount: the offered rates, as of approximately 3:30 P.M., New York City time, on the relevant interest determination date, of three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these offered rates, the calculation agent will request quotations from five of these primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. If two treasury notes with an original maturity longer than the designated CMT index maturity have remaining terms to maturity that are equally close to the designated CMT index maturity, the calculation agent will obtain quotations for the treasury note with the shorter original term to maturity.
- If fewer than five but more than two of these primary dealers are quoting as described in the prior paragraph, then the CMT rate for the relevant interest determination date will be based on the arithmetic mean of the offered rates so obtained, and neither the highest nor the lowest of those quotations will be disregarded.
- If two or fewer primary dealers selected by the calculation agent are quoting as described above, the CMT rate in effect for the new interest period will be the CMT rate in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

EURIBOR Notes

If you purchase a EURIBOR note, your note will bear interest at a base rate equal to the interest rate for deposits in euros designated as "EURIBOR" and sponsored jointly by the European Banking Federation and ACI — The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing that rate. In addition, the EURIBOR base rate will be adjusted by the spread or spread multiplier, if any, specified in your final terms. EURIBOR will be determined in the following manner:

- EURIBOR will be the offered rate for deposits in euros having the index maturity specified in your final terms, beginning on the second euro business day after the relevant EURIBOR interest determination date, as that rate appears on the ***Reuters screen EURIBOR01 page*** as of 11:00 A.M., Brussels time, on the relevant EURIBOR interest determination date.
- If the rate described above does not so appear on the Reuters screen EURIBOR01 page, EURIBOR will be determined on the basis of the rates, at approximately 11:00 A.M., Brussels time, on the relevant EURIBOR interest determination date, at which deposits of the following kind are offered to prime banks in the ***euro-zone*** interbank market by the principal euro-zone office of each of four major banks in that market selected by the calculation agent: euro deposits having the relevant index maturity, beginning on the relevant interest reset date and in a representative amount. The calculation agent will request the principal euro-zone office of each of these banks to provide a quotation of its rate. If at least two quotations are provided, EURIBOR

for the relevant EURIBOR interest determination date will be the arithmetic mean of the quotations.

- If fewer than two quotations are provided as described above, EURIBOR for the relevant EURIBOR interest determination date will be the arithmetic mean of the rates for loans of the following kind to leading euro-zone banks quoted, at approximately 11:00 A.M., Brussels time on that EURIBOR interest determination date, by three major banks in the euro-zone selected by the calculation agent: loans of euros having the relevant index maturity, beginning on the relevant interest reset date and in a representative amount.
- If fewer than three banks selected by the calculation agent are quoting as described above, EURIBOR for the new interest period will be EURIBOR in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

Federal Funds Rate Notes

If you purchase a federal funds rate note, your note will bear interest at a base rate equal to the federal funds (effective) rate or the federal funds open rate, as specified in the applicable final terms and adjusted by the spread or spread multiplier, if any, specified in your final terms.

Unless we say otherwise in your final terms, the federal funds rate will be the rate for U.S. dollar federal funds on the relevant interest determination date, as published in H.15(519) opposite the heading "Federal funds (effective)", as that rate is displayed on the Reuters screen FEDFUNDS1 page under the heading "EFFECT". If the federal funds rate cannot be determined in this manner, the following procedures will apply:

- If the rate described above is not displayed on the Reuters screen FEDFUNDS1 page at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the federal funds rate, for the relevant interest determination date, will be the rate described above as published in H.15 daily update, or another recognized electronic source used for displaying that rate, opposite the heading "Federal funds (effective)".
- If the rate described above is not displayed on H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the federal funds rate will be the arithmetic mean of the rates for the last transaction in overnight, U.S. dollar federal funds arranged, before 9:00 A.M., New York City time, on the relevant interest determination date, by three leading brokers of U.S. dollar federal funds transactions in New York City selected by the calculation agent.
- If fewer than three brokers selected by the calculation agent are quoting as described in the prior paragraph, the federal funds rate in effect for the new interest period will be the federal funds rate in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

LIBOR Notes

If you purchase a LIBOR note, your note will bear interest at a base rate equal to LIBOR, which will be the London interbank offered rate for deposits in U.S. dollars or any other index currency, as specified in your final terms. In addition, the applicable LIBOR base rate will be adjusted by the spread or spread multiplier, if any, specified in your final terms. LIBOR will be determined in the following manner:

LIBOR will be the offered rate appearing on the Reuters screen LIBOR page as of 11:00 A.M., London time, on the relevant LIBOR interest determination date, for deposits of the relevant index currency having the relevant index maturity beginning on the relevant interest reset date. Your final terms will indicate the index currency and the index maturity that apply to your LIBOR note.

- If the rate described above does not so appear on the Reuters screen LIBOR page, then LIBOR will be determined on the basis of the rates, at approximately 11:00 A.M., London time, on the relevant LIBOR interest determination date, at which deposits of the following kind are offered to prime banks in the London interbank market by four major banks in that market selected by the calculation agent: deposits of the index currency having the relevant index maturity, beginning on the relevant interest reset date and in a ***representative amount***. The calculation agent will request the principal London office of each of these banks to provide a quotation of its rate. If at least two quotations are provided, LIBOR for the relevant LIBOR interest determination date will be the arithmetic mean of the quotations.
- If fewer than two quotations are provided as described above, LIBOR for the relevant LIBOR interest determination date will be the arithmetic mean of the rates for loans of the following kind to leading European banks quoted, at approximately 11:00 A.M., in the principal financial center for the country of the index currency, on that LIBOR interest determination date, by three major banks in that principal financial center selected by the calculation agent: loans of the index currency having the relevant index maturity, beginning on the relevant interest reset date and in a representative amount.
- If fewer than three banks selected by the calculation agent are quoting as described above, LIBOR for the new interest period will be LIBOR in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

Prime Rate Notes

If you purchase a prime rate note, your note will bear interest at a base rate equal to the prime rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The prime rate will be the rate, for the relevant interest determination date, published in H.15(519) opposite the heading “Bank prime loan”. If the prime rate cannot be determined as described above, the following procedures will apply.

- If the rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the prime rate will be the rate, for the relevant interest determination date, as published in H.15 daily update or another recognized electronic source used for the purpose of displaying that rate, opposite the heading “Bank prime loan”.
- If the rate described above does not appear in H.15(519), H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, then the prime rate will be the arithmetic mean of the following rates as they appear on the ***Reuters screen USPRIME 1 page***: the rate of interest publicly announced by each bank appearing on that page as that bank’s prime rate or base lending rate, as of 11:00 A.M., New York City time, on the relevant interest determination date.
- If fewer than four of these rates appear on the Reuters screen USPRIME 1 page, the prime rate will be the arithmetic mean of the prime rates or base lending rates, as of the close of business on the relevant interest determination date, of three major banks in New York City selected by the calculation agent. For this purpose, the calculation agent will use rates quoted on the basis of the actual number of days in the year divided by a 360-day year.
- If fewer than three banks selected by the calculation agent are quoting as described above, the prime rate for the new interest period will be the prime rate in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

Treasury Rate Notes

If you purchase a treasury rate note, your note will bear interest at a base rate equal to the treasury rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The treasury rate will be the rate for the auction, on the relevant treasury interest determination date, of U.S. government treasury bills having the index maturity specified in your final terms, as that rate appears on Reuters screen USAUCTION 10 page or USAUCTION 11 page under the heading "INVEST RATE". If the treasury rate cannot be determined in this manner, the following procedures will apply:

- If the rate described above does not appear on either page at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, the treasury rate will be the ***bond equivalent yield*** of the rate, for the relevant interest determination date, for the type of treasury bill described above, as announced by the U.S. Department of Treasury.
- If the auction rate described in the prior paragraph is not so announced by 3:00 P.M., New York City time, on the relevant interest calculation date, or if no auction is held for the relevant week, then the treasury rate will be the bond equivalent yield of the rate, for the relevant treasury interest determination date and for treasury bills having the specified index maturity, as published in H.15(519) under the heading "U.S. government securities/Treasury bills (secondary market)".
- If the rate described in the prior paragraph does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, then the treasury rate will be the rate, for the relevant treasury interest determination date and for treasury bills having the specified index maturity, as published in H.15 daily update, or another recognized electronic source used for displaying that rate, under the heading "U.S. government securities/Treasury bills (secondary market)".
- If the rate described in the prior paragraph does not appear in H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the treasury rate will be the bond equivalent yield of the arithmetic mean of the following secondary market bid rates for the issue of treasury bills with a remaining maturity closest to the specified index maturity: the rates bid as of approximately 3:30 P.M., New York City time, on the relevant treasury interest determination date, by three primary U.S. government securities dealers in New York City selected by the calculation agent.
- If fewer than three dealers selected by the calculation agent are quoting as described in the prior bullet point, the treasury rate in effect for the new interest period will be the treasury rate in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

11th District Cost of Funds Rate Notes

If you purchase an 11th district cost of funds rate note, your note will bear interest at a base rate equal to the 11th district cost of funds rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The 11th district cost of funds rate will be the rate equal to the monthly weighted average cost of funds for the calendar month immediately before the relevant interest determination date, as displayed on the Reuters screen COFI/ARMS page opposite the heading "11TH Dist COFI" as of 11:00 A.M., San Francisco time, on that date. If the 11th district cost of funds rate cannot be determined in this manner, the following procedures will apply:

- If the rate described above does not appear on the Reuters screen COFI/ARMS page on the relevant 11th district interest determination date, then the 11th district cost of funds rate for that

date will be the monthly weighted average cost of funds paid by institutions that are members of the Eleventh Federal Home Loan Bank District for the calendar month immediately before the relevant 11th district interest determination date, as most recently announced by the Federal Home Loan Bank of San Francisco as that monthly weighted average cost of funds.

- If the Federal Home Loan Bank of San Francisco fails to announce the cost of funds described in the prior paragraph on or before the relevant interest determination date, the 11th district cost of funds rate in effect for the new interest period will be the 11th district cost of funds rate in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

Other Rates

If you purchase a floating rate note which bears interest at a rate determined by reference to a rate other than the rates set forth above, the source of the base rate and the manner in which it is determined will be set forth in the applicable final terms. If the base rate cannot be determined in the manner specified in the applicable final terms at the relevant time, the base rate on the calculation date corresponding to the relevant determination date, unless the calculation is made earlier and the rate is available from that source at that time, shall be determined by the calculation agent on the basis of the rates, at approximately 11:00 a.m., London time on such interest determination date at which deposits in the relevant currency in an amount that, in the calculation agent's sole judgment, is representative of a single transaction in the relevant interbank market at such time for the relevant index maturity commencing on the relevant interest reset date are offered to prime banks in the relevant interbank market by major banks in that market selected by the calculation agent. If quotations are obtained by the calculation agent from more than eleven banks, the rate for that interest determination date will be the arithmetic mean of the rates remaining after the two highest and the two lowest are excluded. If at least six but fewer than eleven quotations are obtained, the rate for that interest determination date will be the arithmetic mean of the rates remaining after the single highest and the single lowest rates are excluded. If four or five quotations are obtained, the rate for that interest determination date will be the arithmetic mean of all the rates. If fewer than four quotations are provided as requested, the calculation agent will determine the applicable rate in its sole discretion.

Special Rate Calculation Terms

In this subsection entitled "— Interest Rates — Floating Rate Notes", we use several terms that have special meanings relevant to calculating floating interest rates. We define these terms as follows:

The term ***"bond equivalent yield"*** means a yield expressed as a percentage and calculated in accordance with the following formula:

$$\text{bond equivalent yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where

- "D" means the annual rate for treasury bills quoted on a bank discount basis and expressed as a decimal;
- "N" means 365 or 366, as the case may be; and
- "M" means the actual number of days in the interest reset period.

The term ***"designated CMT index maturity"*** means the index maturity for a CMT rate note and will be the original period to maturity of a U.S. treasury security — either 1, 2, 3, 5, 7, 10, 20 or 30 years — specified in the applicable final terms. If no original maturity period is specified, the designated CMT Index maturity will be 2 years.

The term ***"designated CMT Reuters screen page"*** means the Reuters screen page specified in the applicable final terms that displays treasury constant maturities as reported in H.15(519). If no Reuters screen page is so specified, then the applicable page will be the Reuters screen FEDCMT page. If the Reuters screen FEDCMT page applies but the applicable final terms do not specify whether the weekly or monthly average applies, the weekly average will apply.

The term ***"euro-zone"*** means, at any time, the region comprised of the Member States of the European Economic and Monetary Union, or any successor union that, as of that time, have adopted a single currency in accordance with the Treaty on European Union of February 1992, or any successor treaty.

"H.15(519)" means the weekly statistical release designated as such published by the Federal Reserve System Board of Governors, or its successor, available through the website of the Board of Governors of the Federal Reserve System at http://www.federalreserve.gov/releases/h15/update/h15upd.htm, or any successor site or publication.

"H.15 daily update" means the daily update of H.15(519) available through the website of the Board of Governors of the Federal Reserve System, at http://www.federalreserve.gov/releases/h15/update/h15upd.htm, or any successor site or publication.

The term ***"index currency"*** means, with respect to a LIBOR note, the currency specified as such in the applicable final terms. The index currency may be U.S. dollars or any other currency and will be U.S. dollars unless another currency is specified in the applicable final terms.

The term ***"index maturity"*** means, with respect to a floating rate note, the period to maturity of the instrument or obligation on which the interest rate formula is based, as specified in the applicable final terms.

The term ***"money market yield"*** means a yield expressed as a percentage and calculated in accordance with the following formula:

$$\text{money market yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where

- "D" means the annual rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and
- "M" means the actual number of days in the relevant interest reset period.

The term ***"representative amount"*** means an amount that, in the calculation agent's judgment, is representative of a single transaction in the relevant market at the relevant time.

"Reuters screen" means the display on the 3000 Xtra service or any successor service, on the page or pages specified in the applicable final terms, or any replacement page or pages on that service.

"Reuters screen LIBOR page" means the display on the Reuters screen LIBOR01 page or Reuters screen LIBOR02 page, as specified in the applicable final terms, or any replacement page or pages on which London interbank rates of major banks for the relevant index currency are displayed.

"Reuters screen USPRIME1 page" means the display on the Reuters screen page titled "USPRIME1", for the purpose of displaying prime rates or base lending rates of major U.S. banks.

If, when we use the terms designated CMT Reuters screen page, H.15(519), H.15 daily update, Reuters screen LIBOR page, Reuters screen USPRIME1 page, Reuters screen USAUCTION10 page,

Reuters screen USAUCTION11 page, Reuters screen ISDAFIX2 page, Reuters screen COFI/ARMS page, Reuters screen page 5 or Reuters screen, we refer to a particular heading or headings on any of those pages, those references include any successor or replacement heading or headings as determined by the calculation agent.

Indexed Notes

This subsection provides information that may be relevant to your note if it is linked to an index. The applicable final terms may provide additional information, including information that may modify the information below, and may specify that your note is linked to a different index than those referred to below. In addition, the applicable final terms will contain disclosure with respect to any licensing arrangements we have entered or may enter into with the relevant index sponsor. We do not intend to provide post-issuance information with respect to any underlyer, unless otherwise required by applicable laws and regulations.

Stock and Bond Indices

Exchange Business Days

An exchange business day with respect to a stock or bond index will be any day with respect to which a reference price with respect to such index is or, but for the occurrence of a market disruption event, would have been published by the index sponsor.

Market Disruption Events

Any of the following will be a market disruption event with respect to a stock or bond index:

- a suspension, absence or material limitation of trading in index components constituting 20% or more of the index on their respective primary markets, in each case for more than two hours of trading or during the one hour before the close of trading in that market, as determined by the calculation agent in its sole discretion; or
- a suspension, absence or material limitation of trading in options or futures contracts relating to the index or to index components constituting 20% or more, by weight, of the index, if available, in the respective primary markets for those contracts, in each case for more than two hours of trading or during the one-half hour before the close of trading in that market, as determined by the calculation agent in its sole discretion; or
- index components constituting 20% or more, by weight, of the index, or options or futures contracts relating to the index or to index components constituting 20% or more, by weight, of the index, if available, do not trade on what were the respective primary markets for those index components or contracts, as determined by the calculation agent in its sole discretion; or
- an unannounced closure of the primary markets relating to index components constituting 20% or more of the index; or
- a material event (other than the immediately preceding bullet point) that disrupts the ability of market participants effecting transactions in, or obtaining market values during the one hour period before the valuation time (typically the closing time), for (i) the index components constituting 20% or more of the index or (ii) options or futures contracts relating to the index;

and, in any of these events, the calculation agent determines in its sole discretion that the event could materially interfere with our ability or the ability of any of our affiliates to unwind all or a material portion of a hedge that could be effected with respect to the notes.

Neither of the following events will be a market disruption event with respect to a stock or bond index:

- a limitation on the hours or number of days of trading, but only if the limitation results from a previously announced change in the business hours of the relevant market, or
- a decision to permanently discontinue trading in options or futures contracts relating to the index or to any index component.

For purposes of determining whether a market disruption event has occurred, an "absence of trading" in the primary securities market on which a component of a stock or bond index is traded or on which options or futures contracts relating to the index or an index component are traded will not include any time when that market is itself closed for trading under ordinary circumstances. In contrast, a suspension or limitation of trading in any index component or in options or futures contracts relating to the index or any index component in the primary market for that index component or those contracts, by reason of:

- a price change exceeding limits set by that market,
- an imbalance of orders relating to the index component or those contracts, or
- a disparity in bid and ask quotes relating to that index component or those contracts,

will constitute a suspension or material limitation of trading in that index component or those contracts in that primary market.

Adjustments

Non-Exchange Business Days — Single Index

If any observation date with respect to a stock or bond index falls on a day that is not an exchange business day with respect to such index, such date with respect to such index will be postponed to the next following exchange business day. However, in no event will any observation date with respect to a stock or bond index be postponed by more than eight business days after the scheduled date for that observation date. If an observation date which immediately precedes the stated maturity date or any payment date for the relevant note is postponed, the stated maturity date or payment date will be postponed by the same number of business day(s) from and excluding the originally scheduled observation date to and including the actual observation date, subject to a maximum of eight business days; provided, however, that if the rescheduled observation date is more than five business days prior to the stated maturity date or payment date, then such stated maturity date or payment date shall not be postponed.

Market Disruption Events — Single Index

If a market disruption event occurs or is continuing with respect to a stock or bond index on any day that otherwise would be an observation date with respect to such index, such date with respect to such index will be postponed to the next following day that is both an exchange business day with respect to such index and a day on which no market disruption event occurs or is continuing with respect to such index. In no event, however, will any observation date with respect to a stock or bond index be postponed by more than eight business days after the scheduled date for that observation date. If an observation date which immediately precedes the stated maturity date or any payment date for the relevant note is postponed, the stated maturity date or payment date will be postponed by the same number of business day(s) from and excluding the originally scheduled observation date to and including the actual observation date, subject to a maximum of eight business days; provided, however, that if the rescheduled observation date is more than five business days prior to the stated maturity date or payment date, then such stated maturity date or payment date shall not be postponed. If an observation date with respect to a stock or bond index is postponed to the last possible day but a market disruption event occurs or is continuing on that day with respect to such index or if no reference price is published by the index sponsor with respect to that day, that day will nevertheless be an observation date with respect to such index. If the calculation agent determines that a reference price with respect to the relevant index is not published by the index sponsor with respect to the postponed observation date, the calculation agent will determine the reference price of the index in its sole discretion in accordance with the formula and

method of calculating this index last in effect prior to the occurrence of the first of the above events using the exchange traded or quoted prices of each index stock or bond comprised in the relevant index as of the close of trading in that market on that eighth day after the scheduled observation date. However, if any of the above events has occurred in respect to the relevant index stock or bond on that eighth day after the scheduled observation date, the calculation agent will use its good faith estimate of the value for the relevant index stock or bond as of the close of trading in that market on that eighth day after the scheduled observation date.

Index Basket and Observation Dates — Common Exchange Business Day but Individual Market Disruption Event

Where the notes are linked to an index basket and the final terms specify that common exchange business days but individual market disruption events apply to any two or more indices (such indices being "basket indices" and each a "basket index"), the following provisions shall apply (unless otherwise, and to the extent, specified in the relevant final terms):

- if a scheduled observation date is not an exchange business day with respect to any of the indices in the basket and no market disruption event occurs or is continuing, the observation date will be postponed to the next day that is an exchange business day for all indices; or
- if a scheduled observation date is an exchange business day for all indices but a market disruption event occurs or is continuing for any of the indices, the observation date will be postponed for the affected index only as described above under "Adjustments — Market Disruption Events — Single Index".

Index Basket and Observation Dates — Common Exchange Business Day and Common Market Disruption Event

Where the notes are linked to an index basket and the final terms specify that common exchange business days and common market disruption events apply to any two or more indices (such indices being "basket indices" and each a "basket index"), the following provisions shall apply (unless otherwise, and to the extent, specified in the relevant final terms):

- if a scheduled observation date is not an exchange business day with respect to any of the indices in the basket and no market disruption event occurs or is continuing, the observation date will be postponed to the next day that is an exchange business day for all indices;
- if a scheduled observation date is an exchange business day for all indices but a market disruption event occurs or is continuing for any of the indices, the observation date will be postponed for all basket indices as described above under "Adjustments — Market Disruption Events — Single Index"; provided that if the observation date is postponed to the last possible date, for each basket index other than an affected index as of such date, the relevant index price shall be determined by reference to the reference price published by the index sponsor on that eighth day after the scheduled observation date.

Discontinuance of Publication of a Stock or Bond Index

If the index sponsor of an index discontinues publication of such index and the index sponsor or anyone else publishes a substitute index that the calculation agent determines is comparable to such index, then the calculation agent will determine the amount payable by reference to that substitute index. We refer to any substitute index approved by the calculation agent as a successor index.

If the calculation agent determines that the publication of an index has been discontinued and there is no successor index, or that the level of an index is not available on any observation date because of a market disruption event or for any other reason, or if for any other reason an index is not available to us or the calculation agent on any relevant date, including our inability to use an index for the purposes of performing the calculations required in connection with the note because such index is not licensed for

such purpose, the calculation agent will determine the amount payable using, in lieu of a published level for that index, the level for that index as at that observation date as determined by the calculation agent in accordance with the formula for and method of calculating that index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that index immediately prior to that event.

If the calculation agent determines that an index, the components comprising an index or the method of calculating an index is changed at any time in any respect — including, but not limited to, by adding, deleting, substituting, reweighing or rebalancing any of the index components, and whether the change is made by the index sponsor under its existing policies or following a modification of those policies, is due to the publication of a successor index, is due to events affecting one or more of the index components or their issuers or is due to any other reason — then the calculation agent will determine the amount payable using, in lieu of a published level for that index, the level for that index as at that observation date as determined by the calculation agent in accordance with the formula for and method of calculating that index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that index immediately prior to that event.

Commodity Indices and Commodity Strategies

Exchange Business Days

An exchange business day with respect to a commodity index or a commodity strategy will be any day on which (i) the offices of the index sponsor or strategy sponsor in its principal place of business are open for business and a reference price with respect to such index is or but for the occurrence of a market disruption event, would have been published by the index sponsor or strategy sponsor, and (ii) the trading facilities on which all contracts included in the commodity index or commodity strategy are traded are open for trading and all the relevant markets are open for trading, each as determined by the calculation agent in its sole discretion.

Market Disruption Events

Any of the following will be a market disruption event with respect to a commodity index or a commodity strategy:

- the daily contract reference price, defined as the price of each relevant contract that is used as a reference or benchmark by market participants, which we refer to as the daily contract reference price, for any contract included in a commodity index or a commodity strategy is a “limit price”, which means that the daily contract reference price for such contract for a day has increased or decreased from the previous day’s daily contract reference price by the maximum amount permitted under the applicable rules or procedures of the relevant trading facility, as determined by the calculation agent in its sole discretion, or
- trading in any contract included in a commodity index or a commodity strategy on the relevant trading facility is suspended or interrupted and subsequent to the opening of trading and trading in such contract does not recommence at least ten (10) minutes prior to the regular scheduled close of trading in such Commodity Contract, or in the event trading does recommence ten (10) minutes prior to the regular scheduled close of trading, trading does not continue until and such suspension or interruption continues until, the regular scheduled close of trading in such contract, as determined by the calculation agent in its sole discretion, or
- failure by the applicable trading facility or other price source to announce or publish the daily contract reference price for one or more contracts included in a commodity index or a commodity strategy, as determined by the calculation agent in its sole discretion.

Adjustments

Non-Exchange Business Days

Where the relevant note is linked to a single commodity index or strategy:

- if the calculation agent determines that any scheduled observation date in respect of such commodity index or strategy is not an exchange business day, then the observation date in respect of such commodity index or strategy shall be the first succeeding day that is an exchange business day for such commodity index or strategy;
- if the calculation agent determines that the observation date in respect of such commodity index or strategy is a day on which a market disruption even occurs or is continuing, then the reference price of such commodity index or strategy shall not be determined by reference to the official closing level published by the index sponsor or any other source with respect of such date but will be determined instead as discussed in "Market Disruption Events" below; and
- if the offices of the calculation agent are not open for business on any observation date, then such calculation will be made by Goldman, Sachs & Co. or another affiliate of the calculation agent.

Market Disruption Events

If a market disruption event occurs or is continuing with respect to a commodity index on a day that otherwise would be an observation date with respect to a commodity index or a commodity strategy, then, notwithstanding the official closing level published by the index sponsor, strategy sponsor or by any other source with respect to such date, the calculation agent will determine the reference price of such index as follows:

- with respect to each contract included in the commodity index or commodity strategy that is not affected by the market disruption event, the closing level will be based on the daily contract reference price of such contract on the observation date;
- with respect to each contract included in the commodity index or commodity strategy that is affected by the market disruption event, the closing level for that contract for purposes of the notes will be based on the "daily contract reference price" of such contract on the first day following the originally scheduled observation date that is an exchange business day with respect to the commodity index or commodity strategy and on which no market disruption occurs or is continuing with respect to such contract; provided, however, that in no event will the valuation with respect to an affected contract be postponed by more than five consecutive exchange business days after the originally scheduled observation date and in any such case, the "daily contract reference price" for the affected contract shall be determined by the calculation agent on the sixth exchange business day; in any such case, the calculation agent will determine the "daily contract reference price" for the affected contract for the relevant observation date in its sole discretion;
- the calculation agent will determine the closing level of the commodity index or commodity strategy by reference to the "daily contract reference prices" determined in accordance with the clauses above using the then-current method for calculating the commodity index or commodity strategy; and
- if the offices of the calculation agent are not open for business on any relevant determination date, then such calculation will be made by Goldman, Sachs & Co. or another affiliate of the calculation agent.

Additional Adjustments

Successor Index or Strategy Sponsor or Successor Commodity Index or Strategy

If a commodity index or strategy is (i) not calculated and announced by the index or strategy sponsor but is calculated and announced by a successor index or strategy sponsor acceptable to the calculation agent, which we refer to as a successor index or strategy sponsor, or (ii) replaced by a successor commodity index or strategy using, in the determination of the calculation agent, the same or a substantially similar formula for, and method of, calculation as used in the calculation of such commodity index or strategy, then in each case such commodity index or strategy will be deemed to be the commodity index or strategy. We refer to any substitute index or strategy approved by the calculation agent as the successor index.

Occurrence of a Commodity Index or Strategy Adjustment Event

If, in respect of a commodity index or strategy, the calculation agent determines that, (a) on or prior to any observation date or other relevant date, the relevant index or strategy sponsor or successor index or strategy sponsor, if applicable, makes a material change in the formula for, or the method of, calculating or determining the composition of such commodity index or strategy, or in any other way materially modifies such commodity index or strategy (other than a modification prescribed in that formula or method relating to the composition of such commodity index or strategy, the weighting of the components of such commodity index or strategy and/or other routine events or modifications that do not in any way materially modify such commodity index or strategy, as determined by the calculation agent) (a "commodity index or strategy modification"), or permanently cancels a relevant commodity index or strategy and no successor index or strategy exists as at the date of such cancellation (a "commodity index or strategy cancellation"), or (b) on any observation date or other relevant date, in the absence of a market disruption event, the index or strategy sponsor or successor index or strategy sponsor, if applicable, fails to calculate and announce such commodity index or strategy and a successor commodity index or strategy is not calculated and announced by a successor index or strategy sponsor (a "commodity index or strategy failure" and, together with a commodity index or strategy modification and a commodity index or strategy cancellation, each a "commodity index or strategy adjustment event"), then the calculation agent shall determine if such commodity index or strategy adjustment event has a material effect on the commodity linked notes and, if so:

- shall calculate the relevant closing level using, in lieu of a published level for that commodity index or strategy, the level for such commodity index or strategy as at that observation date or other relevant date, as the case may be, as determined by the calculation agent in accordance with the formula for, and method of, calculating such commodity index or strategy last in effect prior to the relevant commodity index or strategy adjustment event, but using only those commodity contracts that were included in the commodity index or strategy immediately prior to such commodity index or strategy adjustment event (other than those commodity contracts that have since ceased to be listed on the relevant trading facility);
- may determine the appropriate adjustment, if any, to be made to any one or more of the terms of the commodity linked notes, including without limitation, any variable or term relevant to the settlement or payment under the commodity linked notes, as the calculation agent determines appropriate to account for such commodity index or strategy adjustment event, and shall determine the effective date of that adjustment; or
- if in the determination of the calculation agent, neither the first nor second bullet point above, as is applicable, would achieve a commercially reasonable result, and if specified in the applicable final terms, on giving notice to holders of the notes, not less than 30 nor more than 60 days before the specified redemption date, we shall redeem the commodity linked notes in whole but not in part, each commodity linked security being redeemed by payment of an amount equal to the commodity non-scheduled early repayment amount taking into account such commodity index or strategy adjustment event, as determined by the calculation agent.

A commodity non-scheduled early repayment amount means, on any day, an amount, in the specified currency of the note, which shall be determined by the calculation agent, based on the quotes of three qualified financial institutions, as the suitable market price of the notes, taking into account its remaining present value, immediately before the redemption. In the event that quotes are not able to be obtained from three qualified financial institutions, the amount shall be determined in good faith by the calculation agent as the fair market value of the notes, taking into account the remaining present value, immediately before the redemption, and, only if specified in the relevant final terms, adjusted to account fully for any reasonable expenses and costs of us and/or our affiliates, including, those relating to the unwinding any underlying and/or related hedging and funding arrangements.

Corrections to Published Reference in respect of a Commodity Index or a Commodity Strategy

If a reference price in respect of a commodity index or a commodity strategy published on an observation date is subsequently corrected and the correction is published by the index sponsor, the successor index sponsor, the strategy sponsor or the successor strategy sponsor, as the case may be, not later than 12:00 noon (New York City time) on the exchange business day immediately following such observation date then the corrected closing level for such observation date shall be deemed to be the reference price for such observation date and the calculation agent shall use the corrected closing level in accordance with the above provisions, provided that the foregoing provisions shall not apply to any correction to the reference price published on or after the exchange business day immediately preceding the maturity date.

Single Stocks and Stock Basket

Exchange Business Days

An exchange business day with respect to a single stock or stock basket will be any day with respect to which a reference price with respect to such single stock or each stock included in the stock basket is or, but for the occurrence of a market disruption event, would have been published by the principal stock exchange, as defined in the applicable final terms.

Market Disruption Events

Any of the following will be a market disruption event with respect to a stock:

- a suspension, absence or material limitation of trading in a stock on its principal stock exchange for more than two hours of trading or during the one hour before the close of trading in that market, as determined by the calculation agent in its sole discretion; or
- a suspension, absence or material limitation of trading in option or futures contracts relating to a stock, if available, in the primary market for those contracts for more than two hours of trading or during the one-half hour before the close of trading in that market, as determined by the calculation agent in its sole discretion; or
- a stock is not trading on what was the principal stock exchange for such stock, as determined by the calculation agent in its sole discretion; or
- an unannounced closure of its principal stock exchange; or
- an event (other than the immediately preceding bullet) that disrupts the ability of market participants effecting transactions in, or obtaining market values for, (i) the stock on its principal stock exchange, or (ii) option or futures contracts relating to the stock in the primary market for these contracts.

provided that, in the case of any of these events, the calculation agent determines in its sole discretion that the event could materially interfere with the ability of The Goldman Sachs Group, Inc. or any of its affiliates or a similarly situated party to unwind all or a material portion of a hedge that could be effected with respect

to the relevant notes. For more information about hedging by The Goldman Sachs Group, Inc. and/or any of its affiliates, see "— Hedging in Connection with the Issuance of Indexed Notes."

The following events will not be a market disruption event with respect to a stock:

- a limitation on the hours or numbers of days of trading, but only if the limitation results from an announced change in the business hours of the relevant market, and
- a decision to permanently discontinue trading in the option or futures contracts relating to a stock.

For this purpose, an "absence of trading" in the principal stock exchange on which a stock is traded, or on the primary securities markets on which option or futures contracts relating to such stock are traded, will not include any time when that exchange or market, as the case may be, is itself closed for trading under ordinary circumstances. In contrast, a suspension or limitation of trading in a stock or in option or futures contracts relating to a stock, if available, in the principal stock exchange or the primary securities markets, as the case may be, for that stock or those contracts, by reason of:

- a price change exceeding limits set by that exchange or market, or
- an imbalance of orders relating to that stock or those contracts, or
- a disparity in bid and ask quotes relating to that stock or those contracts,

will constitute a suspension or material limitation of trading in that stock or those contracts in that exchange or markets, respectively.

In this subsection, references to a stock include securities that are part of any adjusted reference amount, as determined by the calculation agent in its sole discretion in the manner described under "— Indexed Notes — Stocks — Adjustments — Additional Adjustments".

Adjustments

Non-Exchange Business Days — Single Stocks

If any observation date with respect to a stock falls on a day that is not an exchange business day with respect to such stock, the relevant observation date will be postponed to the next following exchange business day. However, in no event will any observation date with respect to a stock be postponed by more than eight business days after the scheduled date for that observation date. If an observation date immediately preceding the stated maturity date or any payment date for the relevant note is postponed, the stated maturity date or payment date will be postponed by the same number of business day(s) from and excluding the originally scheduled observation date to and including the actual observation date, subject to a maximum of eight business days; provided, however, that if the rescheduled observation date is more than five business days prior to the stated maturity date or payment date, then such stated maturity date or payment date shall not be postponed.

Market Disruption Events — Single Stocks

If a market disruption event occurs or is continuing with respect to a stock on a day that would otherwise be an observation date with respect to such stock, such date will be postponed to the next following day that is both an exchange business day with respect to such stock and a day on which no market disruption event occurs or is continuing with respect to such stock. In no event, however, will any observation date with respect to a stock be postponed by more than eight business days after the scheduled date for that observation date. If an observation date immediately preceding the stated maturity date or any payment date for the relevant note is postponed, the stated maturity date or payment date will be postponed by the same number of business day(s) from and excluding the originally scheduled observation date to and including the actual observation date, subject to a maximum of eight business days; provided, however, that if the rescheduled observation date is more than five business days prior to the stated maturity date or payment date, then such stated maturity date or payment date

shall not be postponed. If an observation date with respect to a stock is postponed to the last possible day but a market disruption event occurs or is continuing on that day with respect to such stock, or if no reference price is published by the principal stock exchange for such stock, that day will nevertheless be an observation date with respect to such stock. If the calculation agent determines that a reference price with respect to a stock is not published by the principal stock exchange for such stock with respect to the postponed observation date, the calculation agent will determine the reference price of such stock in its sole discretion based on its good faith estimate of the value for the stock as of the close of trading in that market on that eighth day after the scheduled observation date.

Stock Basket and Observation Dates — Common Exchange Business Day but Individual Market Disruption Event

Where the notes are linked to a stock basket and the final terms specify that common exchange scheduled business days but individual market disruption events apply to any two or more stocks (such stocks being "common basket stocks" and each a "common basket stock"), the following provisions shall apply (unless otherwise, and to the extent, specified in the relevant final terms):

- if a scheduled observation date is not an exchange business day with respect to all of the stocks in the basket and no market disruption event occurs or is ongoing, the observation date will be postponed to the next day that is an exchange business day for all common basket stocks;
- if a scheduled observation date is an exchange business day for all common basket stocks but a market disruption event occurs or is ongoing for all of the common basket stocks, the observation date will be postponed for the affected common basket stock only as described above under "Single Stocks and Stock Basket — Adjustments — Market Disruption Events — Single Stock".

Stock Basket and Observation Dates — Common Exchange Business Day and Common Market Disruption Event

Where the notes are linked to a stock basket and the final terms specify that common exchange business days and common market disruption events apply to any two or more stocks (such stocks being "common basket stocks" and each a "common basket stock"), the following provisions shall apply (unless otherwise, and to the extent, specified in the relevant final terms):

- if a scheduled observation date is not an exchange business day with respect to all of the stocks in the basket and no market disruption event occurs or is ongoing, the observation date will be postponed to the next day that is an exchange business day for all common basket stocks;
- if a scheduled observation date is an exchange business day for all common stocks but a market disruption event occurs or is ongoing for all of the common stocks, the observation date will be postponed for all common basket stocks as described above under "Single Stocks and Stock Basket — Adjustments — Market Disruption Events — Single Stock"; provided that if the observation date is postponed to the last possible date, for each common basket stock other than an affected common basket stock as of such date, the relevant stock price shall be determined by reference to the reference price published by the principal stock exchange on that eighth day after the scheduled observation date.

Additional Adjustments

The applicable final terms may specify that the amount payable on a note linked to the securities of one or more issuers, or, in the case of a note exchangeable for equity securities of one or more issuers other than The Goldman Sachs Group, Inc. or its affiliates, the number of shares for which the note is exchangeable, is to be calculated based on a reference price, a reference number of shares or an exchange ratio. The following discussion describes various adjustments that the calculation agent may make in the case of a note linked to the securities of one or more issuers for which the applicable final terms specify a reference price. If the applicable final terms instead specify a reference number of shares or an exchange ratio, the calculation agent will make corresponding adjustments, to the extent applicable.

The calculation agent will adjust the reference price of a stock as described below, but only if an event described below occurs and only if the relevant event occurs during the period described under the applicable subsection.

The adjustments described below do not cover all events that could affect the reference price of a stock, such as an issuer tender or exchange offer for the stock at a premium to its market price or a tender or exchange offer made by a third party for less than all outstanding shares of the stock.

How Adjustments Will Be Made. If an event requiring anti-dilution adjustment occurs, the calculation agent will make the adjustment by taking the following steps:

- **Step One.** The calculation agent will adjust the reference amount. This term refers to the amount of a stock or other property for which the reference price of a stock is to be determined on an observation date. For example, if no adjustment is required, the reference price of a stock will be the official closing price of one share of such stock as published by the principal stock exchange of such stock on the relevant observation date. In that case, the reference amount will be one share of the stock.

  If an adjustment is required because one of the dilution events described in the first five subsections below — these involve stock splits, reverse stock splits, stock dividends, other dividends and distributions and issuances of transferable rights and warrants — occurs with respect to a stock, then the reference price of such stock might instead be, for example, the official closing price, on the relevant observation date, of two shares of the stock or a half share of the stock, depending on the event. In that example, the adjusted reference amount would be two shares of the stock or one half share of the stock, as applicable.

  If an adjustment is required because one of the reorganization events described under "— Reorganization Events" below — these involve events in which cash, securities or other property is distributed in respect of the stock — occurs with respect to a stock, then the reference price of such stock will be as follows, assuming there has been no prior anti-dilution adjustment: the value, on the relevant observation date, of the property distributed in the reorganization event in respect of one share of such stock, plus one share of the stock if the stock remains outstanding. In that case, the adjusted reference amount will be the property so distributed plus one share of the stock, if applicable.

  The manner in which the calculation agent adjusts the reference amount in step one will depend on the type of dilution event requiring adjustment.

- **Step Two.** Having adjusted the reference amount in step one, the calculation agent will determine the reference price of the relevant stock, which will be the official closing price of the adjusted reference amount of such stock on the relevant observation date. If a reorganization event occurs with respect to a stock, the reference price of such stock will be the value of the adjusted reference amount as determined by the calculation agent in the manner described under "— Reorganization Events" below.

  If more than one event requiring adjustment occurs with respect to a stock, the calculation agent will first adjust the reference amount of such stock as described in step one above for each event, sequentially, in the order in which the events occur, and on a cumulative basis. Thus, having adjusted the reference amount of such stock for the first event, the calculation agent will repeat step one for the second event, applying the required adjustment to the reference amount as already adjusted for the first event, and so on for each event. Having adjusted the reference amount of such stock for all events, the calculation agent will then take step two in the process described above, determining the reference price of such stock using the reference amount as sequentially and cumulatively adjusted for all the relevant events. The calculation agent will make all required determinations and adjustments no later than the observation date.

The calculation agent will adjust the reference price of a stock for each reorganization event described under "— Reorganization Events" below. For any other dilution event described below, however, the calculation agent will not be required to adjust the reference price of a stock unless the adjustment would result in a change of at least 0.1% in the reference price of such stock that would apply without the adjustment. The reference price of a stock resulting from any adjustment will be rounded up or down, as appropriate, to the nearest ten-thousandth, with five hundred-thousandths being rounded upward — *e.g.*, 0.12344 will be rounded down to 0.1234 and 0.12345 will be rounded up to 0.1235.

If an event requiring anti-dilution adjustment occurs, the calculation agent will make the adjustment with a view to offsetting, to the extent practical, any change in the economic position of the holder and The Goldman Sachs Group, Inc., relative to the note, that results solely from that event. The calculation agent may, in its sole discretion, modify the anti-dilution adjustments as necessary to ensure an equitable result.

The calculation agent will make all determinations with respect to anti-dilution adjustments, including any determination as to whether an event requiring adjustment has occurred, as to the nature of the adjustment required and how it will be made or as to the value of any property distributed in a reorganization event, and will do so in its sole discretion. In the absence of manifest error, those determinations will be conclusive for all purposes and will be binding on you and us, without any liability on the part of the calculation agent. The calculation agent will provide information about the adjustments it makes upon written request by the holder.

When we say that the calculation agent will adjust the reference price of a stock for one or more dilution events, we mean that the calculation agent will take all the applicable steps described above with respect to those events.

The following six subsections describe the dilution events for which the reference price of a stock is to be adjusted. Each subsection describes the manner in which the calculation agent will adjust the reference amount — the first step in the adjustment process described above — for the relevant event.

Stock Splits. A stock split is an increase in the number of a corporation's outstanding shares of stock without any change in its stockholders' equity. Each outstanding share will be worth less as a result of a stock split.

If a stock is subject to a stock split, then the calculation agent will adjust the reference amount of such stock to equal the sum of the prior reference amount — *i.e.*, the reference amount of such stock before that adjustment — *plus* the *product* of (1) the number of additional shares issued in the stock split with respect to one share of such stock *times* (2) the prior reference amount. The reference amount — and thus the reference price of the relevant stock — will not be adjusted, however, unless the first day on which the stock trades without the right to receive the stock split occurs after the trade date and on or before the relevant observation date.

Reverse Stock Splits. A reverse stock split is a decrease in the number of a corporation's outstanding shares of stock without any change in its stockholders' equity. Each outstanding share will be worth more as a result of a reverse stock split.

If a stock is subject to a reverse stock split, then once the reverse stock split becomes effective, the calculation agent will adjust the reference amount of such stock to equal the *product* of (1) the prior reference amount of such stock *times* (2) the *quotient* of (x) the number of shares of such stock outstanding immediately after the reverse stock split becomes effective *divided* by (y) the number of shares of such stock outstanding immediately before the reverse stock split becomes effective. The reference amount — and thus the reference price of the relevant stock — will not be adjusted, however, unless the reverse stock split becomes effective after the trade date and on or before the relevant observation date.

Stock Dividends. In a stock dividend, a corporation issues additional shares of its stock to all holders of its outstanding stock in proportion to the shares they own. Each outstanding share will be worth less as a result of a stock dividend.

If a stock is subject to a stock dividend, then the calculation agent will adjust the reference amount of such stock to equal the *sum* of the prior reference amount of such stock *plus* the *product* of (1) the number of shares issued in the stock dividend with respect to one share of such stock *times* (2) the prior reference amount of such stock. The reference amount — and thus the reference price of the relevant stock — will not be adjusted, however, unless the ex-dividend date occurs after the trade date and on or before the relevant observation date.

The ex-dividend date for any dividend or other distribution is the first day on which a stock trades without the right to receive that dividend or other distribution.

Other Dividends and Distributions. The reference amount of a stock will not be adjusted to reflect dividends or other distributions paid with respect to such stock, other than:

- stock dividends described above,
- issuances of transferable rights and warrants as described under "— Transferable Rights and Warrants" below,
- distributions that are spin-off events described under "— Reorganization Events" below, and
- extraordinary dividends described below.

A dividend or other distribution with respect to a stock will be deemed to be an extraordinary dividend if its per share value exceeds that of the immediately preceding non-extraordinary dividend, if any, for such stock by an amount equal to at least 10% of the reference price of such stock on the first exchange business day before the ex dividend date.

If an extraordinary dividend is paid with respect to a stock, the calculation agent will adjust the reference amount of such stock to equal the *product* of (1) the prior reference amount of such stock *times* (2) a *fraction*, the numerator of which is the reference price of such stock on the exchange business day before the ex dividend date and the denominator of which is the amount by which that reference price exceeds the extraordinary dividend amount. The reference amount — and thus the reference price of the relevant stock — will not be adjusted, however, unless the ex-dividend date occurs after the trade date and on or before the relevant observation date.

The extraordinary dividend amount with respect to an extraordinary dividend for a stock equals:

- for an extraordinary dividend that is paid in lieu of a regular quarterly dividend, the amount of the extraordinary dividend per share of such stock minus the amount per share of the immediately preceding dividend, if any, that was not an extraordinary dividend for such stock, or
- for an extraordinary dividend that is not paid in lieu of a regular quarterly dividend, the amount per share of the extraordinary dividend.

To the extent an extraordinary dividend is not paid in cash, the value of the non-cash component will be determined by the calculation agent. A distribution on a stock that is a stock dividend, an issuance of transferable rights or warrants or a spin-off event and also an extraordinary dividend will result in an adjustment to the reference price of such stock only as described under "— Stock Dividends" above, "— Transferable Rights and Warrants" below or "— Reorganization Events" below, as the case may be, and not as described here.

Transferable Rights and Warrants. If a stock issuer issues transferable rights or warrants to all holders of the related stock to subscribe for or purchase such stock at an exercise price per share that is less than the reference price of such stock on the exchange business day before the ex dividend date for

the issuance, then the reference amount of such stock will be adjusted by *multiplying* the prior reference amount of such stock by the following *fraction*:

- the numerator will be the number of shares of such stock outstanding at the close of business on the day before that ex dividend date *plus* the number of additional shares of such stock offered for subscription or purchase under those transferable rights or warrants, and
- the denominator will be the number of shares of such stock outstanding at the close of business on the day before that ex-dividend date *plus* the number of additional shares of such stock that the aggregate offering price of the total number of shares of such stock so offered for subscription or purchase would purchase at the reference price of the stock on the exchange business day before that ex-dividend date, with that number of additional shares being determined by *multiplying* the total number of shares so offered by the exercise price of those transferable rights or warrants and *dividing* the resulting product by the reference price on the exchange business day before that ex dividend date.

The reference amount — and thus the reference price of the relevant stock — will not be adjusted, however, unless the ex-dividend date described above occurs after the trade date and on or before the relevant observation date.

Reorganization Events. Each of the following is a reorganization event:

- a stock is reclassified or changed,
- a stock issuer has been subject to a merger, consolidation or other combination and either is not the surviving entity or is the surviving entity but all the outstanding stock is exchanged for or converted into other property,
- a statutory share exchange involving an outstanding stock and the securities of another entity occurs, other than as part of an event described in the two bullet points above,
- a stock issuer sells or otherwise transfers its property and assets as an entirety or substantially as an entirety to another entity,
- a stock issuer effects a spin-off — that is, issues to all holders of the related stock equity securities of another issuer, other than as part of an event described in the four bullet points above,
- a stock issuer is liquidated, dissolved or wound up or is subject to a proceeding under any applicable bankruptcy, insolvency or other similar law, or
- another entity completes a tender or exchange offer for all outstanding shares of a stock.

If a reorganization event occurs, then the calculation agent will adjust the reference amount of a stock so that it consists of the amount and type of property — whether it be cash, securities or other property — distributed in the event in respect of the prior reference amount of such stock. If more than one type of property is distributed, the reference amount of a stock will be adjusted so as to consist of each type of property distributed in respect of the prior reference amount of such stock, in a proportionate amount so that the value of each type of property comprising the new reference amount of such stock as a percentage of the total value of the new reference amount equals the value of that type of property as a percentage of the total value of all property distributed in the reorganization event in respect of the prior reference amount. We refer to the property distributed in a reorganization event as “distribution property”, a term we describe in more detail below. For purposes of the two-step adjustment process described under “— How Adjustments Will Be Made” above, the distribution property so distributed will be the adjusted reference amount described in step one and the value of that property on the relevant observation date will be the reference price described in step two.

For the purpose of making an adjustment required by a reorganization event, the calculation agent will determine the value of each type of distribution property, in its sole discretion. For any distribution

property consisting of a security, the calculation agent will use the official closing price for such security on the relevant observation date. The calculation agent may value other types of property in any manner it determines, in its sole discretion, to be appropriate. If a holder of a stock may elect to receive different types or combinations of types of distribution property in the reorganization event, the distribution property will consist of the types and amounts of each type distributed to a holder that makes no election, as determined by the calculation agent in its sole discretion.

If a reorganization event occurs with respect to a stock and the calculation agent adjusts the reference amount to consist of the distribution property distributed in the event, as described above, the calculation agent will make further anti-dilution adjustments for later events that affect the distribution property, or any component of the distribution property, comprising the new reference amount. The calculation agent will do so to the same extent that it would make adjustments if a stock were outstanding and were affected by the same kinds of events. If a subsequent reorganization event affects only a particular component of the reference amount of a stock, the required adjustment will be made with respect to that component, as if it alone were the reference amount.

For example, if a stock issuer merges into another company and each share of the related stock is converted into the right to receive two common shares of the surviving company and a specified amount of cash, the reference amount for such stock will be adjusted to consist of two common shares and the specified amount of cash for each share of such stock (adjusted proportionately for any partial share) comprising the reference amount of such basket share before the adjustment. The calculation agent will adjust the common share component of the new reference amount to reflect any later stock split or other event, including any later reorganization event, that affects the common shares of the surviving company, to the extent described above. In that event, the cash component will not be adjusted but will continue to be a component of the reference amount. Consequently, the reference price of such stock will be the total value, as determined by the calculation agent on the relevant observation date, of all components of the reference amount of such stock, with each component having been adjusted on a sequential and cumulative basis for all relevant events requiring adjustment on or before the relevant observation date.

The calculation agent will not make any adjustment for a reorganization event, however, unless the event becomes effective (or, if the event is a spin-off, unless the ex dividend date for the spin-off occurs) after the trade date and on or before the relevant observation date.

When we refer to distribution property, we mean the cash, securities and other property or assets distributed in a reorganization event in respect of one outstanding share of a stock — or in respect of whatever the applicable reference amount of such stock may then be if any anti-dilution adjustment has been made in respect of a prior event. In the case of a spin off, the distribution property also includes one share of a stock — or other applicable reference amount — in respect of which the distribution is made.

If a reorganization event occurs, the distribution property distributed in the event will be substituted for a stock as described above. Consequently, when we refer to a stock, we mean any distribution property that is distributed in a reorganization event and comprises the adjusted reference amount of such stock as determined by the calculation agent in the manner described above. Similarly, when we refer to a stock issuer, we mean any successor entity in a reorganization event as described under "— Reorganization Events" above.

Principal Stock Exchange. In the event that the calculation agent shall in its sole discretion determine that the principal stock exchange of any stock is no longer the principal trading market for such stock, the principal stock exchange of such stock shall be such other stock exchange as the calculation agent may in its sole discretion determine.

Single Commodity and Commodity Basket

Exchange Business Days

An exchange business day with respect to a single commodity or commodity basket for which the reference price is a price announced or published by an exchange is any day on which the relevant exchange is, or but for the occurrence of a market disruption event would have been, open for trading during regular trading sessions, notwithstanding any such exchange closing prior to its scheduled closing time, and for any other commodity for which the reference price is not announced or published by an exchange, any day on which the relevant price source published, or but for the occurrence of a market disruption event would have published, a price.

Market Disruption Events

Any of the following will be a market disruption event with respect to a commodity:

- the applicable exchange or other price source fails to announce or publish the reference price for that commodity or temporary or permanent discontinuance of price source, or
- the permanent discontinuance of trading in the relevant futures contract on the relevant exchange, the disappearance of, trading in the relevant commodity, or the disappearance or permanent discontinuance or unavailability of the reference price for that commodity, or
- a material change in the formula for or the method of calculating the reference prices for that commodity, or
- the imposition of, or a change to, a tax, which has the direct effect of raising or lowering the price per unit for that commodity, or
- a material change in the content, composition or constitution of that commodity, including, without limitation, any material change in the futures contract specification.

For the purposes of the last bullet point, a change in futures contract specification will be material if the calculation agent determines, in its sole discretion, that it causes a change in the applicable reference price.

In addition, any of the following will also constitute a market disruption event with respect to a commodity for which the reference price is announced or published by an exchange, as determined by the calculation agent in its sole discretion:

- a material limitation, suspension, or disruption of trading of the relevant futures contract which results in a failure by the exchange on which that commodity is traded to report the reference price, or
- the closing price that would be used to determine the reference price for that commodity is a "limit price", which means that the closing price for that commodity for a day has increased or decreased from the previous day's closing price by the maximum amount permitted under applicable exchange rules, or
- the relevant exchange fails to list a futures contract with the same specification as that which applies in relation to that commodity as of the strike fixing date, or lists futures contracts for the same commodity, but with a specification which differs materially from that which applies to that commodity as of the strike fixing date.

For the purposes of the last bullet point, a change in futures contract specification will be material if the calculation agent determines, in its sole discretion, that it causes a change in the applicable reference price.

Adjustments

Single Commodity and Observation Dates

Where the relevant note is linked to a single commodity, and if the calculation agent determines that any scheduled observation date in respect of such commodity is not an exchange business day, then the observation date in respect of such commodity shall be the first succeeding day that is an exchange business day for such commodity.

Where the relevant note is linked to a single commodity, and if the calculation agent determines that the observation date in respect of such commodity is a day on which a market disruption event occurs or is continuing with respect to such commodity, and, if in the relevant final terms the consequence (each, a "disruption fallback") specified is:

- Calculation Agent Determination — the calculation agent will determine the reference price (or a method for determining a reference price), taking into consideration the latest available quotation for the relevant reference price and any other information that it deems relevant on such observation date;
- Delayed Publication or Announcement — the reference price for an observation date will be determined based on the specified price (or, if there is no specified price for a reference price, such reference price) in respect of such observation date that is published or announced by the price source retrospectively on the first succeeding exchange business day that the calculation agent determines is not a day on which a market disruption event has occurred or is continuing in respect of such commodity, unless the calculation agent determines that each of a market disruption event has occurred or is continuing on each of the five consecutive business days immediately following such observation date or the reference price continues to be unavailable for five consecutive business days. In that case, the next disruption fallback specified in the relevant final terms will apply, or, if no such disruption fallback is specified or is deemed to be specified, the price for the observation date will be subject to calculation agent determination;
- Fallback Reference Dealers — the reference price will be determined on the basis of quotations provided by reference dealers on that observation date of that day's specified price (or, if there is no specified price for a reference price, such reference price) for a unit of the relevant commodity for delivery on the delivery date (or, if there is no delivery date for a reference price, for delivery on such date that forms the basis on which such reference price is quoted). If four quotations are provided as requested, the price for that observation date will be the arithmetic mean of the specified prices (or, if there is no specified price for a reference price, of such reference prices for the relevant date and time) for that commodity provided by each reference dealer, without regard to the specified prices (or, as the case may be, reference prices for the relevant date and time) having the highest and lowest values. If exactly three quotations are provided as requested, the price for that observation date will be the specified price (or, as the case may be, reference price for the relevant date and time) provided by the relevant reference dealer that remains after disregarding the specified prices (or, as the case may be, reference prices for the relevant date and time) having the highest and lowest values. For this purpose, if more than one quotation has the same highest or lowest value, then the specified price (or, as the case may be, reference price for the relevant date and time) of one of such quotations shall be disregarded. If fewer than three quotations are provided, then the next disruption fallback specified in the relevant final terms will apply, or, if no such disruption fallback is specified or is deemed to be specified, the price for the observation date will be subject to calculation agent determination;
- Fallback Reference Price — the calculation agent will determine the reference price based on the price for that observation date of the first alternate reference price, if any, specified in the relevant final terms that the calculation agent determines is not a day on which a market disruption event has occurred or is continuing in respect of such commodity, unless the calculation agent determines that a market disruption event has occurred or is continuing on each of the five business days immediately following the scheduled observation day. In that case, the next

disruption fallback specified in the relevant final terms will apply, or, if no such disruption fallback is specified or is deemed to be specified, the price for the observation date will be subject to calculation agent determination; or

- Postponement — the observation date for such commodity shall be postponed to the first succeeding business day that the calculation agent determines is not a day on which a market disruption event has occurred or is continuing in respect of such commodity, unless the calculation agent determines that each of the five consecutive business days immediately following such observation date is a day on which a market disruption event has occurred or is continuing in respect of such commodity. In that case:

    - the business day immediately following the expiry of the five business days affected by the market disruption event shall be deemed to be the observation date for such commodity, notwithstanding the fact that such day may, or may not, be a day on which a market disruption event has occurred or is continuing for such commodity; and

    - the reference price for the observation date will be subject to calculation agent determination; provided that,

- if the consequence of "No Adjustment" is specified in the relevant final terms for a commodity and an observation date — such observation date for such commodity shall be the scheduled observation date, notwithstanding that such scheduled observation date is not an exchange business day or is a day on which a market disruption event has occurred or is continuing for such commodity, and the reference price shall be subject to calculation agent determination on such observation date, and such determination by the calculation agent pursuant to this paragraph shall be deemed to be the reference price in respect of the relevant observation date.

Disruption Fallback Specifications

The relevant final terms may provide that one or more of the disruption fallbacks may apply to any pricing date, and that such applicable disruption fallbacks may apply concurrently or sequentially, in such manner as specified in the relevant final terms.

The relevant final terms may provide that different disruption fallbacks may apply in respect of different observation dates.

If the relevant final terms provide that both "Delayed Publication or Announcement" and "Postponement" shall be applicable disruption fallbacks for an observation date, then, unless otherwise specified in the relevant final terms, both such disruption fallbacks are to operate concurrently with the other and each shall be subject to the postponement by no more than five business days following the scheduled observation date, and the price determined by "postponement" will be the reference price only if "delayed publication or announcement" does not yield a reference price within five business days following the scheduled observation date.

If the calculation agent determines that any observation date is a day on which a market disruption event has occurred or is continuing in respect of such commodity and, the relevant final terms do not specify a disruption fallback, then the disruption fallback of "Postponement" (with five (5) business days as the maximum number of days of disruption) will be deemed to have been specified.

Commodity Basket and Observation Dates — Common Exchange Business Day but Individual Market Disruption Event

Where the notes are linked to a commodity basket and the final terms specify that common exchange business days but individual market disruption events apply to any two or more commodities (such commodities being "common basket commodities" and each a "common basket commodity"), the following provisions shall apply (unless otherwise, and to the extent, specified in the relevant final terms).

If the calculation agent determines that (I) any scheduled observation date is a common exchange day but is a day on which a market disruption event has occurred or is continuing for one or more common basket commodities, or (II) any scheduled observation date is not a common exchange business day, in which case the observation date for each common basket commodity shall be the first succeeding common exchange business day following such scheduled observation date, provided that if such common exchange business day is a day on which a market disruption event has occurred or is continuing for one or more common basket commodities, then, in respect of (I) and (II) the following provisions shall apply:

- if the calculation agent determines that such common exchange business day is not a day on which a market disruption event has occurred or is continuing for a common basket commodity, then the observation date for such common basket commodity shall be such common exchange business day;
- if the calculation agent determines that such common exchange business day is a day on which a market disruption event has occurred or is continuing for a common basket commodity (such common basket commodities being "affected common basket commodities" for such observation date, and each such common basket commodity being an "affected common basket commodity" for such observation date), and, if in the relevant final terms the consequence ("disruption fallback") for such affected common basket commodity specified is:
    - Calculation Agent Determination — the calculation agent will determine the reference price (or a method for determining a reference price), for such affected common basket commodity taking into consideration the latest available quotation for the relevant commodity reference price and any other information that it deems relevant on such observation date;
    - Delayed Publication or Announcement — the reference price for an observation date for such affected common basket commodity will be determined based on the specified price (or, if there is no specified price for a commodity reference price, such commodity reference price) in respect of such observation date that is published or announced by the price source retrospectively on the first succeeding exchange business day that the calculation agent determines is not a day on which a market disruption event has occurred or is continuing in respect of such affected common basket commodity, unless the calculation agent determines that each of the five consecutive exchange business days equal in respect of such affected common basket commodity immediately following such observation date is a day on which a market disruption event has occurred or is continuing or the reference price continues to be unavailable for five consecutive exchange business days following the originally scheduled observation date. In that case, the next disruption fallback specified in the relevant final terms will apply, or, if no such disruption fallback is specified or is deemed to be specified, the price for the observation date will be subject to calculation agent determination;
    - Fallback Reference Dealers — the reference price will be determined on the basis of quotations provided by reference dealers on that observation date of that day's specified price (or, if there is no specified price for a reference price, such reference price) for a unit of the relevant commodity for delivery on the delivery date (or, if there is no delivery date for a reference price, for delivery on such date that forms the basis on which such reference price is quoted). If four quotations are provided as requested, the price for that observation date will be the arithmetic mean of the specified prices (or, if there is no specified price for a reference price, of such reference prices for the relevant date and time) for that commodity provided by each reference dealer, without regard to the specified prices (or, as the case may be, reference prices for the relevant date and time) having the highest and lowest values. If exactly three quotations are provided as requested, the price for that observation date will be the specified price (or, as the case may be, reference price for the relevant date and time) provided by the relevant reference dealer that remains after disregarding the specified prices (or, as the case may be, reference prices for the relevant date and time) having the highest and lowest values. For this purpose, if more than one quotation has the same highest or

lowest value, then the specified price (or, as the case may be, reference price for the relevant date and time) of one of such quotations shall be disregarded. If fewer than three quotations are provided, then the next disruption fallback specified in the relevant final terms will apply, or, if no such disruption fallback is specified or is deemed to be specified, the price for the observation date will be subject to calculation agent determination;

- Fallback Reference Price — the calculation agent will determine the reference price for such affected common basket commodity based on the price for that observation date of the first alternate commodity reference price, if any, specified in the relevant final terms that the calculation agent determines is not a day on which a market disruption event has occurred or is continuing in respect of such affected common basket commodity, unless the calculation agent determines that each of the five consecutive exchange business days following such observation date is a day on which a market disruption event has occurred or is continuing. In that case, the next disruption fallback specified in the relevant final terms will apply, or, if no such disruption fallback is specified or is deemed to be specified, the price for the observation date will be subject to calculation agent determination; or

- Postponement — then the observation date for such affected common basket commodity shall be postponed to the first succeeding exchange business day that the calculation agent determines is not a day on which a market disruption event has occurred or is continuing in respect of such affected common basket commodity, unless the calculation agent determines that each of the five consecutive exchange business days in respect of such affected common basket commodity immediately following the common exchange business day is a day on which a market disruption event has occurred or is continuing for such affected common basket commodity. In that case:

- the scheduled commodity business day immediately following the expiry of the five business days affected by the market disruption event shall be deemed to be the observation date for such affected common basket commodity, notwithstanding the fact that such day may, or may not, be a day on which a market disruption event has occurred or is continuing for such affected common basket commodity; and

- the reference price for the observation date will be subject to calculation agent determination; provided that,

- if the consequence of "No Adjustment" is specified in the relevant final terms for a commodity and an observation date — such observation date for such commodity shall be the scheduled observation date, notwithstanding the fact that such scheduled observation date is not an exchange business day or is a day on which a market disruption event has occurred or is continuing for such commodity, and the reference price shall be subject to calculation agent determination on such observation date, and such determination by the calculation agent pursuant to this paragraph shall be deemed to be the reference price in respect of the relevant observation date.

The terms described above, under "—Single Commodity and Observation Dates — Disruption Fallback Specifications" shall apply to notes linked a commodity basket where the final terms specify that common exchange business days but individual market disruption events apply, unless otherwise specified in the applicable final terms.

Commodity Basket and Observation Dates — Common Exchange Business Day and Common Market Disruption Event

Where the notes are linked to a commodity basket and the final terms specify that common exchange business days and common market disruption events apply to any two or more commodities (such commodities being "common basket commodities" and each a "common basket commodity"), the following provisions shall apply (unless otherwise, and to the extent, specified in the relevant final terms).

If the calculation agent determines that any scheduled observation date is a common exchange business day that is not a day on which a market disruption event has occurred or is continuing for any common basket commodity, then the observation date for each common basket commodity shall be such scheduled observation date.

If the calculation agent determines that any scheduled observation date is not a common exchange business day or is a day on which a market disruption event has occurred or is continuing for any common basket commodity, then the observation date for each common basket commodity shall be the first succeeding common exchange business day following such scheduled observation date which the calculation agent determines is not a day on which a market disruption event has occurred or is continuing for any common basket commodity, unless the calculation agent determines that each of the five consecutive common exchange business days immediately following such scheduled pricing date is a day on which a market disruption event has occurred or is continuing for one or more common basket commodities. In that case:

- the common exchange business day immediately following the expiry of five business days affected by the market disruption event shall be deemed to be such observation date for each common basket commodity, notwithstanding the fact that such day may or may not be a day on which a market disruption event has occurred or is continuing for one or more common basket commodities;
- for each common basket commodity, the reference price shall be determined by the calculation agent on such common exchange business day; provided that,
- if the consequence of "No Adjustment" is specified in the relevant final terms for a commodity and an observation date, then such observation date for such commodity shall be the scheduled observation date, notwithstanding the fact that such scheduled observation date is not an exchange business day or is a day on which a market disruption event has occurred or is continuing for such commodity, and the reference price shall be subject to calculation agent determination on such pricing date, and such determination by the calculation agent pursuant to this paragraph shall be deemed to be the reference price in respect of the relevant observation date.

Currencies and Foreign Currency Exchange Rates

Exchange Business Days

An exchange business day with respect to a foreign exchange rate is a day on which either (1) an entity responsible for setting the official exchange rate, a spot exchange rate or other specified exchange rate publishes such rate or (2) transactions in the official exchange rate, spot exchange rate or other specified exchange rate are occurring in the global foreign exchange spot markets and foreign exchange markets are settling payments in the specified principal financial centers of the relevant currencies, and, in each case, a market disruption event with respect to a foreign currency exchange rate has not occurred or is not continuing.

Market Disruption Events

A market disruption event with respect to a foreign currency exchange rate will be deemed to have occurred if an event has occurred or is continuing which makes it impossible for the calculation to obtain such relevant official exchange rate, spot exchange rate or other specified exchange rate.

Adjustments

Non-Exchange Business Days

If any observation date with respect to a foreign currency exchange rate falls on a day that is not an exchange business day, the relevant observation date with respect to such rate will be postponed to the

next following exchange business day. However, in no event will any observation date with respect to a foreign exchange rate be postponed by more than eight business days after the scheduled date for that observation date. If an observation date immediately preceding the stated maturity date or any payment date for the relevant note is postponed, the stated maturity date or payment date will be postponed by the same number of business day(s) from and excluding the originally scheduled observation date to and including the actual observation date, subject to a maximum of eight business days; provided, however, that if the rescheduled observation date is more than five business days prior to the stated maturity date or payment date, then such stated maturity date or payment date shall not be postponed in the event that an observation date has been postponed to the last date possible and such postponed date is not an exchange business day, the calculation agent shall determine the relevant official exchange rate, spot exchange rate or other specified exchange rate in a commercially reasonable manner in its sole discretion.

Change in Law

Following the determination by the calculation agent that a change in law has occurred, the calculation agent will determine the appropriate adjustment, if any, to be made to any one or more of the terms of the notes, including, without limitation, any term relating to amounts payable on such notes, as the calculation agent determines appropriate to account for the change in law, and determine the effective date of that adjustment. We may also redeem, in whole or in part, any outstanding notes in the event of a change in law, as described under " — Redemption and Repayment — Redemption Upon Change in Law" below.

A change in law means that, on or after the settlement date, as a result of (i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (ii) the promulgation of or any change in the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the calculation agent determines that we and/or any of our affiliates will incur a materially increased cost in performing our obligations under the notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit, or other adverse effect on its tax position) or if such performance becomes illegal.

Authority of Calculation Agent

All determinations and adjustments made by the calculation agent with respect to principal and interest payable on an indexed note may be made by the calculation agent in its sole discretion.

Calculations relating to indexed notes and adjustments with respect to any index, stock or basket of stocks, commodities or currencies will be made by the calculation agent. Absent manifest error, all determinations of the calculation agent will be final and binding on you and us, without any liability on the part of the calculation agent. For more information about the calculation agent, see "— Interest Rates — Floating Rate Notes — Calculation of Interest" above.

Default Amount on Acceleration

If an event of default occurs and the maturity of an indexed note is accelerated, we will pay the default amount on that note at maturity. We describe the default amount below.

For the purpose of determining whether the holders of each of our Series C euro medium-term notes and our Series E subordinated euro medium-term notes are entitled to take any action under the fiscal agency agreement, we will treat the outstanding face amount of each such note as the outstanding principal amount of that note. Although the terms of each note may differ from those of the other notes of the same series, holders of specified percentages in principal amount of all notes of each such series will be able to take action affecting all notes of such series. This action may involve changing some of the terms that apply to the notes of the relevant series, accelerating the stated maturity date of the notes of

the relevant series after a default or waiving some of our obligations under the Fiscal Agency Agreement. These matters are discussed below under "— Events of Default and Remedies" and "— Meetings, Modification and Waiver of Covenants".

Default Amount

Unless otherwise specified in the applicable final terms, the default amount for an indexed note on any day will be an amount, in the specified currency of that note, equal to the cost of having a qualified financial institution, of the kind and selected as described below, expressly assume all our payment and other obligations with respect to that note as of that day and as if no default or acceleration had occurred, or to undertake other obligations providing substantially equivalent economic value to you with respect to that note. That cost will equal:

- the lowest amount that a qualified financial institution would charge to effect this assumption or undertaking, *plus*
- the reasonable expenses, including reasonable attorneys' fees, incurred by the holder of that note in preparing any documentation necessary for this assumption or undertaking.

During the default quotation period for an indexed note, which we describe below, the holder and/or we may request a qualified financial institution to provide a quotation of the amount it would charge to effect this assumption or undertaking. If either party obtains a quotation, it must notify the other party in writing of the quotation. The amount referred to in the first bullet point above will equal the lowest — or, if there is only one, the only — quotation obtained, and as to which notice is so given, during the default quotation period. With respect to any quotation, however, the party not obtaining the quotation may object, on reasonable and significant grounds, to the assumption or undertaking by the qualified financial institution providing the quotation and notify the other party in writing of those grounds within two business days after the last day of the default quotation period, in which case that quotation will be disregarded in determining the default amount.

Default Quotation Period

The default quotation period for an indexed note is the period beginning on the day the default amount first becomes due and ending on the third business day after that day, unless:

- no quotation of the kind referred to above is obtained, or
- every quotation of that kind obtained is objected to within five business days after the due day as described above.

If either of these two events occurs, the default quotation period will continue until the third business day after the first business day on which prompt notice of a quotation is given as described above. If that quotation is objected to as described above within five business days after that first business day, however, the default quotation period will continue as described in the prior sentence and this sentence.

In any event, if the default quotation period and the subsequent two business day objection period have not ended before the stated maturity date for any indexed note, then the default amount for that note will equal the payment amount of that note.

Qualified Financial Institutions

For the purpose of determining the default amount at any time, a qualified financial institution must be a financial institution organized under the laws of any jurisdiction in the United States of America or Europe, which at that time has outstanding debt obligations with a stated maturity of one year or less from the date of issue and rated either:

- A-1 or higher by Standard & Poor's Ratings Group or any successor, or any other comparable rating then used by that rating agency, or
- P-1 or higher by Moody's Investors Service, Inc. or any successor, or any other comparable rating then used by that rating agency.

Hedging in Connection with Issuance of Indexed Notes

In anticipation of the sale of indexed notes, we and/or our affiliates may enter into hedging transactions involving purchases of instruments linked to the relevant index or indices on the trade date. In addition, from time to time after we issue the offered notes, we and/or our affiliates may enter into additional hedging transactions and unwind those hedging transactions we have entered into, in connection with such notes and perhaps in connection with other notes we issue, some of which may have returns linked to the relevant index or indices or all or a portion of the index components. Consequently, with regard to indexed notes, from time to time, we and/or our affiliates:

- expect to acquire and dispose of positions in listed or over-the-counter options, futures, swaps or other instruments linked to the relevant index or indices or some or all of the index components,
- may take or dispose of positions in the securities of the issuers of securities included in such indices,
- may take or dispose of positions in listed or over-the-counter options or other instruments based on indices designed to track the performance of relevant equity markets or components of such markets, and/or
- may take short positions in any of the index components described above.

We and/or our affiliates may acquire long or short positions in securities similar to the offered notes from time to time and may, in our or their sole discretion, hold or resell those securities.

In the future, we and/or our affiliates would expect to close out any hedge positions relating to your note and perhaps hedge positions relating to the index and other notes with returns linked to the index components. Those steps are likely to involve sales and/or purchases of listed or over-the-counter options, futures or other instruments linked to the index or perhaps to some or all of the index components. They may also involve sales and/or purchases of some or all of the index components as well as listed or over-the-counter options, futures or other instruments linked to the index.

The hedging activity discussed above may adversely affect the market price of your note from time to time and the supplemental payment amount, if any, we will pay on your note. See "Risk Factors — Considerations Relating to Indexed Notes — Trading and Other Transactions by Us in Instruments Linked to an Index or the Components of an Index May Impair the Market Price of an Indexed Note" and "Risk Factors — Considerations Relating to Indexed Notes — Our Business Activities May Create Conflicts of Interest Between You and Us" for a discussion of these adverse effects.

Indexed Notes Terms

In this subsection entitled "Indexed Notes", we use several terms that have special meanings relevant to indexed notes. We define these terms as follows:

The term ***"index"*** means any index specified as such in the applicable final terms and any successor index, in each case as it may be modified, replaced or adjusted from time to time, as indicated above.

The term ***"index sponsor"*** means, at any time, the person or other entity, including any successor sponsor, that is (i) responsible for setting and reviewing the rules and procedures for the methods of calculation and adjustments, if any, related to the relevant index and (ii) announces (directly or through an

agent) the level of the relevant index on a regular basis on each exchange business day, all as determined by the calculation agent.

The term ***"observation date"*** means with respect to an index the date specified as such in the applicable final terms, subject to any relevant adjustments as described above.

The term ***"reference price"*** means the official closing level of the relevant index as of the relevant observation date as published by the index sponsor.

Redemption and Repayment

Redemption at the Option of The Goldman Sachs Group, Inc.

We will not be entitled to redeem your note before its stated maturity date unless your final terms specify a redemption commencement date, except in the event of certain developments involving a change in law (including a change in tax law) or in connection with the imposition of United States withholding taxes for which we have agreed to pay Additional Amounts, as described in this subsection under "— Redemption Upon Change in Law," and "— Redemption Upon Payment of Additional Amounts" below. If your final terms specify a redemption commencement date, they will also specify one or more redemption prices, which may be expressed as a percentage of the principal amount of your note. Your final terms may also specify one or more redemption periods during which the specified redemption prices relating to a redemption of notes during those periods will apply.

If your final terms specify a redemption commencement date, your note will be redeemable at our option, in whole or in part, at any time on or after that date or at a specified time or times. If we redeem your note, we will do so at the specified redemption price, together with any interest accrued to the redemption date. If different prices are specified for different redemption periods, the price we pay will be the price that applies to the redemption period during which your note is redeemed.

If we exercise an option to redeem any note, we give to the holder written notice of the principal amount of the note to be redeemed, not less than 30 days nor more than 60 days before the applicable redemption date. We will give the notice in the manner described under "— Notices" below. In addition, we will notify the Luxembourg Stock Exchange of any redemption.

If a note represented by a global note is subject to repayment at the holder's option, the depositary or its nominee, as the holder, will be the only person that can exercise the right of repayment. Any indirect owners who own beneficial interests in the global note and wish to exercise a repayment right must give proper and timely instructions to their banks or brokers through which they hold their interests, requesting that they notify the depositary to exercise the repayment right on their behalf. Different firms have different deadlines for accepting instructions from their customers, and you should take care to act promptly enough to ensure that your request is given effect by the depositary before the applicable deadline for exercise.

Street name and other indirect owners should contact their banks or brokers for information about how to exercise a repayment right in a timely manner.

We or our affiliates may purchase notes from investors who are willing to sell from time to time, either in the open market at prevailing prices or in private transactions at negotiated prices. Notes that we or they purchase may, at our discretion, be held, resold or canceled.

Repayment at the Option of the Holder

You will not be entitled to require us to buy your note from you before its stated maturity, unless your final terms specify one or more repayment dates. If your final terms specify a repayment date, it will also specify one or more repayment prices.

If your final terms specify a repayment date, your note will be repayable at the holder's option on the specified repayment date at the specified repayment price, together with interest accrued to the repayment date.

If a holder of a note wishes to exercise its option to redeem any note, the holder will need to deliver to a paying agent of The Goldman Sachs Group, Inc., at least 30 days but not more than 45 days before the repayment date, together with a completed copy of the form entitled "Option to Elect Repayment" on the back of the applicable final terms or note. Exercise of the repayment option by the holder of a note will be irrevocable. The holder of a note may not exercise the repayment option for less than the entire principal amount of the note.

Redemption Upon Change in Law

Unless we say otherwise in your final terms, the following redemption provisions will apply to the notes.

We may redeem, as a whole but not in part, any outstanding notes, if, at any time on or after the settlement date, as a result of (i) the adoption of or any change in any applicable law or regulation or (ii) the promulgation of or any change in the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation, the calculation agent determines that we and/or any of our affiliates will incur a materially increased cost in performing our obligations under the notes or if such performance becomes illegal, in whole or in part. This right to redemption is exclusive of and in addition to the right to redemption described under "— Redemption Upon Payment of Additional Amounts" below.

If we exercise the option to redeem, we will give to the holders of notes, not less than 30 nor more than 60 days' notice before the specified redemption date (unless otherwise required by law). In addition, we will notify the Luxembourg Stock Exchange of any redemption. The redemption price will be either (i) 100% of the principal of the notes (except original issue discount notes), together with accrued but unpaid interest to the redemption date or (ii) in the case of indexed notes the non-scheduled repayment amount, taking into account change in law. Original issue discount notes, however, may be redeemed at the redemption prices specified in the applicable final terms. In the event of a change in law due to illegality, we will pay the non-scheduled repayment amount only to the extent permitted by applicable law.

Unless otherwise specified in the applicable final terms, the non-scheduled repayment amount for an indexed note redeemed upon a change in law or, if applicable, upon payment of additional amounts, as set forth below, will equal on any day, an amount, in the specified currency of the note based on the quotes of three qualified financial institutions, as the suitable market price of the note, taking into account its remaining present value, immediately before the redemption. In the event that quotes are not able to be obtained from three qualified financial institutions, the amount shall be determined in good faith by the calculation agent as the fair market value of the note, taking into account the remaining present value, immediately before the redemption.

We must deliver to the fiscal agent a certificate affirming that we are entitled to exercise the right of redemption and setting forth in reasonable detail a statement of facts showing that the conditions precedent to the right to redeem the notes have occurred.

Redemption Upon Payment of Additional Amounts

Unless we say otherwise in your final terms, the following redemption provisions will apply to the notes.

We may redeem, as a whole but not in part, any outstanding notes, if, at any time, as a result of certain changes in the laws or regulations of any U.S. taxing authority, on or after the date of this European base prospectus, we are obligated to pay, on the next succeeding interest payment date, additional amounts, as described under "— Payment of Additional Amounts" below, and that obligation cannot be avoided by the use of reasonable measures available to us. If we exercise the option to redeem, we will give to the holders of notes, not less than 30 nor more than 60 days' notice before the specified redemption date. In addition, we will notify the Luxembourg Stock Exchange of any redemption. The redemption price will be either (i) 100% of the principal of the notes (except original issue discount notes), together with accrued but unpaid interest to the redemption date or (ii) in the case of indexed notes the non-scheduled repayment amount. Original issue discount notes, however, may be redeemed at other redemption prices specified in the applicable final terms.

The obligation to pay additional amounts must remain in effect at the time we give notice of redemption, and that notice of redemption must be given no earlier than 90 days before the date on which we would be obligated to pay additional amounts, if a payment in respect of the notes were then due. In addition, we must deliver to the fiscal agent a certificate affirming that we are entitled to exercise the right of redemption and setting forth in reasonable detail a statement of facts showing that the conditions precedent to the right to redeem the notes have occurred.

Payment of Additional Amounts

Unless we say otherwise in your final terms and unless required by law, we intend to make all payments on the notes without deducting U.S. withholding taxes. If we are required by law to withhold payments to non-U.S. investors, however, we generally will not pay additional amounts on those payments. Only if the applicable final terms explicitly states that the gross-up of any payments due on the notes is applicable will we pay additional amounts on payments that are required to be withheld and only to the extent described in this subsection. The following discussion in this subsection assumes that the applicable final terms provide for the gross-up of payments due on the notes and describes the conditions in respect of such a gross-up.

We will pay additional amounts on a note only if the beneficial owner of the notes is a United States alien. The term "United States alien" means any person who, for U.S. federal income tax purposes is:

- a nonresident alien individual;
- a foreign corporation;
- a foreign partnership one or more of the members of which, for U.S. federal income tax purposes, is a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust; or
- a nonresident alien fiduciary of an estate or trust that is not subject to U.S. federal income tax on a net income basis on income or gain from a note.

If the beneficial owner of a note is a United States alien, we will pay all additional amounts that may be necessary so that every net payment of interest, premium, if any, or principal on that note will not be less than the amount provided for in that note. By net payment, we mean the amount we or our paying agent pays after deducting or withholding an amount for or on account of any present or future tax, assessment or other governmental charge imposed with respect to that payment by a U.S. taxing authority.

Our obligation to pay additional amounts is subject to several important exceptions, however. We will ***not*** pay additional amounts for or on account of any of the following:

- any tax, assessment or other governmental charge imposed solely because of any time there is or was a connection between the beneficial owner — or between a fiduciary, settler, beneficiary or member of the beneficial owner, if the beneficial owner is an estate, trust or partnership — and the United States (other than the mere receipt of a payment or the ownership or holding of a note), including because the beneficial owner — or the fiduciary, settler, beneficiary or member — at any time, for U.S. federal income tax purposes:
  - — is or was a citizen or resident or is or was treated as a resident of the United States;
  - — is or was present in the United States;
  - — is or was engaged in a trade or business in the United States;
  - — has or had a permanent establishment in the United States;
  - — is or was a passive foreign investment company or a controlled foreign corporation;
  - — is or was a corporation that accumulates earnings to avoid U.S. federal income tax; or
  - — is or was a "ten percent shareholder" of The Goldman Sachs Group, Inc.;
- any estate, inheritance, gift, sales, excise, transfer, wealth or personal property or any similar tax, assessment or other governmental charge;
- any tax, assessment or other governmental charge imposed solely because the holder or any other person fails to comply with any certification, identification or other reporting requirement concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of such note, if compliance is required by statute or by regulation of the U.S. Treasury Department or by an applicable income tax treaty to which the United States is a party, as a precondition to exemption from such tax, assessment or other governmental charge;
- any tax, assessment or other governmental charge which is payable otherwise than by deduction or withholding from payments of principal of, premium, if any, or interest on such notes;
- any tax, assessment or other governmental charge imposed solely because the payment is to be made by a particular paying agent (including The Goldman Sachs Group, Inc.) and would not be imposed if made by another paying agent;
- any tax, assessment or other governmental charge imposed solely because the holder (1) is a bank purchasing the note in the ordinary course of its lending business or (2) is a bank that is neither (A) buying the note for investment purposes only nor (B) buying the note for resale to a third party that either is not a bank or holding the note for investment purposes only;
- any tax, assessment or other governmental charge imposed under Sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (the "Code"), and any regulations or official interpretations thereof;
- any tax, assessment or other governmental charge imposed under Section 871(m) of the Code, and any regulations or official interpretations thereof; or
- any combination of the taxes, assessments or other governmental charges described above.

In addition, we will not pay additional amounts with respect to any payment of principal, premium, if any, or interest to any United States alien who is a fiduciary or a partnership, or who is not the sole beneficial owner of the payment, to the extent that we would not have to pay additional amounts to any

beneficiary or settlor of the fiduciary or any member of the partnership, or to any beneficial owner of the payment, if that person or entity were treated as the beneficial owner of the note for this purposes.

When we refer to a "U.S. taxing authority" in this subsection and "— Redemption and Repayment — Redemption Upon Payment of Additional Amounts" above, we mean the United States of America or any state, other jurisdiction or taxing authority in the United States. When we refer to the "United States", we mean the United States of America, including the states and the District of Columbia, together with the territories, possessions and all those areas subject to the jurisdiction of the United States of America.

When we refer to any payment of interest or principal on a note, this includes any additional amount that may be payable as described above in respect of that payment.

Mergers and Similar Transactions

We are generally permitted to merge or consolidate with another corporation or other entity. We are also permitted to sell our assets substantially as an entirety to another corporation or other entity. With regard to your note, however, we may not take any of these actions unless all of the following conditions are met:

- if the successor entity in the transaction is not The Goldman Sachs Group, Inc., the successor entity must be organized as a corporation, partnership or trust and must expressly assume our obligations under the notes and the fiscal agency agreement with respect to that series. The successor entity may be organized under the laws of any jurisdiction, whether in the United States or elsewhere;
- immediately after the transaction, no default under the notes of that issuance has occurred and is continuing; and
- certain other conditions of the fiscal agency agreement are met.

If the conditions described above are satisfied, we will not need to obtain the approval of the holders of the notes in order to merge or consolidate or to sell our assets. Also, these conditions will apply only if we wish to merge or consolidate with another entity or sell our assets substantially as an entirety to another entity. We will not need to satisfy these conditions if we enter into other types of transactions, including any transaction in which we acquire the stock or assets of another entity, any transaction that involves a change in control of The Goldman Sachs Group, Inc. but in which we do not merge or consolidate and any transaction in which we sell less than substantially all our assets.

Also, if we merge, consolidate or sell our assets substantially as an entirety and the successor or purchaser is a non-U.S. entity, neither we nor any successor or purchaser would have any obligation to compensate you for any resulting adverse tax consequences to the notes.

Subordination Provisions

Holders of Series E subordinated euro medium-term notes should recognize that the terms of these notes may prohibit us from making payments on them. The Series E subordinated euro medium-term notes are subordinate and junior in right of payment, to the extent and in the manner stated in the relevant notes, to all of our senior indebtedness including the Series C euro medium-term notes and all other securities issued under the fiscal agency agreement under which the Series C euro medium-term notes are issued. "Senior indebtedness" means all indebtedness and obligations of, or guaranteed or assumed by, The Goldman Sachs Group, Inc. for borrowed money or evidenced by bonds, debentures, notes or other similar instruments, whether existing now or in the future, and all amendments, renewals, extensions, modifications and refundings of any indebtedness or obligations of that kind. Senior debt excludes the Series E subordinated euro medium-term notes and any other indebtedness or obligations specifically designated as being subordinate, or not superior, in right of payment to the Series E subordinated euro medium-term notes.

We may modify the subordination provisions, including the definition of senior indebtedness, with respect to the Series E subordinated euro medium-term notes, to the extent set out in the applicable final terms.

The terms of the Series E subordinated euro medium-term notes may provide that, unless all principal of and any premium or interest on the senior indebtedness has been paid in full, no payment or other distribution may be made in respect of any such notes in the following circumstances:

- in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization, assignment for creditors or other similar proceedings or events involving us or our assets;
- (a) in the event and during the continuation of any default in the payment of principal, premium or interest on any senior indebtedness beyond any applicable grace period or (b) in the event that any event of default with respect to any senior indebtedness has occurred and is continuing, permitting the holders of that senior indebtedness to accelerate the maturity of that senior indebtedness, whether or not the maturity is in fact accelerated (unless, in the case of (a) or (b), the payment default or event of default has been cured or waived or ceased to exist and any related acceleration has been rescinded) or (c) in the event that any judicial proceeding is pending with respect to a payment default or event of default described in (a) or (b); or
- in the event that the Series E subordinated euro medium-term notes have been declared due and payable before their stated maturity.

If any holders of the Series E subordinated euro medium-term notes receive any payment or distribution that is prohibited under the subordination provisions, then they will have to repay that money to the holders of the senior indebtedness.

Even if the subordination provisions prevent us from making any payment when due on the Series E subordinated euro medium-term notes, we will be in default on our obligations if we do not make the payment when due. This means that the holders of the Series E subordinated euro medium-term notes can take action against us, but they will not receive any money until the claims of the holders of senior indebtedness have been fully satisfied.

The terms of the Series E subordinated euro medium-term notes allow the holders of senior indebtedness to obtain a court order requiring us and any holder of Series E subordinated euro medium-term notes to comply with the subordination provisions.

Restriction on Liens

We promise holders of the Series C euro medium-term notes that we will not create, assume, incur or guarantee any indebtedness for borrowed money that is secured by a pledge, lien or other similar encumbrance on the voting or profit participating equity ownership interests that we or any of our subsidiaries own in Goldman, Sachs & Co., or in any subsidiary that beneficially owns or holds, directly or indirectly, those interests in Goldman, Sachs & Co., unless we also secure the notes on an equal or priority basis with the other secured indebtedness. Our promise, however, is subject to an important exception: we may secure indebtedness for borrowed money with pledges, liens or other encumbrances on those interests without securing the notes if our board of directors determines that the liens do not materially detract from or interfere with the value or control of those interests, as of the date of such determination.

The restriction on liens described above does not restrict our ability to create liens on our interests in subsidiaries other than Goldman, Sachs & Co., nor does it restrict our ability to sell or otherwise dispose of our interests in any subsidiaries, including Goldman, Sachs & Co. In addition, the restriction on liens applies only to liens that secure debt for borrowed money. For example, liens imposed by operation of law, such as liens to secure statutory obligations for taxes or workers' compensation benefits or liens we

create to secure obligations to pay legal judgments or surety bonds, would not be covered by the restriction.

The restrictions on liens described above do not apply to the Series E subordinated euro medium-term notes.

Defeasance and Covenant Defeasance

Full Defeasance

Unless we say otherwise in your final terms, the provisions for full defeasance will apply to any fixed rate note, the principal of (and premium, if any) and interest on which is payable in U.S. dollars, so long as the note does not include the provisions discussed under "— Payment of Additional Amounts" above.

If there is a change in U.S. federal tax law, as described below, we can legally release ourselves from all payment and other obligations on any notes. This is called full defeasance. For us to do so, each of the following must occur:

- we must deposit in trust for the benefit of all holders of those notes a combination of money and/or U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on those notes on their various due dates or, if we choose, on redemption;
- there must be a change in current U.S. federal tax law or an Internal Revenue Service ruling that lets us make the above deposit without causing the holders to be taxed on those notes any differently than if we do not make the deposit and just repaid those notes ourselves. Under current U.S. federal tax law, the deposit and our legal release from your note would be treated as though we took back your note and gave you your share of the cash and notes or bonds deposited in trust. In that event, you could recognize gain or loss on your note; and
- we must deliver to the defeasance trustee a legal opinion of our counsel confirming the tax law change described above.

Any right we have to redeem any notes will survive full defeasance with respect to those notes.

If we ever fully defeased your note, you would have to rely solely on the trust deposit for payments of your note. You would not be able to look to us for payment in the event of any shortfall.

Covenant Defeasance

Unless we say otherwise in your final terms, the provisions for covenant defeasance will apply to any fixed rate note, the principal of (and premium, if any) and interest on which is payable in U.S. dollars.

Under current U.S. federal tax law, we can make the same type of deposit described in this subsection under "— Full Defeasance" above and be released from our obligations described under "— Restriction on Liens" above and any other covenants relating to your note that may be described in your final terms. This is called covenant defeasance. In that event, you would lose the protection of those restrictive covenants (*i.e.*, a breach would no longer be an event of default with respect to the note). In order to achieve covenant defeasance for any notes, we must do both of the following:

- we must deposit in trust for the benefit of the holders of those notes a combination of money and/or U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on those notes on their various due dates or, if we choose, on redemption; and
- we must deliver to the defeasance trustee a legal opinion of our counsel confirming that under current U.S. federal income tax law we may make the above deposit without causing the holders

to be taxed on those notes any differently than if we do not make the deposit and just repaid those notes ourselves.

Any right we have to redeem the notes will survive covenant defeasance with respect to those notes.

If we accomplish covenant defeasance on your note, you can still look to us for repayment of your note in the event of any shortfall in the trust deposit. You should note, however, that if one of the remaining events of default occurred, such as our bankruptcy, and your note became immediately due and payable, there may be a shortfall. Depending on the event causing the default, you may not be able to obtain payment of the shortfall.

Events of Default and Remedies

Series C Euro Medium-Term Notes

Unless your final terms say otherwise, when we refer to an event of default with respect to any issuance of the notes, we mean any of the following:

- we do not pay the principal or any premium on any of the notes on the due date;
- we do not pay interest on any of the notes within 30 days after the due date;
- we do not deposit a sinking fund payment with regard to any of the notes on the due date, but only if the payment is required under provisions described in the applicable final terms;
- we remain in breach of our covenant described under "— Restriction on Liens" above or any other covenant contained in the notes, or if applicable to the notes, the fiscal agency agreement, for 60 days after we and the fiscal agent receive a notice of default stating that we are in breach and requiring us to remedy the breach. The notice must be sent by the fiscal agent or the holders of at least 10% in principal amount of the outstanding notes;
- we file for bankruptcy or other events of bankruptcy, insolvency or reorganization relating to The Goldman Sachs Group, Inc. occur. Those events must arise under U.S. federal or state law, unless we merge, consolidate or sell our assets as described under "— Mergers and Similar Transactions" above and the successor firm is a non-U.S. entity. If that happens, then those events must arise under U.S. federal or state law or the law of the jurisdiction in which the successor firm is legally organized; or
- if the applicable final terms state that any additional event of default applies to the notes, that event of default occurs.

Series E Subordinated Euro Medium-Term Notes

Unless otherwise specified in the Final Terms, the events of default for a Series E subordinated euro medium-term note will be limited to our filing for bankruptcy or the occurrence of other events of bankruptcy, insolvency or reorganization relating to The Goldman Sachs Group, Inc. The payment of principal of the subordinated notes may be accelerated only in certain events involving our bankruptcy, insolvency or reorganization (but not the bankruptcy, insolvency or reorganization of any of our subsidiaries) under Chapters 7 (liquidation) and 11 (reorganization) of the U.S. Bankruptcy Code. There will be no right of acceleration of the payment of principal of the Series E subordinated euro medium-term notes upon a default in the payment of principal, interest or any other amount (including upon redemption) on such notes or in the performance of any of our covenants or agreements contained in such notes. No such payment or performance default will result in an event of default under the Series E subordinated euro medium-term notes or permit any holders or the trustee to take action to endorse the notes, except that a holder will be entitled at any time to bring a lawsuit for the payment of money due on the notes of such holder.

If an event of default occurs and is continuing (the default not having been cured or waived as provided under "— Meetings, Modification and Waiver of Covenants" below), the holder of any note may,

at its option, by written notice to us and the fiscal agent, declare the principal of its note to be immediately due and payable except as provided in the applicable final terms or above under "— Indexed Notes — Default Amount on Acceleration".

Meetings, Modification and Waiver of Covenants

The fiscal agency agreement contains provisions for convening meetings of the holders of notes to consider matters affecting their interests. There are three types of changes which we can make to either the fiscal agency agreement or any issuance of notes issued under that agreement.

Changes Requiring Each Holder's Approval

First, there are changes that cannot be made without the approval of each holder of the note affected by the change under the fiscal agency agreement. Here is a list of those types of changes:

- change the due date for the payment of principal of (or premium, if any) or any installment of interest on any note;
- reduce the principal amount of any note, the portion of the principal amount which is payable upon acceleration of the maturity of the note, the interest rate or the premium payable upon redemption of the note;
- change the currency of payment in which the principal, premium or interest of any note is payable;
- change our obligation to pay additional amounts;
- shorten the period during which redemption of the notes is not permitted or permit redemption during a period when not previously permitted;
- modify our obligation to maintain required offices at which any payments on the notes are payable;
- reduce the percentage in principal amount of the notes outstanding necessary to modify, amend or supplement the fiscal agency agreement or the terms and conditions of the notes or to waive any past default or future compliance; or
- reduce the percentage of aggregate principal amount of the notes outstanding required for the adoption of a resolution or the quorum required at any meeting of holders of notes at which a resolution is adopted.

For the avoidance of doubt, we may make any change to a note where we have the consent of the holder of the note affected by the change and any such consent given by the holder will be binding on any successor holder of such note.

Changes Not Requiring Approval

The second type of change does not require any approval by holders of the notes of an affected issuance. These changes are limited to clarifications and changes that would not adversely affect the notes in any material respect and changes to cure ambiguity or manifest error.

We may also make changes or obtain waivers that do not adversely affect a particular issuance of notes, even if they affect other issuances of notes. In those cases, we do not need to obtain the approval of the holder of the unaffected notes; we need only obtain any required approvals from the holders of affected notes.

Changes Requiring the Approval of 66 2/3% of the Holders

Any other change to a particular issuance of Series C euro medium-term notes or Series E subordinated euro medium-term notes would require the consent of at least 66 2/3% in aggregate principal amount of the notes of such series at the time outstanding or the adoption of a resolution at a meeting of holders of the notes of such series at which a quorum is present by 66 2/3% in aggregate principal amount of the notes of such series then outstanding represented at such meeting. The same approval of 66 2/3% in aggregate principal amount of the notes of such series then outstanding would be required for us to obtain a waiver of any of our covenants in the fiscal agency agreement. Our covenants include the promises we make about merging and in the case of Series C euro medium-term notes putting liens on our interest in Goldman, Sachs & Co., which we describe under "— Mergers and Similar Transactions" and "— Restriction on Liens" above.

Special Rules for Action by Holders

When holders take any action under the notes or the fiscal agency agreement, such as giving a notice of default, declaring an acceleration, approving any change or waiver, we will apply the following rules.

Only Outstanding Notes Are Eligible

Only holders of outstanding notes of the applicable issuance will be eligible to participate in any action by holders of notes of that issuance. Also, we will count only outstanding notes in determining whether the various percentage requirements for taking action have been met. For these purposes, a note will not be "outstanding":

- if it has been surrendered for cancellation;
- if it is being held by the fiscal agent for re-issuance but has not yet been re-issued;
- if notes in lieu of or for substitution of the original notes have been authenticated and delivered;
- if we have deposited or set aside, in trust for its holder, money for its payment or redemption;
- if we have fully defeased it as described under "— Defeasance and Covenant Defeasance — Full Defeasance" above; or
- if we or one of our affiliates, such as Goldman Sachs International, is the owner.

Meetings and other Actions

The quorum at any meeting called to adopt a resolution with respect to an issuance of notes will be persons holding or representing a majority in aggregate principal amount of that issuance of notes outstanding at the time and, at any reconvened meeting adjourned for lack of a quorum, 25% of the aggregate principal amount outstanding of that issuance of notes. For purposes of determining whether holders of the aggregate principal amount of notes required for any action or vote, or for any quorum, have taken such action or vote, or constitute such quorum, the principal amount of any particular note may differ from its principal amount at stated maturity but will not exceed its stated face amount upon original issuance, in each case if and as indicated in your final terms. Holders may be entitled to make, take or give certain requests, demands, authorizations, directions, notices, consents, waivers or other action, or to vote on certain actions, authorized or permitted by the fiscal agency agreement with respect to the notes in accordance with the applicable procedures of the clearing systems and in accordance with such other reasonable procedures as we and the fiscal agent may agree.

Determining Record Dates for Action by Holders

Unless we say otherwise in your final terms, we will be entitled to set any day as a record date for determining which holders or beneficial owners of notes in global form will be entitled to make, take or

give certain requests, demands, authorizations, directions, notices, consents, waivers or other action, or to vote on certain actions, authorized or permitted by the fiscal agency agreement with respect to the notes. In addition, record dates for any note in global form may be set in accordance with procedures established by the relevant common depositary or common safekeeper, as applicable, from time to time. Accordingly, record dates for notes in global form may differ from those for other notes.

Payment Mechanics for Notes

Who Receives Payment?

Unless we say otherwise in your final terms, interest will be payable to the person in whose name a registered note is registered at the close of business on the regular record date for the relevant interest payment date. However, interest payable at maturity but on a day that is not an interest payment date will be payable to the person to whom principal is payable. The first payment of interest on any registered note originally issued after a regular record date and before the next interest payment date will be made on the interest payment date following the next regular record date to the person in whose name the note is registered at the close of business on such next succeeding regular record date. Unless we say otherwise in your final terms, the "regular record date" with respect to any global note will be the first business day prior to each interest payment date and the "regular record date" with respect to any non-global registered rate note will be the date 15 calendar days prior to each interest payment date, whether or not such date is a business day. With respect to a global registered note issued under NSS, the record date will be the first business day prior to each interest payment date.

How We Will Make Payments

Unless we say otherwise in your final terms, payments of principal of (and premium, if any) and interest on all fixed rate notes and floating rate notes will be made in the applicable specified currency at the offices and agencies described below. Payments of principal of (and premium, if any) and interest on notes denominated in other than U.S. dollars, however, will nevertheless be made in U.S. dollars at our option in the case of imposition of exchange controls or other circumstances beyond our control as described in this subsection under "— When the Specified Currency Is Not Available" below. In the case of an indexed note, the amount of principal payable on such note may be determined by reference to an underlying asset, such as an index or other measure described in the applicable final terms.

Payment on Global Notes

We will make payments on a global note in accordance with the applicable policies of each of Euroclear and Clearstream, Luxembourg or some other depositary or common safekeeper, as applicable, as in effect from time to time. Under those policies, we will pay directly to Euroclear and Clearstream, Luxembourg, and not to any indirect owners who own beneficial interests in the global note. An indirect owner's right to receive those payments will be governed by the rules and practices of Euroclear and Clearstream, Luxembourg and their participants, as described under "— Form, Exchange, Registration and Transfer" below.

Payment on Registered Notes

We will make payments on a note in registered non-global form as follows. We will pay interest that is due on an interest payment date to the holder at his or her address shown on the register for such notes as of the close of business on the regular record date. We will make all other payments by check or via wire transfer at the corporate trust office of the fiscal agent in the Borough of Manhattan, New York City and at the office of the paying agent, against surrender of the note.

When the Specified Currency Is Not Available

If we are obligated to make any payment in a specified currency other than U.S. dollars and the specified currency or any successor currency is not available to us due to circumstances beyond our control — such as the imposition of exchange controls or a disruption in the currency markets — we will be entitled to satisfy our obligation to make the payment in that specified currency by making the payment in U.S. dollars, on the basis of the exchange rate determined by the exchange rate agent described below, in its discretion.

The foregoing will apply to any note, whether in global or non-global form, and to any payment, including a payment at maturity. Any payments made under the circumstances and in a manner described above will not result in a default under any note.

Exchange Rate Agent

If we issue a note in a specified currency other than U.S. dollars, we will appoint a financial institution to act as the exchange rate agent and will name the institution initially appointed when the note is originally issued in the applicable final terms. We may select Goldman Sachs International or another of our affiliates to perform this role. We may change the exchange rate agent from time to time after the original issue date of the notes without your consent and without notifying you of the change.

All determinations made by the exchange rate agent will be in its sole discretion unless we state in the applicable final terms that any determination requires our approval. In the absence of manifest error, those determinations will be conclusive for all purposes and binding on you and us, without any liability on the part of the exchange rate agent.

Payment When Offices Are Closed

If any payment is due on a note on a day that is not a business day, we will make the payment on the next day that is a business day. Payments postponed to the next business day in this situation will be treated under the applicable note as if they were made on the original stated maturity date. Postponement of this kind will not result in a default under any note, and no interest will accrue on the postponed amount from the original stated maturity date to the next day that is a business day. The term business day has a special meaning which we describe under "— Features Common to All Notes — Business Days" above.

The Paying Agent

We have initially appointed as paying agent The Bank of New York Mellon. We may at any time terminate the appointment of any paying agent and appoint additional or other paying agents. However, we will maintain a paying agent for payment of principal of (and premium, if any) and interest on the notes in one or more European cities, until all outstanding notes have been delivered to the fiscal agent for cancellation, or monies sufficient to pay the principal of (and premium, if any) and interest on all outstanding notes have been made available for payment and either paid or returned to us as provided in the notes. For so long as any notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange shall so require, one of those paying agents will be in Luxembourg. Another of those paying agents shall be in a Member State of the European Union that will not be obliged to withhold or deduct tax on the notes pursuant to the EU Savings Directive or any other European Union Directive or agreement implementing the conclusion of the ECOFIN Council meeting of July 19, 2004 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, the EU Savings Directive or any other such directive or agreement. Notice of any such termination or appointment and of any changes in the office through which any paying agent will act will be given as described under "— Notices" below.

Unclaimed Payments

All money paid by us to a paying agent that remains unclaimed at the end of two years after the amount is due and payable (whether it be principal (and premium, if any) or interest) to a holder will be paid to us. After that two-year period, the holder may look only to us for payment and not to the fiscal agent, any other paying agent or anyone else.

Form, Exchange, Registration and Transfer

Registered Notes

We will issue notes as global notes in registered form. If the notes are stated in the applicable final terms to be issued under NSS and that they are intended to be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations, then the notes will be registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg and we will deliver these notes to a common safekeeper for Euroclear and Clearstream, Luxembourg. Delivering the notes to a common safekeeper does not necessarily mean that the notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time or all times during their life.

Global notes in registered form which are not issued under NSS will be deposited with, and registered in the name of a nominee of, a common depositary for Euroclear and Clearstream, Luxembourg or other clearing system as specified in the applicable final terms.

Investors may hold book-entry interests in a global note through organizations that participate, directly or indirectly, in the Euroclear and Clearstream, Luxembourg systems. Book-entry interests in the registered notes and all transfers relating to the registered notes will be reflected in the book-entry records of Euroclear and Clearstream, Luxembourg. The initial common depositary for Euroclear, Clearstream, Luxembourg will be The Bank of New York Mellon. The Depository Trust Company will not be the depositary for the notes.

The distribution of the registered notes will be cleared through Euroclear and Clearstream, Luxembourg. Any secondary market trading of book-entry interests in the registered notes will take place through Euroclear and Clearstream, Luxembourg participants and will settle in same-day funds. Owners of book-entry interests in the notes will receive payments relating to their notes in U.S. dollars.

Euroclear and Clearstream, Luxembourg have established electronic securities and payment transfer, processing, depositary and custodial links among themselves and others, either directly or through custodians and depositaries. These links allow securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates. Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade securities across borders in the secondary market.

The policies of Euroclear and Clearstream, Luxembourg will govern payments, transfers, exchanges, setting of record dates and other matters relating to the investor's interest in securities held by them. We have no responsibility for any aspect of the records kept by Euroclear and Clearstream, Luxembourg or any of their direct or indirect participants. We also do not supervise these systems in any way.

Euroclear and Clearstream, Luxembourg and their participants perform these clearance and settlement functions under agreements they have made with one another or with their customers. You should be aware that they are not obligated to perform or continue to perform these procedures and may modify or discontinue them at any time.

Except as provided below, owners of beneficial interests in the registered notes will not be entitled to have the notes registered in their names, will not be entitled to receive physical delivery of the notes in

definitive form and will not be considered the owners or holders of the registered notes under the fiscal agency agreement governing the notes. Accordingly, each person owning a beneficial interest in a registered note must rely on the procedures of the depositary and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, in order to exercise any rights of a holder of notes.

Any note we issue may be represented by a master global note.

Certificated Notes

We will issue notes to you or your nominees, in fully certificated registered form, only if (1) we advise the fiscal agent in writing that both Euroclear and Clearstream, Luxembourg are no longer willing or able to discharge their responsibilities properly, and the fiscal agent or we are unable to locate qualified successors within 60 days; (2) an event of default with respect to the notes has occurred and is continuing under the notes; or (3) we, at our option, elect to terminate the book-entry system. If any of the three above events occurs, the fiscal agent will reissue the notes in fully certificated, registered form and will recognize the registered holders of the certificated notes as holders under the fiscal agent agreement.

In the event individual certificates for the notes are issued, the holders of such notes will be able to receive payment on the notes, effect transfers and exchanges of the notes and replace lost, stolen, destroyed or mutilated notes at the offices of the Luxembourg paying and transfer agent. We have appointed Banque Internationale à Luxembourg, *société anonyme* as paying and transfer agent in Luxembourg with respect to the notes in individual certificated form, and as long as the notes are listed on the Official List of the Luxembourg Stock Exchange, we will maintain a payment and transfer agent in Luxembourg. If we add, replace or terminate a paying and transfer agent or fiscal agent, we will give notice in the manner described below.

Unless and until we issue the notes in fully certificated, registered form, (1) you will not be entitled to receive a certificate representing your interest in the notes; (2) all references in this European base prospectus to actions by holders will refer to actions taken by the depositary, which may act upon instructions from direct participants in Euroclear or Clearstream, Luxembourg; and (3) all references in this European base prospectus to payments and notices to holders will refer to payments and notices to the depositary, as the registered holder of the notes, which may distribute them to you in accordance with its policies and procedures.

The fiscal agent will mail notices by first class mail, postage prepaid, to each holder's last known address as it appears in the security register that the fiscal agent maintains. The fiscal agent will only mail these notices to the registered holder of the notes, unless we reissue the notes to you or your nominees in fully certificated form.

Extensions for Further Issuances

Without the consent of any holders of the fiscal agent, Goldman Sachs International or any other underwriter, dealer or agent or any other person, we may issue additional notes identical to a prior issue from time to time.

Other Exchanges

Owners of certificated registered notes will be able to exchange them for registered notes of smaller denominations or combined into notes of larger denominations, as long as the total principal amount is not changed. If any registered note is partially redeemed, the owner may similarly exchange the unredeemed portion of a note.

Each note authenticated and delivered upon any transfer or exchange of any note (whether in whole or in part) will carry the same rights to future accrued interest and to interest accrued and unpaid that was carried by the surrendered note (or part thereof).

Special Considerations for Global Securities

As an indirect owner, an investor's rights relating to a global security will be governed by the account rules of the depositary and those of the investor's financial institution or other intermediary through which it holds its interest (*e.g.*, if Euroclear or Clearstream, Luxembourg is the depositary or common safekeeper), as well as general laws relating to securities transfers. We do not recognize this type of investor or any intermediary as a holder of securities and instead deal only with the depositary or common safekeeper that holds the general security.

If securities are issued only in the form of a global security, an investor should be aware of the following:

- an investor cannot cause the securities to be registered in his or her own name, and cannot obtain non-global certificates for his or her interest in the securities, except in the special situations we describe below;
- an investor will be an indirect holder and must look to his or her own bank or broker for payments on the securities and protection of his or her legal rights relating to the securities;
- an investor may not be able to sell interests in the securities to some insurance companies and other institutions that are required by law to own their securities in non-book-entry form;
- an investor may not be able to pledge his or her interest in a global security in circumstances where certificates representing the securities must be delivered to the lender or other beneficiary of the pledge in order for the pledge to be effective;
- the depositary's or common safekeeper's policies will govern payments, deliveries, transfers, exchanges, notices and other matters relating to an investor's interest in a global security, and those policies may change from time to time. We, the fiscal agent and any agent will have no responsibility for any aspect of the depositary's or common safekeeper's policies, actions or records of ownership interests in a global security. We, the fiscal agent and any agent also do not supervise the depositary or common safekeeper in any way;
- the depositary or common safekeeper will require that those who purchase and sell interests in a global security within its book-entry system use immediately available funds and your broker or bank may require you to do so as well; and
- financial institutions that participate in the depositary's or common safekeeper's book-entry system and through which an investor holds its interest in the global securities, directly or indirectly, may also have their own policies affecting payments, deliveries, transfers, exchanges, notices and other matters relating to the securities, and those policies may change from time to time. There may be more than one financial intermediary in the chain of ownership for an investor. We do not monitor and are not responsible for the policies or actions or records of ownership interests of any of those intermediaries.

Considerations Relating to Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg are securities clearing systems in Europe. Both systems clear and settle securities transactions between their participants through electronic, book-entry delivery of securities against payment. In addition, Euroclear and Clearstream, Luxembourg may be depositaries for a global security.

As long as a global note is held by Euroclear and Clearstream, Luxembourg, you may hold an interest in the global note only through an organization that participates, directly or indirectly, in Euroclear or Clearstream, Luxembourg.

As noted above, payments, deliveries, transfers, exchanges, notices and other matters relating to the notes made through Euroclear and Clearstream, Luxembourg must comply with the rules and procedures of those clearing systems. Those clearing systems could change their rules and procedures at any time. We have no control over those systems or their participants and we take no responsibility for their activities.

In addition, we may provide for other securities clearing systems and other depositaries or common safekeepers in the applicable final terms.

Registration of Transfer

Holders of registered notes may present them for registration of transfer (with the form of transfer properly executed and endorsed) or exchange at the corporate trust office of the fiscal agent or at the office of any transfer agent that we designate for that purpose. Holders will not be required to pay a service charge, but they may be required to pay for any tax or other governmental charge associated with the transfer or exchange, and as described in the fiscal agency agreement. Unless we say otherwise in applicable final terms, the transfer or exchange, and any replacement, will be made only if our fiscal agent or transfer agent, as the case may be, is satisfied with the documents of title and the identity of the person making the request. The transfer or exchange may also be subject to reasonable regulations that we may from time to time agree upon with the fiscal agent and any transfer agent.

We have initially appointed as security registrar and transfer agent, the fiscal agent acting through its corporate trust office in the Borough of Manhattan, New York City. We have also appointed the paying agent listed at the end of this European base prospectus as a transfer agent of registered notes. If the registered notes in global form are cancelled and we issue notes in non-global form, as long as any notes are listed on the Official List of the Luxembourg Stock Exchange, holders of the non-global notes can transfer those notes at the offices of Banque lnternationale à Luxembourg, *société anonyme*, or its successor as our transfer agent in Luxembourg. We will name any additional initial transfer agents for any issuance of notes in the applicable final terms. We reserve the right to vary or terminate the appointment of the fiscal agent as security registrar or of any transfer agent or to appoint additional or other registrars or transfer agents or to approve any change in the office through which any registrar or any transfer agent acts. However, there will be at all times a registrar and transfer agent in the Borough of Manhattan, New York City.

If any issuance of notes is redeemable and we redeem less than all those notes, we may block the transfer or exchange of those notes during the period beginning 15 days before the day we mail the notice of redemption and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers of or exchange any notes selected for redemption, except that we will continue to permit transfers and exchanges of the unredeemed portion of any notes being partially redeemed.

Payment of Stamp and Other Taxes

We shall pay all stamp and other duties, if any, which may be imposed by the United States or any U.S. political subdivision or taxing authority with respect to the fiscal agency agreement or the issuance of the notes. Except as described under "— Payment of Additional Amounts" above, we will not be required to make any payment with respect to any tax, assessment or governmental charge imposed by any government or any political subdivision or taxing authority.

Notices

As long as any notes are listed on the Official List of the Luxembourg Stock Exchange and its rules require, notices to holders of notes will be given by publication in a daily newspaper of general circulation in Luxembourg, which we expect to be the *Luxemburger Wort*, or on the website of the LSE at http://www.bourse.lu. The term "daily newspaper" means a newspaper that is published on each day,

other than a Saturday, Sunday or holiday, in Luxembourg or, when applicable, elsewhere in Western Europe. A notice will be considered received on the date it is first published. If notice cannot be given as described in this paragraph because the publication of any newspaper is suspended or it is otherwise impractical to publish the notice, then notice will be given in another form. That alternate form of notice will be sufficient notice to each holder. Notices to be given to holders of notes in registered form will be sent by mail to the respective addresses of the holders as they appear in the security register and will be deemed delivered when mailed. Neither the failure to give notice to a particular holder, nor any defect in a notice given to a particular holder, will affect the sufficiency of any notice given to another holder.

Title

We, the fiscal agent and any of our agents or the fiscal agent may deem and treat the registered owner of any registered note as the absolute owner (whether or not the note is overdue and notwithstanding any notice to the contrary) for the purpose of making payment and for all other purposes.

Replacement of Notes

If your notes become mutilated, destroyed, stolen or lost, we will replace them at your expense upon the delivery to the fiscal agent or the paying agent of the mutilated notes or evidence of the loss, theft or destruction satisfactory to the fiscal agent or the paying agent and us. In the case of a lost, stolen or destroyed note, an indemnity satisfactory to the fiscal agent or the paying agent and us may be required at your expense before a replacement note will be issued, we may require that you pay any taxes and other governmental charges payable in connection with the replacement of notes and any other expenses (including the fees and expenses of the fiscal agent) connected with the replacement.

UNITED STATES TAXATION

United States Internal Revenue Service Circular 230 Notice: To ensure compliance with Internal Revenue Service Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this European base prospectus or any document referred to herein is not intended or written to be used, and cannot be used by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

The following is a summary of the principal United States federal income and estate tax consequences to a United States alien holder. You are a United States alien holder if you are the beneficial owner of a note and are, for United States federal income tax purposes:

- a nonresident alien individual;
- a foreign corporation;
- a foreign partnership; or
- an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain for a note that does not hold the note in connection with the conduct of a trade or business within the United States.

This summary deals only with notes that (i) are properly treated as debt for U.S. federal income tax purposes and (ii) do not provide for any payment that is wholly or partially contingent upon, or determined by reference to, the payment of a dividend from sources within the United States. The United States federal income tax consequences of owning notes that may not satisfy clauses (i) or (ii) above will be discussed in the applicable final terms.

This discussion assumes that the note is not subject to the rules of Section 871(h)(4)(A) of the United States Internal Revenue Code of 1986, as amended, relating to interest payments that are determined by reference to the income, profits, changes in the value of property or other attributes of the debtor or a related party.

Prospective purchasers of notes should be advised that any bank which purchases a note will be deemed to represent that it is not purchasing the note in the ordinary course of its lending business and that it is buying the note either (1) for investment purposes only or (2) for resale to a third party that either is not a bank or is holding the note for investment purposes only.

Please consult your own tax advisor concerning the consequences of owning these notes in your particular circumstances under the Internal Revenue Code and the laws of any other taxing jurisdiction.

Under United States federal income and estate tax law, and subject to the discussion of backup withholding and withholdable payments to foreign entities below, if you are a United States alien holder of a note:

(1) we and other U.S. payors generally will not be required to deduct United States federal withholding tax from payments of principal and premium (if any) and interest, including original issue discount, to you if, in the case of payments of interest:

(a) you do not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote;

(b) you are not a controlled foreign corporation that is related to us through stock ownership; and

(c) the U.S. payor does not have actual knowledge or reason to know that you are a United States person and:

(A) you have furnished to the U.S. payor an Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which you certify, under penalties of perjury, that you are not a United States person;

(B) in the case of payments made outside the United States to you at an offshore account (generally, an account maintained by you at a bank or other financial institution at any location outside the United States), you have furnished to the U.S. payor documentation that establishes your identity and your status as a person who is not a United States person;

(C) the U.S. payor has received a withholding certificate (furnished on an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form) from a person claiming to be:

(x) a withholding foreign partnership (generally a foreign partnership that has entered into an agreement with the Internal Revenue Service to assume primary withholding responsibility with respect to distributions and guaranteed payments it makes to its partners);

(y) a qualified intermediary (generally a non-United States financial institution or clearing organization or a non-United States branch or office of a United States financial institution or clearing organization that is a party to a withholding agreement with the Internal Revenue Service); or

(z) a United States branch of a non-United States bank or of a non-United States insurance company;

and the withholding foreign partnership, qualified intermediary or United States branch has received documentation upon which it may rely to treat the payment as made to a person who is not a United States person in accordance with United States Treasury regulations (or, in the case of a qualified intermediary, in accordance with its agreement with the Internal Revenue Service);

(D) the U.S. payor receives a statement from a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business:

(x) certifying to the U.S. payor under penalties of perjury that an Internal Revenue Service Form W-8BEN or an acceptable substitute form has been received from you by it or by a similar financial institution between it and you; and

(y) to which is attached a copy of the Internal Revenue Service Form W-8BEN or acceptable substitute form; or

(E) the U.S. payor otherwise possesses documentation upon which it may rely to treat the payment as made to a person who is not a United States person in accordance with United States Treasury regulations.

(2) no deduction for any United States federal withholding tax will be made from any gain that you realize on the sale or exchange of your note;

(3) a note held by an individual who at death is not a citizen or resident of the United States will not be includible in the individual's gross estate for purposes of the United States federal estate tax if:

(a) the decedent did not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote at the time of death; and

(b) the income on the note would not have been effectively connected with a United States trade or business of the decedent at the time of death.

Foreign Account Tax Compliance

On March 18, 2010, the Hiring Incentives to Restore Employment Act (the "HIRE Act") was signed into law. Under certain circumstances, the HIRE Act will impose a withholding tax of 30% on interest income (including original issue discount) or other payments on, and the gross proceeds from a disposition of, the notes. In some cases, the ultimate recipient of payments might be eligible for refunds or credits of any withheld taxes. The effective date of the HIRE Act is January 1, 2013. However, according to proposed regulations released by the U.S. Department of the Treasury on February 8, 2012, the withholding tax described above will not apply to payments of interest and principal on, or to gross proceeds from the sale or other disposition of, any notes issued and outstanding as of January 1, 2013. In addition, the proposed regulations provide that such withholding will not apply to payments of interest on the notes made before January 1, 2014 or to payments of gross proceeds from the sale or other disposition of the notes made before January 1, 2015. Prospective purchasers of notes should consult their own tax advisors regarding the HIRE Act.

Backup Withholding and Information Reporting

In general, payments of principal, premium (if any) or interest, including original issue discount, made by us and other payors to you will not be subject to backup withholding or information reporting provided that the certification requirements described in clause (1)(c) above are satisfied or you otherwise establish an exemption. We and other payors, however, are required to report payments of interest on your notes on Internal Revenue Service Form 1042-S, even if the payments are not otherwise subject to information reporting requirements.

In addition, payment of the proceeds from the sale of notes effected at a United States office of a broker will not be subject to backup withholding and information reporting provided that:

(1) the broker does not have actual knowledge or reason to know that you are a United States person and you have furnished to the broker:

(a) an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form certifying, under penalties of perjury, that you are not a United States person; or

(b) other documentation upon which the broker may rely to treat the payment as made to a person who is not a United States person in accordance with United States Treasury regulations; or

(2) you otherwise establish an exemption.

If you fail to establish an exemption and the broker does not possess adequate documentation of your status as a person who is not a United States person, the payments may be subject to information reporting and backup withholding. However, backup withholding will not apply with respect to payments made to an offshore account maintained by you unless the broker has actual knowledge that you are a United States person.

In general, payment of the proceeds from the sale of notes effected at a foreign office of a broker will not be subject to information reporting or backup withholding. However, a sale effected at a foreign office of a broker will be subject to information reporting and backup withholding if:

(1) the proceeds are transferred to an account maintained by you in the United States;

(2) the payment of proceeds or the confirmation of the sale is mailed to you at a United States address; or

(3) the sale has some other specified connection with the United States as provided in United States Treasury regulations;

unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of notes effected at a United States office of a broker) are met or you otherwise establish an exemption.

In addition, payment of the proceeds from the sale of notes effected at a foreign office of a broker will be subject to information reporting, but not backup withholding, if the broker is:

(1) a United States person;

(2) a controlled foreign corporation for United States tax purposes;

(3) a foreign person 50% or more of whose gross income is effectively connected with the conduct of a United States trade or business for a specified three-year period; or

(4) a foreign partnership, if at any time during its tax year:

(a) one or more of its partners are "U.S. persons", as defined in United States Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership; or

(b) such foreign partnership is engaged in the conduct of a United States trade or business;

unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of notes effected at a United States office of a broker) are met or you otherwise establish an exemption.

PLAN OF DISTRIBUTION

We and Goldman Sachs International, as the agent, have entered into a distribution agreement with respect to the notes. Subject to certain conditions, the agent has agreed to use its reasonable efforts to solicit purchases of notes. We have the right to accept offers to purchase notes and may reject any proposed purchase of the notes. The agent may also reject any offer to purchase notes.

We may also sell notes to the agent who will purchase the notes as principal for its own account. In that case, the agent will purchase the notes at a price equal to the issue price specified in the applicable final terms, less a discount. The discount will equal the applicable commission on an agency sale of the notes with the same stated maturity.

The agent may resell any notes it purchases as principal to other brokers or dealers at a discount, which may include all or part of the discount the agent received from us. If all the notes are not sold at the initial offering price, the agent may change the offering price and the other selling terms.

We may also sell notes directly to investors. We will not pay commissions on notes we sell directly.

The notes are not, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. (Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.)

The notes are a new issue of securities, and there will be no established trading market for any note before its original issue date. We have been advised by Goldman Sachs International that it intends to make a market in the notes. However, neither Goldman Sachs International nor any of our other affiliates nor any other agent named in your final terms that makes a market is obligated to do so and any of them may stop doing so at any time without notice. No assurance can be given as to the liquidity or trading market for the notes.

We may use this European base prospectus in the initial sale of any note. In addition, Goldman Sachs International or any of our other affiliates may use this European base prospectus in a market-making transaction in any note after its initial sale. Unless we (or our agent) inform the purchaser otherwise in the confirmation of sale, this European base prospectus is being used in a market-making transaction.

Goldman Sachs International has agreed in the distribution agreement that, with respect to all notes issued as a part of the same tranche (within the meaning of Regulation S under the Securities Act), it will not offer, sell or deliver such notes, (1) as part of their distribution at any time or (2) otherwise until 40 days after the later of (A) the completion of the distribution of such tranche of notes as determined by Goldman Sachs International and (B) the closing date of such tranche of notes (or such other date as The Goldman Sachs Group, Inc. may, in its sole discretion, deem necessary to comply with Regulation S) within the United States or to, or for the account or benefit of, U.S. persons except, in either case, in accordance with Regulation S under the Securities Act, and it will have sent to each dealer to which it sells such notes during the restricted period a confirmation or other notice describing the restrictions on offers and sales of notes within the United States or to, or for the account or benefit of, U.S. persons.

Selling Restrictions

Public Offer Selling Restrictions Under the Prospectus Directive

In relation to each member state of the European Economic Area (which includes Iceland, Norway and Liechtenstein in addition to the member States of the European Union) which has implemented the Prospectus Directive, which we refer to as a Relevant Member State, Goldman Sachs International has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, which we refer to as the Relevant Implementation Date, it has not made and will not make an offer of notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of notes to the public in that Relevant Member State:

(a) if the final terms in relation to the notes specify that an offer of those notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, which we refer to as a Non-exempt Offer, following the date of publication of a prospectus in relation to such notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of Goldman Sachs International nominated by The Goldman Sachs Group, Inc. for any such offer; or

(d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of notes referred to in (b) to (d) above shall require The Goldman Sachs Group, Inc. or Goldman Sachs International to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the preceding paragraph, the expression an "offer of notes to the public" in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU of the European Parliament and of the Council.

Other Selling Restrictions

UK

Goldman Sachs International has represented and agreed with The Goldman Sachs Group, Inc. that:

(1) in relation to any notes that have a maturity of less than one year (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, which we refer to as the FSMA, by The Goldman Sachs Group, Inc.

(2) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any notes in circumstances in which Section 21(1) of the FSMA does not apply to The Goldman Sachs Group, Inc. and

(3) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such notes in, from or otherwise involving the United Kingdom.

Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1998, as amended, the "FIEL") and, accordingly, Goldman Sachs International has agreed that it will not offer or sell any notes, directly or indirectly, in Japan, or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

No advertisement, invitation or document relating to the notes may be issued, or may be in the possession of any person for the purpose of issue, (in each case whether in Hong Kong or elsewhere), if such advertisement, invitation or document is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside of Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong, the "SFO") and any rules made thereunder. In addition, in respect of notes which are not a "structured product" as defined in the SFO, the notes may not be offered or sold by means of any document other than (i) to "professional investors" within the meaning of the SFO and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap 32, Laws of Hong Kong, the "CO") or which do not constitute an offer to the public within the meaning of the CO.

Singapore

The notes have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this European base prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the notes pursuant to an offer made under Section 275 except: (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law; or (4) as specified in Section 276(7) of the SFA.

Argentina

The offering of notes has not been authorized by, and the notes have not been registered with, the Argentine Securities Commission (Comisión Nacional de Valores). The notes will not be offered or sold in Argentina except in transactions that will not constitute a public offering of securities within the meaning of Section 16 of the Argentine Public Offering Law No. 17,811, as amended.

Bahamas

This European base prospectus in connection with the offer of notes by The Goldman Sachs Group, Inc. has not been registered with the Securities Commission of the Bahamas as the European base prospectus is exempted from the filing and registration requirements of the Securities Industry Act, 1999. No offer or sale of any notes of The Goldman Sachs Group, Inc. can be made in the Bahamas unless the offer of the notes is made by or through a broker-dealer licensed by the Securities Commission of the Bahamas and in compliance with Bahamian exchange control regulations.

Brazil

The notes may not be offered or sold to the public in Brazil. Accordingly, the notes have not been and will not be registered with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários), nor have they been submitted to the foregoing agency for approval. Documents relating to the notes, as well as the information contained therein, may not be supplied to the public in Brazil, as the offering of notes is not a public offering of securities in Brazil, nor used in connection with any offer for subscription or sale of securities to the public in Brazil. A seller of the notes may be asked by the purchaser to comply with procedural requirements to evidence previous title to the notes and may be subject to Brazilian tax on capital gains which may be withheld from the sale price. Persons wishing to offer or acquire the notes within Brazil should consult with their own counsel as to the applicability of these registration requirements or any exemption therefrom.

British Virgin Islands ("BVI")

The notes may not be offered in the BVI unless The Goldman Sachs Group, Inc. or the person offering the notes on its behalf is licensed to carry on business in the BVI. The Goldman Sachs Group, Inc. is not licensed to carry on business in the BVI. The notes may be offered to British Virgin Islands business companies (from outside the BVI) without restriction. A BVI business company is a company formed under or otherwise governed by the BVI Business Companies Act, 2004 (British Virgin Islands).

Chile

The notes have not been registered with the Superintendencia de Valores y Seguros in Chile and may not be offered or sold publicly in Chile.

Colombia

The issuance of the notes, as well as trading and payments in respect of the notes, will occur outside Colombia.

Any promotional material in respect of the notes is for the sole and exclusive use of the purchaser of notes and cannot be understood as addressed to, or be used by, any third party.

The notes have not been and will not be offered in Colombia through a public offering pursuant to Colombian laws and regulations and neither will be registered in the Colombian National Registry of notes and Issuers or on the Colombian Stock Exchange.

The purchaser of notes acknowledges the Colombian laws and regulations (specifically foreign exchange and tax regulations) applicable to any transaction or investment made in connection with the notes and represents that he/she/it is the sole liable party for full compliance with any such laws and regulations.

The investment in the notes is a permitted investment for him/her/it under his/her/its corporate bylaws and/or particular investment regime that may be applicable.

Costa Rica

This is an individual and private offer which is made in Costa Rica upon reliance on an exemption from registration before the General Superintendence of Securities ("SUGEVAL"), pursuant to articles 7 and 8 of the Regulations on the Public Offering of Securities ("Reglamento sobre Oferta Pública de Valores"). This information is confidential, and is not to be reproduced or distributed to third parties as this is NOT a public offering of securities in Costa Rica.

The product being offered is not intended for the Costa Rican public or market and neither is registered or will be registered before the SUGEVAL, nor can be traded in the secondary market.

Dominican Republic

The issuance, circulation and offering of the notes has a strictly private character, falling beyond the scope of article 4 of Law 19-00 dated 8 May, 2000 and therefore no governmental authorizations are required in this issuance, circulation and offering.

Jersey

Notes may not be offered to, or sold to or purchased or held by or for the account of individuals resident for income tax purpose in Jersey (other than financial institutions in the ordinary course of business).

In relation to any note, the relevant final terms may specify other or additional restrictions on offers or sales of such notes or possession or distribution of offering material relating to such notes or otherwise.

Liechtenstein

Each purchaser of the notes represents and agrees that until the date on which the Prospectus Directive is implemented in Liechtenstein it has not made and will not make an offer of the notes to the public in Liechtenstein in accordance with the provisions of the Prospectus Act of October 23, 1997 (Liechtenstein Legal Gazette 1997 No. 210).

Mexico

The notes have not been and will not be registered with the Mexican National Securities Registry (Registro Nacional de Valores), maintained by the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria de Valores), and may not be offered or sold publicly in Mexico. The notes may be sold in Mexico, by any person, including The Goldman Sachs Group, Inc., pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law (Ley del Mercado de Valores), to the purchasers of notes and under the terms specified in such Article.

Panama

The notes have not been and will not be registered with the National Securities Commission of the Republic of Panama under Decree Law N°1 of July 8, 1999 (the "Panamanian Securities Act") and may not be publicly offered or sold within Panama, except in certain limited transactions exempt from the registration requirements of the Panamanian Securities Act. These notes do not benefit from the tax incentives provided by the Panamanian Securities Act and are not subject to regulation or supervision by the National Securities Commission of the Republic of Panama.

Paraguay

This European base prospectus does not constitute a public offering of securities or other financial products and services in Paraguay. Each purchaser of notes acknowledges that the securities and financial products to be offered under this Program will be issued outside of Paraguay. Each purchaser of notes acknowledges that any legal matter arising from any offer of notes shall not be submitted to any Paraguayan government authority. Each purchaser of notes acknowledges as well that the Paraguayan Deposit Insurance legislation does not cover the products offered hereby or assets or funds allocated for these purposes. The Paraguayan Central Bank, the Paraguayan National Stock Exchange Commission and the Paraguayan Banking Superintendence do not regulate the offering of these products or their undertaking. Each purchaser of notes should make his own decision whether this offering meets his investment objectives and risk tolerance level.

Peru

The notes have not been registered in Peru under the Decreto Supremo Nº 093-2002-EF: Texto Único Ordenado del Decreto Legislativo No. 861 - Ley del Mercado de Valores and may be offered and sold only to institutional investors (as defined in Article 8 of the Peruvian Securities Law and the regulations enacted thereunder) pursuant to a private placement. The notes offered and sold in Peru may not be sold or transferred (A) to any person other than an institutional investor or (B) unless (1) such sale or transfer is made after such notes have been held by institutional investors for a cumulative period of twelve months, (2) such notes have been registered with the Registro Público del Mercado de Valores kept by the Comisión Nacional Supervisora de Empresas y Valores in Peru or (3) such sale or transfer is made pursuant to a private placement.

Salvador

The recipient of this documentation hereby acknowledges and states that the same has been provided by The Goldman Sachs Group, Inc. under his direct and express request and instructions, on a private placement basis.

Uruguay

These notes have not been registered with the Central Bank of Uruguay and will not be offered or sold in Uruguay through public offerings.

Venezuela

The notes may not be offered to the public in Venezuela and may not be sold or offered in Venezuela in any manner that may be construed as a public offering, as determined under Venezuelan securities laws. The notes may be sold by means of a private offer through sales that do not constitute a public offering, as determined under Venezuelan securities laws.

In connection with the issue of any tranche of notes, Goldman Sachs International (or persons acting on its behalf) may over-allot notes (provided that, in the case of any tranche of notes to be listed on the Official List of the Luxembourg Stock Exchange, the aggregate principal amount of notes allotted does not exceed 105 per cent of the aggregate principal amount of the relevant tranche) or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, there is no assurance that Goldman Sachs International (or persons acting on its behalf) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant tranche of notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant tranche of notes and 60 days after the date of the allotment of the relevant tranche of notes.

Goldman Sachs International is an affiliate of The Goldman Sachs Group, Inc.

We may appoint agents, other than or in addition to Goldman Sachs International, with respect to the notes. Any agents will be named in the applicable final terms and those agents will enter into distribution agreements with substantially the same terms as the distribution agreement referred to above or such other agreements as we and such other agents may agree. The other agents may be affiliates or customers of The Goldman Sachs Group, Inc. and may engage in transactions with and perform services for The Goldman Sachs Group, Inc. in the ordinary course of business. Goldman Sachs International may resell notes to or through another of our affiliates, as selling agent.

Market-Making Resales by Affiliates

This European base prospectus may be used by Goldman Sachs International in connection with offers and sales of the notes in market-making transactions. In a market-making transaction, Goldman Sachs International may resell a note it acquires from other holders, after the original offering and sale of the note. Resales of this kind may occur in the open market or may be privately negotiated, at prevailing market prices at the time of resale or at related or negotiated prices. In these transactions, Goldman Sachs International may act as principal or agent, including as agent for the counterparty in a transaction in which Goldman Sachs International acts as principal, or as agent for both counterparties in a transaction in which Goldman Sachs International does not act as principal. Goldman Sachs International may receive compensation in the form of discounts and commissions, including from both counterparties in some cases. Other affiliates of The Goldman Sachs Group, Inc. may also engage in transactions of this kind and may use this European base prospectus for this purpose.

The aggregate initial offering price specified on the cover of this European base prospectus relates to the initial offering of the notes not yet issued as of the date of this European base prospectus. This amount does not include the notes to be sold in market-making transactions. The latter include notes to be issued after the date of this European base prospectus, as well as notes previously issued.

The Goldman Sachs Group, Inc. does not expect to receive any proceeds from market-making transactions. Goldman Sachs International does not expect that The Goldman Sachs Group, Inc. or any other affiliate that engages in these transactions will pay any proceeds from its market-making resales to The Goldman Sachs Group, Inc.

Information about the trade and settlement dates, as well as the purchase, for a market-making transaction will be provided to the purchaser in a separate confirmation of sale.

Unless The Goldman Sachs Group, Inc. or an agent informs you in your confirmation of sale that your note is being purchased in its original offering and sale, you may assume that you are purchasing your note in a market-making transaction.

Matters Relating to Initial Offering and Market-Making Resales

Each issuance of notes will be a new issuance, and there will be no established trading market for any note prior to its original issue date. We may not list any particular issuance on a securities exchange or quotation system. We have been advised by Goldman Sachs International that it intends to make a market in the notes, and any underwriters to whom we sell notes for public offering may also make a market in those notes. However, neither Goldman Sachs International nor any underwriter that makes a market is obligated to do so, and any of them may stop doing so at any time without notice. No assurance can be given as to the liquidity or trading market for any of the notes.

EMPLOYEE RETIREMENT INCOME SECURITY ACT

This section is only relevant to you if you are an insurance company or the fiduciary of a pension plan or an employee benefit plan (including a governmental plan, an IRA or a Keogh plan) proposing to invest in the notes.

The U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the U.S. Internal Revenue Code of 1986, as amended (the "Code"), prohibit certain transactions ("prohibited transactions") involving the assets of an employee benefit plan that is subject to the fiduciary responsibility provisions of ERISA or Section 4975 of the Code (including individual retirement accounts, Keogh plans, and other plans described in Section 4975(e)(1) of the Code) (a "Plan") and certain persons who are "parties in interest" (within the meaning of ERISA) or "disqualified persons" (within the meaning of the Code) with respect to the Plan; governmental plans may be subject to similar prohibitions unless an

exemption is available to the transaction. The assets of a Plan may include assets held in the general account of an insurance company that are deemed to be "plan assets" under ERISA and assets of a commingled investment vehicle in which a Plan invests if the assets of the vehicle are deemed to be "plan assets" under ERISA.

The Goldman Sachs Group, Inc. and certain of its affiliates each may be considered a "party in interest" or a "disqualified person" with respect to many Plans, and, accordingly, prohibited transactions may arise if the notes are acquired by or on behalf of a Plan unless those notes are acquired and held pursuant to an available exemption. In general, available exemptions are: transactions effected on behalf of that Plan by a "qualified professional asset manager" (prohibited transaction exemption 84-14) or an "in-house asset manager" (prohibited transaction exemption 96-23), transactions involving insurance company general accounts (prohibited transaction exemption 95-60), transactions involving insurance company pooled separate accounts (prohibited transaction exemption 90-1), transactions involving bank collective investment funds (prohibited transaction exemption 91-38), and transactions with service providers under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code where the Plan receives no less nor pays no more than "adequate consideration" (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code). The person making the decision on behalf of a Plan or a governmental plan shall be deemed, on behalf of itself and the plan, by purchasing and holding the notes, or exercising any rights related thereto, to represent that (a) the plan will receive no less and pay no more than "adequate consideration" (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code) in connection with the purchase and holding of the notes, (b) none of the purchase, holding or disposition of the notes or the exercise of any rights related to the notes will result in a non-exempt prohibited transaction under ERISA or the Code (or, with respect to a governmental plan, under any similar applicable law or regulation), and (c) neither The Goldman Sachs Group, Inc. nor any of its affiliates is a "fiduciary" (within the meaning of Section 3(21) of ERISA (or any regulations thereunder) or, with respect to a governmental plan, under any similar applicable law or regulation) with respect to the purchaser or holder in connection with such person's acquisition, disposition or holding of the notes, or as a result of any exercise by The Goldman Sachs Group, Inc. or any of its affiliates of any rights in connection with the notes, and no advice provided by The Goldman Sachs Group, Inc. or any of its affiliates has formed a primary basis for any investment decision by or on behalf of such purchaser or holder in connection with the notes and the transactions contemplated with respect to the notes.

If you are an insurance company or the fiduciary of a pension plan or an employee benefit plan (including a governmental plan, an IRA or a Keogh plan), and propose to invest in the notes, you should consult your legal counsel.

LISTING AND GENERAL INFORMATION

If indicated in the applicable final terms, application will be made to list the particular issue of notes issued under the program described in this European base prospectus on the Official List of the Luxembourg Stock Exchange.

Pursuant to Luxembourg law, this European base prospectus and all supplements to the European base prospectus, all documents incorporated by reference herein and filed with the Commission de Surveillance du Secteur Financier, and any final terms will be made available by the Luxembourg Stock Exchange on its website at http://www.bourse.lu.

As long as any notes are listed on the Official List of the Luxembourg Stock Exchange, The Goldman Sachs Group, Inc. will maintain a paying agent in Luxembourg. The paying agent and listing agent in Luxembourg is Banque lnternationale à Luxembourg, *société anonyme*. We are under no obligation to maintain the listing of any notes that are listed.

As long as any notes remain outstanding, copies of The Goldman Sachs Group, Inc. Restated Certificate of Incorporation, Amended and Restated By-laws and most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K may be obtained during normal business hours on any weekday (*i.e.*, except Saturdays, Sundays and public holidays) at the specified office of, or upon written request to, the fiscal agent and, as long as any notes are listed on the Official List of the Luxembourg Stock Exchange and its rules require, free of charge at the office of the listing agent in Luxembourg. In connection with any note listed on the Luxembourg Stock Exchange, a copy of the final terms, the European base prospectus and supplements to the European base prospectus may be obtained from the listing agent. In addition, a copy of the fiscal agency agreement will be available for inspection at those offices during those hours.

Issues of notes denominated in Swiss francs will be effected in compliance with the relevant regulations of the Swiss National Bank.

The issuance of the notes has been authorized by resolutions adopted by the Board of Directors of The Goldman Sachs Group, Inc. on October 28, 2011 and a Determination of the Treasurer, dated October 31, 2011.

Our consolidated statements of financial condition as of December 31, 2010 and December 31, 2011, the related consolidated statements of earnings, cash flows and changes in shareholders' equity for the fiscal years ended December 31, 2009, December 31, 2010 and December 31, 2011, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2011 (which is included in management's report on internal control over financial reporting) are incorporated herein by reference to our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 and have been audited by PricewaterhouseCoopers LLP, as stated in their issued unqualified audit opinion report incorporated by reference herein. No other information in this European base prospectus has been audited by PricewaterhouseCoopers LLP.

PricewaterhouseCoopers LLP, is an independent registered public accounting firm under the rules of the Public Company Accounting Oversight Board, of 300 Madison Avenue, New York, New York 10017, U.S.A., and a member of the American Institute of Certified Public Accountants.

Our board of directors has a written related person transactions policy regarding the review and approval of transactions between us and "related persons" (independent directors, executive officers, immediate family members of an independent director or executive officer, or known 5% shareholders). Under the policy, transactions that exceed $120,000 in which a related person has a direct or indirect material interest are submitted to our Corporate Governance and Nominating Committee (or, in some cases, to the Committee Chair or Audit Committee Chair) for approval. Certain transactions including employment relationships, ordinary course brokerage and other services and other ordinary course non-preferential transactions are considered preapproved transactions, and thus do not require specific approval under the policy (although these transactions must be reported to the Committee).

In determining whether to approve a related person transaction, the following factors, among others, are considered: whether the transaction is fair and reasonable to us and on substantially the same terms as would apply to comparable third-parties; the business reasons for the transaction; whether the transaction would impair the independence of an independent director; whether the transaction presents a conflict of interest, taking into account the size of the transaction, the financial position of the independent director or executive officer, the nature of the independent director's or executive officer's interest in the transaction and the ongoing nature of the transaction; any disclosure or reputational issues; and whether the transaction is material, taking into account the significance of the transaction to our investors.

We are in compliance in all material respects with the corporate governance standards of the NYSE Euronext, which are applicable to us as a corporation organized in the United States whose securities are listed on such exchange.

We are registered in the State of Delaware in the United States. The Goldman Sachs Group, Inc. is organized and exists under the Delaware General Corporation Law. We filed our original certificate of incorporation with the Secretary of State of the State of Delaware on July 21, 1998. Pursuant to the laws of the State of Delaware, the duration of our company is unlimited. Our registration number is 2923466. Pursuant to the paragraph headed "Third" of the second clause our Amended and Restated Certificate of Incorporation, the purpose of our company is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

The business address of the directors of The Goldman Sachs Group, Inc. is the address of our headquarters.

Material Adverse or Significant Changes and Legal Proceedings

There has been no material adverse change in the financial position, results of operations or prospects of The Goldman Sachs Group, Inc. since December 31, 2011, except as may otherwise be indicated in the information provided in: (1) Part I, Item 1A: Risk Factors, Part II, Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations (and as reflected in the financial statements) or Part II, Item 8: Financial Statements and Supplementary Data — Note 27: Legal Proceedings of our 2011 Form 10-K; (2) Part I, Item 1: Financial Statements — Note 27. Legal Proceedings or Part I, Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations (and as reflected in the financial statements) of our 2012 First Quarter Form 10-Q; or (3) our June 22 Form 8-K.

There has been no significant change in the financial or trading position of The Goldman Sachs Group, Inc. since March 31, 2012, the date of our last interim financial statements, except as may otherwise be indicated in the information provided in: (1) Part I, Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations (and as such information may otherwise be reflected in the financial statements contained therein) of our 2012 First Quarter Form 10-Q; or (2) our June 22 Form 8-K.

The Goldman Sachs Group, Inc. has not been involved in any governmental, legal or arbitration proceedings during the 12 months before the date of this European base prospectus which may have, or have had in the recent past, significant effects on The Goldman Sachs Group, Inc. financial position or profitability, except as may otherwise be indicated in (1) Part II, Item 8: Financial Statements and Supplementary Data — Note 27: Legal Proceedings of our 2011 Form 10-K; or (2) Part I, Item 1: Financial Statements — Note 27. Legal Proceedings of our 2012 First Quarter Form 10-Q.

LUXEMBOURG TAXATION

The following is a general description of certain Luxembourg tax considerations relating to the notes. It specifically contains information on taxes on the income from the notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the notes, whether in Luxembourg or elsewhere. Prospective purchasers of the notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the notes payments of interest, principal and/or other amounts under the notes and the consequences of such actions under the tax laws of Luxembourg. This summary is based upon the law as in effect on the date of this European base prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the notes.

Withholding Tax

All payments of interest and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to:

(i) the application of the Luxembourg laws of June 21, 2005 implementing the EU Savings Directive (Council Directive 2003/48/EC) and several agreements concluded with certain dependent or associated territories of the European Union ("EU") and providing for the possible application of a 35% withholding tax on interest paid to certain non Luxembourg resident investors (individuals and certain types of entities called "residual entities", i.e., entities which are not legal persons (the Finnish and Swedish companies listed in article 4.5 of the EU Savings Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation, which are not and have not opted be treated as UCITS recognized in accordance with the Council Directive 85/611/EEC as replaced by the Council Directive 2009/65/EC or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands) established in another Member State or in certain dependent or associated territories of the EU in the event of the Issuer appointing a paying agent in Luxembourg within the meaning of the Luxembourg laws of June 21, 2005 implementing the EU Savings Directive (see section "EU Savings Directive" below);

(ii) the application as regards Luxembourg resident individuals or certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognized in accordance with the Council Directive 85/611/EEC EEC as replaced by the Council Directive 2009/65/EC or for the exchange of information regime) of the Luxembourg law of December 23, 2005 as amended by the Luxembourg law of July 17, 2008 which has introduced a 10% final withholding tax on savings income (i.e., with certain exemptions, savings income within the meaning of the Luxembourg laws of June 21, 2005 implementing the EU Savings Directive). This law should apply to savings income accrued as from July 1, 2005 and paid as from January 1, 2006. Responsibility for the withholding of tax in application of the above-mentioned Luxembourg laws of June 21, 2005 and December 23, 2005 – as amended - is assumed by the Luxembourg paying agent within the meaning of these laws and not by the Issuer.

EU SAVINGS DIRECTIVE

On June 3, 2003, the EU Council of Economic and Finance Ministers adopted a new directive regarding the taxation of savings income ("EU Savings Directive"). The EU Savings Directive is, in principle, applied by Member States as from July 1, 2005 and has been implemented in Luxembourg by the Laws of June 21, 2005. Under the EU Savings Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income within the meaning of the EU Savings Directive paid by a paying agent within the meaning of the EU Savings Directive, to, or for the benefit of, an individual resident in or certain types of entities called "residual entities", within the meaning of the EU Savings Directive (the "Residual Entities"), established in that other Member State (or certain dependent or associated territories). For a transitional period, however, Austria and Luxembourg are permitted to apply an optional information reporting system whereby if a beneficial owner, within the meaning of the EU Savings Directive, does not comply with one of two procedures for information reporting, the relevant Member State will currently levy a 35% withholding tax on payments to such beneficial owner. The withholding tax system will apply for a transitional period which will terminate at the end of first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from July 1, 2005, a number of non-EU countries (Switzerland, Andorra, Liechtenstein, Monaco and San Marino) have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent within its jurisdiction to, or collected by such a paying agent for, an individual resident in or a Residual Entity established in a Member State. In addition, Luxembourg has entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories (Jersey, Guernsey, Isle of Man, Aruba, Montserrat, British Virgin Islands, Curaçao, Sint Maarten as well as Bonaire, Saba and Saint Eustatius) in relation to payments made by a paying agent in Luxembourg to, or collected by such a paying agent for, an individual resident in, or a Residual Entity established in, one of those territories and other Member States have entered into similar arrangements.

A proposal of the European Commission dated 13 November 2008 (an amended version of which was approved by the European Parliament on 24 April 2009) may result in a new EU Savings Directive. This new EU Savings Directive would extend the scope of the existing one to cover (i) payments made through certain intermediate structures (whether or not established in a Member State) to or for the ultimate benefit of an individual resident in a Member State, and (ii) a wider range of income similar to savings income. Investors who are in any doubt as to their position should consult their professional advisers.

Final Terms No. ● to the European Base Prospectus dated June 28, 2012 [, as supplemented]

The Goldman Sachs Group, Inc.

Euro Medium-Term Notes, Series C

[Title of [Fixed rate] [Floating rate] [Fixed/Floating rate] [Zero coupon] [Discount] notes]
The terms of each note being offered are as follows:

Issuer: The Goldman Sachs Group, Inc.

Face Amount:

Denomination:

Minimum Investment:

Type of Note: [Fixed rate] [Floating rate] [Fixed/Floating rate] [Zero coupon] [Discount] note

Specified Currency:

Trade Date:

Original Issue Date (Settlement Date):

ISIN Code:

Common Code:

Valoren Number:

Stated Maturity Date: *[If applicable, provisions for the extension of maturity automatically or at the holder's option]*

Original Issue Price: %

[**Original Issue Discount (OID):** *If applicable, OID as a percentage*]% [*If issued at 100%:* Not applicable]

Net Proceeds to Issuer: %

Amount Payable at Maturity: [100% of the Face Amount outstanding on the Stated Maturity Date]

Yield to Maturity:

[**Accreted Value:** *For zero coupon and discount notes:* As of any date prior to the stated maturity date, an amount equal to the sum of (A) the original issue price of your note and (B) the portion of the excess of the Face Amount over the Original Issue Price which shall have been accreted from the issue price on a daily basis (and compounded annually on ● of each year, up to and including the Stated Maturity Date, at the rate of ●% per annum from the Original Issue Date, computed on the basis of a 360-day year consisting of twelve 30-day calendar months; and (2) as of any date on or after the Stated Maturity Date, the Face Amount]

Interest Rate: [*For fixed rate notes:* ●% per annum] [*For floating rate notes:* A rate per annum equal to the Base Rate [*plus* the Spread] [*multiplied* by the Spread Multiplier, if any]] [*Modify as appropriate.*] [*For notes that do not bear interest:* Not applicable]

[**Base Rate(s):** *For floating rate notes, the base rate or rates*]

[**Initial Base Rate:** *For floating rate notes, if applicable:* The [*Index maturity*] [*Index currency*] [*Base rate*] on [*First interest determination date*]

[**Index Maturity:** *For floating rate notes, the index maturity*]

[**Index Currency:** *For floating rate notes, the index currency*]

[**Spread:** *For floating rate notes, the spread*]

[**Spread Multiplier:** *For floating rate notes, the spread multiplier*]

[**Minimum Rate:** *For floating rate notes, the minimum rate*]

[**Maximum Rate:** *For floating rate notes, the maximum rate*]

[**Day Count Fraction:** *For floating and fixed rate notes, the day count fraction*]

Calculation Basis: Interest and redemption payments will be calculated on a [per denomination] [notional] basis

[**Interest Commencement Date:** *For fixed and floating rate notes, the interest commencement date*]

[**Interest Period:** *For fixed and floating rate notes:* Each period from and including an Interest Payment Date (or the Original Issue Date, in the case of the initial Interest Period) to but excluding the next succeeding Interest Payment Date (or the Stated Maturity Date, in the case of the final Interest Period)]

[**Interest Determination Dates:** *For floating rate notes:* For each Interest Period, the Interest Determination Date shall be the [first] [second] [Euro] [London] Business Day preceding the first day of such Interest Period [*Modify as appropriate*]

[**Interest Reset Dates:** *For floating rate notes:* For each Interest Period, the Interest Reset Date shall be the first day of such Interest Period [*Modify as appropriate*]

[**Interest Payment Dates:** *For fixed and floating rate notes:* ●[●, and ●] of each year[, beginning with ● and ending with ●], subject to the Business Day Convention

Regular Record Dates: The Regular Record Date for each interest payment date will be the date [●][*for registered notes under NSS*: 1] Business Days prior to such Interest Payment Date [●]], as it may be adjusted in accordance with the Business Day Convention

Additional Redemption Rights at the Option of the Issuer: [*For notes subject to redemption at the option of the issuer, a plain English description of the redemption feature*] [*For all other notes:* None]

Repurchase at the Holder's Option: [*For notes subject to redemption at the option of the issuer, a plain English description of the repurchase feature; otherwise:* Not applicable]

Repayment upon Event of Default: [*For fixed and floating rate notes:* 100% of the face amount of your note plus accrued and unpaid interest] [*For zero coupon and discount notes:* 100% of the accreted value as of the date of redemption]

Business Days: The relevant Business Days are [*Relevant business days*]; see "Description of the Program — Features Common to All Notes — Business Days" in the European base prospectus

Business Day Convention: [*For interest-bearing notes:* [Following [adjusted] [unadjusted]] [Modified Following [adjusted] [unadjusted]]; see "Description of the Program — Features Common to All Notes — Business Day Conventions" in the European base prospectus] [*For notes that do not bear interest:* Not applicable]

Form of Notes: Registered global notes only, registered in the name of a nominee for a [*for notes not issued under NSS:* common depositary][*for notes issued under NSS:* common safekeeper] for Euroclear and Clearstream, Luxembourg; see "Description of the Program — Form, Exchange, Registration and Transfer" in the European base prospectus]

[**Intended to be held in a manner which would allow Eurosystem eligibility:** [Yes][No] Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times

during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][*Include this text if "yes" selected, in which case registered Notes must be issued under NSS*]

Clearing: [Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*] [other applicable clearing system]

Gross-up and Call in the Case of Tax Law Changes: [*For notes subject to gross-up and call in the case of tax law changes:* Applicable; see "Description of the Program — Payment of Additional Amounts" and "— Redemption and Repayment — Redemption upon Payment of Additional Amounts" in the European base prospectus] [*For all other notes:* The Issuer will not gross up any payments due on the notes and will not compensate the Holder for any amount that may be withheld or due because of tax law changes with regard to withholding tax or certain reporting requirements nor therefore will the right of the Issuer to redeem the Notes arising from the payment of additional amounts be applicable; see "Description of the Program — Payment of Additional Amounts" and "— Redemption and Repayment" in the European base prospectus]

Calculation Agent: Goldman Sachs International

Listing and Admission to Trading: [*For notes listed on a regulated market:* Application has been made to the [Luxembourg Stock Exchange] for the notes to be admitted to trading on the [Luxembourg Stock Exchange]'s regulated market and to be listed on the [Official List of the Luxembourg Stock Exchange]; see "Listing and General Information" in the European base prospectus] [*For all other notes:* Not applicable]

Your investment in your note involves risks. In particular, assuming no changes in market conditions or our creditworthiness and other relevant factors, the value of your note on the date of these Final Terms (as determined by reference to pricing models used by Goldman Sachs and taking into account our credit spreads) may be significantly less than the original issue price. We encourage you to read "Risk Factors" on page 10 of the European base prospectus, so that you may better understand those risks.

Any offered notes sold by Goldman Sachs International to dealers may be resold by such dealers in negotiated transactions or otherwise at varying prices determined at the time of sale, which prices may be different from the original issue price. [The original issue price reflects a discount representing a fee payable to ●.] [Goldman Sachs International may [also] pay a commission to ● in connection with the sale of the notes. See "Additional Information About the Plan of Distribution" on page S-●.]

These Final Terms should be read in conjunction with the European base prospectus, including all supplements to the European base prospectus and all documents incorporated by reference therein, and you should base your investment decision on a consideration of these Final Terms and the European base prospectus, including all supplements thereto and all documents incorporated by reference therein, as a whole. [*For notes listed on the Official List of the Luxembourg stock exchange:* Pursuant to Luxembourg law, the European base prospectus, all supplements to the European base prospectus and all documents incorporated by reference therein and filed with the Commission de Surveillance du Secteur Financier, and any Final Terms will be made available by the Luxembourg Stock Exchange on its website at http://www.bourse.lu.]

The notes have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available. See "Notice to Investors" on page S-●. These Final Terms are not for use in, and may not be delivered to or inside, the United States.

The notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

Goldman Sachs may use these Final Terms in the initial sale of the notes. In addition, Goldman Sachs International or other affiliates of The Goldman Sachs Group, Inc. may use these Final Terms in a market-making transaction in a note after its initial sale. ***Unless Goldman Sachs International or another affiliate of The Goldman Sachs Group, Inc. or their respective agents inform the purchaser otherwise in the confirmation of sale, these Final Terms are being used in a market-making transaction.***

Goldman Sachs International

Final Terms, dated ●

NOTICE TO INVESTORS

The notes have not been registered under the Securities Act and may not be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available. In particular, hedging transactions involving the notes may not be conducted other than in compliance with the Securities Act. Each purchaser of a note is deemed to agree to comply with the foregoing.

Except in certain limited circumstances, owners of beneficial interests in the notes will not be entitled to have the notes registered in their names, will not be entitled to receive physical delivery of the notes in definitive form except in limited circumstances and will not be considered the owners or holders of the notes under the fiscal agency agreement governing the notes.

Unless the context otherwise requires, references to "The Goldman Sachs Group, Inc.", "we", "our" and "us" mean only The Goldman Sachs Group, Inc. and do not include its consolidated subsidiaries. References to "Goldman Sachs" mean The Goldman Sachs Group, Inc. together with its consolidated subsidiaries, and the "Goldman Sachs Group" refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries. Also, references to the "European base prospectus" mean the European base prospectus, dated June 28, 2012, of The Goldman Sachs Group, Inc.[, as supplemented.]

In these Final Terms, references to "holder" or "holders" mean only those who have notes registered in their own names and not indirect owners who own beneficial interests in notes of which others are the registered holders. The latter include those who own beneficial interests in notes issued in global — *i.e.*, book-entry — form through Euroclear Bank SA/NV, Clearstream Banking, *société anonyme* or another depositary ("global note"). Owners of beneficial interests in notes issued in global form should read the section entitled "Description of the Program — Form, Exchange, Registration and Transfer" in the European base prospectus. Also, references in these Final Terms to "you" mean those who invest in the notes, whether they are the actual registered holder of the global notes or only owners of beneficial interests in global notes. References to "your note" mean the notes in which you hold a direct or indirect interest.

Responsibility Statement

The Goldman Sachs Group, Inc. accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of The Goldman Sachs Group, Inc. (which has taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and contains no omission likely to affect the import of such information. Where information contained in these Final Terms has been sourced from a third party, this information has been accurately reproduced and so far as The Goldman Sachs Group, Inc. is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this European base prospectus. Neither these Final Terms nor the European base prospectus constitutes an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation. Neither the delivery of these Final Terms or the European base prospectus, nor any sale made hereunder or thereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of The Goldman Sachs Group, Inc. since the date hereof or thereof or that the information contained herein or therein is correct as of any time subsequent to its date.

Any person making the decision to acquire the notes shall be deemed, on behalf of itself and the holder, by acquiring and holding the notes or exercising any rights related thereto, to represent that:

(i) the funds that the holder is using to acquire the notes are not the assets of an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), a plan described in and subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), a governmental plan subject to any federal, state or local law that is similar to the provisions of Section 406 of ERISA or Section 4975 of the Code, or an entity whose underlying assets include "plan assets" by reason of Department of Labor regulation section 2510.3-101, as modified by Section 3(42) of ERISA, or otherwise; or

(ii)(A) the holder will receive no less and pay no more than "adequate consideration" (within the meaning of Section 408(B)(17) of ERISA and Section 4975(F)(10) of the Code) in connection with the purchase and holding of the notes; (B) none of the purchase, holding or disposition of the notes or the exercise of any rights related to the notes will result in a non-exempt prohibited transaction under ERISA or the Code (or with respect to a governmental plan, under any similar applicable law or regulation); and (C) neither The Goldman Sachs Group, Inc. nor any of its affiliates is a "fiduciary" (within the meaning of Section 3(21) of ERISA (or any regulations thereunder) or, with respect to a governmental plan, under any similar applicable law or regulation) with respect to the purchaser or holder in connection with such person's acquisition, disposition or holding of the notes, or as a result of any exercise by The Goldman Sachs Group, Inc. or any of its affiliates of any rights in connection with the notes, and no advice provided by The Goldman Sachs Group, Inc. or any of its affiliates has formed a primary basis for any investment decision by or on behalf of such purchaser or holder in connection with the notes and the transactions contemplated with respect to the notes.

[ADDITIONAL INFORMATION ABOUT THE PLAN OF DISTRIBUTION

[*For non-syndicated offerings:* We have agreed to sell to [Goldman Sachs International], and [Goldman Sachs International] has agreed to buy from us, the aggregate face amount of the notes specified on the front cover of these Final Terms. [Goldman Sachs International] intends to resell the notes at the original issue price applicable to the notes to be resold in offshore transactions in reliance upon Regulation S under the Securities Act. Any notes sold by [Goldman Sachs International] to dealers may be resold by such dealers in negotiated transactions or otherwise, at varying prices determined at the time of sale, which prices may be different from the original issue price. In the future, [Goldman Sachs International] and our other affiliates may repurchase and resell the notes in market-making transactions, with resales being made at prices related to prevailing market prices at the time of resale or at negotiated prices.

The notes have not been registered under the Securities Act and may not be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available. In particular, hedging transactions involving the notes may not be conducted other than in compliance with the Securities Act. Each purchaser of a note is deemed to agree to comply with the foregoing.

The address of Goldman Sachs International is Peterborough Court, 133 Fleet Street, London EC4A 2BB, United Kingdom.

[The original issue price reflects a discount of ●% representing a fee payable to ●.] [Goldman Sachs International may [also] pay an [additional] commission of ●% of the principal amount of the notes to ● in connection with the sale of the notes.]]

[*For syndicated offerings:* Subject to the Terms Agreement, dated ●, between us on the one hand and the Purchasing Agents named below (collectively, the "Purchasing Agents") on the other, which incorporates certain provisions of the Distribution Agreement, dated [●] between us and Goldman Sachs International, as amended or restated, if applicable, we have agreed to sell, and each of the Purchasing Agents has agreed to purchase, severally but not jointly, at a price of ●% of the principal amount of the notes, the principal amount of the notes set forth opposite their names in the table below:

Purchasing Agent	Principal amount of notes
Goldman Sachs International.....	●
●.....	●
●.....	●

Each of the Purchasing Agents will receive underwriting discounts and commissions in the amount of ●% of the principal amount of the notes underwritten by it. [A selling concession of ●% will be paid in respect of the aggregate principal amount of the notes sold by a Purchasing Agent.] The Purchasing Agents may pay a distribution fee for the placement of the notes.

[Include address of lead Purchasing Agent(s)]

The Purchasing Agents propose to offer the notes at the original issue price set forth on the cover page of these Final Terms in offshore transactions in reliance upon Regulation S under the Securities Act. After the notes have been released to investors, the offering price and other selling terms may from time to time be varied by the Purchasing Agents.

The notes are new issue securities with no established trading market. Goldman Sachs International or other affiliates of us, and the other Purchasing Agents, may repurchase and resell the notes in market-making transactions, with resales being made at prices related to prevailing market prices at the time of resale or at negotiated prices. None of them, however, is obligated to do so and any of them may discontinue market-making at any time without notice.

Each of the Purchasing Agents has agreed with us that:

- [Applicable selling restrictions.]]

For more information about the plan of distribution and possible market-making activities, see "Plan of Distribution" in the European base prospectus.

Goldman
Sachs

Final Terms No. ● to the European Base Prospectus dated June 28, 2012 [, as supplemented]

The Goldman Sachs Group, Inc.

Euro Medium-Term Notes, Series C

[Title of Indexed Notes]

[*A brief description of the* notes.]

Your investment in your note involves risks. We encourage you to read "Risk Factors" on page 10 of the European base prospectus [and "Additional Investment Considerations Specific to Your Note" on page S-●], so that you may better understand those risks.

Any offered notes sold by Goldman Sachs International to dealers may be resold by such dealers in negotiated transactions or otherwise at varying prices determined at the time of sale, which prices may be different from the original issue price. [The original issue price reflects a discount representing a fee payable to ●.] [Goldman Sachs International may [also] pay a commission to ● in connection with the sale of the notes. See "Additional Information About the Plan of Distribution" on page S-●.]

These Final Terms should be read in conjunction with the European base prospectus, including all supplements to the European base prospectus and all documents incorporated by reference therein, and you should base your investment decision on a consideration of these Final Terms and the European base prospectus, including all supplements to the European base prospectus and all documents incorporated by reference therein, as a whole. [*For notes listed on the Official List of the Luxembourg stock exchange:* Pursuant to Luxembourg law, the European base prospectus, all supplements thereto and all documents incorporated by reference therein and filed with the Commission de Surveillance du Secteur Financier, and any Final Terms will be made available by the Luxembourg Stock Exchange on its website at http://www.bourse.lu.]

The notes have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available. See "Notice to Investors" on page S-●. These Final Terms are not for use in, and may not be delivered to or inside, the United States.

The notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

Goldman Sachs may use these Final Terms in the initial sale of the notes. In addition, Goldman Sachs International or other affiliates of The Goldman Sachs Group, Inc. may use these Final Terms in a market-making transaction in a note after its initial sale. ***Unless Goldman Sachs International or another affiliate of The Goldman Sachs Group, Inc. or their respective agents inform the purchaser otherwise in the confirmation of sale, these Final Terms are being used in a market-making transaction.***

Goldman Sachs International

Final Terms, dated ●

[Add short-form index disclaimers.]

NOTICE TO INVESTORS

The notes have not been registered under the Securities Act and may not be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available. In particular, hedging transactions involving the notes may not be conducted other than in compliance with the Securities Act. Each purchaser of a note is deemed to agree to comply with the foregoing.

***Except in certain limited circumstances, owners of beneficial interests in the notes will not be entitled to have the notes registered in their names, will not be entitled to receive physical delivery of the notes in definitive form except in limited circumstances and will not be considered the owners or holders of the notes under the fiscal agency agreement governing the notes*.**

Unless the context otherwise requires, references to "The Goldman Sachs Group, Inc.", "we", "our" and "us" mean only The Goldman Sachs Group, Inc. and do not include its consolidated subsidiaries. References to "Goldman Sachs" mean The Goldman Sachs Group, Inc. together with its consolidated subsidiaries, and the "Goldman Sachs Group" refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries. Also, references to the "European base prospectus" mean the European base prospectus, dated June 28, 2012, of The Goldman Sachs Group, Inc.[, as supplemented.]

In these Final Terms, references to "holder" or "holders" mean only those who have notes registered in their own names and not indirect owners who own beneficial interests in notes of which others are the registered holders. The latter include those who own beneficial interests in notes issued in global — *i.e.*, book-entry — form through Euroclear Bank SA/NV, Clearstream Banking, *société anonyme* or another depositary ("global note"). Owners of beneficial interests in notes issued in global form should read the section entitled "Description of the Program — Form, Exchange, Registration and Transfer" in the European base prospectus. Also, references in these Final Terms to "you" mean those who invest in the notes, whether they are the actual registered holder of the global notes or only owners of beneficial interests in global notes. References to "your note" mean the notes in which you hold a direct or indirect interest.

Responsibility Statement

The Goldman Sachs Group, Inc. accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of The Goldman Sachs Group, Inc. (which has taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and contains no omission likely to affect the import of such information. Where information contained in these Final Terms has been sourced from a third party, this information has been accurately reproduced and so far as The Goldman Sachs Group, Inc. is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this European base prospectus. Neither these Final Terms nor the European base prospectus constitutes an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation. Neither the delivery of these Final Terms or the European base prospectus, nor any sale made hereunder or thereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of The Goldman Sachs Group, Inc. since the date hereof or thereof or that the information contained herein or therein is correct as of any time subsequent to its date.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor the regulatory authority of any other jurisdiction has passed upon the accuracy or adequacy of these Final Terms or the European base prospectus.

Any person making the decision to acquire the notes shall be deemed, on behalf of itself and the holder, by acquiring and holding the notes or exercising any rights related thereto, to represent that:

(i) the funds that the holder is using to acquire the notes are not the assets of an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), a plan described in and subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), a governmental plan subject to any federal, state or local law that is similar to the provisions of Section 406 of ERISA or Section 4975 of the Code, or an entity whose underlying assets include "plan assets" by reason of Department of Labor regulation section 2510.3-101, as modified by Section 3(42) of ERISA, or otherwise; or

(ii)(A) the holder will receive no less and pay no more than "adequate consideration" (within the meaning of Section 408(B)(17) of ERISA and Section 4975(F)(10) of the Code) in connection with the purchase and holding of the notes; (B) none of the purchase, holding or disposition of the notes or the exercise of any rights related to the notes will result in a non-exempt prohibited transaction under ERISA or the Code (or with respect to a governmental plan, under any similar applicable law or regulation); and (C) neither The Goldman Sachs Group, Inc. nor any of its affiliates is a "fiduciary" (within the meaning of Section 3(21) of ERISA (or any regulations thereunder) or, with respect to a governmental plan, under any similar applicable law or regulation) with respect to the purchaser or holder in connection with such person's acquisition, disposition or holding of the notes, or as a result of any exercise by The Goldman Sachs Group, Inc. or any of its affiliates of any rights in connection with the notes, and no advice provided by The Goldman Sachs Group, Inc. or any of its affiliates has formed a primary basis for any investment decision by or on behalf of such purchaser or holder in connection with the notes and the transactions contemplated with respect to the notes.

KEY TERMS

The terms of each note being offered are as follows:

Issuer: The Goldman Sachs Group, Inc.

Face Amount:

Denomination:

[Minimum Investment:]

Type of Note: Indexed note

Specified Currency:

Trade Date:

Original Issue Date (Settlement Date):

ISIN Code:

Common Code:

Valoren Number:

Stated Maturity Date:

Original Issue Price:

Net Proceeds to Issuer:

Amount Payable at Maturity: [*A plain English description of the payment amount formula*]

Yield to Maturity:

Interest Rate:

[**Day Count Fraction:** *The day count fraction*]

Calculation Basis: Interest and redemption payments will be calculated on a [per denomination] [notional] basis

[**Interest Period:** Each period from and including an Interest Payment Date (or the Original Issue Date, in the case of the initial Interest Period) to but excluding the next succeeding Interest Payment Date (or the Stated Maturity Date, in the case of the final Interest Period)]

[**Interest Payment Dates:** ●[●, and ●] of each year[, beginning with ● and ending with ●], subject to the Business Day Convention

The Index or Indices: [*For each index:* [*Index*] ([*Index abbreviation (use only abbreviation, omit "index")*]); *where appropriate, the caption may be replaced by "Index Stock"*]

Index Sponsor(s): [*The sponsor of each index; where appropriate, the caption may be replaced by "Index Stock Issuer"*]

[**Principal Stock Exchange:** *For notes linked to a stock, the stock exchange on which the stock is listed*]

[**Supplemental Payment Amount:** *A plain English description of the supplemental payment amount formula*]

[**Total Index Return:** *A plain English description of the total index return; where appropriate, the caption may be replaced by "Total [Adjusted] Index Return"*]

[**Participation Rate:** *The participation rate as a percentage*]

[**Index Return:** *A plain English description of the index return; where appropriate, the caption may be replaced by "[Adjusted] [Index] Return"*]

[**Initial Index Level:** *A plain English description of the initial index level formula, including, where appropriate, a quantification of the initial index level for each index; where appropriate, the caption may be replaced by "Initial [Stock] Level"*]

[**Final Index Level:** *A plain English description of the final index level formula*]

[**Basket Return:** *The basket return formula*]

[**Basket:** *List each index contained in the basket:*]

[**Initial Basket Level:** *A plain English description of the initial basket level formula, including, where appropriate, a quantification of the initial basket level for each index basket*]

[**Final Basket Level:** *A plain English description of the final basket level formula*]

[**Exchange Rate:** *For notes exchangeable into stock, the applicable exchange rate*]

[**Reference Price(s):** With respect to each index,] the official closing level of [such] [the] Index on each relevant date, as determined and published by the Index Sponsor on [Reuters][Bloomberg] page (or any successor or replacement page)]

[**Strike Fixing Date(s):** *The strike date or dates*]

Observation Date(s): [*The observation date or dates;*], [provided that, with respect to each ●, each Observation Date may be postponed in the event the relevant date is not an Exchange Business Day with respect to such ● or on the relevant date a Market Disruption Event occurs or is continuing with respect to such ● and provided further that no observation date will be extended by more than eight business days; see "Description of the Program — Indexed Notes — ●" in the European base prospectus] [for *notes linked to baskets of indices, stocks or commodities, specify whether common exchange business days but individual market disruption events apply or whether common exchange business days and common market disruption events apply*] [*for notes linked to commodities, specify any disruption fallbacks*]

Regular Record Dates: The Regular Record Date for each Interest Payment Date will be the date [●][*for registered notes under NSS*: 1] Business Days prior to such Interest Payment Date [●]],as it may be adjusted in accordance with the Business Day Convention

Additional Redemption Rights at the Option of the Issuer: [*For notes subject to redemption at the option of the issuer, a plain English description of the redemption feature*] [*For all other notes:* None]

Repurchase at the Holder's Option: [*For notes subject to redemption at the option of the issuer, a plain English description of the repurchase feature; otherwise:* Not applicable]

Repayment upon Event of Default: [100% of the Face Amount plus accrued and unpaid interest] [The default amount; see "Description of the Program — Indexed Notes — Default Amount on Acceleration "in the European base prospectus]

Business Days: The relevant Business Days are [*Relevant business days*]; see "Description of the Program — Features Common to All Notes — Business Days" in the European base prospectus

Business Day Convention: [[Following [adjusted] [unadjusted]] [Modified Following [adjusted] [unadjusted]]; see "Description of the Program — Features Common to All Notes — Business Day Conventions" in the European base prospectus] [Not applicable]

Form of Notes: Registered global notes only, registered in the name of a nominee for a [*for notes not issued under NSS:* common depositary][*for notes issued under NSS:* common safekeeper] for Euroclear and Clearstream, Luxembourg; see "Description of the Program — Form,

Exchange, Registration and Transfer" in the European base prospectus]

[**Intended to be held in a manner which would allow Eurosystem eligibility:** [Yes][No] [Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] [*include this text for registered notes under NSS*]] and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][*Include this text if "yes" selected, in which case registered Notes must be issued under NSS*]

Clearing: [Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*] [other applicable clearing system]

Gross-up and Call in the Case of Tax Law Changes: [*For notes subject to gross-up and call in the case of tax law changes:* Applicable; see "Description of the Program — Payment of Additional Amounts" and "— Redemption and Repayment — Redemption upon Payment of Additional Amounts" in the European base prospectus] [*For all other notes:* The Issuer will not gross up any payments due on the notes and will not compensate the Holder for any amount that may be withheld or due because of tax law changes with regard to withholding tax or certain reporting requirements nor therefore will the right of the Issuer to redeem the Notes arising from the payment of additional amounts be applicable; see "Description of the Program — Payment of Additional Amounts" and "— Redemption and Repayment" in the European base prospectus]

Calculation Agent: Goldman Sachs International

Listing and Admission to Trading: [*For notes listed on a regulated market:* Application has been made to the [Luxembourg Stock Exchange] for the notes to be admitted to trading on the [Luxembourg Stock Exchange]'s regulated market and to be listed on the Official List of the [Luxembourg Stock Exchange]; see "Listing and General Information" in the European base prospectus] [*For all other notes:* Not applicable]

[Q&A

[How do the notes work?

We have designed the notes for investors who wish to receive a payment amount that is linked to ●.

As discussed in the European base prospectus, the notes offered by these Final Terms are indexed notes that are part of a series of debt securities entitled "Euro Medium-Term notes, Series C" issued by us. The notes rank equally with all our other unsecured and unsubordinated debt and will mature on [*Stated maturity date*]. For more details, see ["Additional Terms Specific to Your Note" and] "Description of the Program — Features Common to All Notes" and "— Indexed Notes" in the European base prospectus.]

Will I receive periodic interest payments?

[*Insert plain-English description of coupon payments or statement that there are none.*]

What will I receive on the stated maturity date?

[*Insert plain-English description of payments at maturity.*]

What will I receive if I sell my note before the stated maturity date?

If you sell your note prior to the stated maturity date, which is [*Stated maturity date*], you will receive the market price for your note on the date of sale. The market price for your note on any given day may be influenced by many factors, such as the prevailing level of each of the indices, the volatility of each of the indices, expectations regarding the development of the reference price of each of the indices, the period until maturity and our creditworthiness. As a result, depending on the impact of these factors, if you sell your note prior to the stated maturity date, you may receive significantly less than the face amount of the note. It is also very unlikely that the secondary market price of your note will correlate with the prices of the index components. For more details, see "Risk Factors — Considerations Relating to Notes Generally — The Market Price of Any Notes We May Issue May Be Influenced by Many Unpredictable Factors and If You Buy a Note and Sell It Prior to the Stated Maturity Date, You May Receive Less Than the Face Amount of Your Note" in the European base prospectus.

Who publishes the index and what does it measure?]

[HYPOTHETICAL EXAMPLES

[ADDITIONAL INVESTMENT CONSIDERATIONS SPECIFIC TO YOUR NOTE]

An investment in your note is subject to risks described in the European base prospectus under "Risk Factors" and "Risk Factors — Considerations Relating to Indexed Notes" in particular and to the risks described below. Your note is a riskier investment than ordinary debt securities. Also, your note is not equivalent to investing directly in the index components — i.e., the [commodities, contracts, securities, stocks or bonds] comprising the indices to which your note is linked. You should carefully consider whether the notes are suited to your particular circumstances.

In these Final Terms, when we refer to an index, we mean [any of the indices] [the index], or any successor index to [any of the indices] [the index], as [they] [it] may be modified, replaced or adjusted from time to time as described under "Description of the Program — Indexed Notes" in the European base prospectus. When we refer to an index sponsor as of any time, we mean the entity that determines and publishes [any of the indices] [the index], as appropriate and then in effect, including any successor sponsor. When we refer to the index [commodities, contracts, securities, stocks or bonds] as of any time, we mean the [commodities, contracts, securities, stocks or bonds] that comprise any of the indices as then in effect, after giving effect to any additions, deletions or substitutions. References herein to the "index components" are references to the index [commodities, contracts, securities, stocks or bonds] by reference to which the indices are calculated.

Assuming No Changes in Market Conditions or Our Creditworthiness and Other Relevant Factors, the Value of Your Note on the Date of These Final Terms (As Determined by Reference to Pricing Models Used by Goldman Sachs and Taking Into Account Our Credit Spreads) Is and the Price You May Receive For Your Notes May Be Significantly Less than the Original Issue Price

The value or quoted price of your note at any time will reflect many factors and cannot be predicted. If Goldman Sachs makes a market in the notes, the price quoted by us or our affiliates for your note would reflect any changes in market conditions and other relevant factors, including a deterioration in our creditworthiness or perceived creditworthiness whether measured by our credit ratings or other credit measures. These changes may adversely affect the market price of your notes, including the price you may receive for your notes in any market making transaction. The quoted price could be higher or lower than the original issue price, and may be higher or lower than the value of your note as determined by reference to pricing models used by Goldman Sachs and taking into account our credit spreads.

If at any time a third party dealer quotes a price to purchase your note or otherwise values your note, that price may be significantly different (higher or lower) than any price quoted by Goldman Sachs. See "Risk Factors — Considerations Relating to Notes Generally — The Market Price of Any Notes We May Issue May Be Influenced by Many Unpredictable Factors and If You Buy a Note and Sell It Prior to the Stated Maturity Date, You May Receive Less Than the Face Amount of Your Note" in the European base prospectus.

Furthermore, if you sell your note, you will likely be charged a commission for secondary market transactions, or the price will likely reflect a dealer discount.

There is no assurance that Goldman Sachs or any other party will be willing to purchase your note, and in this regard Goldman Sachs is not obligated to make a market in your note. See "Risk Factors — Considerations Relating to Notes Generally — Any Notes We May Issue May Not Have an Active Trading Market" in the European base prospectus.]

[*Other investment considerations specific to the note being offered.*]

[Any rate of return you may earn on an investment in your note may be lower than that which you could earn on a comparable investment in the index [commodities, contracts, securities, stocks and bonds] or other index components. Depending on the tax treatment applicable to your note, tax liabilities could affect the after-tax rate of return on your note to a comparatively greater extent than the after-tax return on the [commodities, contracts, securities, stocks and bonds].

[Payments on your note are economically equivalent to the amounts that would be paid on a combination of other instruments. For example, payments on your note are economically equivalent to the amounts that

would be paid on a combination of an interest-bearing bond bought, and an option sold or bought, by the holder (with an implicit option premium paid over time to or by the holder). The discussion in this paragraph does not modify or affect the terms of the notes or the U.S. income tax treatment of the notes as described under "United States Taxation" in the European base prospectus.]

[ADDITIONAL TERMS SPECIFIC TO YOUR NOTE

We refer to the notes offered by these Final Terms, including your note, as the notes. The notes are part of a series of debt securities, entitled "Euro Medium-Term notes, Series C", that we may issue under the Fiscal Agency Agreement from time to time. The notes are also "indexed notes", as defined in the European base prospectus. These Final Terms summarize specific financial and other terms that apply to the notes, including your note; terms that apply generally to all Series C Euro Medium-Term notes are described under "Description of the Program" in the European base prospectus. The terms described in these Final Terms supplement those described in the European base prospectus and, if the terms described here are inconsistent with those described there, the terms described here are controlling.

Please note that the information about the original issue date, original issue price and net proceeds to us on the front cover page of these Final Terms relates only to the initial offer and sale of the notes. If you have purchased your note in a subsequent market-making transaction, information about the price and date of any such transaction will be provided in a separate confirmation of sale.

[In anticipation of the sale of the notes, we and our affiliates may enter into hedging transactions as described under "Indexed Notes — Hedging in Connection with Issuance of Indexed Notes" in the European base prospectus.]

In addition to the terms described in the summary information section of these Final Terms, the following terms will apply to your note:

[Type of note

[Other terms specific to the note being offered.]

[*If applicable: Insert a description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants*.]

[*If applicable: Insert details of the minimum and/or maximum amount of application, (whether in number of securities or aggregate amount to invest)*.]

[*If applicable: Insert the method and time limits for paying up the securities and for delivery of the securities*.]

[*If applicable: Insert a full description of the manner and date in which results of the offer are to be made public*]

[*If applicable: Insert the procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised*.]

[*If applicable: Insert an indication of the expected price at which the securities will be offered or the method of determining the price and the process for its disclosure and an indication of the amount of any expenses and taxes specifically charged to the subscriber or purchaser*.]

[*If applicable: Insert the time period, including any possible amendments, during which the offer will be open and description of the application process*.]

[*Any rate of return you may earn on an investment in your note may be lower than that which you could earn on a comparable investment in the index [commodities, contracts, securities, stocks and bonds] or other index components. Depending on the tax treatment applicable to your note, tax liabilities could affect the after-tax rate of return on your note to a comparatively greater extent than the after-tax*

return on the [commodities, contracts, securities, stocks and bonds].

[*Payments on your note are economically equivalent to the amounts that would be paid on a combination of other instruments. For example, payments on your note are economically equivalent to the amounts that would be paid on a combination of an interest-bearing bond bought, and an option sold or bought, by the holder (with an implicit option premium paid over time to or by the holder). The discussion in this paragraph does not modify or affect the terms of the notes or the U.S. income tax treatment of the notes as described under "United States Taxation" in the European base prospectus.*]

[INFORMATION ABOUT THE [INDEX] [INDICES] [STOCK] [STOCKS] [BOND] [BONDS]

We have compiled all information regarding the [index] [indices] [stock] [stocks] [bond] [bonds] discussed in these Final Terms, including their make-up, method of calculation and changes in their components, from publicly available information.

[We accept responsibility as to the correct reproduction of such information, but do not accept any further or other responsibility, including any responsibility for the calculation, maintenance or publication of, or for any error, omission or disruption in, [the index] [any of the indices] [the stock] [any of the stocks] [the bond] [any of the bonds], and do not make any representation or give any warranty that the publicly available information about the [index] [indices] [stock] [stocks] [bond] [bonds] is accurate or complete.

The information set forth below reflects the policies of, and is subject to change by, the [relevant] index sponsor or sponsors. [The] [Each] index sponsor owns the copyright and all other rights to the [respective] index. [The index sponsor does not have] [No index sponsor has] any obligation to continue to publish, and may discontinue publication of, the [relevant] index at any time.]

[We do not intend to provide any post-issuance information with respect to [the] [any] [index] described in the European base prospectus or these final terms, if not otherwise required by all applicable laws and regulations.]

[The ● Index] [Stock] [Bond]

[*Information specific to each of the indices, stocks or bonds used in the note being offered. If the index is described in the European base prospectus, include a cross-reference. If the note is linked to a stock or basket of stocks, indicate the ISIN code of the relevant stock or stocks and the relevant weightings of each stock in the basket.*]

More information on the ● index, including information about historical and future performance and volatility of the index, is available on the following website: http://www.●.com. We are not incorporating this website or any material it includes by reference into these Final Terms or the European base prospectus.

References herein to the index sponsor with respect to the ● index are references to ● in its capacity as sponsor of the ● index.

[Licensing

We [expect to enter] [have entered] into a non-exclusive license agreement with ●, whereby we, in exchange for a fee, [will be] [are] permitted to use the ● index in connection with the offer and sale of the notes. We are not affiliated with ●; the only relationship between ● and us is the licensing of the use of the ● index and trademarks relating to the ● index.

● is under no obligation to continue the calculation and dissemination of the ● index. The notes are not sponsored, endorsed or promoted by ●. No inference should be drawn from the information contained in these final terms that ● makes any representation or warranty, implied or express, to The Goldman Sachs Group, Inc., any holder of the notes or any member of the public regarding the advisability of investing in securities generally or in the notes in particular or the ability of the ● index to track general [commodity] [stock] [bond] market performance.

● determines, composes and calculates the index without regard to your note. ● has no obligation to take into account your interest, or that of anyone else having an interest, in your note in determining, composing or calculating the index.

● is not responsible for and has not participated in the determination of the terms, prices or amount of your note and will not be responsible for or participate in any determination or calculation regarding the principal amount of your note payable at the stated maturity date. ● has no obligation or liability in connection with the administration, marketing or trading of your note.

Neither we nor any of our affiliates accepts any responsibility for the calculation, maintenance or publication of the ● index or any successor index.

● disclaims all responsibility for any errors or omissions in the calculation and dissemination of the index or the manner in which the index is applied in determining any [initial index level or final index level] or any amount payable upon maturity of the notes.]

[ADDITIONAL INFORMATION ABOUT THE PLAN OF DISTRIBUTION

[*For non-syndicated offerings:* We have agreed to sell to [Goldman Sachs International], and [Goldman Sachs International] has agreed to buy from us, the aggregate face amount of the notes specified on the front cover of these Final Terms. [Goldman Sachs International] intends to resell the notes at the original issue price applicable to the notes to be resold in offshore transactions in reliance upon Regulation S under the Securities Act. Any notes sold by [Goldman Sachs International] to dealers may be resold by such dealers in negotiated transactions or otherwise, at varying prices determined at the time of sale, which prices may be different from the original issue price. In the future, [Goldman Sachs International] and our other affiliates may repurchase and resell the notes in market-making transactions, with resales being made at prices related to prevailing market prices at the time of resale or at negotiated prices.

The notes have not been registered under the Securities Act and may not be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available. In particular, hedging transactions involving the notes may not be conducted other than in compliance with the Securities Act. Each purchaser of a note is deemed to agree to comply with the foregoing.

The address of Goldman Sachs International is Peterborough Court, 133 Fleet Street, London EC4A 2BB, United Kingdom.

[The original issue price reflects a discount of ●% representing a fee payable to ●.] [Goldman Sachs International may [also] pay an [additional] commission of ●% of the principal amount of the notes to ● in connection with the sale of the notes.]]

[*For syndicated offerings:* Subject to the Terms Agreement, dated ●, between us on the one hand and the Purchasing Agents named below (collectively, the "Purchasing Agents") on the other, which incorporates certain provisions of the Distribution Agreement, dated [●] between us and Goldman Sachs International, as amended or restated, if applicable, we have agreed to sell, and each of the Purchasing Agents has agreed to purchase, severally but not jointly, at a price of ●% of the principal amount of the notes, the principal amount of the notes set forth opposite their names in the table below:

Purchasing Agent	Principal amount of notes
Goldman Sachs International.....	●
●.....	●
●.....	●

Each of the Purchasing Agents will receive underwriting discounts and commissions in the amount of ●% of the principal amount of the notes underwritten by it. [A selling concession of ●% will be paid in respect of the aggregate principal amount of the notes sold by a Purchasing Agent.] The Purchasing Agents may pay a distribution fee for the placement of the notes.

[Include address of lead Purchasing Agent(s)]

The Purchasing Agents propose to offer the notes at the original issue price set forth on the cover page of these Final Terms in offshore transactions in reliance upon Regulation S under the Securities Act. After the notes have been released to investors, the offering price and other selling terms may from time to time be varied by the Purchasing Agents.

The notes are new issue securities with no established trading market. Goldman Sachs International or other affiliates of us, and the other Purchasing Agents, may repurchase and resell the notes in market-making transactions, with resales being made at prices related to prevailing market prices at the time of resale or at negotiated prices. None of them, however, is obligated to do so and any of them may discontinue market-making at any time without notice.

Each of the Purchasing Agents has agreed with us that:

- [*Applicable selling restrictions*.]]

For more information about the plan of distribution and possible market-making activities, see "Plan of Distribution" in the European base prospectus.

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Final Terms No. ● to the European Base Prospectus dated June 28, 2012 [, as supplemented]

The Goldman Sachs Group, Inc.

Subordinated Euro Medium-Term Notes, Series E

[*Title of [Fixed rate] [Floating rate] [Fixed/Floating rate] [Zero coupon][Discount] notes*]
The terms of each subordinated note being offered are as follows:

Issuer: The Goldman Sachs Group, Inc.

Face Amount:

Denomination:

Minimum Investment:

Type of Note: [Fixed rate] [Floating rate] [Fixed/Floating rate] [Zero coupon] [Discount] note

Specified Currency:

Trade Date:

Original Issue Date (Settlement Date):

ISIN Code:

Common Code:

Valoren Number:

Stated Maturity Date:

Original Issue Price: [*Issue price as a percentage of the face amount*]%

[**Original Issue Discount (OID):** *If applicable, OID as a percentage*]%

Net Proceeds to Issuer: %

Amount Payable at Maturity: [[100% of the face amount outstanding on the Stated Maturity Date]

Yield to Maturity:

[**Accreted Value:** *For zero coupon and discount notes:* As of any date prior to the Stated Maturity Date, an amount equal to the sum of (A) the Original Issue Price and (B) the portion of the excess of the Face Amount over the Original Issue Price which shall have been accreted from the issue price on a daily basis (and compounded annually on ● of each year, up to and including the Stated Maturity Date, at the rate of ●% per annum from the Original Issue Date, computed on the basis of a 360-day year *consisting* of twelve 30-day calendar months; and (2) as of any date on or after the Stated Maturity Date, the Face Amount]

Interest Rate: [*For fixed rate notes:* ●% per annum] [*For floating rate notes:* A rate per annum equal to the Base Rate [*plus* the Spread,] [*multiplied* by the Spread Multiplier, if any]] [*Modify as appropriate.*] [*For notes that do not bear interest:* Not applicable]

[**Base Rate(s):** *For floating rate notes, the base rate or rates*]

[**Initial Base Rate:** *For floating rate notes, if applicable:* The [*Index maturity*] [*Index currency*] [*Base rate*] on [*First interest determination date*]

[**Index Maturity:** *For floating rate notes, the index maturity*]

[**Index Currency:** *For floating rate notes, the index currency*]

[**Spread:** *For floating rate notes, the spread*]

[**Spread Multiplier:** *For floating rate notes, the spread multiplier*]

[**Minimum Rate:** *For floating rate notes, the minimum rate*]

[**Maximum Rate:** *For floating rate notes, the maximum rate*]

[**Day Count Fraction:** *For floating and fixed rate notes, the day count fraction;*]

Calculation Basis: Interest and redemption payments will be calculated on a [per denomination] [notional] basis

[**Interest Commencement Date:** *For fixed and floating rate notes, the interest commencement date*]

[**Interest Period:** *For fixed and floating rate notes:* Each period from and including an Interest Payment Date (or the Original Issue Date, in the case of the initial Interest Period) to but excluding the next succeeding Interest Payment Date (or the Stated Maturity Date, in the case of the final Interest Period)]

[**Interest Determination Dates:** *For floating rate notes:* For each Interest Period, the Interest Determination date shall be the [first] [second] [Euro] [London] Business Day preceding the first day of such Interest Period [***Modify as appropriate***]

[**Interest Reset Dates:** *For floating rate notes:* For each Interest Period, the Interest Reset Date shall be the first day of such Interest Period [***Modify as appropriate***]

[**Interest Payment *Dates*:** *For fixed and floating rate notes:* ●[●, and ●] of each year[, beginning with ● and ending with ●], subject to the Business Day Convention

Regular Record Dates: The Regular Record Date for each Interest Payment Date will be the date [●][*for registered notes under NSS*: 1] Business Days prior to such Interest Payment Date [●]],as it may be adjusted in accordance with the Business Day Convention

Additional Redemption Rights at the Option of the Issuer: [*For notes subject to redemption at the option of the issuer, a plain English description of the redemption feature*] [*For all other notes:* None]

Repurchase at the Holder's Option: [*For notes subject to redemption at the option of the issuer, a plan English description of the repurchase feature; otherwise:* Not applicable]

Repayment upon Event of Default: [*For fixed and floating rate notes:* 100% of the Face Amount plus accrued and unpaid interest] [*For zero coupon and discount notes:* 100% of the accreted value as of the date of redemption]

Subordination: The notes will be junior in right of payment to all of our senior indebtedness. This means, among other things, that we will not be permitted to pay interest, principal or any other amount on the notes (including upon redemption) if a default under our senior indebtedness has

occurred and is continuing, until all the amounts owing on our senior indebtedness have been paid in full. See "Description of the Program — Subordination Provisions" in the European base prospectus

Business Days: The relevant Business Days are [*Relevant business days*]; see "Description of the Program — Features Common to All Notes — Business Days" in the European base prospectus

Business Day Convention: [*For interest-bearing notes:* [Following [adjusted] [unadjusted]] [Modified Following [adjusted] [unadjusted]]; see "Description of the Program — Features Common to All Notes — Business Day Conventions" in the European base prospectus] [*For notes that do not bear interest:* Not applicable]

Form of Notes: Registered global notes only, registered in the name of a nominee for a [*for notes not issued under NSS:* common depositary][*for notes issued under NSS:* common safekeeper] for Euroclear and Clearstream, Luxembourg; see "Description of the Program — Form, Exchange, Registration and Transfer" in the European base prospectus]

[**Intended to be held in a manner which would allow Eurosystem eligibility:** [Yes][No] [Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][*Include this text if "yes" selected, in which case Notes must be issued under NSS*]

Clearing: [Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*] [other applicable clearing system]

Gross-up and Call in the Case of Tax Law Changes: [*For notes subject to gross-up and call in the case of tax law changes:* Applicable; see "Description of the Program — Payment of Additional Amounts" and "— Redemption and Repayment — Redemption upon Payment of Additional Amounts" in the European base prospectus] [*For all other notes:* The Issuer will not gross up any payments due on the notes and will not compensate the Holder for any amount that may be withheld or due because of tax law changes with regard to withholding tax or certain reporting requirements nor therefore will the right of the Issuer to redeem the Notes arising from the payment of additional amounts be applicable; see "Description of the Program — Payment of Additional Amounts" and "— Redemption and Repayment" in the European base prospectus]

Calculation Agent: Goldman Sachs International

Listing and Admission to Trading: [*For notes listed on a regulated market:* Application has been made to the [Luxembourg Stock Exchange] for the notes term to be admitted to trading on the [Luxembourg Stock Exchange]'s regulated market and to be listed on the Official List of the [Luxembourg Stock Exchange]; see "Listing and General Information" in the European base prospectus] [*For all other notes:* None]

Limited Events of Default: No Acceleration; See "Events of Default and Remedies — Series E Subordinated Medium-Term Notes" in the European base Prospectus

Your investment in your note involves risks. We encourage you to read "Risk Factors" on page 10 of the European base prospectus, so that you may better understand those risks.

Any offered notes sold by Goldman Sachs International to dealers may be resold by such dealers in negotiated transactions or otherwise at varying prices determined at the time of sale, which prices may be different from the original issue price. [The original *issue* price reflects a discount representing a fee payable to ●.] [Goldman Sachs International may [also] pay a commission to ● in connection with the sale of the notes. See "Additional Information About the Plan of Distribution" on page S-●.]

These Final Terms should be read in conjunction with the European base prospectus, including all supplements to the European base prospectus and all documents incorporated by reference therein, and you should base your investment decision on a consideration of these Final Terms and the European base prospectus, including all supplements to the European base prospectus and all documents incorporated by reference therein, as a whole. [*For notes listed on the Official List of the Luxembourg stock exchange:* Pursuant to Luxembourg law, the European base prospectus, all supplements thereto and all documents incorporated by reference therein and filed with the Commission de Surveillance du Secteur Financier, and any Final Terms will be made available by the Luxembourg Stock Exchange on its website at http://www.bourse.lu.]

The notes have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available. See "Notice to Investors" on page S-●. These Final Terms are not for use in, and may not be delivered to or inside, the United States.

The notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

Goldman Sachs may use these Final Terms in the initial sale of the notes. In addition, Goldman Sachs International or other affiliates of The Goldman Sachs Group, Inc. may use these Final Terms in a market-making transaction in a note after its initial sale. ***Unless Goldman Sachs International or another affiliate of The Goldman Sachs Group, Inc. or their respective agents inform the purchaser otherwise in the confirmation of sale, these Final Terms are being used in a market-making transaction.***

Goldman Sachs International

Final Terms, dated ●

NOTICE TO INVESTORS

The notes have not been registered under the Securities Act as amended, and may not be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available. In particular, hedging transactions involving the notes may not be conducted other than in compliance with the Securities Act. Each purchaser of a note is deemed to agree to comply with the foregoing.

Except in certain limited circumstances, owners of beneficial interests in the notes will not be entitled to have the notes registered in their names, will not be entitled to receive physical delivery of the notes in definitive form except in limited circumstances and will not be considered the owners or holders of the notes under the fiscal agency agreement governing the notes.

Unless the context otherwise requires, references to "The Goldman Sachs Group, Inc.", "we", "our" and "us" mean only The Goldman Sachs Group, Inc. and do not include its consolidated subsidiaries. References to "Goldman Sachs" mean The Goldman Sachs Group, Inc. together with its consolidated subsidiaries, and the "Goldman Sachs Group" refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries. Also, references to the "European base prospectus" mean the European base prospectus, dated June 28, 2012, of The Goldman Sachs Group, Inc.[, as supplemented.]

In these Final Terms, references to "holder" or "holders" mean only those who have notes registered in their own names and not indirect owners who own beneficial interests in notes of which others are the registered holders. The latter include those who own beneficial interests in notes issued in global — *i.e.*, book-entry — form through Euroclear Bank SA/NV, Clearstream Banking, *société anonyme* or another depositary ("global note"). Owners of beneficial interests in notes issued in global form should read the section entitled "Description of the Program — Form, Exchange, Registration and Transfer" in the European base prospectus. Also, references in these Final Terms to "you" mean those who invest in the notes, whether they are the actual registered holders of the global notes or only owners of beneficial interests in global notes. References to "your note" mean the notes in which you hold a direct or indirect interest.

Responsibility Statement

The Goldman Sachs Group, Inc. accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of The Goldman Sachs Group, Inc. (who has taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and contains no omission likely to affect the import of such information. Where information contained in these Final Terms has been sourced from a third party, this information has been accurately reproduced and so far as The Goldman Sachs Group, Inc. is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this European base prospectus. Neither these Final Terms nor the European base prospectus constitutes an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation. Neither the delivery of these Final Terms or the European base prospectus, nor any sale made hereunder or thereunder, shall, under any

circumstances, create any implication that there has been no change in the affairs of The Goldman Sachs Group, Inc. since the date hereof or thereof or that the information contained herein or therein is correct as of any time subsequent to its date.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor the regulatory authority of any other jurisdiction has passed upon the accuracy or adequacy of these Final Terms or the European base prospectus.

Any person making the decision to acquire the notes shall be deemed, on behalf of itself and the holder, by acquiring and holding the notes or exercising any rights related thereto, to represent that:

(i) the funds that the holder is using to acquire the notes are not the assets of an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), a plan described in and subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), a governmental plan subject to any federal, state or local law that is similar to the provisions of Section 406 of ERISA or Section 4975 of the Code, or an entity whose underlying assets include "plan assets" by reason of Department of Labor regulation section 2510.3-101, as modified by Section 3(42) of ERISA, or otherwise; or

(ii)(A) the holder will receive no less and pay no more than "adequate consideration" (within the meaning of Section 408(B)(17) of ERISA and Section 4975(F)(10) of the Code) in connection with the purchase and holding of the notes; (B) none of the purchase, holding or disposition of the notes or the exercise of any rights related to the notes will result in a non-exempt prohibited transaction under ERISA or the Code (or with respect to a governmental plan, under any similar applicable law or regulation); and (C) neither The Goldman Sachs Group, Inc. nor any of its affiliates is a "fiduciary" (within the meaning of Section 3(21) of ERISA (or any regulations thereunder) or, with respect to a governmental plan, under any similar applicable law or regulation) with respect to the purchaser or holder in connection with such person's acquisition, disposition or holding of the notes, or as a result of any exercise by The Goldman Sachs Group, Inc. or any of its affiliates of any rights in connection with the notes, and no advice provided by The Goldman Sachs Group, Inc. or any of its affiliates has formed a primary basis for any investment decision by or on behalf of such purchaser or holder in connection with the notes and the transactions contemplated with respect to the notes.

ADDITIONAL INVESTMENT CONSIDERATIONS SPECIFIC TO YOUR NOTE

Assuming No Changes in Market Conditions or Our Creditworthiness and Other Relevant Factors, the Value of Your Note on the Date of These Final Terms (As Determined by Reference to Pricing Models Used by Goldman Sachs and Taking Into Account Our Credit Spreads) Is and the Price You May Receive For Your Notes May Be Significantly Less than the Original Issue Price

The value or quoted price of your note at any time will reflect many factors and cannot be predicted. If Goldman Sachs makes a market in the notes, the price quoted by us or our affiliates for your note would reflect any changes in market conditions and other relevant factors, including a deterioration in our creditworthiness or perceived creditworthiness whether measured by our credit ratings or other credit measures. These changes may adversely affect the market price of your notes, including the price you may receive for your notes in any market making transaction. The quoted price could be higher or lower than the original issue price, and may be higher or lower than the value of your note as determined by reference to pricing models of Goldman Sachs and taking into account our credit spreads.

If at any time a third party dealer quotes a price to purchase your note or otherwise values your note, that price may be significantly different (higher or lower) than any price quoted by Goldman Sachs. See "Risk Factors — Considerations Relating to Notes Generally — The Market Price of Any Notes We May Issue May Be Influenced by Many Unpredictable Factors and If You Buy a Note and Sell It Prior to the Stated Maturity Date, You May Receive Less Than the Face Amount of Your Note" in the European base prospectus.

Furthermore, if you sell your note, you will likely be charged a commission for secondary market transactions, or the price will likely reflect a dealer discount.

There is no assurance that Goldman Sachs or any other party will be willing to purchase your note, and in this regard Goldman Sachs is not obligated to make a market in your note. See "Risk Factors — Considerations Relating to Notes Generally — Any Notes We May Issue May Not Have an Active Trading Market" in the European base prospectus.

Payments on your note are economically equivalent to the amounts that would be paid on a combination of other instruments. For example, payments on your note are economically equivalent to the amounts that would be paid on a combination of an interest-bearing bond bought, and an option sold or bought, by the holder (with an implicit option premium paid over time to or by the holder). The discussion in this paragraph does not modify or affect the terms of the notes or the U.S. income tax treatment of the notes as described under "United States Taxation" in the European base prospectus.]

[ADDITIONAL INFORMATION ABOUT THE PLAN OF DISTRIBUTION

[*For non-syndicated offerings:* We have agreed to sell to [Goldman Sachs International], and [Goldman Sachs International] has agreed to buy from us, the aggregate face amount of the notes specified on the front cover of these Final Terms. [Goldman Sachs International] intends to resell the notes at the original issue price applicable to the notes to be resold in offshore transactions in reliance upon Regulation S under the Securities Act. Any notes sold by [Goldman Sachs International] to dealers may be resold by such dealers in negotiated transactions or otherwise, at varying prices determined at the time of sale, which prices may be different from the original issue price. In the future, [Goldman Sachs International] and our other affiliates may repurchase and resell the notes in market-making transactions, with resales being made at prices related to prevailing market prices at the time of resale or at negotiated prices.

The notes have not been registered under the Securities Act and may not be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available. In particular, hedging transactions involving the notes may not be conducted other than in compliance with the Securities Act. Each purchaser of a note is deemed to agree to comply with the foregoing.

The address of Goldman Sachs International is Peterborough Court, 133 Fleet Street, London EC4A 2BB, United Kingdom.

[The original issue price reflects a discount of ●% representing a fee payable to ●.] [Goldman Sachs International may [also] pay an [additional] commission of ●% of the principal amount of the notes to ● in connection with the sale of the notes.]]

[*For syndicated offerings:* Subject to the Terms Agreement, dated ●, between us on the one hand and the Purchasing Agents named below (collectively, the "Purchasing Agents") on the other, which incorporates certain provisions of the Distribution Agreement, dated [●] between us and Goldman Sachs International, as amended or restated, if applicable, we have agreed to sell, and each of the Purchasing Agents has agreed to purchase, severally but not jointly, at a price of ●% of the principal amount of the notes, the principal amount of the notes set forth opposite their names in the table below:

Purchasing Agent	Principal amount of notes
Goldman Sachs International.....	●
●.....	●
●.....	●

Each of the Purchasing Agents will receive underwriting discounts and commissions in the amount of ●% of the principal amount of the notes underwritten by it. [A selling concession of ●% will be paid in respect of the aggregate principal amount of the notes sold by a Purchasing Agent.] The Purchasing Agents may pay a distribution fee for the placement of the notes.

[Include address of lead Purchasing Agent(s)]

The Purchasing Agents propose to offer the notes at the original issue price set forth on the cover page of these Final Terms in offshore transactions in reliance upon Regulation S under the Securities Act. After the notes have been released to investors, the offering price and other selling terms may from time to time be varied by the Purchasing Agents.

The notes are new issue securities with no established trading market. Goldman Sachs International or other affiliates of us, and the other Purchasing Agents, may repurchase and resell the notes in market-making transactions, with resales being made at prices related to prevailing market prices at the time of resale or at negotiated prices. None of them, however, is obligated to do so and any of them may discontinue market-making at any time without notice.

Each of the Purchasing Agents has agreed with us that:

- [*Applicable selling restrictions*.]]

For more information about the plan of distribution and possible market-making activities, see "Plan of Distribution" in the European base prospectus.

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