



Goldman Sachs Funds II SICAV

An undertaking for collective investment organised under the laws of the Grand Duchy of Luxembourg (S.I.C.A.V)

March 2010

The present Prospectus with its Supplement I relates to the Asset Allocation Portfolios (the "Portfolios"). The Portfolios do not constitute separate legal entities, but there exist other portfolios which together with the Portfolios form a single entity, the Fund. For the purposes of the relationship between shareholders, each portfolio is considered a separate entity with its own funding, capital gains and losses, expenses, etc. Third party liabilities attributable to a portfolio are segregated and will be met only from the assets of that portfolio. The present Prospectus with its Supplements I, II, III and IV describing all the Portfolios of the Fund is available at the registered office of the Fund.

Pursuant to an exemption from the United States Commodity Futures Trading Commission in connection with pools whose participants are limited to qualified eligible persons, an offering memorandum for this company is not required to be, and has not been, filed with the Commodity Futures Trading Commission. The Commodity Futures Trading Commission does not pass upon the merits of participating in a pool or upon the adequacy or accuracy of an offering memorandum. Consequently, the Commodity Futures Trading Commission has not reviewed or approved this offering or any offering memorandum for this company

Important Information

This Prospectus (which term shall include a reference to any Supplements hereto) provides information about the Fund and the Portfolios. Prospective investors are required as part of the Original Account Agreement to confirm they have read and understood it. It contains information which prospective investors ought to know before investing in the Fund and should be retained for future reference. Further copies may be obtained from the Fund or from Goldman Sachs International, at their respective addresses set out in the "Directory". Copies of the most recent annual report and any subsequent semi-annual report of the Fund are available free of charge on request.

The Fund is offering Shares of its Portfolios on the basis of the information contained in this Prospectus and in the documents referred to herein. No person has been authorised to give any information or to make any representation other than those contained in this Prospectus, and, if given or made, such information or representation must not be relied upon as having been authorised. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any such Shares other than the Shares to which it relates or an offer to sell or the solicitation of an offer to buy such Shares by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Fund since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Board of Directors of the Fund has taken reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which makes misleading any statement herein, whether of fact or opinion. The Directors accept responsibility accordingly. This Prospectus may be translated into other languages provided that such translation shall be a direct translation of the English text and in the event of a dispute, the English language version shall prevail. All disputes as to the terms thereof shall be governed by, and construed in accordance with, the law of the Grand Duchy of Luxembourg.

The Fund is an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more separate Portfolios offered by the Fund. As of the date of this Prospectus, the Fund is offering Shares in the Portfolios described in the most recent Supplements in force at the date of this Prospectus. The Board of Directors of the Fund may from time to time decide to offer additional separate investment Portfolios and additional classes of Shares in existing Portfolio(s). In such an event, this Prospectus will be updated and amended so as to include detailed information on the new Portfolios and/or classes, and/or a separate Supplement or Addendum with respect to such Portfolios and/or classes will be prepared and distributed. Such updated and amended Prospectus or new separate Supplement or Addendum will not be circulated to existing Shareholders except in connection with their subscription for Shares of such Portfolios.

Investors may, subject to applicable law, invest in any Portfolio offered by the Fund. Investors should choose the Portfolio that best suits their specific risk and return expectations as well as their diversification needs and are encouraged to seek independent advice in that regard. A separate pool of assets will be maintained for each Portfolio and will be invested in accordance with the investment policy applicable to the relevant Portfolio in seeking to achieve its investment objective. The net asset value and the performance of the Shares of the different Portfolios and classes thereof are expected to differ. It should be remembered that the price of Shares and the income (if any) from them may fall as well as rise and there is no guarantee or assurance that the stated investment objective of a Portfolio will be achieved.

The distribution of this Prospectus and the offering of the Shares are restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or the person making the offer or solicitation is not qualified to do so or a person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of this Prospectus and of any person wishing to apply for Shares to inform himself or herself about and to observe all applicable laws and regulations of relevant jurisdictions. Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions and/or exchange control requirements that they might encounter under the laws of the countries of their citizenship, residence, or domicile and that might be relevant to the subscription, purchase, holding, exchange, redemption or disposal of Shares of a Portfolio.

Luxembourg – The Fund is registered pursuant to Part I of the Law of 20 December 2002 and qualifies as a self-managed company in accordance with article 27 of the Law of 20 December 2002. However, such registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of this Prospectus or the assets held in the various Portfolios of the Fund. Any representations to the contrary are unauthorised and unlawful.

European Union – The Fund qualifies as a UCITS and has applied for recognition under the EU Council Directive 85/611/EEC, as amended, for marketing to the public in certain Member States of the EU and certain countries in the EEA, further details of which are available from the Distributor whose address is set out in the Directory on page 1 of this Prospectus.

U.S. – The Shares offered hereunder have not been and will not be registered under the United States Securities Act of 1933 for offer or sale as part of their distribution and the Fund has not been and will not be registered under the United States Investment Company Act of 1940. Therefore, subject to the ultimate discretion of the Board of Directors, the Shares may not be offered or sold to or for the benefit of a U.S. Person, as such term is defined herein and in the Articles. The Articles provide that the Fund may mandatorily redeem any Shares that are transferred, or attempted to be transferred, to or for the benefit of any U.S. Person. Investors may be required to certify to the Fund that, among other things, the Shares are not being acquired and will not at any time be held for the account or benefit, directly or indirectly, of any U.S. Person except as otherwise authorised by the Directors as set out in the section entitled “Subscriptions by and Transfers to U.S. Persons”. It is the responsibility of each Shareholder to verify that it is not a U.S. Person that would be prohibited from owning Shares. The offering and sale of the Shares to Non-U.S. Persons will be exempt from registration pursuant to Regulation S promulgated under the 1933 Act. If permitted by the Board of Directors, any purchaser of Shares that is a U.S. Person must be a “qualified purchaser” as defined in the 1940 Act and the rules promulgated thereunder and an “accredited investor” as defined in Regulation D under the 1933 Act.

Although the Investment Adviser is, and certain of its advisory affiliates may be, registered under the Advisers Act, because the Portfolios are non-U.S. investment entities, the Portfolios’ investors will not have the benefit of the substantive provisions of U.S. law, including the Advisers Act, except to the extent the Investment Adviser has delegated any of its obligations to the Fund to an affiliate located in the U.S. that is registered under the Advisers Act.

Japan – Some of the Share Classes of certain Portfolios of the Fund may be registered in Japan. This Prospectus (and the Supplements) is not for distribution in Japan. If a Share Class of a Portfolio is registered in Japan, a separate prospectus will be prepared for use in Japan and such prospectus will be distributed pursuant to the Financial Instruments and Exchange Law of Japan and will include substantially all of the information in respect of the relevant Share Classes of those registered Portfolios referred to in this Prospectus.

Data Protection

In accordance with the provisions of the Luxembourg law of 2 August 2002 on the protection of persons with regard to the processing of personal data, the Fund has to inform Shareholders that their personal data is kept by means of a computer system. The Fund collects, stores and processes by electronic or other means the data supplied by Shareholders at the time of their subscription for the purpose of fulfilling the services required by the Shareholders and complying with its legal obligations. The data processed includes the name, address and invested amount of each Shareholder (the “Personal Data”). The investor may, at his/her/its discretion, refuse to communicate the Personal Data to the Fund. In this case, however, the Fund may reject his/her/its request for subscription of Shares in the Fund. In particular, the data supplied by Shareholders is processed for the purpose of (i) maintaining the register of Shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders, (iii) performing controls on excessive trading and market timing practices, and (iv) complying with applicable anti-money laundering rules. The Fund can delegate to another entity (the “Processors”), including the Administrator and the Registrar and Transfer Agent, the processing of the Personal Data, in compliance with, and within the limits of, the applicable laws and regulations. Each Shareholder has a right to access his/her/its Personal Data and may ask for a rectification thereof in cases where such data is inaccurate and incomplete. In relation thereto, the Shareholder can ask for a rectification by letter addressed to the Fund.

Table of Contents

Important Information	ii
Table of Contents	iv
Directory	1
Definitions.....	2
1 Description of Share Classes	9
2 The Fund	12
3 Investment Objectives and Policies.....	13
4 Risk Considerations.....	16
5 Management and Administration.....	44
6 Investment Adviser	46
7 Custodian, Administrator, Paying Agent, Domiciliary Agent and Listing Agent	47
8 Registrar and Transfer Agent	49
9 Distributor	50
10 Shareholder Services Agent.....	52
11 Purchase of Shares.....	53
12 Redemption of Shares.....	57
13 Transfer of Shares.....	60
14 Exchange of Shares	62
15 Determination of Net Asset Value	64
16 Dividend Policy.....	68
17 Fees and Expenses.....	69
18 Information on the Fund	71

19	Meetings of and Reports to Shareholders	73
20	Taxation.....	74
Appendix A:	Investment Restrictions	77
Appendix B:	Special Investment Techniques.....	83
Appendix C:	Certain ERISA Considerations	89
Appendix D:	Definitions of U.S. Person and Non-U.S. Person.....	91

Directory

Goldman Sachs Funds II SICAV

Registered Office:
c/o State Street Bank Luxembourg S.A.
49, avenue J-F Kennedy
L-1855 Luxembourg

Investment Adviser:

Goldman Sachs Asset Management International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

Sub-Advisers:

Goldman Sachs Asset Management, L.P.
85 Broad Street
New York, 10004
New York, US

Goldman Sachs (Singapore) Pte.
50 Raffles Place
#29-01 Shell Tower
Singapore 048623

Goldman Sachs Asset Management Co., Ltd.
Roppongi Hills Mori Tower
10-1, Roppongi 6-chome
Minato-Ku, Tokyo, 106-6144, Japan

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

Goldman Sachs Hedge Fund Strategies LLC
One New York Plaza
New York
New York 10004
USA

Directors:

Frank Ennis
Eugene Regan
David Shubotham
Alan A. Shuch
Theodore T. Sotir

Shareholder Services Agent:

European Shareholder Services
Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

Custodian, Administrator, Paying Agent, Domiciliary Agent and Listing Agent:

State Street Bank Luxembourg S.A.
49, Avenue J-F Kennedy
L-1855 Luxembourg
Grand-Duchy of Luxembourg

Registrar and Transfer Agent:

RBC Dexia Investor Services Bank S.A.
14, Porte de France,
L-4360 Esch-sur-Alzette
Grand-Duchy of Luxembourg

Auditors:

PricewaterhouseCoopers S.a.r.l.
Reviser d'entreprises
400, route d'Esch
L-1471 Luxembourg
Grand-Duchy of Luxembourg

Legal Advisers to the Fund and the Investment Adviser:

Arendt & Medernach
14, rue Erasme
L-2082 Luxembourg
Grand-Duchy of Luxembourg

Distributor:

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

Definitions

In this Prospectus, unless more particularly defined herein, the following words and phrases shall have the following meanings. In the case of a conflict between this Prospectus and a Supplement in respect of these words or phrases, the meaning assigned to such word or phrase in the Supplement shall prevail.

"1933 Act"	means the U.S. Securities Act of 1933, as amended;
"1934 Act"	means the United States Securities Exchange Act of 1934, as amended;
"1940 Act"	means the U.S. Investment Company Act of 1940, as amended;
"Accumulation Shares"	means those Shares providing for the net income earned to be retained in the net asset value of the Share and representing such number of Shares in the capital of the Fund as is equal to a Share issued at subscription and increased by the amount of retained net income proportionately equal to that paid on Distribution Shares in respect of each intervening accounting period;
"Addendum"	means a document or documents updating or amending the Prospectus and which is filed with, and which is in a form approved by the Luxembourg Supervisory Authority (and the term "Addenda" shall be construed accordingly);
"Administration Agreement"	means the agreement between the Fund and State Street dated 10 December 2007, as may be amended by written agreement between the parties from time to time;
"Administrator"	means State Street or such other appointee as is engaged by the Fund to act as administrator from time to time;
"Advisers Act"	means the United States Investment Advisers Act of 1940, as amended;
"affiliate"	means, in relation to a person, another person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person; and "affiliated" shall be construed accordingly;
"Articles"	means the Articles of Incorporation of the Fund;
"A Shares"	means those Shares as described in further detail under the heading "Description of Share Classes" in the Prospectus;
"Asset Allocation Portfolio"	means those Portfolios as are more particularly described at "Asset Allocation Portfolios" below and in one or more Supplements;

“Base Currency”	means the base currency of a Portfolio as detailed in this Prospectus;
“Base Shares”	means those Shares as described in further detail under the heading “Description of Share Classes” in the Prospectus;
“Benefit Plan Investors”	has such meaning as is set out in Appendix C hereto;
“BHC”	means a Bank Holding Company under the BHCA;
“BHCA”	means the United States Bank Holding Company Act of 1956, as amended;
“Board of Directors”	means the board of directors of the Fund or any duly appointed committee thereof;
“Business Day”	means for each Portfolio those days when all of the following apply (1) banks are open for business in New York, London and Luxembourg (2) the Luxembourg Stock Exchange is open for business (3) the Directors believe that sufficient underlying markets in which the Portfolio may invest are open to permit sufficient trading and liquidity to enable the Portfolio to be managed efficiently and (4) the net asset value of units of a sufficient number of the underlying Permitted Funds may be determined in a manner that the Directors believe to permit sufficient trading and liquidity to enable the relevant Portfolio to be managed efficiently;
“CAD”	means the legal currency of the Canada;
“CFTC”	means the United States Commodity Futures Trading Commission;
“commission recapture programme”	means an arrangement under which a portion of the trading commissions incurred by a Portfolio is rebated back for the account of that Portfolio, and which is referred to under the heading “Custodian, Administrator, Paying Agent, Domiciliary Agent and Listing Agent” in the Prospectus and under the heading “Risk Considerations” in the Prospectus;
“Code”	means the United States Internal Revenue Code of 1986, as amended;
“Custodian”	means State Street or such other appointee as is engaged by the Fund to act as custodian of the assets of the Fund from time to time;
“Custody Agreement”	means the agreement between the Fund and State Street dated 10 December 2007, as it may be amended by written agreement between the parties from time to time;
“Distribution Shares”	means those Shares providing for the payment of net income earned and

	attributable to the Share at the date on which such income is to be distributed (see the heading "Dividend Policy" in the Prospectus) and representing one undivided Share in the capital of the Fund;
"Distributor"	means Goldman Sachs International or such other appointee as is engaged by the Fund to act as distributor from time to time;
"Domiciliary Agent and Listing Agent"	means State Street or such other appointee as is engaged by the Fund to act as domiciliary agent and listing agent from time to time;
"EEA"	means the European Economic Area;
"Equity Portfolio"	means those Portfolios as are more particularly described at "Equity Portfolios" below and in one or more Supplements;
"E Shares"	means those Shares as described in further detail under the heading "Description of Share Classes" in the Prospectus;
"ERISA"	means the US Employee Retirement Income Security Act of 1974, as amended from time to time;
"EU"	means the European Union;
"EUR"	means the legal currency of those EU Member States participating in the Euro;
"External Manager"	means a third-party investment manager selected and appointed by the Investment Adviser (or its affiliate) from time to time to manage assets of a Portfolio;
"FHC"	means a Financial Holding Company under the BHCA;
"Fixed Income Portfolio"	means those Portfolios as are more particularly described at "Fixed Income Portfolios" below and in one or more Supplements;
"Fund"	means Goldman Sachs Funds II SICAV, an undertaking for collective investment organised under the laws of the Grand Duchy of Luxembourg and established as an "umbrella fund" comprised of a number of Portfolios;
"GBP"	means the legal currency of the United Kingdom;
"Goldman Sachs"	means The Goldman Sachs Group, Inc. and its affiliates;

“GSAMI”	means Goldman Sachs Asset Management International, a company incorporated in England and Wales and an indirectly owned subsidiary of The Goldman Sachs Group, Inc.;
“Hedged Share Class”	means a class of Shares of a Portfolio denominated in a non-Base Currency in respect of which the Fund seeks to hedge the assets of the Portfolio attributable to such class;
“Investment Adviser”	means Goldman Sachs Asset Management International as more particularly described herein;
“Investment Advisory Agreement”	means the investment advisory agreement between the Fund and the Investment Adviser, as may be amended by written agreement between the parties from time to time;
“Investment Grade”	means, in respect of securities, securities rated at the time of investment at least BBB- by S&P or Fitch or Baa3 by Moody's, except for commercial paper which must be rated at least A-2 by S&P, F-2 by Fitch or Prime-2 by Moody's;
“I Shares”	means those Shares as described in further detail under the heading “Description of Share Classes” in the Prospectus;
“IO Shares”	means those Shares as described in further detail under the heading “Description of Share Classes” in the Prospectus;
“IX Shares”	means those Shares as described in further detail under the heading “Description of Share Classes” in the Prospectus;
“IXO Shares”	means those Shares as described in further detail under the heading “Description of Share Classes” in the Prospectus;
“Law of 20 December 2002”	means the Luxembourg Law of 20 December 2002 on undertakings for collective investment, as amended;
“Local Distributor”	means those affiliated entities or such other appointee as is engaged by the Fund to act as a local distributor;
“Luxembourg Supervisory Authority”	means the Luxembourg Commission de Surveillance du Secteur Financier;
“Management Fee”	means the investment management fee paid by the Fund to the Investment Advisor under the Investment Advisory Agreement and as more particularly described in the Supplements;
“Moody's”	means Moody's Investor Service;

“Money Market Instruments”	means instruments normally dealt with on the money markets which are liquid and have a value which can be accurately determined at any time;
“NASDAQ”	means the National Association of Securities Dealers Automated Quotation System;
“Non-Investment Grade”	means, in respect of securities, securities rated below securities which are of Investment Grade;
“Non-U.S. Person”	has such meaning as is set out in Appendix C hereto;
“OECD”	means the Organisation for Economic Co-operation and Development;
“Original Account Agreement”	means the original account agreement to be completed and signed by a prospective Shareholder in such form as is prescribed by the Fund from time to time;
“Other Currency Shares”	means those Shares as described in further detail under the heading “Description of Share Classes” in the Prospectus;
“P Shares”	means those Shares as described in further detail under the heading “Description of Share Classes” in the Prospectus;
“Paying Agent”	means the relevant appointee as is engaged by the Fund to act as a paying agent from time to time;
“Permitted Alternative Fund”	means investment funds that a Portfolio may invest in pursuant to Section 2)(a) of the Investment Restrictions in Appendix A, including, but not limited to, hedge funds and fund of hedge funds;
“Permitted Fund”	means, in respect of an investment by a Portfolio, an investment in a UCITS, a Permitted Alternative Fund or other UCI or such other eligible or permitted fund as may be allowed under the Law of 20 December 2002;
“Permitted Investments”	means those Transferable Securities, Money Market Instruments, units in Permitted Funds, deposits, financial derivative instruments and other investments in which the Fund may invest pursuant to the Law of 20 December 2002, the Articles and the current Prospectus;
“Portfolio”	means each distinct portfolio of the Fund as more particularly described herein;
“primarily”	means, where referring to a Portfolio’s investment objective or investment policy, at least two thirds of the assets (excluding cash and cash-equivalents) of that Portfolio unless expressly stated to the contrary

in respect of a Portfolio;

"Prospectus"	means this prospectus, together with any Supplements or other addenda thereto;
"Purchase Date"	means with respect to a Share Class of each Portfolio, a Business Day on which Shares are purchased by a Shareholder as more particularly described herein;
"Redemption Date"	means with respect to a Share Class of each Portfolio, a Business Day on which Shares are redeemed by a Shareholder as more particularly described herein and in the Supplements;
"Registrar and Transfer Agent"	means RBC Dexia or such other appointee as is engaged by the Fund to act as registrar and transfer agent from time to time;
"Regulated Market"	means the market defined in item 13 of article 1 of the Directive 93/22/EEC, as may be amended or replaced from time to time and such other markets designated as regulated markets from time to time by the Luxembourg Supervisory Authority;
"Responsible Managers"	means those persons appointed by the Fund from time to time to represent the Fund in its capacity as a self-managed company under the provisions of article 27 of the Law of 20 December 2002;
"RBC Dexia"	means RBC Dexia Investor Services Bank S.A.;
"RTA Agreement"	means the registrar and transfer agency agreement between the Fund and the Registrar and Transfer Agent, as may be amended by written agreement between the parties from time to time;
"Sales Charge"	means a charge in respect of a subscription for Shares which may be deducted from subscription proceeds by the Distributor, Local Distributors or Sub-distributors;
"Shares"	means Shares of any Share Class of any Portfolio issued by the Fund as described in the Prospectus or the Articles;
"Share Class"	means any class of Shares of any Portfolio issued by the Fund as described in the Prospectus or the Articles;
"Shareholder Services Agent"	means the European Shareholder Services Group of Goldman Sachs International appointed to provide certain processing and other ongoing servicing and oversight functions to the Fund, its Shareholders and its agents;

“Specialist Portfolio”	means each of those Portfolios as are more particularly described at “Specialist Portfolios” below and in one or more Supplements;
“Standard & Poor’s” or “S&P”	means Standard & Poor’s Corporation;
“State Street”	means State Street Bank Luxembourg S.A. as more particularly described herein;
“Sub-distributor”	means those unaffiliated entities appointed by the Distributor or a Local Distributor to distribute Shares of the Fund;
“Subscription Form”	means the subscription form to be completed and signed by an investor in such form as is prescribed by the Fund from time to time;
“Supplement”	means each supplement to this Prospectus, the purpose of which is to describe in more detail one or more Portfolios of the Fund;
“Transferable Securities”	<p>means:</p> <ol style="list-style-type: none">1. shares and other securities equivalent to shares (“equities”);2. bonds and other debt instruments (“bonds”);3. any other negotiable securities, which carry the right to acquire any such transferable securities by subscription or exchange; <p>excluding those techniques and instruments referred to in item 8 of Appendix A of the Prospectus;</p>
“UCI”	means an undertaking for collective investment;
“UCITS”	means an Undertaking for Collective Investment in Transferable Securities under EU Council Directive 85/611/EEC, as amended;
“U.S.” or the “United States”	means the United States of America;
“U.S.\$” or “USD”	means the legal currency of the U.S.; and
“U.S. Person”	has such meaning as is set out in Appendix D hereto.

1 Description of Share Classes

The Share Classes described below may be made available as Accumulation Shares and/or as Distribution Shares. Please refer to “Dividend Policy” hereunder and the appropriate Supplements for further details. Within each Portfolio, Shares may be issued in Series representing all Shares issued on any one Business Day. Each Series, if any, will correspond to each Business Day on which they have been issued.

1.1 Base Shares

The Fund makes available a base Share Class generally denominated in the Base Currency of the relevant Portfolio (“Base Shares”). The Sales Charge in respect of the Base Shares will not exceed 5.5% of the purchase price of Shares.

1.2 Other Currency Shares

The Fund may make available other currency Shares denominated in a currency other than the Base Currency of the relevant Portfolio (“Other Currency Shares”). These other currencies are specified in the relevant Supplements. The Sales Charge in respect of Other Currency Shares will not exceed 5.5% of the purchase price of Shares.

These Other Currency Shares denominated in a non-Base Currency are generally not hedged. As a result, fluctuations in currency exchange rates may affect the performance of such Shares independent of the performance of the relevant Portfolio’s investments.

In addition to the non-hedged Other Currency Shares, the Fund does issue Shares that are denominated in a non-Base Currency that are hedged and these are described under “Hedged Share Classes” below.

It should also be noted that each Portfolio which has GBP as the Base Currency would switch from GBP to EUR if the United Kingdom entered the European Economic and Monetary Union and adopted the Euro as its currency.

1.3 “A” Shares

The Fund may make available “A” Shares both in respect of the Base Currency of the Portfolio and in respect of currencies other than the Base Currency of the Portfolio. The Distributor will receive a monthly distribution fee payable from the assets of the “A” Share Class in the relevant Portfolio at a rate of up to 0.50% per annum on the average daily net assets attributable to the “A” Share Class which it may retain or pass on to Local Distributors or Sub-distributors in its discretion. The Sales Charge in respect of the “A” Share Class will not exceed 4% of the purchase price of Shares.

1.4 “E” Shares

The Fund may make available “E” Shares which are denominated in EUR in respect of which the Distributor will receive a monthly distribution fee payable from the assets of the “E” Share Class in the relevant Portfolio at the rate of up to 0.50% per annum on the average daily net assets attributable to the “E” Share Class which it may retain or pass on to Local Distributors or Sub-distributors in its discretion. The Sales Charge in respect of the “E” Share Class will not exceed 4% of the purchase price of Shares.

It should be noted that the “E” Shares, where the Base Currency of the Portfolio is not EUR, are not necessarily hedged and that as a result fluctuations in currency exchange rates may affect the performance of the “E” Shares independent of the performance of the relevant Portfolio’s investments.

1.5 “I” Shares

The Fund may make available institutional Shares or “I” Shares. Investors should note that the sale and transfer of the “I” Shares of the Fund is restricted to persons that can provide sufficient evidence that they qualify as institutional investors and who satisfy the minimum investment threshold for the relevant Portfolio. In considering the qualification of a subscriber or a transferee as an institutional investor, the Board of Directors shall give due consideration to the guidelines or recommendations of the Luxembourg Supervisory Authority. There is no Sales Charge in respect of the “I” Share Class.

1.6 “IO” Shares

The Fund may make available an additional class of institutional Shares or “IO” Shares in certain of the Portfolios. Investors should note that the sale and transfer of the “IO” Shares of the Fund is restricted to persons that can provide sufficient evidence that they qualify as institutional investors and who satisfy the minimum investment threshold for the relevant Portfolio. In addition, subscribers of “IO” Shares shall be restricted to those institutional investors with an investment account with Goldman Sachs Asset Management through which certain investment services are provided or that otherwise pay fees or charges (other than those contemplated in this Prospectus) to Goldman Sachs Asset Management in respect of investment services. In considering the qualification of a subscriber or a transferee as an eligible institutional investor, the Board of Directors shall give due consideration to the guidelines or recommendations of the Luxembourg Supervisory Authority. There is no Sales Charge in respect of the “IO” Share Class.

1.7 “P” Shares

The Fund may make available “P” Shares denominated in different currencies. The “P” Shares will generally not levy a distribution fee and the Sales Charge in respect of the “P” Share Class will not exceed 5.5% of the purchase price of Shares. “P” Shares may only be subscribed for by high net worth investors who have an investment account with Goldman Sachs International through which certain investment services are provided.

1.8 “IX” Shares

The Fund may make available an additional class of institutional Shares or “IX” Shares in certain of the Portfolios. Investors should note that the sale and transfer of the “IX” Shares of the Fund is restricted to other UCIs. There is no Sales Charge in respect of the “IX” Share Class. The “IX” Shares will seek to pay out a dividend regardless of the performance of, and the receipt of income in respect of, the assets attributable to the “IX” Shares.

As a result, unlike as set out under the Section “Dividend Policy” of this Prospectus, the Portfolio intends that not only substantially all of the net investment income of the Portfolio attributable to the “IX” Shares will be declared as a dividend and paid at least annually to the holders of record of “IX” Shares in the Portfolio, but, in addition, and at the discretion of the Board of Directors of the Fund, the relevant Portfolio may also distribute the Portfolio’s capital gains, if any, and capital attributable to the “IX” Shares.

As a result, the net asset value of the “IX” Shares may fluctuate more than the net asset value of Shares of the other Share Classes in the Portfolio in respect of which it is generally not intended by the Board of Directors to declare dividends in respect of capital gains or distributing capital, and the potential for future appreciation of such net asset value may be eroded. The paying out of income and/or capital gains as dividends, or distributing capital, may also impact the tax position of investors who should accordingly take their own specific advice on an investment in the “IX” Shares.

1.9 “IXO” Shares

The Fund may make available an additional class of institutional Shares or “IXO” Shares in certain of the Portfolios. Investors should note that the sale and transfer of the “IXO” Shares of the Fund is restricted to other UCIs managed by Goldman Sachs. There is no Sales Charge in respect of the “IXO” Share Class. The “IXO” Shares will seek to pay out a dividend regardless of the performance of, and the receipt of income in respect of, the assets attributable to the “IXO” Shares.

As a result, unlike as set out under the Section 16 “Dividend Policy” of this Prospectus, the Portfolio intends that not only substantially all of the net investment income of the Portfolio attributable to the “IXO” Shares will be declared as a dividend and paid at least annually to the holders of record of “IXO” Shares in the Portfolio, but, in addition, and at the discretion of the Board of Directors of the Fund, the relevant Portfolio may also distribute the Portfolio’s capital gains, if any, and capital attributable to the “IXO” Shares.

As a result, the net asset value of the “IXO” Shares may fluctuate more than the net asset value of Shares of the other Share Classes in the Portfolio in respect of which it is generally not intended by the Board of Directors to declare dividends in respect of capital gains or distributing capital, and the potential for future appreciation of such net asset value may be eroded. The paying out of income and/or capital gains as dividends, or distributing capital, may also impact the tax position of investors who should accordingly take their own specific advice on an investment in the “IXO” Shares.

1.10 Hedged Share Classes

The Fund may make available Hedged Share Classes in certain of the Portfolios. However, investors should be aware that a variety of techniques may be used to hedge such Shares and that such hedging involves additional risks. The Sales Charge levied in respect of the Hedged Shares shall not exceed that specified for the relevant Hedged Share Class.

In the case of Equity Portfolios which issue Hedged Shares, the Investment Adviser will utilise various techniques (Please see Appendix B – “Special Investment Techniques”) to seek to hedge the exposure of the Portfolio to movement in the non-Hedged Share Class currency into that of the relevant Hedged Share Class. Any costs incurred in such hedging will be borne by such Hedged Share Classes.

In the case of the Fixed Income Portfolios which issue Hedged Shares, the Investment Adviser believes that in addition to exposure to movements in the currency of the Hedged Share Class, investors may prefer to be exposed to movement in the interest rates in the market(s) of the non-Base currency of the Hedged Share Class. Certain Fixed Income Portfolios which offer Hedged Share Classes may, through the use of various techniques (Please see Appendix B – “Special Investment Techniques”), seek to hedge such Portfolio both in respect of exchange rate exposure and interest rate exposure. The current strategy of the Investment Adviser in this regard for those Fixed Income Portfolios which issue Hedged Shares is described in more detail in the relevant Supplements.

There is no assurance or guarantee that such hedging will be effective; see “Risk Considerations” below. Investors should also note that the hedging of Hedged Share Classes by the Investment Adviser is distinct from the various strategies that the Investment Adviser may implement at a portfolio level to manage risk in each Portfolio. For example, in relation to those various strategies, the Investment Adviser may, in its discretion, seek from time to time to hedge perceived interest rate risks as part of its overall portfolio management strategy.

2 The Fund

Goldman Sachs Funds II SICAV is a public limited company (“société anonyme”) qualifying as an investment company organised with variable share capital within the meaning of the Law of 20 December 2002. The Fund’s registered office is at 49, avenue J-F Kennedy, L-1855 Luxembourg. The Fund was incorporated on 20 November 2007 by a deed of Maître Henri Hellinkx, notary residing in Luxembourg. The Articles of Incorporation were published in the Mémorial C. Recueil des Sociétés et Associations (the “Mémorial”) on 10 December 2007 and were amended by notarial deed on 27 February 2008 and have been filed with the Registre de Commerce et des Sociétés.

The Fund is recorded at the Luxembourg Trade and Companies Register under registration reference B 133806. The Fund is registered pursuant to Part I of the Law of 20 December 2002 and qualifies as a self-managed SICAV in accordance with article 27 of the Law of 20 December 2002. The Fund is authorised by the Luxembourg Supervisory Authority.

The Fund qualifies as a UCITS and has applied for recognition under the EU Council Directive 85/611/EEC, as amended, for marketing to the public in certain Member States of the EU and certain countries in the EEA, further details of which are available from the Distributor whose address is set out in the Directory on page 1 of this Prospectus.

The currency of the Fund is U.S.\$.

3 Investment Objectives and Policies

The Fund presently comprises a number of Portfolios as more specifically described in one or more Supplements.

There can be no assurance or guarantee that a Portfolio's investments will be successful or its investment objectives will be achieved. Please refer to the "Risk Considerations" in this Prospectus and in the Supplement describing a Portfolio for a discussion of those factors that should be considered when investing in that Portfolio.

Each Portfolio's investment objective and policies may be changed without a vote of its Shareholders. If there is a change in a Portfolio's investment objective or policies, Shareholders should consider whether the Portfolio remains an appropriate investment in light of their then current financial positions and needs. The Fund will amend this Prospectus to reflect any change in a Portfolio's investment objective and policies as set out herein. Shareholders will be notified in writing of any material changes to a Portfolio's investment objective and policy.

The Portfolios may hold ancillary liquid assets and, in exceptional and temporary circumstances, may hold liquid assets in excess of such restriction, provided that the Directors consider this to be in the best interests of the Shareholders.

3.1 Equity Portfolios

The investment objective of each Equity Portfolio is long-term capital appreciation through investing in any Permitted Investments. Each Equity Portfolio listed in the Supplements, will, under normal market conditions, invest at least two thirds of its assets (excluding cash and cash-equivalents) in equity and/or equity related Transferable Securities, which includes common stock, preferred stock, warrants and other rights to acquire stock, American Depositary Receipts ("ADRs"), European Depositary Receipts ("EDRs") and Global Depositary Receipts ("GDRs") and not more than one third of its assets in convertible securities, bonds (with or without warrants), Money Market Instruments and non-equity related Permitted Funds. Under normal market conditions, each Equity Portfolio will invest its assets (excluding cash and cash-equivalents) primarily in securities of issuers domiciled in the country/region, active in the sector and/or with the market capitalization referred to in the Portfolio's name. **Accordingly, investors should be aware that an Equity Portfolio may not invest all of its assets in issuers domiciled in the country/region, active in the sector and/or with the market capitalization referred to in its name of Investment Objective nor in each of the countries comprising a region or listed in its Investment Objective.** Securities of issuers domiciled in a country/region or active in a sector include those issuers deriving the predominant proportion of their revenues or profits from such country/region and/or sector.

Subject to the terms of the Prospectus (and, in particular, Appendices A and B) and any Supplement, these Portfolios may engage in transactions in financial derivative instruments, including, amongst others, contracts for difference and total return swaps, as part of their general investment policy and/or for hedging purposes. Please see Appendix B – "Special Investment Techniques" together with the "Risk Considerations" discussed below and in the relevant Supplement describing the relevant Equity Portfolios.

As part of an Equity Portfolio's overall investment policy, and as part of the range of Permitted Investments which may be utilised to generate exposure to equity markets, an Equity Portfolio may invest in units or shares of equity related Permitted Funds, including Permitted Funds managed by Goldman Sachs; however, none of the Equity Portfolios will invest more than 10% of its net assets in Permitted Funds. In addition, an Equity Portfolio may allocate assets to External Managers.

3.2 Fixed Income Portfolios

The investment objective of each Fixed Income Portfolio is a high level of total return consisting of income and capital appreciation through investment in Permitted Investments. Each Fixed Income Portfolio listed in the Supplements, will, under normal market conditions, invest at least two thirds of its assets (excluding cash and cash-equivalents) in bonds and not more than one third of its assets in other securities and instruments and non-bond related Permitted Funds and not more than one quarter of its assets in convertible securities. The Fixed Income Portfolios will not invest in equity and equity related instruments (with the exception of (i) shares in other

Permitted Funds which themselves do not invest in equity securities and (ii) instruments which are received as part of a restructuring or similar event). Under normal market conditions, each Fixed Income Portfolio will invest its assets (excluding cash and cash-equivalents) primarily in securities of issuers domiciled in the country/region, active in the sector and/or with the market capitalization referred to in the Portfolio's name. **Accordingly, investors should be aware that a Fixed Income Portfolio may not invest all of its assets in issuers domiciled in the country/region, active in the sector and/or with the market capitalization referred to in its name of Investment Objective nor in each of the countries comprising a region or listed in its Investment Objective.** Securities of issuers domiciled in a country/region or active in a sector include those companies deriving the predominant proportion of their revenues or profits from such country/region and/or sector. Subject always to the principles described above, Shareholders should be aware that there may be exposure, including both net long and net short exposures, to the country or countries, regions, sectors or currencies that are not referred to in the Portfolio's name or investment objective as a consequence of the use of financial derivative instruments as further described below.

Fixed Income Portfolios in particular may use certain techniques through the use of financial derivative instruments related to the management of currency, credit and interest rate risks associated with the assets held in the relevant Fixed Income Portfolio and may engage in transactions in financial derivative instruments, which may result in both net long and net short exposures, and other Permitted Investments as part of their general investment policy, to generate returns and/or for hedging purposes. In accordance with Appendix A, no short sales of securities will be undertaken; short positions may be achieved using securitised and non-securitised derivative instruments. Please see Appendix B – "Special Investment Techniques" together with the "Risk Considerations" discussed below and in the relevant Supplement describing the relevant Fixed Income Portfolios.

Permitted Investments for the Fixed Income Portfolio may, subject to the aforementioned restrictions, include all types of debt securities subject to such limitations as may apply under Luxembourg law and the relevant Portfolio's investment policy, including, but not limited to, fixed and floating rate, senior and subordinated corporate debt obligations (such as bonds, debentures, notes and commercial paper), Money Market Instruments, Brady bonds and other debt issued by governments, their agencies and instrumentalities, or by central banks, convertible debt obligations, loan participations, preferred stock, and reverse repurchase agreements with respect to securities issued by governments and central banks. If a security is unrated, a Portfolio may invest in such a security if such security is determined by the Investment Adviser to be of comparable credit quality to the rated securities in which the Portfolio is permitted to invest.

As part of a Fixed Income Portfolio's overall investment policy, and as part of the range of Permitted Investments which may be utilised to generate exposure to fixed income markets, a Fixed Income Portfolio may invest in units or shares of bond related Permitted Funds, including Permitted Funds managed by Goldman Sachs; however, none of the Fixed Income Portfolios will invest more than 10% of its net assets in any Permitted Funds. In addition, a Fixed Income Portfolio may allocate assets to External Managers.

3.3 Specialist Portfolios and Alternative Portfolios

The investment objectives for the Specialist Portfolios are customised for each Specialist Portfolio as further detailed in the relevant Supplement.

While certain Specialist Portfolios conform to the investment principles set out at 3.1 and 3.2 above, where such Portfolios can be classified as Equity Portfolios or Fixed Income Portfolios, respectively, certain Specialist Portfolios cannot be categorised as Equity Portfolios or Fixed Income Portfolios and may therefore be subject to other investment principles. These investment principles, in relation to, for example, the proportion of the net assets invested in specific Permitted Investments and/or the proportion of such net assets invested in the country, region, sector and/or currency referred to in the Specialist Portfolio's name, are, where relevant, detailed in the relevant Supplement in respect of each Specialist Portfolio.

Each Specialist Portfolio will have a distinct investment policy making extensive use of financial derivative instruments as further detailed in the relevant Supplement.

Subject to the terms of the Prospectus (and, in particular, Appendices A and B) and any Supplement, these Portfolios may engage in transactions in financial derivative instruments as part of the general investment policy

and/or for hedging purposes. Please see Appendix B – “Special Investment Techniques” together with the “Risk Considerations” discussed below and in the relevant Supplement describing the relevant Specialist Portfolios.

3.4 Asset Allocation Portfolios

The investment objective of each Asset Allocation Portfolio is to achieve attractive total returns through both capital appreciation and income generation from a portfolio of Permitted Investments.

Each Asset Allocation Portfolio may invest in Transferable Securities, including equity securities of companies around the world and debt obligations of corporate, government and other issuers around the world, as well as in Permitted Funds. In addition, an Asset Allocation Portfolio may allocate assets to External Managers. Each Asset Allocation Portfolio may have a different proportion of equity and fixed income exposure as further detailed in the relevant Supplements.

Subject to the terms of the Prospectus (and, in particular, Appendices A and B) and any Supplement, these Portfolios may engage in transactions in financial derivative instruments as part of the general investment policy and/or for hedging purposes. Please see Appendix B – “Special Investment Techniques” together with the “Risk Considerations” discussed below and the relevant Supplement describing the Asset Allocation Portfolios.

3.5 Common Management of Assets

For the purpose of effective management, the Board of Directors may choose that the assets of certain Portfolios will be managed in common. The assets which are co-managed shall be referred to as a “pool”, notwithstanding the fact that such pools are used solely for portfolio management purposes. The pools do not constitute separate entities and are not directly accessible to investors. Each of the Portfolios participating in the pool shall be allocated its specific assets, and the assets attributable to each participating Portfolio will initially be determined by reference to its initial allocation of assets to such a pool and will change in the event of additional allocations or withdrawals. The entitlements of each participating Portfolio to the participating assets apply to each and every line of investments of such pool. Additional investments made on behalf of the co-managed Portfolios shall be allotted to such Portfolios in accordance with their respective entitlements, whereas assets sold shall be levied similarly on the assets attributable to each participating Portfolio. Investors should be aware that costs and expenses resulting from subscriptions and redemptions (e.g., transaction costs in relation to investments and disinvestments) in respect of one Portfolio participating in a pool may be borne by all participating Portfolios in proportion to their interests in the pool, and so such subscriptions and redemptions may adversely affect other participating Portfolios.

4 Risk Considerations

Each Portfolio is intended for long-term investors who can accept the risks associated with investing primarily in the investments of the type held in that Portfolio. Investors in a Portfolio including an equity component will be subject to the risks associated with equities, the values of which in general fluctuate in response to the activities of individual companies, the general market and economic conditions. In particular, investors should be aware that equity and equity-related investments are subordinate in the right of payment to other corporate securities, including debt securities. Investors in a Portfolio including a fixed income component (including for purposes of this Section 4 - "Risk Considerations" any Specialist Portfolios that can be categorised as Fixed Income Portfolios) will be subject to the risks associated with debt securities, including credit and interest rate risk, and the additional risks associated with high-yield debt securities, loan participations and derivative securities. To the extent that any Portfolio invests in Permitted Funds, investors will be subject to the risks associated with those Permitted Funds and any funds underlying such Permitted Funds.

In addition, investors should be aware of currency risk and the risks associated with the management techniques that are expected to be employed by the Portfolios. Each Portfolio may engage in Special Investment Techniques (please refer to Appendix B for examples of such techniques) for specific investment management purposes. These special investment techniques may involve additional specific risks of which the investor should be aware. Such risks are set out below and in Appendix B – "Special Investment Techniques".

An investment in Shares of a Portfolio does not constitute a complete investment programme. Investors may wish to complement an investment in a Portfolio with other types of investments.

Whilst some risks will be more relevant to certain Portfolios, investors should ensure that they understand all the risks discussed in this Prospectus and the Supplement describing a Portfolio, insofar as they may relate to that Portfolio.

Investors should read all the Risk Considerations to determine applicability to a specific Portfolio in which the investor intends to invest.

The following Risk Considerations detail particular risks associated with an investment in the Fund, which investors are encouraged to discuss with their professional advisers. It does not purport to be a comprehensive summary of all of the risks associated with an investment in the Fund.

4.1 General Risks

Issuers are generally subject to different accounting, auditing and financial reporting standards in different countries. The volume of trading, the volatility of prices and the liquidity of issuers may vary as may government supervision and regulation of securities exchanges, securities dealers and companies. The laws of some countries may limit a Portfolio's ability to invest in securities of certain issuers located in those countries or to repatriate amounts so invested.

Different markets also have different clearance and settlement procedures. Delays in settlement could result in temporary periods when a portion of the assets of a Portfolio is not invested and no return is earned thereon or the Portfolio could miss attractive investment opportunities. Inability to dispose of Portfolio securities due to settlement problems could result either in losses to the Portfolio due to subsequent declines in value of the portfolio security or, if the Portfolio has entered into a contract to sell the security, could result in possible liability to the purchaser. Certain markets may require payment for securities to be made before delivery, subjecting the Portfolio concerned with the accompanying credit risk.

Investments (particularly those made in emerging markets) may be adversely affected by the possibility of expropriation or confiscatory taxation, imposition of withholding taxes on dividend or interest payments, limitations on the removal of funds or other assets of a Portfolio, political or social instability or diplomatic developments. An issuer of securities may be domiciled in a country other than the country in whose currency

the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other.

4.2 Corporate Action

From time to time, the issuer of a security held in a Portfolio may initiate a corporate action relating to that security. Corporate actions relating to equity securities may include, among others, an offer to purchase new shares, or to tender existing shares, of that security at a certain price. Corporate actions relating to debt securities may include, among others, an offer for early redemption of the debt security, or an offer to convert the debt security into stock. Certain corporate actions are voluntary, meaning that the Fund may only participate in the corporate action if it elects to do so in a timely fashion. Participation in certain corporate actions may enhance the value of a Portfolio.

In cases where the Fund or the Investment Adviser receives sufficient advance notice from the Custodian of a voluntary corporate action, the Investment Adviser will exercise its discretion, in good faith, to determine whether the Fund will participate in that corporate action (due to information not being made available in a commercially reasonable manner for access). If the Fund or the Investment Adviser does not receive sufficient advance notice of a voluntary corporate action, the Fund may not be able to timely elect to participate in that corporate action. Participation or lack of participation in a voluntary corporate action may result in a negative impact on the value of a Portfolio.

4.3 Currency and Concentration Risks

Investment in multinational issuers will usually involve currencies of various countries. Therefore the value of the assets of a Portfolio as measured in the Portfolio's Base Currency will be affected by changes in currency exchange rates, which may affect a Portfolio's performance independent of the performance of its securities investments. A Portfolio may concentrate its investments in any mix of currencies in accordance with the Portfolio's investment objective and investment policies. Concentration in a particular currency will increase a Portfolio's exposure to adverse developments affecting the value of such currency, including adverse economic and political developments within those countries. Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, a Portfolio's net asset value to fluctuate as well. Currency exchange rates can be affected unpredictably by a number of factors, including intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world. A Portfolio may or may not seek to hedge all or any portion of its foreign currency exposure. However, even if a Portfolio attempts such hedging techniques, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-Base Currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations.

Concentration of the investments of Portfolios in any particular countries will mean that those Portfolios may be more greatly impacted by adverse social, political or economic events which may occur in such countries.

Certain Portfolios may concentrate their investments in companies of certain sectors and will therefore also be subject to the risks associated with such concentration. In addition, the small capitalisation and newly-established nature of many of the companies in a Portfolio directly exposes a Portfolio to higher levels of volatility and risk than would generally be the case in a more diverse fund portfolio of equity securities. Such risks may impact all Portfolios which invest in particular sectors even in cases where the investment objective is more generic.

4.4 Currency Transactions

The Portfolios may, whether or not in respect of Hedged Shares Classes, engage in a variety of currency transactions as described in Appendix B – "Special Investment Techniques". In this regard, spot and forward contracts and over-the-counter ("OTC") options are subject to the risk that counterparties will default on their obligations as these contracts are not guaranteed by an exchange or clearing house. Therefore a default on the contract would deprive a Portfolio of unrealised profits, transaction costs and the hedging benefits of the contract or force the Portfolio to cover its purchase or sale commitments, if any, at the current market price. To the extent that a Portfolio is fully invested in securities while also maintaining currency positions, it may be exposed to a greater combined risk in comparison to investing in a fully invested Portfolio (without currency

positions). The use of currency transactions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Investment Adviser is incorrect in its forecasts of market values and currency exchange rates, the investment performance of a Portfolio would be less favourable than it would have been if this investment technique were not used.

In the event that a Portfolio engages in currency hedging transactions, costs in relation to such transactions will generally be borne by the respective currency hedged Share Classes. Currency hedging transactions in relation to one Share Class comprise a potential risk that liabilities arising from currency hedging transactions may affect the net asset value of the other Share Classes of the same Portfolio. Currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to a Portfolio at one rate, while offering a lesser rate of exchange should the Portfolio sell to the dealer.

4.5 Risks of Derivative Investments

An investment in derivatives may involve additional risks for investors. These additional risks may arise as a result of any or all of the following: (i) leverage factors associated with transactions in the Portfolio; and/or (ii) the creditworthiness of the counterparties to such derivative transactions; and/or (iii) the potential illiquidity of the markets for derivative instruments. To the extent that derivative instruments are utilised for speculative purposes, the overall risk of loss to the Portfolio may be increased. To the extent that derivative instruments are utilised for hedging purposes, the risk of loss to the Portfolio may be increased where the value of the derivative instrument and the value of the security or position which it is hedging are insufficiently correlated.

4.6 ISDA Master Agreements

A Portfolio may enter into derivative transactions of the type governed by the ISDA Master Agreement. The ISDA Master Agreement is a standard agreement commonly used in the OTC derivatives market which sets forth key provisions governing the contractual relationship between the parties to such agreement, including each of their rights, liabilities and obligations. If the Investment Adviser enters into transactions governed by the ISDA Master Agreement such as interest rate swaps on a Portfolio's behalf, it will also need to enter into a Credit Support Annex, which is an annex to the ISDA Master Agreement that is used to document bilateral credit support arrangements between parties for transactions governed by an ISDA Master Agreement, on such Portfolio's behalf. Following agreement with a selected counterparty, upon the Investment Adviser entering into an initial or a further transaction governed by the ISDA Master Agreement including a foreign exchange transaction, currency option or, if relevant, interest rate swap on a Portfolio's behalf, an ISDA Master Agreement, amended to reflect any negotiated commercial and/or legal points, shall be immediately deemed to be entered into between that Portfolio and such counterparty and any confirmation in respect of a transaction entered into thereunder (including such initial derivatives transaction) shall supplement and form part of such ISDA Master Agreement.

On each date on which a derivatives transaction is entered into on behalf of a Portfolio, the Fund, on behalf of such Portfolio, will be deemed to have given certain representations and undertakings to each counterparty with whom the ISDA Master Agreement is entered into on its behalf. Such representations and undertakings include, without limitation, representations and undertakings, from and in respect of the Fund, as to the due establishment, good standing and corporate powers of the relevant Portfolio, the obtaining of all requisite consents and compliance with applicable laws by the relevant Portfolio and the binding nature of obligations on the relevant Portfolio under the relevant ISDA Master Agreement and associated contracts and transactions. The Fund must notify the Investment Adviser if at any time it becomes aware that it is in breach of any such representations or unable to continue to comply with any such undertakings. Any such breach may, in addition to other potential consequences, lead to each relevant counterparty being able to unilaterally terminate its ISDA Master Agreement with the Fund on behalf of the relevant Portfolio and to close out any open contracts with it.

4.7 Prime Broker Risks

A prime broker, who is not an agent of the Fund's Custodian under the provisions of the Custodian Agreement, may be appointed by the Fund in order to provide certain brokerage, settlement and/or custodial services to one

or more Portfolios. In such circumstances, and depending on the custodial services, if any, to be provided by the prime broker for such Portfolios, a substantial portion of the assets of such Portfolios may be held by the prime broker at any given time. The prime broker will only be obliged to segregate certain of the assets of the Fund which it holds and may not hold the securities of the Fund in the Fund's name. Accordingly, a failure of the prime broker is likely to have a greater adverse impact on the Fund, and on the relevant Portfolios, than would be the case if such securities were registered in the Fund's name (or in the name of the Fund's Custodian).

The investments of those Portfolios in respect of which the prime broker provides its services, may be dealt with, lent, disposed of, pledged, charged or otherwise used by the prime broker for its own purposes, and in such circumstances the Fund will have a right against the prime broker for the return of equivalent assets. However, subject always to the requirements of applicable law and regulation, it is expected that any agreement between the Fund and a prime broker will limit the level of the Portfolios' assets which they will use in this way to an amount less than or equal to the amount of assets or cash which the prime broker has itself loaned to, or otherwise committed on behalf of, the Fund.

4.8 Investments in Emerging Markets

Political and economic structures 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 characteristics of more developed countries including a significant risk of currency value fluctuation as described under "Currency and Concentration Risks" above. 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 neighbouring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognise private property rights and have at times nationalised or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalisation or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of a Portfolio's investments in those countries and the availability to the Portfolio of additional investments 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 a Portfolio's investments illiquid and more volatile than investments in more established markets, and a Portfolio may be required to establish special custodial or other arrangements before making certain investments. 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 an investment. In addition, the settlement systems may be less developed than in more established markets, which could impede a Portfolio's ability to effect portfolio transactions and may result in the Portfolio investments being settled through a more limited range of counterparties with an accompanying enhanced credit risk. Moreover, the payment of redemptions proceeds in Portfolios that invest in emerging markets may be delayed. Please refer to Section 12—"Redemption of Shares" for further information on the payment of redemption proceeds to investors. Certain countries may also operate margining or pre-payment systems whereby margin or the entire settlement proceeds for a transaction need to be posted prior to the settlement date which can give rise to credit and operational risks as well as potentially borrowing costs for the Fund.

In addition, in certain markets, local regulations may limit investment into local securities to certain qualifying foreign institutions and investors through licensing requirements and may also limit investment through quotas granted by local authorities. Potential investors should note that there is no guarantee that the Fund will benefit from quotas granted to such qualifying institutions and investors nor that, if it does, that it will always be available to the Fund. Withdrawal or failure to obtain a renewal of any such quota may have material adverse consequences to the Fund. A further consequence of investing via such quota may be that there is a limit on the amount that the Fund, and/or foreign investors as a whole, can own of the equity capital of a particular company. The actions of other foreign investors independent of the Fund can therefore impact the position of the Fund. Use of quotas often requires the transmission of funds through government designated service providers and accounts. Mandatory use of such providers may not provide the fund with terms as advantageous as those which would be available if the selections were made on an open market basis.

4.9 Investments in Russia

Investments in Russia are currently subject to certain heightened risks with regard to the ownership and custody of securities. Ownership of Russian securities is evidenced by entries in the books of a company or its registrar (which is neither an agent of, nor responsible to, the Custodian). No certificates representing ownership of Russian companies will be held by the Custodian or any of its local correspondents or in an effective central depository system. As a result of this system, as well as the uncertainties around the efficacy and enforcement of state regulation, the Fund could lose its registration and ownership of Russian securities through fraud, negligence or otherwise. In addition, Russian securities have an increased custodial risk associated with them as such securities are, in accordance with market practice, held in custody with Russian institutions which may not have adequate insurance coverage to cover losses due to theft, destruction or default while such assets are in custody.

Investments by any Portfolio in Transferable Securities and Money Market Instruments other than those described in sections 1) a) through 1) d) in Appendix A may not exceed 10% of the net assets of that Portfolio. For purposes of this limitation, Russian Transferable Securities and Money Market Instruments are generally subject to this 10% limitation, except for Transferable Securities and Money Market Instruments which are listed or traded on the Russian Trading System and on the Moscow Interbank Currency Exchange. The Russian Trading System was established in 1995 to consolidate separate regional securities trading floors into a unified regulated Russian securities market. It lists in particular leading Russian securities. The Russian Trading System establishes market prices for a wide range of stocks and bonds. The trading information is distributed worldwide through financial information services companies, such as Reuters and Bloomberg. Moscow Interbank Currency Exchange serves as a basis for the nationwide system of trading in the currency, stocks and derivatives sectors of the financial market, covering Moscow and Russia's largest financial and industrial centers. Jointly with its partners the MICEX Group (the MICEX Stock Exchange, the MICEX Settlement House, the National Depository Center, regional exchanges and other), the MICEX provides settlement and clearing as well as depository services for about 1500 organisations and participants in the stock market.

4.10 Uncertain Tax Positions

Prospective Shareholders should be aware that tax laws and regulations are constantly changing and that they may be changed with retrospective effect. Moreover, the interpretation and application of tax laws and regulations by certain tax authorities may not be clear, consistent nor transparent. As a result of uncertainty relating to the Fund's potential tax liabilities, including on any historical realized or unrealized gains, as well as liabilities that may arise as a result of investments made by the Portfolios which have not reflected tax liabilities in their valuation, the net asset value of the Portfolios on any dealing day may not accurately reflect such liabilities (including those that are imposed with retrospective effect). In addition, the net asset value of the Portfolios on any dealing day may reflect an accrual for potential tax liabilities that may subsequently not be paid. Accounting standards may also change, creating an obligation for the Fund to accrue for a potential tax liability that was not previously required to be accrued or in situations where the Fund does not expect to be ultimately subject to such tax liability.

In the event that the Fund subsequently determines to accrue for tax liabilities and/or is required to pay amounts relating to tax liabilities that had not previously been accrued and/or any Portfolio investments result in tax liabilities that were not reflected in their valuation (including historic investments), the amount of any such determination or payment will generally be allocated among the Shareholders of the applicable Portfolio at the time of such determination or payment, rather than when the income or transaction to which such taxes relate was earned or occurred. Moreover, in the event that the Fund subsequently determines that an accrual for potential tax liabilities exceeds or will exceed the liability for such taxes, the benefit from any such determination will generally be allocated among the Shareholders of the applicable Portfolio at the time of such determination, rather than when the income or transaction in respect of which such taxes were accrued was earned or occurred, and Shareholders who previously redeemed Shares of the Portfolio will not receive additional compensation or otherwise share such benefit. Shareholders will not be notified of any of the foregoing determinations or payments.

Shareholders that invest in Shares of a Portfolio at a time during which any liabilities for taxes are not accrued will invest in Shares of the Portfolio at a higher net asset value than such Shareholders would have invested had such liabilities been accrued at the time of the applicable investment. In addition, the returns of the Portfolio may be considered to have been subject to an inadvertent leverage effect in that those additional assets would have been invested in accordance with the usual investment policy of the Portfolio. On the other hand,

Shareholders that redeem Shares of a Portfolio at a time during which potential liabilities for taxes are accrued will redeem Shares of the Portfolio at a lower net asset value than if such liabilities had not been accrued at the time of the applicable redemption. In that situation the Portfolio may also be considered to have been subject to an inadvertent underinvestment effect if that accrual of taxes is not subsequently paid.

4.11 Government Investment Restrictions

Government regulations and investment restrictions may limit the amount and types of securities that may be purchased or sold by a Portfolio. The ability of a Portfolio to invest in securities of companies or governments of certain countries may be limited or, in some cases, prohibited. As a result, larger portions of a Portfolio's assets may be invested in those countries where such limitations do not exist. Such restrictions may also affect the market price, liquidity and rights of securities and may increase Portfolio expenses. In addition, the repatriation of both investment income and capital is often subject to restrictions such as the need for certain governmental consents, and even where there is no outright restriction, the mechanics of repatriation may affect certain aspects of the operation of a Portfolio. In particular, a Portfolio's ability to invest in the securities markets of some emerging countries may be restricted or controlled to varying degrees by laws restricting foreign investment and these restrictions may prohibit a Portfolio from making direct investments in such countries.

4.12 Certain ERISA Considerations

Although the Fund expects that its assets will not be treated as "plan assets" subject to Title I of ERISA or Section 4975 of the Code, there is no assurance that this will be the case. Were the assets of the Fund to be treated as "plan assets" (that is, if 25% or more of any class of equity interests in the Fund is held by Benefit Plan Investors), the Fund could, among other things, be subject to certain restrictions on its ability to carry out its activities as described herein, including, without limitation, that the Fund may be prohibited from trading with and through Goldman Sachs and its affiliates in respect of investments made for the Fund. Moreover, in such a case, the Fund may require Benefit Plan Investors or other employee benefit plans not subject to Title I of ERISA or Section 4975 of the Code to reduce or terminate their interests in the Fund in whole or in part notwithstanding that other investors may not be permitted to redeem or transfer their interests in the Fund at such time.

For a discussion of certain ERISA considerations relating to an investment in a Portfolio, see the discussion under Appendix C below, including the legends in such discussion indicating, among other things, that such discussion cannot be relied upon by any taxpayer for the purpose of avoiding penalties under the U.S. federal tax laws that may be imposed on the taxpayer.

4.13 Inclusion of Shares in an Index

Where Shares of a Portfolio are included in an index (or excluded from the index having previously been included in it), investors should be aware that the net asset value of that Portfolio may fluctuate due to investors basing their investment decisions on the constitution of such index. Any large inflows or outflows may cause an adverse impact on the underlying costs of the Portfolio.

4.14 Investments in ADRs, EDRs and GDRs

Some securities in which the Portfolios may invest are represented by ADRs, EDRs and GDRs. ADRs are denominated in US dollars and are sponsored and issued by US banks. ADRs represent the right to receive securities of non-US issuers deposited in a US bank or a correspondent bank outside the United States. A Portfolio may also invest in EDRs, which are receipts evidencing an arrangement with a European bank similar to that for ADRs and are designed for use in the European securities markets. In addition, a Portfolio may invest in GDRs, which are receipts issued by a US, European or other international financial institution evidencing arrangements similar to both ADRs and EDRs. ADRs, EDRs and GDRs are not necessarily denominated in the currency of the underlying security.

4.15 Structured Products

The Portfolios may invest in structured products. These include interests in entities organised solely for the purpose of restructuring the investment characteristics of certain other investments. These investments are purchased by the entities, which then issue the structured products backed by, or representing interests in, the underlying investments. The cash flow from the underlying investments may be apportioned among the newly issued structured products to create securities with different investment characteristics such as varying maturities, payment priorities or interest rate provisions, and the extent of the payments made with respect to structured investments depends on the amount of the cash flow from the underlying investments.

Structured products are subject to the risks associated with the underlying market or security, and may be subject to greater volatility than direct investments in the underlying market or security. Structured products may entail the risk of loss of principal and/or interest payments as a result of movements in the underlying market or security.

Each Portfolio may also invest in credit linked securities referenced to underlying securities, instruments, baskets of securities or indices. These securities are subject to both counterparty risk and the risks inherent in the underlying investment. The counterparty risk lies with each party with whom the Investment Adviser contracts on behalf of the Fund for the purpose of making investments (the counterparty). The underlying investment risk lies with the sovereign or corporate entity against which payments made under the product are referenced.

Structured products may be used to gain exposure to specific markets / sectors as deemed appropriate given the prevalent market conditions. Structured products may implement a view of one product / index / market or may express a view of one area versus another. The product may or may not offer an element of principal protection. Structured products purchased may be created by Goldman Sachs; however, the issuer may be a third party or may be Goldman Sachs.

4.16 Risk of Substantial Redemptions

Substantial redemptions of Shares within a limited period of time could require the Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Shares being redeemed and the outstanding Shares of the Fund. The risk of a substantial redemption of Shares may be exacerbated where an investment is made in the Fund as part of a structured product with a fixed life and where such structured products utilise hedging techniques. Goldman Sachs may create, write, sell, issue, act as placement agent or distributor of, or otherwise be a party to transactions involving financial derivative instruments and such structures with respect to the Fund or with respect to which the underlying securities, currencies or investments may be those in which the Fund invests, or which might otherwise be based on the performance of the Fund. The structure or other characteristics of the financial derivative instruments may have an adverse effect on the Fund. In addition, in the event that two or more Portfolios are co-managed as a pool (as described in Section 3.5 above), substantial redemptions of Shares from one Portfolio may adversely affect the other Portfolios participating in the pool. Regardless of the period of time in which redemptions occur, the resulting reduction in the net asset value of the Fund could also make it more difficult for the Fund to generate profits or recover losses.

4.17 Cross-Contamination between Portfolios and Share Classes

Legislation has been introduced in Luxembourg which is intended to eliminate the risk of cross-contamination. Therefore, as a matter of Luxembourg law, each Portfolio is “ring-fenced” and considered to constitute a single pool of assets and liabilities, so that the rights of Shareholders and creditors in relation to each Portfolio should be limited to the assets of that Portfolio. However, there can be no assurance that, should an action be brought against the Fund in the courts of another jurisdiction, the segregated nature of the Fund and the Fund’s Portfolios will necessarily be respected. In addition, any pooling structures described in Section 3.5 above may increase the risk of cross-contamination between Portfolios.

There is no legal segregation between the assets and liabilities attributable to the various Share Classes of a Portfolio. The assets and liabilities of the respective Share Class will be internally attributed by the

Administrator to the respective Share Class. This internal segregation may not be recognised by third party creditors whether or not such claim is brought under Luxembourg law.

4.18 Materiality Policy for Correcting Valuation Errors

In accordance with applicable law and regulation, the Fund may apply a materiality policy to errors committed in calculating the net asset value of its Portfolios which means that those errors which are deemed by the policy to be immaterial will not lead to a reissued and corrected net asset value for a specific Share Class in a Portfolio. As a result of those investors who have subscribed for or redeemed Shares in respect of an affected Portfolio on a day on which the materiality policy has been applied, Shareholders may receive a different economic result than they would have received had the miscalculation of the net asset value not happened.

4.19 Review of "Fair Value" Prices

The Valuation Oversight Group, a group within Goldman, Sachs & Co., may be required to provide "fair value" prices for certain securities and instruments in circumstances where the Administrator cannot price such securities or instruments and where no prices can be obtained from the independent fair value service. In such circumstances, investors should be aware that the Administrator may not conduct any "reasonableness" or other tests on such prices prior to including such prices in the net asset value calculation for the Fund. Investors should be aware that in these circumstances a possible conflict of interest may arise as the higher the estimated probable realisation value of the securities the higher the fees payable to the Investment Adviser.

4.20 Share Classes denominated in non-Base Currencies

Where Shares of a Portfolio are available in a Share Class which is denominated in a different currency from the Base Currency in which the Portfolio is denominated, investors should note that the net asset value of the Portfolio will be calculated in the Portfolio's Base Currency and will be stated in the other currency by reference to the current exchange rate between the Base Currency and such other currency. Fluctuations in that currency exchange rate may affect the performance of the Shares of that Share Class independent of the performance of the Portfolio's investments. In normal circumstances the costs and expenses of currency exchange transactions in connection with the purchase, redemption and exchange of Shares of that Share Class will be borne by the relevant Share Class and will be reflected in the net asset value of that Share Class. The costs and expenses incurred in hedging a specific Hedged Share Class will be borne by that Hedged Share Class alone.

Investors should note that inflows and outflows from non-Base Currency Shares Classes may have a greater potential to impact the price of such Shares due to the fluctuations in the relevant currency exchange rate.

4.21 Other Currency Shares

Subscriptions for Other Currency Shares denominated in a non-Base Currency will normally be converted by the Fund into the Base Currency of the relevant Portfolio at the currency exchange rate prevailing on the Business Day on which the subscription price has been calculated. Similarly, redemption requests made in respect of Other Currency Shares denominated in a non-Base Currency shall normally be calculated by converting such redemption request into the Base Currency of the relevant Portfolio at the currency exchange rate prevailing on the Business Day on which the redemption price has been calculated. The relevant currency exchange rate will be obtained from a source independent from the Investment Adviser. Therefore, an investor subscribing for or redeeming Other Currency Shares may be at a disadvantage (to investors in other Share Classes of that Portfolio) and may receive fewer Shares in the Portfolio to which the subscription or redemption is made as a consequence of unfavourable movements in the exchange rate of the relevant currency.

4.22 Small Capitalisation Companies

Investing in the securities of smaller, lesser-known companies may involve greater risk and the possibility of greater portfolio price volatility than investing in larger, more mature, better-known firms. Among the reasons for the greater price volatility of these small company and unseasoned stocks are the less certain growth

prospects of smaller firms, the lower degree of liquidity of the markets for such stocks, and the greater sensitivity of small companies to changing economic conditions. For example, these companies are associated with higher investment risk than that normally associated with larger firms due to the greater business risks of small size and limited product lines, markets, distribution channels and financial and managerial resources. Such securities, including those of newer or recently restructured companies or those which may have experienced financial difficulties, may be more volatile in price than larger capitalised stocks.

4.23 Permitted Funds

Each Portfolio may invest in the securities of other Permitted Funds which may include vehicles sponsored by or connected with Goldman Sachs. Where the Board of Directors believes such investment provides access to a specialised investment area or economic sector which a Portfolio would not necessarily be able to access on its own accord, such Permitted Fund and/or its investment adviser will be entitled to remuneration in accordance with the offering documents of the Permitted Fund in which the Portfolio invests. The Investment Adviser will only make such investments if it determines in its discretion that to do so is consistent with the best interests of a Portfolio's Shareholders. These arrangements will be conducted in accordance with any relevant regulations relating to the need to conduct any connected party transactions on an arm's length basis.

Given the Fund's ability to invest in Permitted Funds, Shareholders of the Fund are subject to risks associated with exposure to such funds. In addition, the value of an investment represented by such Permitted Funds in which the Fund invests may be affected by fluctuations in the currency of the country where such a fund invests, by foreign exchange rules, or by the application of the various tax laws of the relevant countries including withholding taxes, government changes or variations of the monetary and economic policy of the relevant countries.

Investments in Permitted Funds operated by third parties

The Fund may invest in Permitted Funds operated by third parties. Such third parties are not subject to the oversight or control of Goldman Sachs and the Investment Adviser may not have the opportunity to verify the compliance of such Permitted Funds with the laws and regulations applicable to them.

Investment in Permitted Funds affiliated with Goldman Sachs

The Fund may invest in the units or shares of Permitted Funds directly or indirectly managed by the Investment Adviser or another company with which the Investment Adviser is affiliated by virtue of common management, control or a direct or indirect holding of more than 10% of the capital or votes ("Goldman Sachs Permitted Funds"). If the Fund invests in such Goldman Sachs Permitted Funds, no sales, conversion or redemption charges will be imposed on any such investment. However, such Goldman Sachs Permitted Funds and their investment advisors will be entitled to charge fees and expenses at the level of such Goldman Sachs Permitted Funds in accordance with the offering documents of the relevant Goldman Sachs Permitted Fund. When the Fund invests in Goldman Sachs Permitted Funds that charge investment management fees with respect to the Fund's investment, the investors in the Fund will also incur fees and expenses at the level of the Fund as set forth in this Prospectus.

To the extent permitted by applicable law, the Fund may invest in Permitted Funds that are managed by the Investment Adviser or its affiliate and whose assets are, or are treated as, "plan assets" (within the meaning of ERISA and the regulations thereunder) that are subject to Title I of ERISA (such Permitted Funds being referred to as "ERISA Funds"). The effect of this is that the Fund may be limited in how it can invest its assets in the ERISA Funds, including without limitation, that the Fund may be required to fix its allocation to such ERISA Funds (including setting an initial asset allocation target and an objective formula for any periodic rebalancing of such asset allocation) and restrict the ability of the Investment Adviser (or its affiliate) to modify such allocation target or formula without notifying the investors in the Fund in advance of such modification.

General risk considerations relating to certain Permitted Funds

The following risk considerations detail general risks relating to the Fund's investments in Permitted Funds, including Alternative Investment Funds.

Severalty of Permitted Funds: In order to ensure diversification in terms of management strategies and markets, the Investment Adviser will select a certain number of Permitted Funds who operate independently. Although such diversification is intended to reduce the risk of loss while preserving the ability to benefit from price fluctuations, no guarantee can be given that the diversification of the Permitted Funds shall not result globally in losses recorded on certain Permitted Funds exceeding the profits generated by others.

Inadvertent concentration: It is possible that a number of Permitted Funds might take substantial positions in the same security at the same time. This inadvertent concentration would interfere with the Fund's goal of diversification. The Investment Adviser will attempt to alleviate such inadvertent concentration as part of its regular monitoring and reallocation process. Conversely the Investment Adviser may at any given time, hold opposite positions, such position being taken by different Permitted Funds. Each such position shall result in transaction fees for the Fund without necessarily resulting in either a loss or a gain. Moreover, the Investment Adviser may proceed to a reallocation of assets between Permitted Funds and liquidate investments made in one or several of them. Finally, the Investment Adviser may also, at any time, select additional Permitted Funds. Such asset reallocations may impact negatively the performance of one or several of the Permitted Funds.

Future returns: No assurance can be given that the strategies employed by the Permitted Funds in the past to achieve attractive returns will continue to be successful or that the return on the Fund's investments will be similar to that achieved by the Fund or such Permitted Funds in the past.

Risks of special techniques used by Permitted Funds: Many of the Permitted Funds in which the Investment Adviser will invest will use special investment techniques that may subject the Fund's investments to risks different from those posed by investments in equity and fixed income funds. The Fund in any event is not designed to correlate to the broad equity market, and should not be viewed as a substitute for equity or fixed income investments.

Risks of leverage: The investment strategies adopted by Permitted Funds may employ leverage. The Fund may not pre-determine any maximum leverage, as certain investment strategies such as pure arbitrage based strategies by default utilise more leverage than other strategies without necessarily incurring higher risk. The Fund will, therefore, view leverage on an individual basis, based on investment strategy and event risk.

Risks of borrowing: The Permitted Funds may borrow funds for the purpose of a leveraged trading technique. A particular Permitted Fund that is not a UCI described in Section 1) e) of the Investment Restrictions or a UCITS may not be subject to any limitations on the amount of its borrowings, and the amount of borrowings that such Permitted Fund may have outstanding at any time may be large in comparison to its capital.

Borrowing money to purchase securities may provide a Permitted Fund with the opportunity for greater capital appreciation, but, at the same time, will increase the Permitted Fund's, and indirectly the Fund's, exposure to capital risk and higher current expenses. Moreover, if the Permitted Fund's assets are not sufficient to pay the principal of, and interest on, the Permitted Fund's debt when due, the Fund could sustain a total loss of its investment in the Permitted Fund.

Accumulation of fees: As the Fund may invest in Permitted Funds, the Shareholders may incur a duplication of fees and commissions (such as management fees, performance fees, custody and transaction fees, central administration fees and audit fees). To the extent these Permitted Funds, in turn, invest in other funds, shareholders may incur additional fees to those mentioned above. The Portfolio will also bear its proportionate share of any other fees and expenses paid by that Permitted Fund, in addition to all fees and expenses payable by the Portfolio.

Currency risk: The value of an investment represented by a Permitted Fund in which the Fund invests may be affected by fluctuations in the currency of the country where such Permitted Fund invests, by foreign exchange rules, or by the application of the various tax laws of the relevant countries (including withholding taxes), government changes or variations of the monetary and economic policy of the relevant countries.

Volatility/Concentration: Investments by the Fund may be made in Permitted Funds that are set up in the form of a limited partnership, corporation or unit trust. Many of these Permitted Funds can be highly leveraged and sometimes take large positions with high volatility. Permitted Funds may concentrate in only one geographic area or asset investment category, thereby taking on the risk of the market and of rapid changes to the relevant geographic area or investment category. These investments may be speculative. As Permitted Funds can be highly leveraged even an investment in them by the Fund up to the 10% threshold (where that applies) may result in all or the majority of the Fund's risk exposure being to these Permitted Fund(s).

Valuation of Permitted Funds: The method by which the net asset value per Share will be calculated, presumes the Administrator's ability to value the holdings in Permitted Funds. In valuing those holdings, the Administrator will need to rely on financial information provided by the Permitted Funds themselves. Independent valuation sources such as exchange listing may not be available for certain Permitted Funds.

In calculating the net asset value and the net asset value per Share, the Administrator may rely upon such automatic pricing services as it shall determine or, if so instructed by the Fund it may use information provided by particular pricing services, brokers, market makers or other intermediaries. In such circumstances, the Administrator shall not, in the absence of fraud or negligence or wilful default or bad faith on the part of the Administrator be liable for any loss suffered by the Fund or any shareholder by reason of any error in the calculation of the net asset value and net asset value per Share resulting from any inaccuracy in the information provided by any such pricing service, broker, market maker or other intermediary.

In particular, investors should consider that:

- the net asset value per Share of the Fund may be determined only after the value of their investments itself is available, which may take a certain time after the relevant Valuation Point;
- that the number of Shares subscribed by an investor may therefore not be determined until the net asset value per Share is determined.

Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

4.24 Subsidiary Holding Companies

The Fund may from time to time establish one or more wholly-owned special purpose subsidiaries in order to facilitate a Portfolio's investment program in certain jurisdictions where the Fund believes that this may reduce certain of the costs to a Portfolio. However, the formation and administration of any such special purpose subsidiaries may result in certain increased expenses to a Portfolio. In addition, the benefits of conducting investment activities through such subsidiaries may be adversely affected by political or legal developments in countries in which the Portfolios may invest. In the event that a subsidiary is created by the Fund, this Prospectus will be updated to include detailed information on such subsidiary.

4.25 Voting Rights and Share-Blocking

The Fund may in its discretion exercise or procure the exercise of all voting or other rights which may be exercisable in relation to Permitted Investments held by a Portfolio. In relation to the exercise of such rights the Fund may establish guidelines for the exercise of voting or other rights and the Fund may, in its discretion, elect not to exercise or procure the exercise of such voting or other rights.

Certain Permitted Investments may be subject to "share-blocking". This occurs when an investment is "frozen" in the Custodian system to facilitate the exercise of voting or other rights by the relevant custodians acting as proxies of the persons beneficially entitled to those affected investments. Share-blocking typically takes place 1 to 20 days before an upcoming meeting of investors in the relevant investment. While the investments are "frozen" they may not be traded. Therefore, in order to mitigate such illiquidity, the Fund (or its agents) may refrain from exercising its voting rights in respect of those Permitted Investments which may be subject to "share-blocking".

4.26 Convertible Securities

Each Portfolio may invest in convertible securities, which may include corporate notes or preferred stock that are ordinary long-term debt obligations of the issuer convertible at a stated exchange rate into common stock of the issuer. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. Convertible securities generally offer lower interest or dividend yields than non-convertible securities of similar quality. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the price of the convertible security tends to reflect the value of the underlying common stock. As the market price of the underlying

common stock declines, the convertible security tends to trade increasingly on a yield basis, and thus may not depreciate to the same extent as the underlying common stock. Convertible securities generally rank senior to common stocks in an issuer's capital structure and are consequently of higher quality and entail less risk than the issuer's common stock. However, the extent to which such risk is reduced depends in large measure upon the degree to which the convertible security sells above its value as a fixed income security. In evaluating a convertible security, the Investment Adviser will give primary emphasis to the attractiveness of the underlying common stock.

4.27 Real Estate Companies

Subject to the terms of this Prospectus (and, in particular, Appendix A), each Portfolio may invest in Transferable Securities of companies principally engaged in the real estate industry. There are special risk considerations associated with investing in the securities of such companies. These risks include: the cyclical nature of real estate values, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, demographic trends and variations in rental income, changes in zoning laws, casualty or condemnations losses, environmental risks, regulatory limitations on rents, changes in neighbourhood values, related party risks, changes in the appeal of properties to tenants, increases in interest rates and other real estate capital market influences. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of a Portfolio's investments in the securities of real estate companies.

4.28 Debt Securities Generally

Debt securities are subject to the risk of an issuer's or a guarantor's inability to meet principal and interest payments on the obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). Non-Investment Grade securities are more likely to react to developments affecting market and credit risk than are more highly rated securities, which react primarily to movements in the general level of interest rates. The Investment Adviser will consider both credit risk and market risk in making investment decisions for a Portfolio.

Unless specifically described above under "Investment Objectives and Policies", no minimum rating is required for the debt obligations acquired by the Portfolios. Therefore they may invest in Non-Investment Grade securities, the risks of which are set out below under "Risks of Investing in Non-Investment Grade Fixed Income Securities". In respect of structured securities, they may also be more volatile, less liquid and more difficult to accurately price than less complex securities. The timing of purchase and sale transactions in debt obligations may result in capital appreciation or depreciation because the value of debt obligations generally varies inversely with prevailing interest rates.

4.29 Investment in Fixed Income Securities and Risks of Interest and Exchange Rate Fluctuations

The net asset value of the Shares of the Portfolios invested in fixed income securities will change in response to fluctuations in interest rates and currency exchange rates. Except to the extent that values are independently affected by currency exchange rate fluctuations, when interest rates decline, the value of fixed income securities generally can be expected to rise and vice versa. The performance of investments in fixed income securities denominated in a specific currency will also depend on the interest rate environment in the country issuing the currency. Because the net asset value of each Fixed Income Portfolio will be calculated in its Base Currency, the performance of investments not denominated in the Base Currency will also normally depend on the strength of such currency against the Base Currency and the interest rate environment in the country issuing the currency. Absent other events that could otherwise affect the value of non-Base Currency investments (such as a change in the political climate or an issuer's credit quality), appreciation in the value of the non-Base Currency generally can be expected to increase the value of the Portfolio's non-Base Currency investments in terms of the Base Currency. A rise in interest rates or decline in the value of non-Base Currencies relative to the Base Currency generally can be expected to depress the value of the Portfolio's non-Base Currency investments.

4.30 Mortgage-Backed and Asset-Backed Securities

The Fixed Income Portfolios may invest in securities that represent an interest in a pool of mortgages ("mortgage backed securities") and, subject to applicable law, credit card receivables or other types of loans ("asset backed securities"). Payments of principal and interest on the underlying loans are passed through to the holders of such securities over the life of the securities. Most mortgage-backed and asset-backed securities are subject to early prepayment of principal, which can be expected to accelerate during periods of declining interest rates. Such prepayments can usually be reinvested only at the lower yields then prevailing in the market. Therefore, during periods of declining interest rates, these securities are less likely than other fixed income obligations to appreciate in value and less effective at locking in a particular yield. On the other hand, mortgage-backed and asset-backed securities are subject to substantially the same risk of depreciation during periods of rising interest rates as other fixed income securities.

A Portfolio's investment strategies may involve trading in mortgage-backed securities on a forward pass through or "to be allocated" ("TBA") basis. In a TBA trade, the seller and buyer agree to the type of security, coupon, face value, price and settlement date (typically at least a month forward) at the time of the trade but do not specify the actual pools of securities to be traded until just before settlement date. In the period between trade and settlement date, the portfolio will be exposed to counterparty credit risk and will maintain an amount of cash or near cash assets equal to the amount of TBA purchase commitments. Conversely, in the event of a sale of TBA securities, equivalent deliverable securities or an offsetting TBA purchase commitment (deliverable on or before the sale commitment date) will be held as cover for the transaction.

Asset-backed securities present certain credit risks that are not presented by mortgage-backed securities because asset-backed securities generally do not have the benefit of a security interest over the collateral that is comparable to mortgage assets. There is the possibility that, in some cases, recoveries on repossessed collateral may not be available to support payments on these securities.

4.31 Zero Coupon and Deferred Interest Bonds

The Fixed Income Portfolios may invest in zero coupon bonds and deferred interest bonds, which are debt obligations issued at a significant discount from face value. The original discount approximates the total amount of interest the bonds will accrue and compound over the period until maturity or the first interest accrual date at a rate of interest reflecting the market rate of the security at the time of issuance. While zero coupon bonds do not require the periodic payment of interest, deferred interest bonds generally provide for a period of delay before the regular payment of interest begins. Such investments benefit the issuer by mitigating its initial need for cash to meet debt service and some also provide a higher rate of return to attract investors who are willing to defer receipt of such cash. Such investments experience greater volatility in market value due to changes in interest rates than debt obligations which provide for regular payments of interest, and the Portfolio may accrue income on such obligations even though it receives no cash.

4.32 Derivative Mortgage-Backed Securities

Derivative mortgage-backed securities (such as principal-only ("POs") interest-only ("IOs") or inverse floating-rate securities) are more exposed to mortgage prepayments. Therefore, they generally involve a greater amount of risk. Small changes in prepayments can significantly impact the cash flow and the market value of these securities. The risk of faster than anticipated prepayments generally adversely affects IOs, super floaters and premium priced mortgage-backed securities. The risk of slower than anticipated prepayments generally adversely affects POs, floating-rate securities subject to interest rate caps, support tranches and discount priced mortgage-backed securities. In addition, particular derivative securities may be leveraged such that their exposure (i.e. price sensitivity) to interest rate and/or prepayment risk is magnified.

4.33 Floating Rate Derivative Securities

Floating rate derivative debt securities present complex types of interest rate risks. For example, range floaters are subject to the risk that the coupon will be reduced below market rates if a designated interest rate floats outside of a specified interest rate band or collar. Dual index or yield curve floaters are subject to lower prices in the event of an unfavourable change in the spread between two designated interest rates.

4.34 Risks of Investing in Non-Investment Grade Fixed Income Securities

Non-Investment Grade fixed income securities are considered predominantly speculative by traditional investment standards and may have poor prospects for reaching Investment Grade standing. Non-Investment Grade and unrated securities of comparable credit quality (commonly known as “junk bonds”) are subject to the increased risk of an issuer’s inability to meet principal and interest obligations. These securities, also referred to as high yield securities, may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions or publicity (whether or not based on fundamental analysis) of the junk bond markets generally and less secondary market liquidity.

Non-Investment Grade fixed income securities are often issued in connection with a corporate reorganisation or restructuring or as part of a merger, acquisition, takeover or similar event. They are also issued by less established companies seeking to expand. Such issuers are often highly leveraged and generally less able than more established or less leveraged entities to make scheduled payments of principal and interest in the event of adverse developments or business conditions.

The market value of Non-Investment Grade fixed income securities tends to reflect individual corporate developments to a greater extent than that of Investment Grade securities which react primarily to fluctuations in the general level of interest rates. As a result, the ability of a Portfolio that invests in Non-Investment Grade fixed income securities to achieve its investment objectives may depend to a greater extent on the Investment Adviser’s judgment concerning the creditworthiness of the issuers of such securities than Portfolios which invest in Investment Grade securities. Issuers of Non-Investment Grade fixed income securities may not be able to make use of more traditional methods of financing and their ability to service debt obligations may be more adversely affected than issuers of Investment-Grade securities by economic downturns, specific corporate developments or the issuer’s inability to meet specific projected business forecasts.

A holder’s risk of loss from default is significantly greater for Non-Investment Grade securities than is the case for holders of other debt securities because such Non-Investment Grade securities are generally unsecured and are often subordinated to the rights of other creditors of the issuers of such securities. Investments in defaulted securities poses additional risk of loss should non-payment of principal and interest continue. Even if such securities are held to maturity, recovery by the Portfolio of its initial investment and any anticipated income or appreciation is uncertain.

The secondary market for Non-Investment Grade securities is concentrated in relatively few market makers and is dominated by institutional investors. Accordingly, the secondary market for such securities is not as liquid as, and is more volatile than, the secondary market for higher-rated securities. In addition, market trading volume for high yield fixed income securities is generally lower and the secondary market for such securities could contract under adverse market or economic conditions, independent of any specific adverse changes in the condition of a particular issuer. These factors may have an adverse effect on the market price and the Portfolio’s ability to dispose of particular portfolio investments. A less liquid secondary market also may make it more difficult for the Portfolio to obtain precise valuations of the high yield securities in its portfolio.

Credit ratings issued by credit rating agencies are designed to evaluate the safety of principal and interest payments of rated securities. They do not, however, evaluate the market value risk of Non-Investment Grade securities and, therefore, may not fully reflect the true risks of an investment. In addition, credit rating agencies may or may not make timely changes in a rating to reflect changes in the economy or in the conditions of the issuer that affect the market value and liquidity of the security. Consequently, credit ratings are used only as a preliminary indicator of investment quality. Investments in Non-Investment Grade and comparable unrated obligations will be more dependent on the Investment Adviser’s credit analysis than would be the case with investments in investment-grade debt obligations. The Investment Adviser employs its own credit research and analysis, which includes a study of existing debt, capital structure, ability to service debt and to pay dividends, the issuer’s sensitivity to economic conditions, its operating history and the current trend of earnings. The Investment Adviser continually monitors the investments in the Portfolio’s investment portfolio and evaluates whether to dispose of or to retain Non-Investment Grade and comparable unrated securities whose credit ratings or credit quality may have changed.

4.35 Special Risks Resulting from Tax Publication Requirements in Germany and Austria

The Fund is required to provide documentation to the German and Austrian fiscal authorities upon request in order for such authorities to, inter alia, verify the accuracy of the published tax information. The basis on which such figures are calculated is subject to interpretation and therefore it cannot be guaranteed that such authorities will accept or agree with the Fund's calculation methodology. In addition, Shareholders who are subject to German or Austrian tax should be aware, if it transpires that the German and Austrian fiscal authorities disagree with the Fund's calculation methodology and determine that the published tax information is incorrect, that any subsequent correction will, as a general rule, not have retrospective effect and will only take effect during the current financial year. Consequently, the correction may positively or negatively affect those German or Austrian Investors who receive a distribution or an attribution of deemed income distributions in the current year.

4.36 Illiquid Assets

A Portfolio has the right to invest up to 10% of its assets in Transferable Securities and Money Market Instruments which do not comply with the Investment Restrictions set out in paragraph 1 of Appendix A. In such situations, the Portfolio may not be able to immediately sell such securities. The purchase price and subsequent valuation of restricted and illiquid securities may reflect a discount, which may be significant, from the market price of comparable securities for which a liquid market exists.

Subject to its requirement to comply with Article 37 of the UCITS Directive, as implemented in Luxembourg by the article 28(1)(b) of the Law of 20 December 2002, which obliges a UCITS fund to redeem its shares, in accordance with the terms of this Prospectus, at the request of an investor, certain of the Fund's investments may nevertheless be in assets which may be less liquid, or which are liquid when purchased but may subsequently suffer from illiquidity as market circumstances change which can happen without warning and very suddenly. Redemption requests by investors in the Fund that require the Fund to liquidate underlying positions may consequently lead to:

- the Fund realising a greater portion of more liquid securities resulting in the Fund then holding a greater concentration of such relatively less liquid interests than was previously the case and the Fund's investment mix may thereby become more biased towards relatively less liquid securities; and/or
- the Fund realising less liquid assets at an unfavourable time and/or unfavourable conditions which may adversely impact the value that is realised for those assets and/or the Fund's ability to settle redemption requests on its normal settlement cycle.

4.37 Risk of Changes in Borrowing Rates

The Fund is authorized to borrow on a temporary basis within the limits set forth under Appendix A. The Fund may choose to only borrow from the Custodian, and the borrowing rate imposed by the Custodian may change due to market conditions. As a consequence thereof, the borrowing rates imposed by the Custodian may not be the most competitive.

4.38 Mismatch of Settlement Cycles

Portfolios of the Fund may invest in markets which have different settlement cycles from that of the Fund or have settlement cycles that are effectively shorter because of a requirement to pre-pay settlement proceeds or post margin. As a result, the Fund may incur borrowing costs in transacting in such markets.

4.39 Risk Management Outsourcing

The Fund may outsource certain elements of its risk management process under applicable law, regulation and/or accounting standards to third party risk management service providers who, as part of the commercial arrangements entered into pursuant to a contract with the Fund, may impose a cap on their liability to the Fund for the services provided. The Bank of New York Mellon, London Branch, which partially sub-delegates to Risk Metrics Solutions, Inc., may be appointed by the Fund with the responsibility for processing, calculating, and

reporting risk measures to the Investment Adviser for certain portfolios of the Fund. The Fund, however, retains all responsibility for the risk management of the Portfolios. The Fund may be responsible for the fees payable to the Bank of New York Mellon, London Branch in relation thereof, which would be considered as a part of the operating expenses referred to under Section 17 – “Fees and Expenses” of this Prospectus.

4.40 Regulation as a Bank Holding Company

Goldman Sachs has recently elected to be regulated as a BHC under the BHCA. In addition, Goldman Sachs subsequently became a FHC under the BHCA. FHCs may engage in a broader range of activities than BHCs that are not FHCs. However, the activities of FHCs and their affiliates remain subject to certain restrictions imposed by the BHCA and related regulations. Because Goldman Sachs is deemed to “control” the Fund within the meaning of the BHCA, these restrictions are expected to apply to the Fund as well. Accordingly, the BHCA and other applicable banking laws, rules, regulations and guidelines, and their interpretation and administration by the appropriate regulatory agencies, may restrict the transactions and relationships between the Investment Adviser, the Directors, Goldman Sachs and their affiliates, on the one hand, and the Fund, on the other hand, and may restrict the investments and transactions by, and the operations of, the Fund. For example, the BHCA regulations applicable to Goldman Sachs and the Fund may, among other things, restrict the Fund’s ability to make certain investments or the size of certain investments, impose a maximum holding period on some or all of the Fund’s investments, and restrict the ability of Goldman Sachs to invest in the Portfolios. In addition, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities. Thus, in certain circumstances positions held by Goldman Sachs and its affiliates (including the Investment Adviser) for client and proprietary accounts may need to be aggregated with positions held by the Portfolios. In this case, where BHCA regulations impose a cap on the amount of a position that may be held, Goldman Sachs may utilize available capacity to make investments for its proprietary accounts or for the accounts of other clients, which may require a fund to limit and/or liquidate certain investments. Investors should also refer to Section 4.42 “Conflicts of Interest” below.

These restrictions may materially adversely affect the Portfolios by, among other things, affecting the Investment Adviser’s ability to pursue certain strategies within a Portfolio’s investment program or trade in certain securities. Moreover, Goldman Sachs may cease in the future to qualify as an FHC, which may subject the Portfolios to additional restrictions. Moreover, there can be no assurance that the bank regulatory requirements applicable to Goldman Sachs and the Fund will not change, or that any such change will not have a material adverse effect on the Portfolios.

Goldman Sachs may in the future, in its sole discretion and without notice to Shareholders, restructure the Investment Adviser in order to reduce or eliminate the impact or applicability of any bank regulatory restrictions on Goldman Sachs, the Portfolios or other funds and accounts managed by the Investment Adviser and its affiliates. Goldman Sachs may seek to accomplish this result by reducing the amount of Goldman Sachs’ investment in the Fund (if any), or by such other means as it determines in its sole discretion.

4.41 No Equalisation of Performance Fees

None of the Portfolios of the Fund operate performance fee equalisation and therefore if they operate a performance fee this fact, combined with the vesting period of the performance fee, may result in unequal effects being experienced between different investors as to the effective performance fee that they bear on the performance in the relevant Portfolio that they personally experience through the period of their investment.

4.42 Conflicts of Interest

General categories of conflicts associated with the Fund

The Goldman Sachs Group, Inc. is a worldwide, full-service investment banking, broker-dealer, asset management and financial services organization, and a major participant in global financial markets. As such, it acts as an investor, investment banker, research provider, investment manager, investment adviser, financier, advisor, market maker, proprietary trader, prime broker, lender, agent and principal, and has other direct and indirect interests in the global fixed income, currency, commodity, equity and other markets in which the Fund directly or indirectly invests. As a result, The Goldman Sachs Group, Inc., the asset management division of Goldman Sachs, the Investment Adviser, and their affiliates, directors, partners, trustees, managers, members, officers and employees (collectively for purposes of this “Conflicts of Interest” Section, “Goldman Sachs”),

including those who may be involved in the management, sales, investment activities, business operations or distribution of the Portfolios, are engaged in businesses and have interests other than that of managing the Portfolios. The Fund will not be entitled to compensation related to such businesses. These activities and interests include potential multiple advisory, transactional, financial and other interests in securities, instruments and companies that may be directly or indirectly purchased or sold by the Portfolios and their service providers. These are considerations of which Shareholders should be aware, and which may cause conflicts that could disadvantage the Fund.

- While the Investment Adviser will make decisions for the Portfolios in accordance with its obligations to manage the Portfolios appropriately, the fees, compensation and other benefits to Goldman Sachs (including benefits relating to business relationships of Goldman Sachs) arising from those decisions may be greater as a result of certain portfolio, investment, service provider or other decisions made by the Investment Adviser than they would have been had other decisions been made which also might have been appropriate for the Portfolios.
- Goldman Sachs, its sales personnel and other financial service providers may have conflicts associated with their promotion of the Portfolios or other dealings with the Fund that would create incentives for them to promote the Portfolios.
- While the allocation of investment opportunities among Goldman Sachs, the Portfolios and other funds and accounts managed by Goldman Sachs may raise potential conflicts because of financial or other interests of Goldman Sachs or its personnel, the Investment Adviser will not make allocation decisions solely based on such factors.
- The Investment Adviser will give advice to and make investment decisions for the Portfolios as it believes is in the fiduciary interests of the Portfolios. Advice given to the Portfolios or investment decisions made for the Portfolios may differ from, and may conflict with, advice given or investment decisions made for Goldman Sachs or other funds or accounts. Actions taken with respect to Goldman Sachs or other funds or accounts may adversely impact the Portfolios, and actions taken by the Portfolios may benefit Goldman Sachs or other funds or accounts. Goldman Sachs may restrict transactions for itself, but not for the Portfolios, or vice versa.
- Goldman Sachs' personnel may have varying levels of economic and other interests in accounts or products promoted or managed by such personnel as compared to other accounts or products promoted or managed by them.
- Goldman Sachs will be under no obligation to provide to the Portfolios, or effect transactions on behalf of the Portfolios in accordance with, any market or other information, analysis, technical models or research in its possession.
- To the extent permitted by Luxembourg law and other applicable law and regulations, the Portfolios may enter into transactions in which Goldman Sachs acts as principal, or in which Goldman Sachs acts on behalf of the Portfolios and the other parties to such transactions. Goldman Sachs will have potentially conflicting interests in connection with such transactions. If the Investment Adviser acts in circumstances where it has a conflict of interest, it will take reasonable care to ensure that the relevant Portfolio of the Fund is treated fairly. In this regard, the Investment Adviser has established, implemented and maintains a written conflicts of interest policy. In addition, the Investment Adviser may from time to time deal, as principal or agent, with a Portfolio of the Fund, provided that such dealings are consistent with the best interests of that Portfolio and are effected on normal commercial terms negotiated at arm's length.

- Goldman Sachs may act as broker, dealer, agent, lender or otherwise for the Portfolios and will retain all commissions, fees and other compensation in connection therewith.
- Securities traded for the Portfolios may, but are not required to, be aggregated with trades for other funds or accounts managed by Goldman Sachs. When transactions are aggregated but it is not possible to receive the same price or execution on the entire volume of securities purchased or sold, the various prices may be averaged, and the Portfolios will be charged or credited with the average price. Thus, the effect of the aggregation may operate on some occasions to the disadvantage of the Portfolios.
- Products and services received by the Investment Adviser or its affiliates from brokers in connection with brokerage services provided to the Portfolios and other funds or accounts managed by Goldman Sachs may disproportionately benefit other of such funds and accounts based on the relative amounts of brokerage services provided to the Portfolios and such other funds and accounts.
- While the Investment Adviser will make proxy voting decisions as it believes appropriate and in accordance with the Investment Adviser's policies designed to help avoid conflicts of interest, proxy voting decisions made by the Investment Adviser with respect to a Portfolio's securities may favour the interests of other clients or businesses of other divisions or units of Goldman Sachs.
- Regulatory restrictions (including relating to the aggregation of positions among different funds and accounts) and internal Goldman Sachs policies may restrict investment activities of the Portfolios. Information held by Goldman Sachs could have the effect of restricting investment activities of the Portfolios.

Present and future activities of Goldman Sachs in addition to those described in this Section may give rise to additional conflicts of interest. Prospective investors should carefully review the following paragraphs which more fully describes these and other potential conflicts of interest presented by Goldman Sachs' other businesses and interests:

Potential conflicts relating to portfolio decisions, the sale of Shares in the Portfolios and the allocation of investment opportunities

Goldman Sachs' other activities may have an impact on the Fund

The Investment Adviser makes decisions for the Portfolios in accordance with its obligations as the Investment Adviser to the Fund. However, Goldman Sachs' other activities may have a negative effect on the Portfolios. As a result of the various activities and interests of Goldman Sachs (as described in the first paragraph under "*General categories of conflicts associated with the Fund*" above), it is likely that the Portfolios will have multiple business relationships with and will invest in, engage in transactions with, make voting decisions with respect to, or obtain services from entities for which Goldman Sachs performs or seeks to perform investment banking or other services. It is also likely that the Portfolios will undertake transactions in securities in which Goldman Sachs makes a market or otherwise has other direct or indirect interests. In addition, while the Investment Adviser will make decisions for the Portfolios in accordance with its obligations to manage the Portfolios appropriately, the fees, allocations, compensation and other benefits to Goldman Sachs (including benefits relating to business relationships of Goldman Sachs) to Goldman Sachs arising from those decisions may be greater as a result of certain portfolio, investment, service provider or other decisions made by the Investment

Adviser for the Portfolios than they would have been had other decisions been made which also might have been appropriate for the Portfolios.

Goldman Sachs' or intermediaries' financial and other interests and relationships may incentivize Goldman Sachs or intermediaries to promote the sale of Shares in the Portfolios

Goldman Sachs, its personnel and other financial service providers have interests in promoting sales of the Shares in the Portfolios. With respect to both Goldman Sachs and its personnel, the remuneration and profitability relating to services to and sales of the Portfolios or other products may be greater than the remuneration and profitability relating to services to and sales of certain funds or other products that might be provided or offered.

Conflicts may arise in relation to sales-related incentives. Goldman Sachs and its sales personnel may directly or indirectly receive a portion of the fees and commissions charged to the Portfolios or their Shareholders. Goldman Sachs and its advisory or other personnel may also benefit from increased amounts of assets under management. Fees and commissions may also be higher than for some products or services, and the remuneration and profitability to Goldman Sachs and such personnel resulting from transactions on behalf of or management of the Portfolios may be greater than the remuneration and profitability resulting from other funds or products. For the avoidance of doubt, this does not result in or entail any increase in the fees charged to or suffered by the Fund or any Portfolio.

Goldman Sachs and its personnel may receive greater compensation or greater profit in connection with an account for which Goldman Sachs serves as an adviser than with an account advised by an unaffiliated investment adviser. Differentials in compensation may be related to the fact that Goldman Sachs may pay a portion of its advisory fee to the unaffiliated investment adviser, or to other compensation arrangements, including for portfolio management, brokerage transactions or account servicing. Any differential in compensation may create a financial incentive on the part of Goldman Sachs and its personnel to recommend Goldman Sachs over unaffiliated investment advisers or to effect transactions differently in one account over another.

Goldman Sachs may also have relationships with, and purchase, or distribute or sell, services or products from or to, distributors, consultants and others who recommend the Portfolios, or who engage in transactions with or for the Portfolios. For example, Goldman Sachs regularly participates in industry and consultant sponsored conferences and may purchase educational, data related or other services from consultants or other third parties that it deems to be of value to its personnel and its business. The products and services purchased from consultants may include, but are not limited to those that help Goldman Sachs understand the consultant's points of view on the investment management process. Consultants and other parties that provide consulting or other services to potential investors in the Portfolios may receive fees from Goldman Sachs or the Portfolios in connection with the distribution of Shares in the Portfolios or other Goldman Sachs products. For example, Goldman Sachs may enter into revenue or fee sharing arrangements with consultants, service providers, and other intermediaries relating to investments in UCIs or other products or services offered or managed by the Investment Adviser. Goldman Sachs may also pay a fee for membership in industry-wide or state and municipal organizations or otherwise help sponsor conferences and educational forums for investment industry participants including, but not limited to, trustees, fiduciaries, consultants, administrators, state and municipal personnel and other clients. Goldman Sachs' membership in such organizations allows Goldman Sachs to participate in these conferences and educational forums and helps Goldman Sachs interact with conference participants and develop an understanding of the points of view and challenges of the conference participants. In addition, Goldman Sachs personnel, including employees of the Investment Adviser, may have board, advisory, brokerage or other relationships with issuers, distributors, consultants and others that may have investments in the Portfolios or that may recommend investments in the Portfolios or distribute the Portfolios. In addition, Goldman Sachs, including the Investment Adviser, may make charitable contributions to institutions, including those that have relationships with clients or personnel of clients. Personnel of Goldman Sachs may

also make political contributions. As a result of the relationships and arrangements described in this paragraph, consultants, distributors and other parties may have conflicts associated with their promotion of the Portfolios or other dealings with the Portfolios that create incentives for them to promote the Portfolios or raise other conflicts.

To the extent permitted by applicable law, Goldman Sachs or the Fund may make payments to authorized dealers and other financial intermediaries ("Intermediaries") from time to time to promote the Portfolios, Client/GS Accounts (defined below) and other products. In addition to placement fees, sales loads or similar distribution charges, such payments may be made out of Goldman Sachs' assets, or amounts payable to Goldman Sachs rather than a separately identified charge to the Fund, Client/GS Accounts or other products. Such payments may compensate Intermediaries for, among other things and in each case subject to applicable law: marketing the Portfolios, Client/GS Accounts and other products (which may consist of payments resulting in or relating to the inclusion of a Portfolio, Client/GS Accounts and other products on preferred or recommended fund lists or in certain sales programs from time to time sponsored by the Intermediaries); access to the Intermediaries' registered representatives or salespersons, including at conferences and other meetings; assistance in training and education of personnel; "finders" or "referral fees" for directing investors to the Portfolios, Client/GS Accounts and other products; marketing support fees for providing assistance in promoting the Portfolios, Client/GS Accounts and other products (which may include promotions in communications with the Intermediaries' customers, registered representatives and salespersons); and/or other specified services intended to assist in the distribution and marketing of the Portfolios, Client/GS Accounts and other products. Such payments may be a fixed amount; may be based on the number of customer accounts maintained by an Intermediary; may be based on a percentage of the value of interests sold to, or held by, customers of the Intermediary involved; or may be calculated on another basis. The payments may also, to the extent permitted by applicable regulations, contribute to various non-cash and cash incentive arrangements to promote certain products, as well as sponsor various educational programs, sales contests and/or promotions. Furthermore, subject to applicable law, such payments may also pay for the travel expenses, meals, lodging and entertainment of Intermediaries and their salespersons and guests in connection with educational, sales and promotional programs. The additional payments by Goldman Sachs may also compensate Intermediaries for sub-accounting, administrative and/or shareholder processing or other investor services that are in addition to the fees paid for these services by such products.

Potential conflicts relating to the allocation of investment opportunities among the Fund and other Goldman Sachs accounts

Goldman Sachs has potential conflicts in connection with the allocation of investments or transaction decisions for the Portfolios, including in situations in which Goldman Sachs or its personnel (including personnel of the Investment Adviser) have interests. For example, the Portfolios may be competing for investment opportunities with current or future accounts or funds managed or advised by Goldman Sachs (including the Investment Adviser) or in which Goldman Sachs (including the Investment Adviser) or its personnel have an interest (collectively, the "Client/GS Accounts"). The Client/GS Accounts may provide greater fees or other compensation (including performance based fees, equity or other interests) to Goldman Sachs (including the Investment Adviser).

Goldman Sachs may manage or advise Client/GS Accounts that have investment objectives that are similar to those of the Portfolios and/or may seek to make investments in securities or other instruments, sectors or strategies in which the Portfolios may invest. This may create potential conflicts and potential differences among the Portfolios and other Client/GS Accounts, particularly where there is limited availability or limited liquidity for those investments. For example, limited availability may exist, without limitation, in emerging markets, high yield securities, fixed income securities, regulated industries and IPOs/new issues. Transactions in investments by multiple Client/GS Accounts (including accounts in which Goldman Sachs and its personnel have an interest), other clients of Goldman Sachs or Goldman Sachs itself may have the effect of diluting or otherwise negatively affecting the values, prices or investment strategies associated with securities held by Client/GS Accounts (including the Fund), particularly, but not limited to, in small capitalization, emerging market or less liquid strategies.

The Investment Adviser has developed policies and procedures that provide that it will allocate investment opportunities and make purchase and sale decisions among the Portfolios and other Client/GS Accounts in a manner that it considers, in its sole discretion and consistent with its fiduciary obligation to each Client/GS Account, to be reasonable. In many cases, these policies result in the pro rata allocation of limited opportunities across Client/GS Accounts, but in many other cases the allocations reflect numerous other factors based upon the Investment Adviser's good faith assessment of the best use of such limited opportunities relative to the objectives, limitations and requirements of each Client/GS Account and applying a variety of factors including those described below. The Investment Adviser seeks to treat all clients reasonably in light of all factors relevant to managing an account, and in some cases it is possible that the application of the factors described below may result in allocations in which certain accounts may receive an allocation when other accounts do not. Non-proportional allocations may occur more frequently in the fixed income portfolio management area than many active equity accounts, in many instances because multiple appropriate or substantially similar investments are available in fixed income strategies, as well as due to differences in benchmark factors, hedging strategies, or other reasons, but non-proportional allocations could also occur in other areas. The application of these factors as described below may result in allocations in which Goldman Sachs and Goldman Sachs employees may receive an allocation or an opportunity not allocated to other Clients/GS Accounts (including the Fund). Allocations may be based on numerous factors and may not always be pro rata based on assets managed.

The Investment Adviser will make allocation related decisions with reference to numerous factors. These factors may include, without limitation, (i) account investment horizons, investment objectives and guidelines; (ii) different levels of investment for different strategies; (iii) client-specific investment guidelines and restrictions including the ability to hedge through short sales or other techniques; (iv) the expected future capacity of applicable Client/GS Accounts; (v) fully directed brokerage accounts; (vi) tax sensitivity of accounts; (vii) suitability requirements and the nature of the investment opportunity; (viii) account turnover guidelines; (ix) availability of cash for investment; (x) relative sizes and expected future sizes of applicable accounts; (xi) availability of other appropriate investment opportunities; and/or (xii) minimum denomination, minimum increments, de minimis threshold and round lot considerations. Suitability considerations can include without limitation (i) relative attractiveness of an opportunity to different accounts; (ii) concentration of positions in an account; (iii) appropriateness of the opportunity for the benchmark and benchmark sensitivity of an account; (iv) an account's risk tolerance, risk parameters and strategy allocations; (v) use of the opportunity as a replacement for a security or instrument Goldman Sachs believes to be attractive for an account; (vi) considerations related to hedging a position in a pair trade; and/or (vii) considerations related to giving a subset of accounts exposure to an industry. Goldman Sachs may also consider reputational matters and other such considerations.

Although allocating investment opportunities among the Portfolios and other Client/GS Accounts may create potential conflicts of interest because of the interests of Goldman Sachs or its personnel in a Client/GS Account or because Goldman Sachs may receive greater fees or compensation from one Client/GS Account's allocations relative to another, the Investment Adviser will not make allocation decisions based on such interests or greater fees or compensation.

Allocation decisions among accounts may be more or less advantageous to any one account or group of accounts. The Investment Adviser may determine that an investment opportunity or particular purchases or sales are appropriate for one or more Client/GS Accounts or for itself or an affiliate, but not for the Portfolios, or are appropriate for, or available to, the Portfolios but in different sizes, terms or timing than is appropriate for other Client/GS Accounts, or may determine not to allocate to or purchase or sell for Client/GS Accounts all investment transactions for which Client/GS Accounts may be eligible. Therefore, the amount, timing, structuring or terms of an investment by the Portfolios may differ from, and performance may be lower than, investments and performance of other Client/GS Accounts.

Other potential conflicts relating to the management of the Fund by the Investment Adviser

Potential restrictions and issues relating to information held by Goldman Sachs

As a result of informational barriers constructed between different divisions of Goldman Sachs, the Investment Adviser will generally not have access to information, and may not consult with personnel in other areas of Goldman Sachs. Therefore, the Investment Adviser will generally not be able to manage the Portfolios with the benefit of information held by other divisions of Goldman Sachs. From time to time and subject to the Investment Adviser's policies and procedures regarding informational barriers, the Investment Adviser may consult with personnel in other areas of Goldman Sachs, or with persons unaffiliated with Goldman Sachs, or may form investment policy committees comprised of such personnel. The performance by such persons of obligations related to their consultation with personnel of the Investment Adviser could conflict with their areas of primary responsibility within Goldman Sachs or elsewhere. In connection with their activities with the Investment Adviser, such persons may receive information regarding the Investment Adviser's proposed investment activities of the Portfolios that is not generally available to the public. There will be no obligation on the part of such persons to make available for use by the Portfolios any information or strategies known to them or developed in connection with their own client, proprietary or other activities. In addition, Goldman Sachs will be under no obligation to make available any research or analysis prior to its public dissemination.

The Investment Adviser makes decisions for the Portfolios based on the Portfolios' investment programmes. The Investment Adviser from time to time may have access to certain fundamental analysis and proprietary technical models developed by Goldman Sachs and its personnel. Goldman Sachs will not be under any obligation, however, to effect transactions on behalf of the Portfolios in accordance with such analysis and models.

In addition, Goldman Sachs has no obligation to seek information or to make available to or share with the Portfolios any information, investment strategies, opportunities or ideas known to Goldman Sachs personnel or developed or used in connection with other clients or activities. Goldman Sachs and certain of its personnel, including the Investment Adviser's personnel or other Goldman Sachs personnel advising or otherwise providing services to the Portfolios, may be in possession of information not available to all Goldman Sachs personnel, and such personnel may act on the basis of such information in ways that have adverse effects on the Portfolios. A Portfolio or Client/GS Accounts could sustain losses during periods in which Goldman Sachs and other accounts achieve significant profits on their trading for proprietary or other accounts.

From time to time, Goldman Sachs may come into possession of material, non-public information or other information that could limit the ability of the Portfolios to buy and sell investments. The investment flexibility of the Portfolios may be constrained as a consequence. The Investment Adviser generally is not permitted to obtain or use material non-public information in effecting purchases and sales in public securities transactions for the Portfolios.

Goldman Sachs conducts extensive broker-dealer, banking and other activities around the world and operates a business known as Goldman Sachs Security Services ("GSS") which provides prime brokerage, administrative and other services to clients which may involve markets and securities in which the Portfolios invests. These businesses will give GSS and many other parts of Goldman Sachs broad access to the current status of certain markets, investments and funds and detailed knowledge about fund operators. As a result of the activities described in this paragraph and the access and knowledge arising from those activities, parts of Goldman Sachs may be in possession of information in respect of markets, investments and funds, which, if known to the Investment Adviser, might cause the Investment Adviser to seek to dispose of, retain or increase interests in investments held by a Portfolio or acquire certain positions on behalf of a Portfolio. Goldman Sachs will be under no duty to make any such information available to the Investment Adviser or in particular the personnel of the Investment Adviser making investment decisions on behalf of a Portfolio.

Potential conflicts relating to Goldman Sachs' and the Investment Adviser's proprietary activities and activities in behalf of other accounts

The results of the investment activities of the Portfolios may differ significantly from the results achieved by Goldman Sachs for its proprietary accounts and from the results achieved by Goldman Sachs for other Client/GS Accounts. The Investment Adviser will manage the Portfolios and the other Client/GS Accounts it manages in accordance with its respective investment objectives and guidelines. However, Goldman Sachs may give advice, and take action, with respect to any current or future Client/GS Accounts that may compete or conflict with the advice the Investment Adviser may give to the Portfolios, including with respect to the return of the investment, the timing or nature of action relating to the investment or the method of exiting the investment.

Transactions undertaken by Goldman Sachs or Client/GS Accounts may adversely impact the Portfolios. Goldman Sachs and one or more Client/GS Accounts may buy or sell positions while the Portfolios are undertaking the same or a differing, including potentially opposite, strategy, which could disadvantage the Portfolios. For example, a Portfolio may buy a security and Goldman Sachs or Client/GS Accounts may establish a short position in that same security. The subsequent short sale may result in impairment of the price of the security which the Portfolio holds. Conversely, the Portfolio may establish a short position in a security and Goldman Sachs or other Client/GS Accounts may buy that same security. The subsequent purchase may result in an increase of the price of the underlying position in the short sale exposure of the Portfolio and such increase in price would be to the Portfolio's detriment.

Conflicts may also arise because portfolio decisions regarding the Portfolios may benefit Goldman Sachs or other Client/GS Accounts. For example, the sale of a long position or establishment of a short position by a Portfolio may impair the price of the same security sold short by (and therefore benefit) Goldman Sachs or other Client/GS Accounts, and the purchase of a security or covering of a short position in a security by a Portfolio may increase the price of the same security held by (and therefore benefit) Goldman Sachs or other Client/GS Accounts.

In addition, transactions in investments by one or more Client/GS Accounts and Goldman Sachs may have the effect of diluting or otherwise disadvantaging the values, prices or investment strategies of a Portfolio, particularly, but not limited to, in small capitalization, emerging market or less liquid strategies. For example, this may occur when portfolio decisions regarding a Portfolio are based on research or other information that is also used to support portfolio decisions for other Client/GS Accounts. When Goldman Sachs or a Client/GS Account implements a portfolio decision or strategy ahead of, or contemporaneously with, similar portfolio decisions or strategies for a Portfolio (whether or not the portfolio decisions emanate from the same research analysis or other information), market impact, liquidity constraints, or other factors could result in the Portfolio receiving less favourable trading results and the costs of implementing such portfolio decisions or strategies could be increased or the Portfolio could otherwise be disadvantaged. Goldman Sachs may, in certain cases, elect to implement internal policies and procedures designed to limit such consequences to Client/GS Accounts, which may cause a Portfolio to be unable to engage in certain activities, including purchasing or disposing of securities, when it might otherwise be desirable for it to do so.

The directors, officers and employees of Goldman Sachs, including the Investment Adviser, may buy and sell securities or other investments for their own accounts (including through investment funds managed by Goldman Sachs, including the Investment Adviser). As a result of differing trading and investment strategies or constraints, positions may be taken by directors, officers and employees that are the same as, different from or made at different times than positions taken for the Portfolios. To reduce the possibility that the Portfolios will be materially adversely affected by the personal trading described above, each of the Investment Adviser and Goldman Sachs has established policies and procedures that restrict securities trading in the personal accounts of investment professionals and others who normally come into possession of information regarding the Fund's portfolio transactions. Each of the Investment Adviser and Goldman Sachs has adopted a code of ethics (collectively, the "Codes of Ethics") and monitoring procedures relating to certain personal securities transactions by personnel of the Investment Adviser which the Investment Adviser deems to involve potential conflicts involving such personnel, Client/GS Accounts managed by the Investment Adviser and the Portfolios. The Codes of Ethics require that personnel of the Investment Adviser comply with all applicable laws and regulations and with the fiduciary duties and market abuse rules to which the Investment Adviser is subject.

Clients of Goldman Sachs (including Client/GS Accounts) may have, as a result of receiving client reports or otherwise, access to information regarding the Investment Adviser's transactions or views which may affect such clients' transactions outside of accounts controlled by the Investment Adviser, and such transactions may negatively impact the performance of the Portfolios. The Portfolios may also be adversely affected by cash flows and market movements arising from purchase and sales transactions, as well as increases of capital in, and withdrawals of capital from, other Client/GS Accounts. These effects can be more pronounced in thinly traded and less liquid markets.

The Investment Adviser's management of the Portfolios may benefit Goldman Sachs. For example, the Portfolios may, subject to applicable law, invest directly or indirectly in the securities of companies affiliated with Goldman Sachs or in which Goldman Sachs has an equity, debt or other interest. In addition, subject to applicable law, the Portfolios may engage in investment transactions which may result in other Client/GS Accounts being relieved of obligations or otherwise divesting of investments or cause the Portfolios to have to divest certain investments. The purchase, holding and sale of investments by the Portfolios may enhance the profitability of Goldman Sachs' or other Client/GS Accounts' own investments in and its activities with respect to such companies.

Goldman Sachs and one or more Client/GS Accounts (including the Fund) may also invest in different classes of securities of the same issuer. As a result, one or more Client/GS Account may pursue or enforce rights with respect to a particular issuer in which a Portfolio has invested, and those activities may have an adverse effect on the Portfolio. For example, if a Client/GS Account holds debt securities of an issuer and a Portfolio holds equity securities of the same issuer, then if the issuer experiences financial or operational challenges, the Client/GS Account which holds the debt securities may seek a liquidation of the issuer, whereas the Portfolio which holds the equity securities may prefer a reorganization of the issuer. In addition, the Investment Adviser may also, in certain circumstances, pursue or enforce rights with respect to a particular issuer jointly on behalf of one or more Client/GS Accounts (including the Fund), or Goldman Sachs employees may work together to pursue or enforce such rights. The Portfolios may be negatively impacted by Goldman Sachs' and other Client/GS Accounts' activities, and transactions for the Portfolios may be impaired or effected at prices or terms that may be less favourable than would otherwise have been the case had Goldman Sachs and other Client/GS Accounts not pursued a particular course of action with respect to the issuer of the securities. In addition, in certain instances personnel of the Investment Adviser may obtain information about the issuer that would be material to the management of other Client/GS Accounts which could limit the ability of personnel of the Investment Adviser to buy or sell securities of the issuer on behalf of the Portfolios.

To the extent permitted by applicable law, Goldman Sachs may create, write, sell or issue, or act as placement agent or distributor of, derivative instruments with respect to the Portfolios or with respect to underlying securities, currencies or instruments of the Portfolios, or which may be otherwise based on the performance of the Portfolios (collectively referred to as "Structured Investment Products"). The values of Structured Investment Products may be linked to the net asset value of a Portfolio and/or the values of a Portfolio's investments. In addition, to the extent permitted by applicable law, Goldman Sachs (including its personnel or Client/GS Accounts) may invest in the Portfolios, may hedge its derivative positions by buying or selling Shares in the Portfolios, and reserves the right to redeem some or all of its investments at any time without notice to the Shareholders. In connection with the Structured Investment Products and for hedging, re-balancing and other purposes, Client/GS Accounts may purchase or sell investments held by a Portfolio or may hold synthetic positions that seek to replicate or hedge the performance of a Portfolio's investments. Such positions may differ from and/or be contra to the Portfolio's positions. A Goldman Sachs investment may be made in any class of shares of a Portfolio, including a class which is not subject to a Sales Charge or other fees or charges. In addition, Goldman Sachs may make loans to Shareholders or enter into similar transactions that are secured by a pledge of a Shareholder's interest in a Portfolio, which would provide Goldman Sachs with the right to redeem such interest in the event that such Shareholder defaults on its obligations. These transactions and related redemptions may be significant and may be made without notice to the Shareholders. The structure or other characteristics of the derivative instruments may have an adverse effect on the Portfolios. For example, the derivative instruments could represent leveraged investments in the Portfolios, and the leveraged

characteristics of such investments could make it more likely, due to events of default or otherwise, that there would be significant redemptions of interests from the Portfolios more quickly than might otherwise be the case. Goldman Sachs, acting in commercial capacities in connection with such derivative instruments, may in fact cause such a redemption. This may have an adverse effect on the investment management and positions, flexibility and diversification strategies of the Portfolios and on the amount of fees, expenses and other costs incurred directly or indirectly for the account of the Portfolios. Similarly, Goldman Sachs (including its personnel or Client/GS Accounts) may invest in the Portfolios, may hedge its derivative positions by buying or selling Shares of the Portfolios, and reserves the right to redeem some or all of its investments at any time. These investments and redemptions may be significant and may be made without notice to the Shareholders.

Potential conflicts in connection with investments in Permitted Funds advised or managed by Goldman Sachs

To the extent permitted by applicable law, a Portfolio may invest in one or more funds advised or managed by Goldman Sachs. In connection with any such investments, a Portfolio, to the extent permitted by Luxembourg law and applicable law and regulations, will pay its share of all expenses (including investment advisory and administrative fees and subscription and redemption charges, if any) of a fund in which it invests which may result in a Portfolio bearing some additional expenses (i.e., there could be “double fees” involved in making any such investment, which would not arise in connection with an investor’s direct purchase of the underlying investments, because Goldman Sachs could receive fees with respect to both the management of the Portfolio and such fund). In such circumstances, as well as in all other circumstances in which Goldman Sachs receives any fees or other compensation in any form relating to the provision of services, no accounting or repayment to the Portfolios will be required.

Potential conflicts of interests in connection with the selection of brokers and dealers

The Investment Adviser will select brokers and dealers through which to effect transactions on behalf of the Portfolios on a best execution basis. Best price, giving effect to commissions, commission-equivalents and other transaction costs, is normally an important factor in this decision, but the selection also takes into account the quality of brokerage services, including such factors as execution capability, willingness to commit capital, creditworthiness and financial stability, financial responsibility and strength, willingness to provide research and other services which provide the Investment Adviser with assistance in the investment decision-making process, and clearance and settlement capability. Accordingly, transactions effected on behalf of the Portfolios will not always be executed at the lowest available price or commission. The Fund may from time to time enter into commission recapture programmes administered by affiliates or other third-party service providers. Given the different commission rates applicable in different markets and the varying transaction volumes of Portfolios these may benefit one Portfolio more than another and the Fund shall have no duty to apply any commissions recaptured equally across Portfolios.

Goldman Sachs may in-source or outsource

Subject to applicable law, Goldman Sachs, including the Investment Adviser, may from time to time and without notice to investors in-source or outsource certain processes or functions in connection with a variety of services that it provides to the Portfolios in its administrative or other capacities. Such in-sourcing or outsourcing may give rise to additional conflicts of interest.

Potential conflicts that may arise when Goldman Sachs acts in a capacity other than Investment Adviser to the Fund

Potential conflicts relating to principal and cross transactions

To the extent permitted by Luxembourg law and applicable law and regulations, the Portfolios may enter into transactions and invest in futures, securities, currencies, swaps, options, forward contracts or other instruments in which Goldman Sachs, acting as principal or on a proprietary basis for its customers, serves as the counterparty. A Portfolio may also enter into cross transactions in which Goldman Sachs acts on behalf of the Portfolio and for the other party to the transaction. Goldman Sachs may have a potentially conflicting division of responsibilities to both parties to a cross transaction. For example, Goldman Sachs may represent both the Fund and another Client/GS Account or account on the other side of the transaction in connection with the purchase of a security by a Portfolio, and Goldman Sachs may receive compensation or other payments from either or both parties, which could influence the decision of Goldman Sachs to cause the Portfolio to purchase such security. The Fund will only consider engaging in a principal or cross transaction with Goldman Sachs or its affiliates on behalf of a Client/GS Account to the extent permitted by applicable law.

Potential conflicts that may arise when Goldman Sachs acts in commercial capacities for the Fund

To the extent permitted by applicable law, Goldman Sachs may act as broker, dealer, agent, lender or advisor or in other commercial capacities for the Portfolios. It is anticipated that the commissions, mark-ups, mark-downs, financial advisory fees, underwriting and placement fees, sales fees, financing and commitment fees, brokerage fees, other fees, compensation or profits, rates, terms and conditions charged by Goldman Sachs will be in its view commercially reasonable, although Goldman Sachs, including its sales personnel, will have an interest in obtaining fees and other amounts that are favourable to Goldman Sachs and such sales personnel. Goldman Sachs may be entitled to compensation when it acts in capacities other than as the Investment Adviser, and the Fund will not be entitled to any such compensation. For example, subject to applicable law, Goldman Sachs (and its personnel and other distributors) will be entitled to retain fees and other amounts that it receives in connection with its service to the Portfolios as broker, dealer, agent, lender, advisor or in other commercial capacities and no accounting to the Portfolios or their Shareholders will be required, and no fees or other compensation payable by the Portfolios or their Shareholders will be reduced by reason of receipt by Goldman Sachs of any such fees or other amounts. The Fund has appointed an affiliate of the Investment Adviser as its securities lending agent on an arm's length basis in respect of the stock lending transactions in which it wishes to participate. The Fund, when it deems it advisable, may, to the extent permitted by applicable law and the provisions of Appendix A – "Investment Restrictions", borrow funds from Goldman Sachs, at rates and other terms negotiated with Goldman Sachs that are commercially reasonable as determined by the Board of Directors or its delegate in its sole discretion.

When Goldman Sachs acts as broker, dealer, agent, lender or advisor or in other commercial capacities in relation to the Portfolios, Goldman Sachs may take commercial steps in its own interests, which may have an adverse effect on the Portfolios. For example, in connection with prime brokerage or lending arrangements involving the Fund, Goldman Sachs may require repayment of all or part of a loan at any time or from time to time.

The Fund will be required to establish business relationships with its counterparties based on its own credit standing. Goldman Sachs, including the Investment Adviser, will not have any obligation to allow its credit to be used in connection with the Fund's establishment of its business relationships, nor is it expected that the Fund's counterparties will rely on the credit of Goldman Sachs in evaluating the Fund's creditworthiness.

Potential conflicts in connection with brokerage transactions and proxy voting

To the extent permitted by applicable law, purchases and sales of securities for a Portfolio may be bunched or aggregated with orders for other Client/GS Accounts. The Investment Adviser and its affiliates, however, are

not required to bunch or aggregate orders if investment management decisions for different accounts are made separately, or if they determine that bunching or aggregating is not practicable or required or with respect to client-directed accounts.

Prevailing trading activity frequently may make impossible the receipt of the same price or execution on the entire volume of securities purchased or sold. When this occurs, the various prices may be averaged, and the Portfolios will be charged or credited with the average price. Thus, the effect of the aggregation may operate on some occasions to the disadvantage of the Portfolios. In addition, under certain circumstances, the Portfolios will not be charged the same commission or commission equivalent rates in connection with a bunched or aggregated order. Without limitation, time zone differences, separate trading desks or portfolio management processes in a global organization may, among other factors, result in separate, non-aggregated executions.

The Investment Adviser may select brokers (including, without limitation, affiliates of the Investment Adviser) that furnish the Investment Adviser, the Fund, other Client/GS Accounts or their affiliates or personnel, directly or through correspondent relationships, with proprietary research or other appropriate services which provide, in the Investment Adviser's view, appropriate assistance to the Investment Adviser in the investment decision-making process (including with respect to futures, fixed-price offerings and OTC transactions). Such research or other services may include, to the extent permitted by law, research reports on companies, industries and securities; economic and financial data; financial publications; proxy analysis; trade industry seminars; computer databases; quotation equipment and services; and research-oriented computer hardware, software and other services and products. Research or other services obtained in this manner may be used in servicing any or all of the Portfolios and other Client/GS Accounts, including in connection with Client/GS Accounts other than those that pay commissions to the broker relating to the research or other service arrangements. To the extent permitted by applicable law, such products and services may disproportionately benefit other Client/GS Accounts relative to the Portfolios based on the amount of brokerage commissions paid by the Portfolios and such other Client/GS Accounts. For example, research or other services that are paid for through one client's commissions may not be used in managing that client's account. In addition, other Client/GS Accounts may receive the benefit, including disproportionate benefits, of economies of scale or price discounts in connection with products and services that may be provided to the Portfolios and to such other Client/GS Accounts. To the extent that the Investment Adviser uses soft commissions, it will not have to pay for those products and services itself. The Investment Adviser may receive research that is bundled with the trade execution, clearing, and/or settlement services provided by a particular broker-dealer. To the extent that the Investment Adviser receives research on this basis, many of the same conflicts related to traditional soft commissions may exist. For example, the research effectively will be paid by client commissions that also will be used to pay for the execution, clearing, and settlement services provided by the broker-dealer and will not be paid by the Investment Adviser.

The Investment Adviser may endeavour to execute trades through brokers who, pursuant to such arrangements, provide research or other services in order to ensure the continued receipt of research or other services the Investment Adviser believes are useful in its investment decision-making processes.

The Investment Adviser may from time to time choose not to engage in the above described arrangements to varying degrees.

The Investment Adviser has adopted policies and procedures designed to prevent conflicts of interest from influencing proxy voting decisions that it makes on behalf of advisory clients, including the Portfolios, and to help ensure that such decisions are made in accordance with the Investment Adviser's fiduciary obligations to its clients. Nevertheless, notwithstanding such proxy voting policies and procedures, actual proxy voting decisions of the Investment Adviser may have the effect of favouring the interests of other clients or businesses of other divisions or units of Goldman Sachs and/or its affiliates provided that the Investment Adviser believes such voting decisions to be in accordance with its fiduciary obligations.

Potential regulatory restrictions on Investment Adviser activity

From time to time, the activities of a Portfolio may be restricted because of regulatory requirements applicable to Goldman Sachs and/or its internal policies designed to comply with, limit the applicability of, or otherwise relate to such requirements. A client not advised by Goldman Sachs would not be subject to some of those considerations. There may be periods when the Investment Adviser may not initiate or recommend certain types of transactions, or may otherwise restrict or limit its advice in certain securities or instruments issued by or related to companies for which Goldman Sachs is performing investment banking, market making or other services or has proprietary positions. For example, when Goldman Sachs is engaged in an underwriting or other distribution of securities of, or advisory services for, a company, the Portfolios may be prohibited from or limited in purchasing or selling securities of that company. Similar situations could arise if Goldman Sachs personnel serve as directors of companies the securities of which the Portfolios wish to purchase or sell. The larger the Investment Adviser's investment advisory business and Goldman Sachs' businesses, the larger the potential that these restricted list policies will impact investment transactions. However, if permitted by applicable law, the Portfolios may purchase securities or instruments that are issued by such companies or are the subject of an underwriting, distribution, or advisory assignment by Goldman Sachs, or in cases in which Goldman Sachs personnel are directors or officers of the issuer.

The investment activities of Goldman Sachs for its proprietary accounts and for Client/GS Accounts may also limit the investment strategies and rights of the Portfolios. For example, in regulated industries, in certain emerging or international markets, in corporate and regulatory ownership definitions, and in certain futures and derivative transactions, there may be limits on the aggregate amount of investment by affiliated investors that may not be exceeded without the grant of a license or other regulatory or corporate consent or, if exceeded, may cause Goldman Sachs, the Portfolios or other Client/GS Accounts to suffer disadvantages or business restrictions. If certain aggregate ownership thresholds are reached or certain transactions undertaken, the ability of the Investment Adviser on behalf of clients (including the Fund) to purchase or dispose of investments, or exercise rights or undertake business transactions, may be restricted by regulation or otherwise impaired. In addition, certain investments may be considered to result in reputational risk or disadvantage. As a result, the Investment Adviser on behalf of clients (including the Fund) may limit purchases, sell existing investments, or otherwise restrict or limit the exercise of rights (including voting rights) when the Investment Adviser, in its sole discretion, deems it appropriate.

The Investment Adviser, Sub-Advisers, Distributor, Local Distributors, Sub-distributors, Custodian and Registrar and Transfer Agent, and their respective affiliates may each from time to time act as investment adviser, distributor, custodian or registrar and transfer agent (as appropriate), in relation to, or be otherwise involved in, other collective investment schemes which have similar investment objectives to those of any of the Portfolios. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with the Fund.

5 Management and Administration

The Fund's Board of Directors has overall responsibility for the management of the Fund including making general policy decisions and reviewing the actions of the Investment Adviser, Custodian, Administrator, Distributor, Paying Agent, Domiciliary Agent and Listing Agent, and the Registrar and Transfer Agent and any other service providers appointed by the Fund from time to time.

Although certain of the Board of Directors of the Fund may be connected to Goldman Sachs or its affiliates, in their capacity as Directors of the Fund they will function as persons with independent fiduciary responsibilities, and will not be subject to the control of Goldman Sachs in the exercise of such responsibilities.

The Directors of the Fund as of the date of this Prospectus are as follows:

5.1 Directors employed by Goldman Sachs

- Alan A. Shuch, Advisory Director, Goldman Sachs Asset Management L.P., 32 Old Slip, New York, NY, U.S.
- Theodore T. Sotir, Managing Director and Co-Head of Asset Management Group Europe, Goldman Sachs Asset Management International, Christchurch Court, 10-15 Newgate Street, London EC1A 7HD, U.K.

5.2 Directors not employed by Goldman Sachs

- Frank Ennis, Consultant, 16 Hillside Drive, Castlepark, Dublin, Ireland.
- Eugene Regan, Practising Barrister at Law, Four Courts, Dublin, Ireland.
- David Shubotham, 49 Dawson Street, Dublin, Ireland.

Directors will serve until their resignation, death or suspension or discharge in accordance with the Articles. Additional Directors may be appointed in accordance with the Articles. All Directors will be appropriately remunerated and reimbursed for their out-of-pocket expenses incurred in connection with the performance of their duties as Directors. Directors not employed by Goldman Sachs are paid fees in respect of their services to the Fund. Directors employed by Goldman Sachs, while entitled to reimbursement of reasonable expenses, are not paid fees by the Fund for their services. Each of the Directors may invest in one or more of the Portfolios. Information relating to the fees paid to Directors is included in the Fund's accounts.

5.3 Responsible Managers

The Fund is a self-managed company under the provisions of article 27 of the Law of 20 December 2002, and the following persons (referred to as the "Responsible Managers" in this Prospectus) have been appointed by the Board of Directors to represent the Fund for these purposes, any two of which may satisfy the requirements of the Law of 20 December 2002 at any one time:

- Mark Heaney, Executive Director, Head of European Product Services, Goldman Sachs Asset Management International, Christchurch Court, 10-15 Newgate Street, London EC1A 7HD
- Karen Chan, Executive Director, Compliance Department, Goldman Sachs Asset Management International, Christchurch Court, 10-15 Newgate Street, London EC1A7HD
- Jamie Housden-Thomas, Executive Director, Product Development, Goldman Sachs Asset Management International, Christchurch Court, 10-15 Newgate Street, London EC1A 7HD
- Paul Roberts, Executive Director, European Product Services, Goldman Sachs Asset Management International, Christchurch Court, 10-15 Newgate Street, London EC1A7HD

- Olivier Cassaro, Executive Director, Risk & Management Analysis, Goldman Sachs Asset Management International, Christchurch Court, 10-15 Newgate Street, London, EC1A 7HD

6 Investment Adviser

The Fund is managed by its Board of Directors, subject to the powers granted by law to the Shareholders through general meetings of Shareholders. The Board of Directors has ultimate responsibility for the investment management and administration of each Portfolio. Pursuant to the Investment Advisory Agreement, the Board of Directors has appointed the Investment Adviser to manage the assets of the Fund on a day-to-day basis. As of 30 September 2009 the Investment Adviser and its affiliates acted as investment adviser, administrator or distributor for approximately U.S. \$734 billion in assets. The Investment Adviser will, subject to overall supervision by the Board of Directors of the Fund, select investments for each Portfolio in accordance with such Portfolio's investment objective and policies and subject to the restrictions stated in this Prospectus.

The Investment Adviser will receive a monthly fee for its services payable out of the assets of each Portfolio, as specified in the Supplement for such Portfolio. Prospective investors should be aware that, where permitted by applicable law and regulation, the Investment Adviser and its affiliates may elect to share part or all of the investment management fee received by them with investors or distributors of the Fund, and should refer to "Distributor" below in this regard. The Investment Adviser may also receive performance fees in respect of certain Portfolios as described in the Supplements. The Investment Advisory Agreement shall continue in effect for an unlimited period, subject to termination by either party on 30 days' prior written notice (provided that the Investment Adviser may terminate the Investment Advisory Agreement immediately if required to do so by any competent regulatory authority).

The Investment Adviser may select and rely upon third-party investment sub-advisers as well as its affiliated sub-advisers for Portfolio decisions and management with respect to certain Portfolio securities and is able to draw upon the investment management, investment advice, research and investment expertise of such selected third party advisers as well as its other affiliate offices with respect to the selection and management of investments for each Portfolio. The Investment Adviser is entitled to appoint on behalf of the Fund any delegatee adviser without obtaining the prior authorisation of the Fund. The Investment Adviser will be responsible for the remuneration of any third-party adviser or affiliate acting as a delegatee adviser. For the avoidance of doubt, such remuneration will not be payable out of the net assets of the relevant Portfolio but will be payable by the Investment Adviser out of its monthly fee in an amount agreed between the Investment Adviser and the delegatee adviser from time to time. The amount of such remuneration paid to a third party delegatee adviser may take into account and reflect the aggregate assets managed by such delegate and/or its affiliates for the Investment Adviser and its affiliates.

The Investment Adviser may delegate its obligations under the Investment Advisory Agreement to an affiliate without obtaining the prior consent of the Fund.

The Investment Adviser is liable to the Fund for any actual investment losses which directly result from its negligence, wilful default or fraud with respect to its obligations to select and execute transactions in accordance with the Investment Policy of each Portfolio. Under the Investment Advisory Agreement, the Fund indemnifies and holds harmless the Investment Adviser, its associates and their directors, officers, employees and persons controlled by or who control the Investment Adviser ("Indemnified Parties") from and against any losses incurred or suffered relating to the Investment Advisory Agreement (including, without limitation, the imposition of any liability to taxation, charge or levy arising as a result of the undertaking of their obligations under the Investment Advisory Agreement, any loss arising out of any misrepresentation or act or omission of the Fund, the Custodian or their agents or as a result of any third party claiming to be entitled to any asset of a Portfolio), except to the extent that such losses result from the negligence, wilful default or fraud of such Indemnified Parties.

The Investment Adviser is authorised and regulated in the conduct of its investment management business in the United Kingdom by the Financial Services Authority.

7 Custodian, Administrator, Paying Agent, Domiciliary Agent and Listing Agent

The Fund has appointed State Street Bank Luxembourg S.A. as Custodian pursuant to the Custody Agreement. The Custodian carries out the usual duties regarding custody, cash and securities deposits, without any restriction. Upon instructions from the Fund, it shall execute or supervise the execution of all financial transactions and provide all banking facilities in accordance with the Custody Agreement. The Custodian shall further, in accordance with the Law of 20 December 2002:

- (a) ensure that the sale, issue, redemption, exchange and cancellation of all Shares of each Portfolio effected by the Fund or on its behalf are carried out in accordance with the Law of 20 December 2002 and the Articles;
- (b) ensure that in respect of transactions involving the assets of each Portfolio, any consideration is remitted to it within the customary settlement dates;
- (c) ensure that the income of each Portfolio is applied in accordance with the Articles.

Without prejudice to its liabilities, the Custodian may entrust all or part of the assets of a Portfolio, in particular securities traded abroad or listed on a foreign stock exchange or admitted to a clearing system, to such clearing system or to such correspondent banks or other agents as may be determined by the Custodian from time to time.

Pursuant to the Administration Agreement, the Fund has also appointed State Street Bank Luxembourg S.A. as the Administrator, Paying Agent, Domiciliary Agent and Listing Agent. As Administrator, State Street is responsible for certain administrative duties required by Luxembourg law, in particular for the bookkeeping and for the calculation of the net asset value of the Shares of each Portfolio. As Paying Agent, Domiciliary Agent and Listing Agent, State Street is responsible for making payments of dividends to Shareholders (the Registrar and Transfer Agent is responsible for making payments of redemption proceeds to Shareholders), establishing the registered office of the Fund in Luxembourg, and listing the Shares of each Portfolio on the Luxembourg Stock Exchange.

The rights and duties of State Street in respect of its functions carried out on behalf of the Fund are governed by the Custody Agreement and the Administration Agreement. For its services under both the Custody and Administration Agreements, State Street receives a fee payable out of the assets of the Portfolios. Further to the above, and as part of its custodian functions, State Street administers a commission recapture programme for the Fund and receives a fee (included in its fees under the Custody Agreement) for such services. In addition, State Street is entitled to be reimbursed by the Portfolios for its reasonable out-of-pocket expenses and disbursements: see "Fees and Expenses".

As Custodian, State Street is liable for breach of its representations and warranties in the Custody Agreement, its failure to exercise reasonable care in the performance of its duties under the Custody Agreement and for any loss arising from its negligence, fraud or wilful misconduct. As Administrator, State Street is liable for breach of its representations and warranties in the Administration Agreement, its failure to exercise reasonable care in the performance of its duties under the Administration Agreement and for any loss arising from its negligence, fraud or wilful misconduct. Under both the Custody and the Administration Agreement, the Fund indemnifies and holds harmless State Street and its employees, officers and directors from any and all costs, liabilities and expenses resulting directly or indirectly from their actions performed in accordance with their obligations under the Custody Agreement and the Administration Agreement except to the extent that State Street has acted with negligence, fraud, bad faith or wilful misfeasance in the performance of such obligations.

The Custody Agreement and the Administration Agreement are subject to the right of the Fund or State Street to terminate the agreement (a) subject to 90 days prior written notice or (b) immediately in the event of (i) a party being declared bankrupt or becoming subject to a similar procedure or compulsory liquidation or (ii) a party being in material breach of its obligations under the agreement which it has failed to remedy (where capable of remedy) within 30 days of service of notice by the other party requiring it to do so. In addition, the Custody Agreement may only be terminated where a replacement custodian (which may be, subject to applicable law, an affiliate of Goldman Sachs) assumes the responsibilities and function of the Custodian in accordance with Luxembourg law.

State Street is a public limited company ("société anonyme") incorporated under the laws of the Grand Duchy of Luxembourg. It was incorporated in Luxembourg on 19 January 1990 and presently exists for an unlimited period of time. Its registered office is in Luxembourg in the Grand Duchy of Luxembourg. Its share capital amounts to EUR 65,000,000 as at 30 December 2008.

8 Registrar and Transfer Agent

The Fund has appointed RBC Dexia as Registrar and Transfer Agent with responsibility for the processing of subscriptions and transfers of Shares and requests for redemptions and exchanges of Shares, the safekeeping of the register of Shareholders of the Fund, the co-ordination of its services with those of the Administrator and Paying Agent, and the provision and supervision of services with regard to the mailing of statements, reports, notices and other documents to the Shareholders. RBC Dexia has delegated the processing of investor data to its affiliate in Singapore, RBC Dexia Investor Services Singapore Pte Limited, and may in the future delegate this task to other entities globally.

The rights and duties of the Registrar and Transfer Agent are governed by the RTA Agreement. For its services, RBC Dexia receives a fee payable out of the assets of the Portfolios. In addition, RBC Dexia is entitled to be reimbursed by the Portfolios for its reasonable out-of-pocket expenses and disbursements. RBC Dexia may, in accordance with the conditions set out in the RTA Agreement, and subject to compliance at all times with applicable law and regulation, delegate its duties under the RTA Agreement to its affiliates.

RBC Dexia is liable under the RTA Agreement for its acts or omissions that constitute negligence, bad faith, wilful misfeasance, wilful misconduct or reckless disregard in the execution of the Agreement, or a breach of its duties and obligations under, or of a material term of, the Agreement.

Under the RTA Agreement, the Fund indemnifies and holds harmless the Registrar and Transfer Agent and its officers and directors from any and all claims, actions, demands, damages, costs, liabilities and expenses resulting directly or indirectly from the fact that the Registrar and Transfer Agent, its officers and/or its directors have acted in accordance with the RTA Agreement or the proper instructions of the Fund or its authorised agents, except in the case of the Registrar and Transfer Agent's, its officers' and/or its directors', negligence, bad faith, wilful misfeasance, wilful misconduct, reckless disregard, or the Registrar and Transfer Agent's breach of its duties and obligations under the RTA Agreement or breach of a material term of the RTA Agreement. The Registrar and Transfer Agent in turn indemnifies and holds harmless the Fund and its officers and directors from any and all claims, actions, demands, damages, costs, liabilities and expenses resulting directly or indirectly from the acts and/or omissions of the Registrar and Transfer Agent, except in the case of the Fund's, its officers' and/or its directors', negligence, bad faith, wilful misfeasance, wilful misconduct, reckless disregard, or the Fund's breach of its duties and obligations under the RTA Agreement or breach of a material term of the RTA Agreement.

Either the Fund or RBC Dexia may terminate the RTA Agreement (a) subject to 90 days' prior written notice or (b) immediately in the event of (i) a party becoming insolvent, being unable to pay its debts as they fall due, being in voluntary or compulsory liquidation (except a voluntary liquidation upon terms previously approved in writing by the other party), or having had a receiver appointed over all or part of its assets or having received notice of any proceedings or proposed proceedings for winding up (ii) the Fund ceasing to be authorised under Luxembourg laws on undertakings for collective investment or ceasing to be authorised to act as such under Luxembourg law (iii) RBC Dexia ceasing to be authorised to perform its duties and obligations under the RTA Agreement or (iv) a party being in material breach of its obligations under the RTA Agreement which it has failed to remedy (where capable of remedy) within 30 days' prior written notice from the other party requiring it to do so.

RBC Dexia Investor Services Bank S.A. is a public limited company ("société anonyme") registered with the Luxembourg Company Register (RCS) under number B-47192 and has been incorporated in 1994 under the name "First European Transfer Agent". It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector and specialises in custody, fund administration and related services. As at 31 March 2009, its consolidated and regulatory own funds amounts to over EUR 1556 million.

RBC Dexia Investor Services Bank S.A. is fully owned by RBC Dexia Investor Services Limited, a company incorporated under the laws of England and Wales that is controlled by Dexia Banque Internationale à Luxembourg ("société anonyme"), Luxembourg, Grand Duchy of Luxembourg, and Royal Bank of Canada, Toronto, Canada. Its registered office is in Esch-sur-Alzette in the Grand Duchy of Luxembourg.

9 Distributor

The Fund has appointed Goldman Sachs International as Distributor of the Shares. Goldman Sachs International has appointed Goldman, Sachs & Co. as the distributor of Shares to U.S. Persons and within the U.S. The terms and procedures applicable to the distribution of Shares to U.S. Persons and within the U.S. by Goldman Sachs & Co. and any Sub-distributor appointed by Goldman Sachs & Co. or Goldman Sachs International are substantially similar to the terms and procedures applicable to the sales of Shares by Goldman Sachs International as described below. Sales of Shares will be made through the Distributor and any Local Distributor and Sub-distributors, pursuant to the procedures set forth below. Sub-distributors, who may be unaffiliated with the Distributor, may be appointed by either the Distributor and any Local Distributors and Sub-distributors or the Fund at their discretion from time to time on similar or different terms to those set out in the distribution agreement between the Fund and the Distributor. The Fund has agreed to indemnify and hold harmless the Distributor, its affiliates, the Local Distributors and any sub-distributor and their respective directors and officers against any costs, liabilities, damages, expenses and claims resulting from or arising out of a misrepresentation or alleged misrepresentation or any breach or alleged breach by the Fund of the terms set out in the distribution or sub-distribution agreement (as applicable), except in those circumstances where such costs, liabilities and claims arise out of or result from the negligence or wilful default of the Distributor, its affiliates, the Local Distributors, the sub-distributor or their respective directors and officers.

The Fund is entitled to terminate the appointment of Goldman Sachs International, in its capacity as Distributor, subject to 60 days prior written notice and to applicable law and to appoint a replacement including, subject to applicable law, an affiliate of Goldman Sachs International. Such termination will generally result in termination of distribution agreements of Sub-distributors.

In its capacity as a distribution agent, the Distributor may receive distribution fees payable out of the assets referable to the applicable Share Classes and will be entitled to reimbursement for its reasonable out of pocket expenses and disbursements. Please see Section 1 "Description of Share Classes" of this Prospectus.

Subject to applicable law and regulation, the Investment Adviser or (with the approval of the Investment Adviser) the Distributor and/or its sub-distributors and agents may in their discretion on a negotiated basis enter into a private arrangements with a holder or prospective holder of Shares (or an agent thereof) under which the Fund intermediaries make payments to or for the benefit of such holder of Shares which represent a rebate of all or part of the fees paid by the Fund to the Investment Adviser in respect of that part of the value of a Portfolio which may, for this purpose only, be deemed to be represented by some or all of the Shares owned by that holder.

Consequently, the effective net fees payable by a holder of Shares who receives a rebate under the arrangements described above may be lower than the fees payable by a holder of Shares who does not participate in such arrangements. Neither the Investment Adviser nor the Fund intermediaries shall be under any obligation to make any such arrangement available to other Shareholders. Investors should note that the termination of such rebate arrangements may lead to redemptions from the Fund which could cause the Fund to incur dealing costs.

In addition, the Investment Adviser or the Fund intermediaries may make payments to third parties as remuneration for effecting sales of Shares. Such payments can take a number of forms, including the Sales Charges and Distribution Fees applicable to certain Share Classes as noted in this Prospectus, as well as rebates of all or part of the fees paid by the Fund to the Investment Adviser in respect of that part of the value of a Portfolio represented by assets raised by such third parties. Such payments may be funded by the Investment Adviser, and to the extent payments made by the Investment Adviser are not disclosed Sales Charges and/or Distribution Fees, they are made by the Investment Adviser in its absolute discretion out of its own financial resources and either paid directly or via the Fund intermediaries. Shareholders and prospective shareholders are encouraged to seek information from any intermediary through whom they purchase shares in the Fund in respect of any Sales Charges, Distribution Fees or rebates such intermediary may receive in respect of the purchase of Shares and are advised, in respect of intermediated sales of Shares, that it is likely that such payments will have been made. When dealing with intermediaries and in the event that the intermediary is in receipt of a Sales Charge, Distribution Fee or rebate as described above, Shareholders are advised to investigate such matters to determine whether or not any conflict potentially arising from such situation is addressed to its reasonable satisfaction and to ensure that

compliance with any such intermediaries' duty to act in the best interests of the client is not impaired. The Fund and the Distributor – except if acting as intermediary as referred to above – shall have no additional duty in that respect as per the applicable law.

The Investment Adviser may agree to reimburse the Distributor, Local Distributors or Sub-distributors, as applicable, or otherwise provide them or any of them a part of all such payments. The Fund will not incur any obligation or liability whatsoever in relation to the selection by the Distributor of those holders or prospective holders of Shares with whom it intends to enter into such private arrangements.

Where the Distributor, any Local Distributor or Sub-distributor holds Shares in its own, or a nominee's, name for and on behalf of Shareholders it will act as nominee in respect of such Share. Whether investors elect to make use of such nominee service is their own decision. Investors are advised to inform themselves of, and when appropriate consult with their nominee regarding, the rights that they have in respect of Shares held through the relevant nominee service. In particular, investors should ensure that their arrangements with such nominees deal with information being given regarding corporate actions and notifications arising in respect of the Fund's Shares as the Fund is only obliged to deliver notice to parties inscribed as a Shareholder in the Fund's register and can have no obligation to any third party.

10 Shareholder Services Agent

The Fund has appointed the European Shareholder Services Group of Goldman Sachs International to provide the Fund, its Local Distributors, Sub-distributors and its Shareholders with certain shareholder processing, oversight and ongoing servicing functions.

In particular, the Shareholder Services Agent shall provide daily support to Shareholders in respect of enquiries pertaining to the Fund and shall liaise with and oversee the Registrar and Transfer Agent in the processing of Shareholder trade orders and certain Shareholder payment processes. In addition, the Shareholder Services Agent shall oversee and facilitate the payment of fees to Local Distributors and Sub-distributors as well as manage and review the overall services provided to the Fund by each of its service providers (including, for the avoidance of doubt, RBC Dexia and State Street). The European Shareholder Services Group of Goldman Sachs International may appoint entities related to Goldman Sachs, in particular in Australia, to provide similar services to Shareholders domiciled in various time zones.

The Fund has agreed to indemnify and hold harmless the Shareholder Services Agent and its officers and directors from any claims, damages, costs, liabilities and expenses resulting directly or indirectly from the provision of such services, except in the case of the Shareholder Services Agent, its officers' and/or directors negligence, bad faith, wilful misfeasance, wilful misconduct or reckless disregard in the performance of their obligations or a breach by the Shareholder Services Agent of a material term of the agreement.

In its capacity as Shareholder Services Agent, Goldman Sachs International is entitled to a fee payable by and from the net assets of the Fund. Investors should note that this fee is in addition to the fee payable to Goldman Sachs International in its capacity as Distributor.

The Fund is entitled to terminate the appointment of Goldman Sachs International, in its capacity as Shareholder Services Agent, subject to 90 days prior written notice and to applicable law and to appoint a replacement including, subject to applicable law, another affiliate of Goldman Sachs.

11 Purchase of Shares

11.1 General

The minimum initial subscription for Shares in each of the Share Classes issued in respect of a Portfolio is set out in the relevant currency of denomination of that Share Class in the tables in the relevant Supplement.

Subsequent subscriptions for Shares, other than through reinvestment of dividends, must ordinarily equal or exceed a Portfolio's minimum initial subscription amount, although certain Portfolios may introduce lower subsequent subscription amounts as specified in the relevant Supplement. The Fund reserves the right to accept or reject subscriptions in any amount, to accept or reject subscriptions in whole or in part, to suspend at any time and without prior notice the issue of Shares of a Portfolio, to modify the minimum initial and subsequent subscription amounts and the manner in which Shares are offered and to change or eliminate the sales charge applicable to the purchase of Shares. In the event of a policy change, the Prospectus will be amended to reflect such changes. It is expected that (x) investors subject to Title I of ERISA or Section 4975 of the Code and (y) entities whose assets are treated as "plan assets" of any such investors will represent less than 25% of the value of each class of equity interests in a Portfolio (disregarding certain interests held by the Investment Adviser and its affiliates). As a result, it is expected that the assets of each Portfolio will not be treated as "plan assets" subject to Title I of ERISA or Section 4975 of the Code, and that the Investment Adviser will not be a fiduciary under ERISA or the Code to any of the investors in a Portfolio. The Fund reserves the right to exclude Benefit Plan Investors and other employee benefit plans not subject to Title I of ERISA or Section 4975 of the Code (including, for example, governmental plans as defined in Section 3(32) of ERISA) from, or limit investments by such investors in, a Portfolio (including, without limitation, by rejecting subscriptions for Shares by, or transfers of Shares to, any such investors or by requiring any such investors to reduce or terminate their interests in the Portfolio in whole or in part at any time) if the Fund determines in its sole discretion that participation or continued participation by any such investors causes or could cause the assets of a Portfolio to be or continue to be treated as "plan assets" subject to Title I of ERISA, Section 4975 of the Code or similar laws or regulations, or for any other reason in its sole discretion.

Shares of the Portfolios are issued in registered form. The inscription of a Shareholder's name in the register of Shares evidences a right of ownership of such Shares. The Fund will not issue certificated Shares. Fractions of registered Shares may be issued to one-thousandth of a Share. Written confirmation detailing the purchase of Shares will be sent to Shareholders. All Shares must be fully paid-up, notwithstanding the right of the Fund to issue fractional Shares. The Shares are of no par value and carry no preferential or pre-emptive rights.

Certain Share Classes of certain Portfolios are listed for trading on the Luxembourg Stock Exchange.

Purchases and exchanges of Shares should be made for investment purposes only. The Fund does not permit market-timing or other excessive trading practices. Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm the performance of the Fund. To minimise harm to the Fund and the Shareholders, the Directors or an authorised agent of the Fund (including the Distributor and/or the Registrar and Transfer Agent) on their behalf may, in their absolute discretion, reject any order for the purchase or exchange of Shares, or levy a fee of up to 2% of the value of the order for the benefit of the Fund from any investor who is in the opinion of the Directors, engaging in excessive trading or has a history of excessive trading or if an investor's trading, in the opinion of the Directors, has been or may be disruptive to the Fund or any of the Portfolios. In making this judgment, the Directors may consider trading done in multiple accounts under common ownership or control. The Directors also have the power to redeem all Shares held by an investor who they believe is or has been engaged in excessive trading. The Directors may apply such measures in their absolute discretion and neither the Directors nor the Fund or its agents will be held liable for any loss resulting from rejected orders or mandatory redemptions or from their bona fide decision not to effect such measures. In addition, the Board of Directors is authorised to take any further measures deemed appropriate to prevent the above mentioned practices, without prejudice however to the provisions under Luxembourg law.

The Fund and its agents may monitor electronic communications and may record telephone conversations between investors and the Fund's agents (such recording may take place without the use of a warning tone). The Fund may use such recordings in evidence in connection with any disputes arising from purchases, exchanges or redemptions of Shares or applications for such purchases, exchanges or redemptions. The Fund may hold and

process the resulting information, together with any information relating to investors obtained during the course of a purchase exchange or redemption of Shares (or applications therefor), or otherwise acquired from another source, for purposes connected with the purchase, exchange or redemption of Shares, for administrative or other purposes, for such additional purposes as investors agree with the Fund from time to time and/or for purposes connected with complying with applicable law or regulation and rules of regulatory or self-regulatory bodies. Any information may be transferred to any affiliates of the Fund or Goldman Sachs which exist within and outside the European Economic Area and the Fund may transfer such information to third parties to process on the Fund's instructions, subject to appropriate confidentiality arrangements and in compliance with any applicable laws on professional and banking secrecy and data protection requirements.

11.2 Initial Offering

Investors subscribing for Shares in a Portfolio must first complete and submit an Original Account Agreement. Such agreement may be sent by fax, provided that the signed original is mailed promptly thereafter. Shares may be purchased through the Distributor, Local Distributors and Sub-Distributors. Provided that an Original Account Agreement has been duly submitted by an investor and accepted by or on behalf of the Fund and provided that the relevant account has been opened on behalf of the investor, purchases of Shares may be made by completing a Subscription Form. The Shareholder Services Agent may, in its discretion, accept purchase orders in other written formats (i.e. other than the Subscription Form), including by electronic email or by fax. Howsoever a purchase order is made, an original written confirmation of such purchase must be delivered promptly to the Shareholder Services Agent. The Fund reserves the right to deny a subsequent request to redeem Shares if the relevant Shareholder fails to deliver to the Shareholder Services Agent an original Subscription Form or, where a purchase order is made by another means, an original written confirmation of such purchase. Investors must deliver to the Fund's bank account the aggregate purchase price (net of all transfer costs/changes, if any) by wire transfer of immediately available funds in the relevant currency on or by the closing date, to the designated account as referred to under "Continuous Offering" below.

If the requisite funds are not received in time, the purchase order may be cancelled and any funds subsequently received returned (without interest) to the investor. The investor will be liable for the costs (including, at the discretion of the Directors, interest) of late or non-payment, in which case the Directors will have the power to redeem all or part of the investor's holding of Shares in the Fund in order to meet such costs. The Fund will, subject to the terms of this Prospectus, the Original Account Agreement and the Articles, issue Shares corresponding to amounts actually received.

The Board of Directors of the Fund may determine in its discretion that if subscriptions for Shares of a Portfolio received in an initial offering do not exceed U.S.\$25,000,000 (or, as appropriate, its equivalent in the Base Currency where not expressed in U.S.\$), the Portfolio will not begin operations and any money received for Shares in the Portfolio, including any applicable Sales Charge, will normally be returned to the subscribers of such Shares within three (3) Business Days of the closing date, without payment of interest thereon.

11.3 Continuous Offering

Investors subscribing for Shares in a Portfolio must first complete and submit an Original Account Agreement. Such agreement may be sent by fax, provided that the signed original is mailed promptly thereafter. Shares of each Portfolio may then, except as otherwise stated in a Supplement, be purchased through the Distributor, Local Distributors and Sub-distributors, on any Purchase Date, which is any Business Day on which Shares may be purchased by an investor, upon notice given to the Shareholder Services Agent or the Registrar and Transfer Agent (except as otherwise stated in a Supplement) not later than 2:00pm Central European time on such Purchase Date, at the net asset value per Share of the relevant class of Shares of the Portfolio on such day plus any applicable Sales Charges. Shares may also be bought directly from the Fund upon notice to the Registrar and Transfer Agent. The notice of purchase must specify the amount to be invested.

The Board of Directors will ensure that the relevant cut-off time for requests for subscription are strictly complied with and will therefore take all adequate measures to prevent practices known as "late trading".

The Fund determines the price of its Shares on a forward basis. This means that it is not possible to know in advance the net asset value per Share at which Shares will be bought or sold (exclusive of any Sales Charges).

In the event that the Luxembourg Stock Exchange closes for business at an earlier time than is usual (for example, on a half-day bank holiday) and/or in the event that the Directors believe that there are sufficient markets in which the Portfolio may invest which have closed at an earlier time than usual, then the Board of Directors may determine that duly completed purchase requests may only be accepted before such earlier closing times provided that (a) the Board of Directors determines that such practice would provide the Fund and Shareholders with a potential benefit and would not result in any unfair disadvantage to the Shareholders and (b) the Fund shall have regard at all times to the equal treatment of Shareholders.

Provided that an Original Account Agreement has been duly submitted by an investor and accepted by or on behalf of the Fund and provided that the relevant account has been opened on behalf of the investor, purchases of Shares may be made by completing a Subscription Form. The Shareholder Services Agent may, in its discretion, accept purchase orders in other written formats (i.e. other than the Subscription Form), including by electronic email or by fax. Howsoever a purchase order is made, an original written confirmation of such purchase must be delivered promptly to the Shareholder Services Agent. The Fund reserves the right to deny a subsequent request to redeem Shares if the relevant Shareholder fails to deliver to the Shareholder Services Agent an original Subscription Form or, where a purchase order is made by another means, an original written confirmation of such purchase.

Except as otherwise stated in a Supplement, investors must deliver to the Fund's bank account the aggregate purchase price (net of all transfer costs/charges, if any), by wire transfer of immediately available funds in the relevant currency to the designated account, within three (3) Business Days after the relevant Purchase Date. If the requisite funds are not received in time the purchase order may be cancelled and the funds returned to the investor without interest. The investor will be liable for the costs of late or non-payment in which the case the Directors will have the power to redeem all or part of the investor's holding of Shares in the Fund in order to meet such costs. In circumstances where it is not practical or feasible to recoup a loss from an applicant for Shares, any losses incurred by the Fund due to late or non-payment of the subscription proceeds in respect of subscription applications received may be borne by the Fund. The Board of Directors may, in compliance with the conditions set forth by Luxembourg law and at the request of a prospective investor, agree to accept, in whole or in part, a contribution of securities in kind by an investor as consideration for the issuance of Shares, provided that such securities comply with the investment objectives and investment policies and restrictions of the relevant Portfolio. Costs incurred in connection with a contribution in kind of securities are typically borne by the relevant Shareholders.

Shares will be issued effective on the Purchase Date and will be entitled to dividends declared from the following day forward when, as and if the Board of Directors of the Fund declares such dividends. If the purchase order is not received in time, the purchase order will ordinarily be processed on the next Business Day. Additionally, investors shall bear the risk that the amount actually received by the Fund may vary from the amount set forth in their notice. The Fund will, subject to the terms of this Prospectus, and the Articles, issue Shares corresponding to amounts actually received.

11.4 Multi-Currency Dealing

The Fund may, but is not obliged to, accept from investors in Shares payment of the aggregate purchase price in a currency other than the currency in which the relevant Shares to be purchased are denominated. Investors may also request that redemption proceeds be paid in a currency other than the currency in which the relevant Shares to be redeemed are denominated. Where such an arrangement is in place the other currency will be converted into the currency in which the Shares are denominated at the expense and risk of the investors by reference to the prevailing relevant currency exchange rate. Where reasonably practicable, such conversion will be effected at those rates prevailing on the day on which the relevant subscription or redemption order, as appropriate, is submitted. The net proceeds of such conversion shall be deemed to be the aggregate purchase or redemption price, as appropriate, and the Fund will, subject to the terms of this Prospectus, the Original Account Agreement and the Articles, issue or redeem Shares corresponding to the net amounts in the currency of the relevant Shares to be purchased or redeemed after such conversion. If any amounts are to be returned to such prospective investors as described above, the amount so returned will be denominated in the currency into which they have been converted and the arrangements described above in relation to the return of such amounts will apply without limitation. Investors should note that a fee may be charged in respect of this service.

11.5 Sales Charge

The Sales Charge imposed by the Fund, the Distributor, Local Distributors and Sub-distributors appointed by the Distributor may vary, but may not exceed 5.5% of the purchase price of Shares. The “I”, “IO”, “IX” and “IXO” Shares do not have a sales charge.

For further information on Sales Charges, please see Section 1 “Description of Share Classes” above as well as the relevant Supplement.

Banks and other agents employed as agents of Shareholders may impose administrative or other charges to be paid by Shareholders pursuant to arrangements between Shareholders and those banks or other agents.

Shares of a Portfolio may be issued at net asset value without the imposition of a Sales Charge to affiliates of Goldman Sachs, to partners, directors and employees of Goldman Sachs, to certain investment funds related to Goldman Sachs and to certain other parties designated from time to time by Goldman Sachs.

12 Redemption of Shares

Investors should refer to the relevant Supplement for additional information on the notification to be made to the Fund in respect of redemption requests as the settlement requirements for certain Portfolios may vary.

12.1 Shareholder Request

Shares of each Portfolio may be redeemed on any Redemption Date, which is, except as otherwise stated in a Supplement, any Business Day on which Shares may be redeemed by a Shareholder, at the prevailing net asset value per Share of the relevant Share Class of the Portfolio. Such redemption requests must be made upon written notice (which may be sent by fax) to the Distributor or the Registrar and Transfer Agent and in a form available from the Fund by the Shareholder requesting redemption of all or part of its Shares to the Distributor, the Registrar and Transfer Agent or the Fund given (except as otherwise stated in a Supplement) not later than 2:00pm Central European time on such Redemption Date.

The Board of Directors will ensure that the relevant cut-off time for requests for redemption are strictly complied with and will therefore take all adequate measures to prevent practices known as "late trading".

The Fund or Distributor may in their discretion permit investors to give notice of redemption by telephone or electronic mail in certain circumstances. In order to avoid delay, the redeeming Shareholder must specify what Share Class the redemption request relates to. Any request for redemption shall be irrevocable, except in the event of a suspension of the calculation of net asset value. A Shareholder may request the redemption of all or part of the Shares held by such Shareholder, except as set forth below under "Mandatory Sale or Redemption" provided that partial redemptions must ordinarily equal or exceed a Portfolio's and/or Share Classes' minimum initial subscription amount. In all the above cases, the signed original must be mailed promptly thereafter.

In the event that the Luxembourg Stock Exchange closes for business at an earlier time than is usual (for example, on a half-day bank holiday) and/or in the event that Directors believe that there are sufficient markets in which the Portfolio may invest which have closed at an earlier time than usual, then the Board of Directors may determine that duly completed redemption requests may only be accepted before such earlier closing times provided that (a) the Board of Directors determines that such practice would provide the Fund and the Shareholders with a potential benefit and would not result in any unfair disadvantage to the Fund's Shareholders and (b) the Fund shall have regard at all times to the equal treatment of Shareholders.

Except as otherwise stated in a Supplement, the Fund intends to normally pay redemption proceeds, less any tax or duty imposed on the redemption of the Shares within three (3) Business Days following the relevant Redemption Date. Shares with respect to which a redemption request has been given will be entitled to dividends, if any, declared up to and including that Redemption Date in respect of Shareholders of record on the dividend declaration date. Payment of redemption proceeds will be made by wire transfer, as indicated on a Shareholder's Original Account Agreement, as amended from time to time, to the address or account indicated on the register of Shareholders. Where a Shareholder redeems Shares that he has not paid for within the required subscription settlement period, in circumstances where the redemption proceeds would exceed the subscription amount that he owes, the Fund will be entitled to retain such excess for the benefit of the Fund.

Shares will not be redeemed in circumstances where the calculation of the net asset value of the relevant Shares is suspended by the Fund. Please see Section 15 "Determination of Net Asset Value" of this Prospectus.

The Board of Directors may, at the request of a Shareholder, agree to make, in whole or in part, a distribution in-kind of securities of the Portfolio to that Shareholder in lieu of paying to that Shareholder redemption proceeds in cash. The Board of Directors will agree to do so if they determine that such a transaction would not be detrimental to the best interests of the remaining Shareholders of the relevant Portfolio. Such redemption will be effected at the net asset value of Shares of the relevant class of the Portfolio which the Shareholder is redeeming, and thus will constitute a pro rata portion of the Portfolio's assets attributable in that Class in terms of value. The assets to be transferred to such Shareholder shall be determined by the Investment Adviser and Custodian, with regard to the practicality of transferring the assets and to the interests of the Portfolio and continuing participants therein and to the Shareholder. Such a Shareholder may incur brokerage and/or local tax charges on any transfer or sale of securities so received in satisfaction of redemption. The net proceeds from this sale by the redeeming

Shareholder of such securities may be more or less than the corresponding redemption price of Shares in the relevant Portfolio due to market conditions and/or differences in the prices used for the purposes of such sale or transfer and the calculation of the net asset value of Shares of the Portfolio. The selection, valuation and transfer of assets shall be subject to the review and approval of the Fund's auditors.

The redemption of Shares of a Portfolio may be temporarily suspended by the Fund upon certain conditions described below under Section 15 "Determination of Net Asset Value". In addition, if on any given date requests for redemption of Shares received by the Fund relate to more than 10% of the Shares in a given Portfolio or Class, and either the Fund's available cash, together with amounts the Fund is permitted to borrow, is insufficient to meet such requests or the Board of Directors determines that it is not advisable to apply such cash and borrowings to meet such requests, then the Board of Directors may decide that part or all of such requests for redemption will be deferred for such period as the Board of Directors considers to be in the best interests of the Portfolio provided that any such deferral period would not normally exceed ten Business Days. On the next Business Day following such period of deferral, redemption requests so deferred will be given priority over requests subsequently received. The price at which any such deferred redemptions are effected shall be the net asset value per Share of the Portfolio on the day on which such requests are met. All redeemed Shares shall be cancelled.

12.2 Mandatory Sale or Redemption

None of the Shares may be offered or sold, directly or indirectly, to any U.S. Person unless authorised by the Fund. Accordingly, if (i) a transferee who is an unauthorized U.S. Person applies to register a transfer of Shares, or if the Board of Directors or Transfer Agent otherwise becomes aware that a Shareholder is an unauthorized U.S. Person, or (ii) if the sale or transfer to any person may cause the Fund to be required to register the Shares, to be subject to tax or to violate the laws of any jurisdiction (which shall include where a Shareholder who has invested in "I", "IO", "IX" or "IXO" Shares does not qualify or ceases to qualify as being eligible to invest in such Shares), or (iii) where, in the opinion of the Board of Directors, the holding of such Shares may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage to the Fund or Shareholders as a whole (including, without limitation, under ERISA), the Transfer Agent, on behalf of and subject to the ultimate discretion of the Board of Directors, may direct such person to sell their Shares (or, in the case of an ineligible Shareholder of "I", "IO", "IX" or "IXO" Shares, to exchange such Shares for Shares of another class of the same Portfolio for which the Shareholder is eligible) and to provide to the Transfer Agent evidence of such transaction, within 30 days of notice from the Transfer Agent. If such person fails to comply with the direction, the Board of Directors or the Transfer Agent on its behalf may effect a redemption of the Shares as agent for that person as provided for in the Articles of Incorporation of the Fund and will account for the redemption proceeds (less expenses) to such person.

A Shareholder's Shares may, in the absolute discretion of the Board of Directors but subject to Luxembourg law, be mandatorily redeemed in a similar manner if the net asset value of the Shares of such Shareholder falls below the minimum investment level for the relevant Share Class set out in the relevant Supplement. Where the Shareholder's Shares are denominated in a currency other than their Base Currency, the prescribed level will be calculated by converting such currency into the Base Currency at the prevailing currency exchange rate. It is expected that such redemptions will not be implemented if the value of the Shareholder's account falls below the minimum initial investment subscription level solely as a result of market conditions. The Fund will give prior written notice to Shareholders whose Shares are being redeemed to allow them to purchase sufficient additional Shares of the Portfolio so as to avoid such redemption.

If for any reason the value of the assets of any Portfolio on a given Business Day shall be less than U.S.\$25,000,000 (or, as appropriate, its equivalent in the Base Currency where not expressed in U.S.\$) then the Board of Directors may, at its discretion, elect to redeem all, but not part, of the Shares of such Portfolio then outstanding at the net asset value per Share of such Portfolio calculated on the Business Day on which such Shares are redeemed. The Fund shall provide at least 30 days prior notice of redemption to all registered Shareholders of the Shares to be so redeemed.

If for any reason the value of the assets of any Share Class in any Portfolio on a given Business Day shall be less than U.S.\$25,000,000 (or, as appropriate, its equivalent in the Base currency of the relevant Share Class where not expressed in U.S.\$) then the Board of Directors may, at its discretion, elect to redeem all, but not part, of the Shares in such Share Class in such Portfolio then outstanding at the net asset value per Share of such Portfolio

calculated on the Business Day on which such Shares are redeemed. The Fund shall provide at least 30 days prior notice of redemption to all registered Shareholders of the Shares in the Share Class to be so redeemed.

13 Transfer of Shares

Shares are freely transferable for secondary trading on the Luxembourg Stock Exchange Regulated Market according to the Rules and Regulations of the Luxembourg Stock Exchange. Transfers of Shares shall be effected by a transfer in writing in any usual or common form or any other form approved by the Directors and every form of transfer shall state the full name and address of the transferor and the transferee. The instrument of transfer of a Share shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered on the Share register in respect thereof. In addition thereto, the Shares may be redeemed compulsorily if a Shareholder does not meet the minimum subscription or holding levels of the relevant Share Class and/or Portfolio as set out in the relevant Supplement. The registration of transfer may be suspended at such times and for such periods as the Directors may from time to time determine, provided, however, that such registration shall not be suspended for more than 30 days in any calendar year. The Directors may decline to register any transfer of Shares unless the original instruments of transfer, and such other documents that the Directors may require, including a duly completed Original Account Agreement, are deposited at the registered office of the Fund or at such other place as the Directors may reasonably require, together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and to verify the identity of the transferee. Such evidence may include a declaration as to whether the proposed transferee is a U.S. Person or acting for or on behalf of a U.S. Person.

The Directors may decline to register a transfer of Shares if the transferee is a U.S. Person or is acting for or on behalf of a U.S. Person. Please see the “Subscriptions by and Transfers to U.S. Persons” section below for details of circumstances in which a transfer to a U.S. Person may be permitted by the Board of Directors.

Subscriptions by and Transfers to U.S. Persons

The Board of Directors may, in their discretion, authorise the purchase by or transfer of Shares to or on behalf of a U.S. Person if it has sufficient comfort that:

- (i) such purchase or transfer is exempt from registration under, and does not result in a violation of, the 1933 Act or the applicable laws of the U.S. or any U.S. state and otherwise complies with the applicable requirements of any U.S. state;
- (ii) any purchaser or transferee that is a U.S. Person is a “qualified purchaser” as defined in the 1940 Act and the rules promulgated thereunder and an “accredited investor” as defined in Regulation D under the 1933 Act;
- (iii) such purchase or transfer would not be reasonably expected to result in the Fund or any Portfolio being required to register under the 1940 Act;
- (iv) such purchase or transfer would not cause a violation of, or require the Fund or any Portfolio to register under the 1934 Act;
- (v) such purchase or transfer would not result in the assets of the Fund or any Portfolio consisting of “plan assets” subject to Title I of ERISA or Section 4975 of the Code; and
- (vi) there will be no adverse tax, pecuniary, legal, regulatory or material administrative disadvantage to the Fund (including any Portfolio) or its Shareholders as a whole as a result of such a purchase or transfer.

In addition, the Board of Directors may authorise the purchase by or transfer of Shares to a U.S. Person resident outside the U.S. if the U.S. Person declares that they are making their application for the beneficial account of a person who is not a U.S. Person.

Each investor (including a prospective transferee) for Shares who is a U.S. Person will be required to provide such representations, warranties or documentation, including opinion of counsel, as may be required by the Fund to ensure that such requirements are met prior to approval of such sale or transfer by the Fund. The Board of Directors shall determine from time to time the number of U.S. Persons who may be admitted into the Fund.

GSAMI, in its capacity as the Investment Adviser, is registered as a commodity trading adviser with the CFTC pursuant to the Commodity Exchange Act. GSAMI is also registered as a commodity pool operator but will operate the Fund and each of its Portfolios as if it were exempt from such registration pursuant to Rule 4.13(a)(4) under the Commodity Exchange Act, because (i) the Shares are exempt from registration under the 1933 Act and are being

offered and sold without marketing to the public in the United States, and (ii) Shares may be purchased only by natural persons who are “qualified eligible persons” as defined in Rule 4.7(a)(2) under the Commodity Exchange Act and non-natural persons that are “qualified eligible persons” as defined in Rule 4.7 under the Commodity Exchange Act or “accredited investors” as defined in Rule 501(a)(1)–(3), (a)(7) and (a)(8) under the 1933 Act.

Specifically, GSAMI is not required to deliver to Shareholders certified annual reports and a disclosure document that it would otherwise be required to deliver pursuant to the Commodity Exchange Act, which may have contained certain disclosures that are not included herein or in the reports to be provided to Shareholders by the Fund.

The Board of Directors shall have the authority to refuse applications for Shares or require compulsory transfer or redemptions of Shares where any of the aforementioned conditions in respect of investment by U.S. Persons are not or no longer satisfied.

14 Exchange of Shares

Shares of a Portfolio may be exchanged, without the imposition of an additional Sales Charge, at the net asset value per Share of the relevant Share Class of the Portfolio for (i) Shares of another Share Class of the same Portfolio having the same Sales Charge as, or a Sales Charge lower than, the Share Class to be exchanged or (ii) Shares of the same or another Share Class of any other Portfolio having the same Sales Charge as, or a Sales Charge lower than, the Shares to be exchanged. The number of Shares in the newly selected Share Class and/or Portfolio will be determined by reference to the respective net asset values of the relevant Shares, calculated on the relevant Business Day, taking into account the current exchange rate of the different currencies in which the Portfolios may be denominated (or the currency in which a Share Class is priced, if applicable) and, if applicable, any foreign exchange costs and/or excessive trading penalties. The Fund may make a payment in lieu of any fractional amount smaller than one thousandth of a Share. The right to exchange Shares remains subject to restrictions imposed by applicable law or the Fund. The right will not be available, for example, where, as a result of such exchange, the newly selected Portfolio becomes subject to additional registration or qualification under the laws of any jurisdiction. Shareholders should be aware that the Fund reserves the right to accept or reject an exchange of Shares in its discretion. In particular, Shareholders should note that Shares may only be exchanged for "I" Shares, "IO" Shares, "IX" Shares and "IXO" Shares if the Shareholder is eligible to acquire such Shares. A Shareholder should obtain and read the Prospectus and the Supplement relating to any Portfolio or any Share Class of a Portfolio and consider its investment objective, policies and applicable fees before requesting any exchange into that Portfolio or Share Class.

Subject to the Fund's or the Distributor's approval, Shares may only be exchanged at the net asset value per Share of the relevant Shares of the Portfolio without being subject to an additional Sales Charge (subject to any foreign exchange costs or excessive trading penalties and to the provisions described below) for Shares of any other Portfolio having the same Sales Charge as, or a Sales Charge lower than, the Shares to be exchanged, subject to restrictions imposed by applicable law or the Fund, provided that, as a result of such exchange, the newly selected Portfolio does not thereby become subject to registration or qualification under the laws of any jurisdiction other than where such Portfolio shall already be duly registered or qualified at the time of the proposed exchange in which circumstances no exchange rights shall apply.

Subject to the Fund's or the Distributor's approval, Shares of a Portfolio may be exchanged at the net asset value per Share for another Share Class in either the same or a different Portfolio with a higher Sales Charge. In such circumstances the Shares may, on acquisition, be subject to a Sales Charge equal to the difference between the Sales Charge of the Shares being exchanged and the new Shares being received (in addition to any foreign exchange costs or excessive trading penalties and to the provisions described below).

Shares may be exchanged through the Distributor, Local Distributors and Sub-distributors on any Business Day, upon notice given to the Distributor not later than 2:00pm Central European time on such Business Day (subject to the frequency, and cut-off times for, of subscriptions and redemptions of certain Portfolios as may be specified in the relevant Supplement). Shares may also be exchanged on any Business Day for each of the Portfolios directly through the Fund, upon notice to the Registrar and Transfer Agent given not later than 2:00pm Central European time on such Business Day (subject to the frequency of, and cut-off times for, subscriptions and redemptions of certain Portfolios as may be specified in the relevant Supplement). Such notice must be given in writing, on a form available from the Fund and may be sent by fax. The Fund or the Distributor may in their discretion permit Shareholders to give the exchange notice by telephone or electronic mail in certain circumstances. In all the above cases, the signed original must be mailed promptly thereafter.

Subject to the frequency of, and cut-off times for, subscriptions and redemptions of certain Portfolios as may be specified in the relevant Supplement, in the event that an exchange request is received after 2:00pm Central European Time on any Business Day, such request will be effected on the following Business Day.

The Board of Directors will ensure that the relevant cut-off time for requests for exchange are strictly complied with and will therefore take all adequate measures to prevent practices known as "late trading".

In the event that the Luxembourg Stock Exchange closes for business at an earlier time than is usual (for example, on a half-day bank holiday) and/or in the event that Directors believe that there are sufficient markets in which the Portfolio may invest which have closed at an earlier time than usual, then the Board of Directors may determine that duly completed exchange requests may only be accepted before such earlier closing times provided that (a) the Board of Directors determines that such practice would provide the Fund and the Shareholders with a potential benefit and would not result in any unfair disadvantage to the Fund's Shareholders and (b) the Fund shall have regard at all times to the equal treatment of Shareholders.

All exchanges must satisfy the minimum investment requirements of the Portfolio into which the Shares are being converted and will not normally be accepted where the purchase of Shares of the Portfolio from which the conversion is taking place has not yet been settled by the Shareholder. If the exchange privilege is modified or withdrawn, the Prospectus will be amended to reflect the changes.

The exchange of Shares of a Portfolio may be temporarily suspended by the Fund upon the occurrence of certain events described below under Section 15 "Determination of Net Asset Value".

An exchange of Shares may have tax consequences for a Shareholder. Shareholders should consult with their normal tax adviser if they are in any doubt as to such tax consequences.

15 Determination of Net Asset Value

The net asset value per Share of each Share Class of each Portfolio shall be determined by the Administrator under the supervision of the Board of Directors. The net asset value per Share of a particular class will be calculated by dividing (i) the total assets of the Portfolio attributable to that class less the total liabilities of the Portfolio attributable to that class by (ii) the total number of Shares of that Class of the Portfolio outstanding. Shares of each Portfolio and Class and any additional portfolios in the Fund are expected to perform differently, and each Portfolio (and class if appropriate) will bear its own fees and expenses (to the extent specifically attributable to the Portfolio (or class)). In particular, the costs associated with the conversion of monies in connection with the purchase, redemption and exchange of Shares of a Portfolio denominated in one currency but also offered in another currency will normally be borne by the relevant class and will be reflected in the net asset value of such class of Shares. Consequently, the net asset value per Share of each Portfolio and of different classes of a single Portfolio, if appropriate, is expected to differ.

The Administrator, in respect of each Portfolio and in consultation with the Investment Adviser, will compute the net asset value per Share of each Share Class on each Business Day to at least two decimal places. For a Share Class which is expressed in a currency other than the Base Currency of the relevant Portfolio, the net asset value per Share of that class shall be the net asset value attributable to the Shares of the class of that Portfolio calculated in the Base Currency of the Portfolio and converted into the other relevant currency at the current currency exchange rate between the Base Currency and such other currency. The Fund will usually calculate prices by reference to a valuation point at least two hours after 2.00pm Central European time (the "Cut-off Point") and prior to the following Cut-off Point, such time to be known as the Valuation Point. The Fund reserves the right to calculate prices at a time other than the scheduled Valuation Point in the case of a material change to the market value of the Fund's investment in one or more Portfolios.

In the case of certain Portfolios as more particularly specified in the relevant Supplement, the Fund may decide to issue Share Classes in one Portfolio which have different Valuation Points, e.g. "snap" and "close", where the "snap" Valuation Point takes a value at a time other than at close (please refer to the Supplements in order to establish which Portfolios offer such Shares Classes). In consequence, the net asset values per Share of such Share Classes are expected to differ from each other as a result of the application of such different Valuation Points.

The Fund may temporarily suspend the determination of the net asset value per Share of a Portfolio or Share Class and the issue, redemption or exchange of Shares of a Portfolio or Share Class upon the occurrence of one or more of the following events:

- (a) any period when any of the principal stock exchanges or other markets on which any substantial portion of the investments of a Portfolio or the relevant Share Class are quoted or dealt in, or when one or more foreign exchange markets in the currency in which a substantial portion of the assets of a Portfolio is denominated, are closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;
- (b) political, economic, military, monetary or other emergency events beyond the control, liability and influence of the Fund makes the disposal of the assets of any Portfolio impossible under normal market conditions or such disposal would be detrimental to the interests of the shareholders;
- (c) the existence of any state of affairs which constitutes an emergency as a result of which disposals or the valuation of assets of a Portfolio or the relevant Share Class would be impracticable;
- (d) any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments of a Portfolio or the current price or values on any market or stock exchange in respect of the assets of a Portfolio or the relevant Share Class;
- (e) any period when for any other reason the prices of any investments owned by the Fund cannot promptly or accurately be ascertained;

- (f) any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of the Shares of a Portfolio or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Board of Directors of the Fund, be effected at normal rates of exchange; and
- (g) upon the publication of a notice convening a general meeting of Shareholders for the purpose of resolving the winding-up of the Fund.

A suspension of the determination of the net asset value of any Portfolio or Share Class shall be published, if appropriate, by the Fund and shall be notified to those Shareholders who have made an application for subscription, redemption or exchange of Shares in respect of the relevant Portfolio or Share Class. Such subscriptions, redemptions and exchanges shall be transacted when such suspension has been removed.

A suspension of the determination of the net asset value of any Portfolio or Share Class shall have no effect on the calculation of the net asset value per Share, or the issue, redemption and exchange of, any other Shares Classes in that Portfolio or other Portfolios of the Fund.

For the purpose of calculating the net asset value per Share of a Portfolio, the following valuation principles will be observed.

The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

The value of Transferable Securities, Money Market Instruments and any financial liquid assets listed or dealt in on a stock exchange or on a Regulated Market, or any other regulated market, are generally valued at the last available known price in the relevant market prior to the time of valuation, or any other price deemed appropriate by the Board of Directors. Fixed income securities not traded on such markets are generally valued at the last available price or yield equivalents obtained from one or more dealers or pricing services approved by the Board of Directors, or any other price deemed appropriate by the Board of Directors.

In the event that any assets are not listed or dealt in on any stock exchange or on any regulated market or if, with respect to assets listed or dealt in on any stock exchange or any regulated market, such prices are not representative of their value, such assets are stated at market value or otherwise at the fair value at which it is expected they may be resold, as determined in good faith by or under the direction of the Board of Directors.

The liquidating value of futures, forward or options contracts not traded on a stock exchange or on Regulated Markets, or on other regulated markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The value of futures, forward and options contracts traded on a stock exchange or on Regulated Markets, or on other regulated markets shall be based upon the last available settlement or closing prices as applicable to these contracts on a stock exchange or on Regulated Markets, or on other regulated markets on which the particular futures, forward or options contracts are traded on behalf of the Fund; provided that if a future, forward or options contract could not be liquidated on the day with respect to which assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable.

All other Transferable Securities, Money Market Instruments and other financial liquid assets, including equity and debt securities, for which prices are supplied by a pricing agent but are not deemed to be representative of market values, but excluding Money Market Instruments with a remaining maturity of ninety days or less and including restricted securities and securities for which no market quotation is available, are valued at fair value as determined in good faith pursuant to procedures established by the Board of Directors. Money Market Instruments held by a Portfolio with a remaining maturity of 12 months or less will be valued by the amortized cost method, which approximates market value. Under this valuation method, the relevant Portfolio's investments are valued at their acquisition cost as adjusted for amortisation of premium or accretion of discount rather than at market value.

Interest rate swaps will be valued on the basis of their market value established by reference to the applicable interest rate curve.

Credit default swaps and total return swaps will be valued at fair value under procedures approved by the Board of Directors. As these swaps are not exchange-traded, but are private contracts into which the Fund and a swap counterparty enter as principals, the data inputs for valuation models are usually established by reference to active markets. However it is possible that such market data will not be available for credit default swaps and total return swaps near the date on which valuation is undertaken. Where such markets inputs are not available, quoted market data for similar instruments (e.g. a different underlying instrument for the same or a similar reference entity) will be used provided that appropriate adjustments be made to reflect any differences between the credit default swaps and total return swaps being valued and the similar financial instrument for which a price is available. Market input data and prices may be sourced from exchanges, a broker, an external pricing agency or a counterparty.

If no such market input data are available, credit default swaps and total return swaps will be valued at their fair value pursuant to a valuation method adopted by the Board of Directors which shall be a valuation method widely accepted as good market practice (i.e. used by active participants on setting prices in the market place or which has demonstrated to provide reliable estimate of market prices) provided that adjustments that the Board of Directors may deem fair and reasonable be made. The Fund's auditor will review the appropriateness of the valuation methodology used in valuing credit default swaps and total return swaps. In any event, the Fund will always value credit default swaps and total return swaps on an arm's length basis.

All other swaps will be valued at fair value as determined in good faith pursuant to procedures established by the Board of Directors.

The value of contracts for differences will be based on the value of the underlying assets and vary similarly to the value of such underlying assets. Contracts for differences will be valued at fair market value, as determined in good faith pursuant to the procedures established by the Board of Directors.

Units or shares of open-ended Permitted Funds will be valued at their last determined and available net asset value or, if such price is determined to not be representative of the fair market value of such assets, then the price shall be determined by the Fund on a fair and equitable basis, using information available at the time. The available information may include, but is not limited to, the last determined and available net asset value. Units or shares of a closed-ended Permitted Fund will be valued at their last available stock market value.

The Board of Directors may, in its discretion, permit some other method of valuation to be used if it believes that such other method provides a valuation which more accurately reflects the fair value of any asset of the Fund.

Where "fair value" prices are provided other than through an independent fair value service, such prices shall be generated by the Valuation Oversight Group ("VOG"), a group within Goldman, Sachs & Co., and, unless the Board of Directors fails to ratify such prices (in circumstances where the Board is required to ratify such prices) as are provided to it by the VOG, those prices shall then be delivered to the Administrator, who shall be required to comply with its contractual obligations to the Fund and its statutory duties under Luxembourg law when processing such prices for inclusion in its calculation of the net asset value of the Fund. Full details of all instances where "fair values" have been applied to Fund assets shall be recorded in memoranda and delivered to the Responsible Managers for their review at the end of each month. The Responsible Managers shall also liaise with the Administrator in order to establish whether such prices have been included in the Administrator's calculation of the net asset value of the Fund. Summaries of all relevant memoranda shall be presented at the following meeting of the Board of Directors. The memoranda shall include, inter alia, security information, price analysis and the rationale for the "fair value" determined by the VOG; in addition, the memoranda shall include an explanation and summary of the functions carried out by the Administrator, acting in accordance with procedures agreed between it, the Fund and the VOG, in reviewing and providing support for such price determination.

The Portfolios may utilise "fair value" prices provided by an independent fair value service and where they do this valuation will supersede, and be instead of, the method of valuation set out above although that method of valuation would form the basis of the valuation to which the fair value adjustment would be applied. Fair value prices may be used to ensure appropriate accounting for events that could affect the values of certain Portfolio

holdings that may occur between the close of the market on which those holdings are traded and the time of determining the net asset value, and which would not otherwise be reflected in the net asset value.

One effect of using an independent fair value service may be to reduce stale pricing arbitrage opportunities presented by the pricing of Shares. However, this involves the risk that the values used by the Fund to price its securities may be different from those used by other investment companies and investors to price the same securities.

Generally, Portfolio security trades (but not necessarily other trades) are accounted for and valued in a Portfolio's net asset value on a trade date plus one basis. However, where events affecting the values of such securities occur between the time of trade execution and the calculation of net asset value the Administrator, in consultation with the Investment Adviser, may determine that such trades be accounted for in the Portfolio's net asset value on trade date if in their opinion such events would materially affect the net asset value of that Portfolio.

All account statements and annual and semi-annual reports of a Portfolio will be stated in its Base Currency.

The issuance of a net asset value is without prejudice to any right the Fund may have at law in the case of a miscalculated net asset value to reclaim over issuance of Shares or overpayment of proceeds to an investor under the concept of unjust enrichment or any similar concept.

Except where the determination of the purchase and redemption prices has been suspended, in the circumstances described in this section, the sale and redemption prices of the Shares will be available on each Business Day from the Administrator and on www.gs.com and such other media as may be decided from time to time by the Directors.

16 Dividend Policy

Investors should note that both Distribution Shares and Accumulation Shares are available in respect of certain Share Classes and/or Portfolios. Investors should refer to the Supplements for additional information ("Acc." denoting Share Classes that are available as Accumulation Shares). The information below is relevant to investors who wish to subscribe for Distribution Shares.

The Portfolios emphasise capital appreciation or total return. The Fund intends that substantially all the net investment income, if any, of each Portfolio will be declared as a dividend and paid at least annually to the Shareholders of record of the Portfolio. Net capital gains realised on a Portfolio's investments are expected to be retained by the Portfolio, which will result in an increase in the net asset value of the Shares. The Board of Directors of the Fund nevertheless retains the right to declare dividends in respect of such capital gains in its sole discretion.

In respect of the "IX" Shares and "IXO" Shares, it is intended that not only substantially all of the net investment income of the Portfolio attributable to those Shares will be declared as a dividend and paid at least annually to the Shareholders of record of such Shares in the Portfolio, but in addition, at the discretion of the Board of Directors of the Fund, the Portfolio may also distribute to its Shareholders the Portfolio's capital gains, if any, and capital attributable to those Shares. As a result, the net asset value of those Shares may fluctuate more than the other Share Classes in the Portfolio for which it is generally not intended by the Board of Directors to declare dividends in respect of capital gains or to distribute capital, and the potential for future appreciation of such net asset value of such Shares may be eroded. The paying out of income and/or capital gains as dividends or to distribute capital, may also impact on the tax position of investors who should accordingly take their own specific advice on investment in those Shares. Details in respect of which Portfolios offer such Share Classes may be found in the Supplements. Each dividend declared by the Fund on the outstanding Shares of a Portfolio will, at the election of each Shareholder, be paid in cash or in additional Shares of the Portfolio. This election should initially be made on a Shareholder's Original Account Agreement and may be changed upon written notice to the Fund at any time prior to the record date for a particular dividend or distribution. If no election is made, all dividend distributions will be paid in the form of additional Shares. Such reinvestment will be made at the net asset value per Share of the Portfolio as of the Business Day on which such dividends are declared. If a Shareholder's dividends are reinvested as a result of either an election on the Original Account Agreement or non-election, there will be no sales charge payable in respect of the reinvestment.

Upon the declaration of any dividends to the holders of Shares of a Portfolio, the net asset value of the Shares of that Portfolio will be reduced by the amount of such dividends. Payment of the dividends shall be made as indicated on a Shareholder's Original Account Agreement, as amended from time to time, to the address or account indicated on the register of Shareholders or otherwise instructed. Where Shareholders elect reinvestment of dividends in additional Shares, each dividend due to the Shareholder will be paid by the Portfolio to State Street at its Luxembourg office for the account of the relevant Shareholder. State Street will, as Paying Agent for the Shareholders, credit such monies to the Portfolio in subscription for further Shares.

Any dividend paid on a Share of a Portfolio that has not been claimed within five years of its declaration shall be forfeited for the benefit of the Portfolio. No interest shall be paid on a dividend declared by the Fund in respect of a Portfolio and kept by the Fund at the disposal of its beneficiary.

Income Equalisation Arrangements

Income equalisation arrangements may be applied in the case of Shares in some or all the Portfolios of the Fund.

Where they are applied these arrangements are intended to ensure that the income per Share which is distributed or deemed distributed in respect of a distribution period is not affected by changes in the number of Shares in issue during that period.

17 Fees and Expenses

Upon the issue of Shares, each Portfolio will receive net proceeds in an amount per Share equal to the purchase price of such Shares (not including any Sales Charges). Certain organisational expenses, including legal and accounting expenses, expenses related to the creation of new Portfolios, expenses incurred in the preparation and publication of this Prospectus, costs incurred in obtaining a listing for Shares on the Luxembourg Stock Exchange (or any other stock exchange), printing costs, certain offering expenses, shareholder servicing costs and other expenses are capitalised and amortised over a period not exceeding five years following the offering of the Shares.

Charges relating to the creation of a new Portfolio shall be written off over a period not exceeding one year against the assets of that Portfolio. The newly created Portfolio will not bear a pro rata portion of the costs and expenses incurred in connection with the formation of the Fund and the initial issue of Shares, to the extent those costs and expenses have already been written off at the time of the creation of the new Portfolio. Charges that are not specifically attributable to a particular Portfolio may be allocated among the Portfolios based on their respective net assets or any other reasonable basis depending on the nature of the charges. Charges that may reasonably be attributed to one of the relevant Portfolios (or Share Class as applicable) will be charged exclusively to such Portfolio or class, as appropriate. Currency conversion costs incurred in connection with conversion of currency on the purchase, redemption and exchange of Shares of a Share Class of a Portfolio which are priced in a currency other than the Base Currency denomination of that Portfolio will be borne by that Share Class.

The Fund is also responsible for any ongoing expenses such as fees payable to the Directors, permanent representatives and other agents of the Fund, and certain other expenses, such as the fees of the Investment Adviser, Distributor, Custodian, Administrator, Shareholder Services Agent, Registrar and Transfer Agent, entities appointed for processing, calculating and reporting risk measures to the Investment Adviser, and fees and expenses for the Fund's fair valuation service provider(s), auditors and legal advisers, and any fees or expenses involved in registering and maintaining the registration of the Fund with any governmental agency or stock exchange in the Grand Duchy of Luxembourg and in any other country, reporting and publishing expenses, including the costs of printing, preparing, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements and the costs of reports to Shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telefax. The Fund shall be responsible for the reasonable costs and expenses resulting from the appointment of, and the activities carried out by the Responsible Managers, including travel and accommodation expenses and the renting of office space. The Responsible Managers shall not be paid a fee for the services provided to the Fund. In normal circumstances, the fees payable to State Street for its provision of custodial and administrative services shall be subject to a maximum of 50 basis points.

The Fund may accrue a Portfolio's expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods. In addition to the fees payable to the Investment Adviser, Distributor, Custodian, Administrator, Shareholder Services Agent, Registrar and Transfer Agent, and the other agents of the Fund, each Portfolio will bear its own expenses as described above. The Investment Adviser and the Distributor may, during any period, elect to waive a portion of their respective fees with respect to any of the Portfolios without notice to investors. The Fund is responsible for all of its extraordinary expenses which could include, but are not limited to, costs and expenses of litigation and newly imposed taxes.

Certain Share Classes of certain Portfolios may have a fixed rate of operating expenses (as may be detailed in the Supplements to the Prospectus), which is applied to the average assets attributable to the relevant Share Class. The Investment Adviser will bear (directly by waiving a portion of its fees or by reimbursement to the account of the relevant Share Class) any actual operating expenses that exceed the fixed rate. Conversely, the Investment Adviser will be entitled to retain any amount by which the fixed rate of operating expenses exceeds the actual operating expenses attributable to the relevant Class of the Portfolio(s).

The operating expenses include all of the costs, expenses and fees listed in the second, third and fourth paragraph of this Fees and Expenses section, except any fees payable to the Investment Adviser and the Distributor and any extraordinary expenses. The Investment Adviser and the Distributor will receive a monthly fee for their respective services payable out of the assets of each Portfolio. These monthly fees shall be charged on an annual

percentage basis by reference to the Portfolio's, or in the case of the fees relating to a Class, the Class', average daily net asset value. For a summary of these fees please see the relevant Supplement(s) and Section 1 entitled "Description of Share Classes" in this Prospectus.

The Investment Adviser may impose a cap on a Class by Class basis on the amount of expenses that will be borne by the Fund. The Investment Adviser may, in its sole discretion, designate which expenses of the Fund will be subject to any such expense cap imposed by the Investment Adviser. Any such expense cap may be increased, decreased, waived or eliminated at any time and without prior notice to investors in the Investment Adviser's sole discretion. Shareholders should be aware that the existence of such a cap may increase the performance of the Class it has been applied to. Any increase or elimination of the cap in the future could have a negative impact on the performance of the Class it has previously been applied to.

18 Information on the Fund

18.1 Corporate Information

The Fund was incorporated on 20 November 2007 and is governed by the Law of 10 August 1915 on commercial companies, as amended, and by the Law of 20 December 2002. The registered office is established at 49, avenue J-F Kennedy, L-1855 Luxembourg. The Fund is recorded at the “Registre de Commerce et des Sociétés” under the number B 133806. The head office of the Fund is located in Luxembourg.

The Articles of Incorporation were published in the Memorial on 10 December and were amended by notarial deed on 27 February 2008 and have been filed with the Registre de Commerce et des Sociétés.

Any interested person may inspect these documents at the Registre de Commerce et des Sociétés; copies are available on request at the registered office of the Fund.

The minimum capital of the Fund is as provided by law (i.e., EUR1,250,000), represented by fully paid-up Shares of the Portfolios of no par value.

The Fund is open-ended, which means that it may, at the request of Shareholders as described herein, redeem its Shares at prices based on the applicable net asset value. For further information about redemptions, please refer to Section 12 “Redemption of Shares”. Each Share of a Portfolio is entitled to one vote at any general meeting of Shareholders, in compliance with Luxembourg law and the Articles.

The Fund is a self-managed company for the purposes of article 27 of the Law of 20 December 2002.

There can be no assurance that any other portfolios will be created by the Board of Directors or, if created, that existing Shareholders will be granted pre-emptive rights to purchase Shares in such new portfolio or that Shares of the new portfolio shall be offered for sale in the same jurisdiction.

18.2 Liquidation and Merger of Portfolios

Notwithstanding the powers conferred on the Board of Directors to redeem all of the Shares of a Portfolio or Class (please see Section 12 “Redemption of Shares – Mandatory Sale or Redemption” of this Prospectus), the general meeting of Shareholders of any one or more classes of Shares in a Portfolio may, upon proposal by the Board of Directors, by resolution adopted at such meeting, reduce the capital of the Fund by cancellation of the Shares issued in the relevant class or classes of Shares in the Portfolio and refund to the Shareholders the net asset value of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated on the Business Day at which such resolution shall take effect, all in compliance with the delays, terms and conditions set forth in the Articles.

The Board of Directors may decide to cancel the Shares issued in such Portfolio and allocate the net assets of such Portfolio to another Portfolio of the Fund or to another undertaking for collective investment organised under Part I of the Law of 20 December 2002 or to another portfolio within such other undertaking for collective investment, all in compliance with the delays, terms and conditions set forth in the Articles.

18.3 Dissolution and Liquidation of the Fund

The Fund may at any time be dissolved by a resolution of the general meeting of Shareholders subject to the quorum and majority requirements as referred to in the Articles.

Whenever the Share capital of the Fund falls below two thirds of the minimum capital (EUR1,250,000), a proposal to dissolve the Fund shall be referred to the general meeting by the Board of Directors. The general meeting for which no quorum shall be required shall decide by simple majority of the Shares represented at the meeting.

A proposal to dissolve the Fund shall further be referred to the general meeting whenever the Share capital falls below one fourth of the minimum capital; in such an event, the general meeting shall be held without any quorum

requirement and the dissolution may be decided by Shareholders holding one fourth of the Shares represented at the meeting.

The general meeting will be convened so that it is held within a period of 40 days from the date on which it is ascertained that the share capital of the Fund has fallen below two thirds or one fourth of the legal minimum, as the case may be.

Liquidation shall be carried out by one or several liquidators, who may be physical persons or legal entities, duly approved by the appropriate Luxembourg authority and appointed by the general meeting of Shareholders which shall determine their powers and their compensation.

The net proceeds of liquidation corresponding to each Portfolio shall be distributed by the liquidators to the holders of Shares in the Portfolio in proportion to their holding of Shares in such Portfolio.

Should the Fund be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the Law of 20 December 2002. Such law specifies the steps to be taken to enable Shareholders to participate in the distribution(s) of the liquidation proceeds and provides for a deposit in escrow at the "Caisse de Consignations" at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period shall be liable to be forfeited in accordance with the provisions of Luxembourg law.

18.4 Information on the Fund's positions

The Board of Directors may, subject to certain restrictions designed to protect the interests of the Fund and in compliance with applicable laws and regulations including, without limitation, those in relation to the prevention of market timing and related practices, authorise the disclosure on a confidential basis of information pertaining to the Fund's positions. The Board of Directors shall not be obliged to effect such disclosure but if it does so it shall make it available to all Shareholders requesting such information upon equal terms. The Board of Directors shall not be obliged to make such information available to any Shareholder that is unwilling to provide undertakings to keep the information confidential upon terms acceptable to the Board of Directors, which terms shall specify that such information may not be utilised contrary to the interests of the Fund. The Board of Directors shall not be obliged to supply information to any Shareholder in circumstances where it reasonably believes that such disclosure involves a material risk of information being utilised contrary to the best interests of the Fund or where disclosure would be made to persons who are, or are representatives of, a resident of a jurisdiction that does not have a legal and regulatory regime considered by the Board of Directors, in its reasonable discretion to adequately protect the Fund in the event of the abuse of the information so disclosed. The Board of Directors may discontinue such disclosure in its absolute discretion and, in the event of it doing so, the sole remedy of a Shareholder previously in receipt of such information shall be to request redemption of Shares held by them in accordance with the terms of this Prospectus. The Board of Directors may delegate responsibility of implementing such information disclosure to the Fund's agents.

19 Meetings of and Reports to Shareholders

Notice of any general meeting of Shareholders of the Fund or of a Portfolio or of a class of Shares of a Portfolio shall be provided to the relevant Shareholders in the manner required by law. The annual general meeting takes place in Luxembourg at a place specified in the notice of meeting on the first Friday in the month of April, or if not a Business Day, on the next succeeding Business Day, at 4:30pm. In accordance with the Articles, Shareholders of a Portfolio of the Fund may hold, at any time, a general meeting to decide on any matters which relate exclusively to the Portfolio.

If the Articles are amended, such amendments shall be filed with the Chancery of the District Court of Luxembourg and published in the Mémorial.

The Fund shall publish annually, as of 30 November of each year, or if 30 November is not a Business Day as of the Business Day immediately preceding 30 November, a detailed report on its activities and on the management of the Portfolios' assets; such report shall include, inter alia, the accounts of each Portfolio and the consolidated accounts relating to the Fund, a detailed description of the assets of each Portfolio and the report from the auditor.

The Fund shall further publish semi-annual reports as of 31 May of each year, or if 31 May is not a Business Day as of the Business Day immediately preceding 31 May, including, inter alia, the investments underlying each Portfolio and the number of Shares issued and redeemed since the last publication.

The Articles and the annual and semi-annual reports in respect of each Portfolio may be obtained free of charge by any person at the registered office of the Fund.

20 Taxation

20.1 General

The following summary is based on the law and practice currently applicable in the Grand Duchy of Luxembourg and is subject to changes therein. Investors should inform themselves of and when appropriate consult their professional advisers on the possible tax consequences of subscription for, buying, holding, exchanging, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence or domicile.

It is expected that Shareholders in the Fund will be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarise the taxation consequences for each investor of subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares of a Portfolio of the Fund. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances.

20.2 Taxation of the Fund in Luxembourg

The Fund is not liable for any Luxembourg tax on profits or income, nor are the dividends paid by a Portfolio liable to any Luxembourg withholding tax. The Fund is, however, subject in Luxembourg to a subscription tax of 0.05% per annum of each Portfolio's net assets that are attributable to all Share Classes except "I", "IO", "IX" and "IXO" Shares and to a tax of 0.01% per annum of the net assets attributable to the "I", "IO", "IX" and "IXO" Shares, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Portfolios as of the end of each calendar quarter. No stamp duty or other tax is payable in Luxembourg on the issue of Shares. No Luxembourg tax is payable on the realised capital appreciation of the assets of the Fund.

Dividends, interest, income and gains received by a Portfolio on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

20.3 Luxembourg Taxation of Shareholders

Under current legislation, Shareholders are not subject to any capital gains, income, withholding or inheritance taxes in Luxembourg (except for (i) those domiciled, resident or having a permanent establishment in Luxembourg, (ii) non-residents of Luxembourg who hold more than 10% of the share capital of the Fund and who dispose of all or part of their holdings within 6 months from the date of acquisition or (iii) in some limited cases, some former residents of Luxembourg who hold more than 10% of the share capital of the Fund).

20.4 EU Savings Directive

On 3 June 2003 the EU Council of Economic and Finance Ministers adopted a new directive regarding the taxation of savings income. The directive is applied by Member States since 1 July 2005, provided that certain non-EU countries adopt similar measures from the same date. Under the directive each Member State will be required to provide to the tax authorities of another Member State details of payments of interest or other similar income (including distributions and redemption payments referable to a Portfolio investing in interest bearing instruments) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State (and such other jurisdictions as have agreed to abide by the terms of the directive); however, Austria, Belgium and Luxembourg may instead apply a withholding system (in respect of distributions and redemption payments referable to a Portfolio investing in interest bearing instruments) for a transitional period in relation to such payments, deducting tax at rates rising over time to 35%. For the first three years after the date of implementation of the directive, the rate of withholding tax will be 15% and will be increased to 20% three years after the date of implementation of the directive. The 35% rate shall be effective from 1 July 2011.

20.5 Income Equalisation Arrangements

Income equalisation arrangements may be applied in the case of Shares in some or all the Portfolios of the Fund. Where they are applied these arrangements are intended to ensure that the income per Share which is distributed

or deemed distributed in respect of a distribution period is not affected by changes in the number of Shares in issue during that period, and the amount of the first distribution received by a Shareholder in an impacted Portfolio following the purchase of Shares in that Portfolio will represent partly participation in income received by the Portfolio and partly a return of capital (the 'equalisation amount').

It is expected that the equalisation amount will not be taxable as an income receipt of the Shareholder but should be applied to reduce the base acquisition cost of the Shares for the purpose of computing capital gains. The tax treatment of equalisation amounts may, however, differ in certain jurisdictions. Please consult your tax adviser to assess the impact, if any, of such arrangements in light of your own circumstances.

Shareholders who wish to obtain information concerning whether equalisation is currently being operated and the equalisation amount, if any, received or to be received by them as a part of their distribution, may do so by contacting the Global Distributor.

20.6 Taxation of the Fund in Belgium

According to article 161, 3 of the Belgian Code of Estate Taxes a tax on subscriptions is due by foreign funds registered for public distribution with the Commission for Banking, Finance and Insurance in Belgium, pursuant to article 127 of the Law of July 20, 2004 concerning certain forms of collective investment undertakings, where such subscriptions are made through financial intermediaries situated in Belgium. The Fund may incur a liability for tax in Belgium to the extent that there are net Shares outstanding as at 31 December of the previous year subscribed through Belgian intermediaries. The tax is calculated, pursuant to article 161 bis § 2 of the Belgian Code of Estate Taxes by applying the relevant rate to the Fund's taxable basis. The tax amounts to 0.08% as from 2007. The Fund's taxable base is determined by multiplying the net asset value per Share as at 31 December of the previous year, by the number of Shares outstanding on that date that had been subscribed through Belgian intermediaries. Any liability to Belgian tax is payable by 31 March in each year, provided that the Fund remains registered to publicly distribute Shares in Belgium.

Investors should consult their professional advisers on the possible tax or other consequences of buying, transferring, or selling any of the Fund's Shares under the laws of their countries of citizenship, residence and domicile.

20.7 Information for U.S. Tax Persons

PURSUANT TO U.S. TREASURY DEPARTMENT CIRCULAR 230, THE FUND IS INFORMING PROSPECTIVE INVESTORS THAT (A) THE SUMMARY SET FORTH BELOW IS NOT INTENDED AND WAS NOT WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE U.S. FEDERAL TAX LAWS THAT MAY BE IMPOSED ON THE TAXPAYER, (B) THE SUMMARY SET FORTH BELOW WAS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING BY THE FUND AND THE DISTRIBUTION OF THE SHARES, AND (C) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The following summary describes certain U.S. federal income tax consequences to a "U.S. Tax Person" (*i.e.*, a citizen or resident of the United States, a corporation or partnership created or organized in the United States or any state thereof, or an estate or trust, the income of which is includible in income for U.S. federal income tax purposes, regardless of its source) of owning Shares. The summary is based on the Code, the U.S. Treasury Regulations promulgated thereunder, rulings of the U.S. Internal Revenue Service (the "IRS") and court decisions, all as in effect or in existence on the date of this Prospectus and all of which are subject to change, possibly with retroactive effect. This summary is necessarily general and does not address all of the tax consequences relevant to a particular investor or to certain investors subject to special treatment under the U.S. federal income tax laws.

Passive Foreign Investment Company

The Fund has been formed as a *société anonyme* and has been and will be treated, under applicable United States Treasury Regulations (the "Treasury Regulations"), as a corporation for U.S. federal income tax purposes.

The Fund may be treated as a "passive foreign investment company" (a "PFIC") under the Code. The Fund does not provide information to its Shareholders that would permit U.S. Tax Person to make a "qualified electing fund"

election for United States federal income tax purposes. Thus, by investing in the Fund, a U.S. Tax Person, other than a U.S. Tax Person that is generally exempt from U.S. income tax (a “U.S. Tax-Exempt Person”), generally will subject themselves to certain material adverse tax consequences, including, (i) the treatment of gain recognized on a disposition (including a redemption) of Shares as ordinary income, rather than capital gain, (ii) the imposition of tax on any such gain and any “excess distribution” (generally, the amount by which distributions in a taxable year exceed 125% of the average distributions in the preceding three taxable years) as if such items had been earned ratably over each day in the U.S. Tax Person’s holding period for the Shares, (iii) the imposition of an interest charge on the tax liability attributable to income allocated to prior years as if such liability had been due with respect to such prior years, and (iv) the loss of the step-up in basis for individual U.S. Tax Person at death. The application of the “passive foreign investment company” rules is very complex and uncertain in many respects. U.S. Tax Persons are urged to consult their own tax advisors with respect to the tax consequences of an investment in the Fund.

Shareholders that are U.S. Tax-Exempt Persons

Dividends received with respect to stock of a corporation, and gain derived from the sale or redemption of such stock are generally not treated as unrelated business taxable income (the “UBTI”), except that a portion of any such gain or dividend income may be treated as UBTI if the stock is debt financed property. Moreover, while the Fund believes that it will be a PFIC within the meaning of Section 1297 of the Code, U.S. Tax-Exempt Persons that own Shares and do not debt-finance the acquisition of their Shares generally will not be subject to the interest charge for “deferred tax amounts” applicable to certain U.S. Tax Persons owning PFIC stock. In connection with prior legislation, the U.S. Congress considered whether income derived from ownership of stock of a non-U.S. corporation should, under certain circumstances, be treated as UBTI to the extent that it would be so treated if earned directly by a U.S. Tax-Exempt Person. Subject to a narrow exception (relating to insurance company income), the U.S. Congress did not adopt rules requiring such treatment. Under these principles, dividends and gains derived from an investment in Shares by a U.S. Tax-Exempt Person would not result in UBTI notwithstanding that the Fund may use debt financing, unless such Shareholder itself, directly or indirectly, debt finances the acquisition of its Shares. Notwithstanding the foregoing, some risk may exist that the Fund’s activities would cause U.S. Tax-Exempt Persons to incur UBTI. Moreover, if a U.S. Tax-Exempt Person, directly or indirectly, debt finances the acquisition of its Shares, any redemption, disposition or “excess distribution” (as defined in Section 1291 of the Code) with respect to such Shares would, in the absence of an election to include in income currently its share of the Fund’s earnings, be subject to the interest charge (treated as an addition to tax) for “deferred tax amounts” imposed under the PFIC rules. Additional tax considerations may be applicable to U.S. Tax-Exempt Persons that are charitable remainder trusts. Charitable remainder trusts and other U.S. Tax-Exempt Persons are urged to consult their own tax advisors concerning the U.S. tax consequences of an investment in the Shares.

U.S. Reporting Obligations

A U.S. Tax Person, including a U.S. Tax-Exempt Person, that transfers cash to the Fund in exchange for Shares, in a transfer described in Section 351 of the Code, will likely be required to file IRS Form 926 (Return by a U.S. Transferor of Property to a Foreign Corporation) if (1) immediately after the transfer, such U.S. Tax Person holds (directly, indirectly or by attribution) at least 10% of the total voting power or the total value of the Fund (or potentially a Portfolio), or (2) the amount of cash transferred by such U.S. Tax Person (or any related person) to the Fund during the 12-month period ending on the date of the transfer exceeds USD100,000. In addition, any U.S. Tax Person that directly or indirectly owns 10% or more (taking certain attribution rules into account) of either the combined voting power or total value of the Shares of the Fund (or potentially a Portfolio) will likely be required to file IRS Form 5471 (Information Return of U.S. Persons with Respect to Certain Foreign Corporations). Such form requires certain disclosures concerning the filing Shareholder, other Shareholders, and the Fund. The Fund has not committed to provide all of the information about the Fund or its Shareholders needed to complete these forms. Moreover, under certain circumstances, U.S. Tax Persons may be subject to the disclosure requirements of the Treasury Regulations under Section 6011 of the Code directed at tax shelters (including the filing of IRS Form 8886) with respect to the Fund. Substantial penalties may be imposed for failure to make, on a timely basis, the filings referred to in this paragraph. Shareholders that are U.S. Tax Persons are urged to consult their own tax advisors concerning these and any other reporting requirements, including any reporting obligations relating to foreign financial accounts.

Appendix A: Investment Restrictions

In making its investments as described elsewhere in this Prospectus, each Portfolio is subject to the investment restrictions described below. The following restrictions have been adopted by the Board of Directors of the Fund in compliance with Luxembourg law, although they may be amended by the Board of Directors without a vote of the Shareholders.

In order to achieve the Fund's investment objectives and the investment objectives and policies of each Portfolio, the following investment powers and restrictions shall apply to all investments by each Portfolio of the Fund.

- 1) Investments of each Portfolio shall consist of:
 - a) Transferable Securities and Money Market Instruments admitted to or dealt on a Regulated Market;
 - b) Transferable Securities and Money Market Instruments dealt in on another regulated market in a Member State of the European Union which operates regularly and is recognised and open to the public;
 - c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a non-Member State of the European Union or dealt in on another regulated market in a non-Member State of the European Union which operates regularly and is recognised and open to the public;
 - d) Recently issued Transferable Securities and Money Market Instruments provided that:
 - i) the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market referred to under a) to c) above; and
 - ii) such admission is secured within one year of the issue.
 - e) Shares or units of UCITS authorised according to the UCITS Directive and/or other UCI within the meaning of the first and second indent of Article 1(2) of the UCITS Directive, should they be situated in a Member State of the European Union or not, provided that:
 - i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Luxembourg Supervisory Authority to be equivalent to that laid down in Community law and that cooperation between authorities is sufficiently ensured;
 - ii) the level of protection for share- or unit-holders in such other UCIs is equivalent to that provided for share- or unit-holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;
 - iii) the business of the other UCI is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
 - iv) no more than 10% of the UCITS or the other UCI assets, whose acquisition is contemplated, can be, according to its instruments of incorporation, invested in aggregate in shares or units of other UCITS or other UCIs.
 - f) Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State of the European Union or if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the Luxembourg Supervisory Authority as equivalent to those laid down in Community law.

- g) Financial derivative instruments, including equivalent cash settled instruments, dealt in on a regulated market referred to under in a), b) and c) above, and/or financial derivative instruments dealt in OTC, provided that:
 - i) the underlying consist of instruments covered by Section 1., financial indices, interest rates, foreign exchange rates or currencies, in which the Portfolio may invest in accordance with its investment objectives as stated in its articles of incorporation and in this Prospectus;
 - ii) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg Supervisory Authority; and
 - iii) OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair market value at the Portfolio's initiative.
 - h) Money market instruments other than those dealt in on regulated markets, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:
 - i) issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
 - ii) issued by an undertaking any securities of which are dealt in on Regulated Markets referred to under (a), (b) or (c) above; or
 - iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg Supervisory Authority as equivalent to those laid down in Community law; or
 - iv) issued by other bodies belonging to the categories approved by the Luxembourg Supervisory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, second and third indent of this Section (h), and provided that the issuer (i) is a company whose capital and reserves amount at least to ten million Euro (EUR10,000,000) and (ii) which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, (iii) is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group, or (iv) is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.
- 2) Moreover each Portfolio may:
- a) invest up to 10% of its assets in Transferable Securities and Money Market Instruments other than those referred to under Section 1) above;
 - b) hold ancillary liquid assets (which restriction may exceptionally and temporarily be exceeded if the Directors consider this to be in the best interests of the Shareholders);
 - c) borrow the equivalent of up to 10% of its assets provided that the borrowing is on a temporary basis; and
 - d) acquire foreign currencies by means of back-to-back loans.
- 3) Moreover, the following investment restrictions shall be observed by each Portfolio in respect of each issuer:

(a) Rules for risk spreading

For the calculation of the limits defined in points (1) to (5) and (8) below, companies belonging to the same Group of Companies shall be treated as a single issuer.

- **Transferable Securities and Money Market Instruments**

- (1) Each Portfolio may not invest more than 10% of its assets in Transferable Securities or Money Market Instruments issued by the same body.

The total value of the Transferable Securities and Money Market Instruments held by each Portfolio in the issuing bodies in each of which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This restriction does not apply to deposits with financial institutions that are governed by prudential regulations or to transactions in OTC derivative instruments with these institutions.

For the purposes of this paragraph (3)(a)(1), a Portfolio will treat each mortgage-backed or asset-backed portfolio as a separate issue of a separate issuer, although such portfolios may be part of the same master trust, sponsored by the same sponsor, or serviced by the same service provider.

- (2) The 10% limit laid down in paragraph (1) is raised to 20% in the case of Transferable Securities and Money Market Instruments issued by the same Group of Companies.
- (3) The 10% limit laid down in paragraph (1) is raised to a maximum of 35% if the Transferable Securities or Money Market Instruments are issued or guaranteed by a Member State of the European Union, by its local authorities, by a non-Member State or by public international bodies to which one or more Member States are members.
- (4) The 10% limit laid down in paragraph (1) is raised to 25% for certain debt securities issued by a credit institution whose registered office is in a Member State of the European Union and which is subject by law to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of the debt securities, are capable of covering claims attaching to the debt securities and which, in event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of accrued interest. To the extent that a Portfolio invests more than 5% of its assets in such debt securities, issued by the same issuer, the total value of such investments may not exceed 80% of the value of that Portfolio's assets.
- (5) The Transferable Securities and Money Market Instruments referred to in (3) and (4) above are not taken into account for the purpose of applying the 40% limit referred to under paragraph (1) above.
- (6) Notwithstanding the limits indicated above, and in accordance with the principle of risk-spreading, each Portfolio is authorised to invest up to 100% of its assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State of the European Union, its local authorities, a Member State of the OECD or public international bodies of which one or more Member States of the European Union are members, provided that (i) the securities of the whole Portfolio consist of at least six different issues and (ii) securities from any one issue may not account for more than 30% of the Portfolio's assets. The provisions of this paragraph (6) shall also apply in respect of a Portfolio investing in securities issued by certain U.S. Government Agency Issuers, namely the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association and the Federal Home Loan Banks.
- (7) Without prejudice to the limits laid down in (b) below, the limits laid down in (1) above are raised to maximum 20% for investment in shares and/or debt securities issued by the same body and when the

Portfolio's investment policy is aimed at duplicating the composition of a certain share or debt securities index, which is recognised by the Luxembourg Supervisory Authority and meets the following criteria:

- (i) the index's composition is sufficiently diversified;
- (ii) the index represents an adequate benchmark for the market to which it refers;
- (iii) the index is published in an appropriate manner.

The 20% limit is increased to 35% where that proves to be justified by exceptional conditions, in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for one single issuer.

- **Bank deposits**

- (8) Each Portfolio may not invest more than 20% of its assets in deposits made with the same body.

- **Derivatives**

- (9) The risk exposure to a counterparty of the Portfolio in an OTC derivative transaction may not exceed 10% of the relevant Portfolio's assets when the counterparty is a credit institution referred to in (f) in Section 1 above, or 5% of its assets in the other cases.
- (10) Each Portfolio may invest in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in (1) to (5), (8), (9), (16) and (17). When a Portfolio invests in index based financial derivative instruments, these investments do not have to be combined to the limits laid down in (1) to (5), (8), (9), (16) and (17).
- (11) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when applying the provisions laid down in (10) and (12) and when determining the risks arising on transactions in derivative instruments.
- (12) With regard to derivative instruments, the Fund, for each Portfolio, will ensure that its global exposure relating to derivative instruments does not exceed the total net value of the Portfolio.

The risks exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

- **Shares or units in open-ended funds**

- (13) Each Portfolio may not invest more than 20% of its assets in shares or units of a single UCITS or other UCI referred to in 1) e) above.
- (14) Furthermore, for each Portfolio, investments made in UCIs other than UCITS, may not exceed, in aggregate, 30% of the assets of the relevant Portfolio.
- (15) To the extent that a UCITS or UCI is composed of several sub-funds and provided that the principle of segregation of commitments of the different sub-funds is ensured in relation to third parties, each sub-fund shall be considered as a separate entity for the application of the limit laid down in (13) hereabove.

- **Combined limits**

- (16) Notwithstanding the individual limits laid down in (1), (8) and (9), each Portfolio may not combine:
 - (i) investments in Transferable Securities or Money Market Instruments issued by;
 - (ii) deposits made with; and/or
 - (iii) exposures arising from OTC derivatives transactions undertaken with;

a single body in excess of 20% of its assets.

- (17) The limits set out in (1) to (5), (8) and (9) cannot be combined. Thus, investments by each Portfolio in Transferable Securities or Money Market Instruments issued by the same body or in deposits or derivative instruments made with this body in accordance with (1) to (5), (8) and (9) may not exceed a total of 35% of the assets of that Portfolio.

(b) Restrictions with regard to control

- (18) A Portfolio may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

- (19) Each Portfolio may acquire no more than:

- (i) 10% of the outstanding non-voting shares of the same issuer;
- (ii) 10% of the outstanding debt securities of the same issuer;
- (iii) 25% of the shares or units of the same UCITS and/or other UCI;
- (iv) 10% of the Money Market Instruments of the same issuer.

The limits set in points (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of debt securities or Money Market Instruments, or the net amount of the securities in issue, cannot be calculated.

- (20) The limits laid down in (18) and (19) are waived as regards:

- (i) Transferable Securities and Money Market Instruments issued or guaranteed by a Member State of the European Union or its local authorities;
- (ii) Transferable Securities and Money Market Instruments issued or guaranteed by a non-Member State of the European Union;
- (iii) Transferable Securities and Money Market Instruments issued by public international bodies of which one or more Member States of the European Union are members;
- (iv) Shares held in the capital of a company incorporated in a non-Member State of the European Union which invests its assets mainly in securities of issuing bodies having their registered office in that State, where under the legislation of that State, such holding represents the only way in which the Fund, for each Portfolio, can invest in the securities of issuing bodies of that State and provided that the investment policy of the company complies with regulations governing risk diversification and restrictions with regard to control laid down herein;
- (v) Shares held in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country/ state where the subsidiary is located, in regard to the repurchase of the Shares at the Shareholders request exclusively on its or their behalf.

- 4) Furthermore, the following restrictions will have to be complied with:

- (1) Each Portfolio may not acquire either precious metals or certificates representing them.
- (2) Each Portfolio may not acquire real estate, except when such acquisition is essential for the direct pursuit of its business.
- (3) Each Portfolio may not issue warrants or other instruments giving holders the right to purchase shares in such Portfolio.

- (4) Without prejudice to the possibility of a Portfolio to acquire debt securities and to hold bank deposits, each Portfolio may not grant loans or act as guarantor on behalf of third parties. This restriction does not prohibit a Portfolio from acquiring Transferable Securities, Money Market Instruments or other financial instruments referred to in 1) e), g) and h) that are not fully paid-up.
 - (5) Each Portfolio may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments referred to in 1) e), g) and h).
- 5) Notwithstanding the above provisions:
- (1) Each Portfolio need not necessarily comply with the limits referred to herein when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of its assets;
 - (2) If the limits referred to above are exceeded for reasons beyond the control of a Portfolio or the Fund or as a result of the exercise of subscription rights, the relevant Portfolio must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.
- 6) The Fund has access to employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Portfolio. The Fund employs a process allowing for accurate and independent assessment of the value of the OTC derivative instruments.
- 7) Information relating to the quantitative limits that apply in the risk management of the Fund, to the methods chosen to this end and to the recent evolution of the main instrument categories' risks and yields may be provided to investors upon request.
- 8) The Fund may employ techniques and instruments in respect of Transferable Securities and Money Market Instruments subject always to the parameters published by the Luxembourg Supervisory Authority provided always that such techniques and instruments are employed for the purpose of efficient portfolio management. Where such operations concern the use of financial derivative instruments, these parameters shall conform to the Law of 20 December 2002. Under no circumstances shall these operations cause the Fund to diverge from its investment objectives as laid down in this Prospectus, the Supplements, the Simplified Prospectus, the Articles and in the Investment Advisory Agreement.
- 9) Other investment restrictions
- (1) The Fund will, under normal circumstances, invest at least fifty percent (50%) of its net asset value in securities as defined under Japanese securities regulations.

Appendix B: Special Investment Techniques

The primary focus of each Portfolio will be on making investments that are intended to meet each Portfolio's respective investment objective.

In addition, and as part of the investment policy for each Portfolio, each Portfolio may employ investment management techniques, including the use of financial derivative instruments and certain currency strategies not only for the purpose of hedging or risk management but also in order to increase total return. For financial derivative instruments the investment restrictions as outlined in Appendix A will apply.

Currency Transactions

Each Portfolio may enter into spot and forward currency contracts in light of anticipated changes in currency exchange rates in an effort to increase total return as well as for hedging and risk management purposes.

To the extent that a Portfolio engages in currency transactions, the Portfolio may utilise a number of hedging techniques, including the use of traditional currency hedging transactions, such as selling a particular currency and purchasing the Base Currency of the Portfolio forward to hedge the Portfolio's investment in securities and other investments denominated in that particular currency.

The Portfolio may also use anticipatory hedging where the Portfolio expects to buy a security and other investments denominated in a particular currency. With respect to anticipatory hedging, fundamental factors may change, causing the Portfolio to decide not to invest in securities and other investments denominated in that currency.

Each Portfolio may also engage in proxy and cross-hedging by using forward contracts in one currency to hedge against fluctuations in a different currency. Each Portfolio may also use spot and forward currency contracts across two currencies if the Investment Adviser expects changes in the cross rate. A Portfolio may also engage in a number of cross-hedging transactions intended to manage the Portfolio's currency positions in light of the relationships of one currency to another. These transactions may be used to hedge liabilities as well as assets of the Portfolio.

Those Portfolios that invest in securities denominated in multiple currencies may enter into currency transactions to manage the currency risk associated with their Base Currencies and the overall currency position of the Portfolios. The Portfolios will take into account fundamental factors that influence changes in currency exchange rates, such as fiscal and monetary policies in the countries issuing the currencies and other economic factors, including expectations, which may affect these rates. The Investment Adviser's use of these transactions and techniques may vary over time, and there can be no assurance that the Investment Adviser will seek to manage the currency risks associated with securities or other investments denominated in currencies other than a Portfolio's Base Currency.

Each Portfolio may also utilise active currency management techniques which may involve speculative currency positions through the purchase and/or sale of forward currency contracts irrespective of the composition of a Portfolio's assets.

A Portfolio may hold currency received in connection with investments when, in the judgment of the Investment Adviser, it would be beneficial to convert such currency into the Base Currency of the Portfolio at a later date, based on anticipated changes in the relevant exchange rate.

A Portfolio may also enter into spot and forward currency contracts in connection with the purchase, redemption and exchange of Shares of a class priced in a currency other than the Portfolio's Base Currency.

Options on Currencies

Each Portfolio may purchase and write put and call options on either the Base Currency or other currencies as part of the implementation of its investment policy or in an effort to protect against relative movements between the currencies and the subsequent changes in the Base Currency equivalent value or cost of investments. Each Portfolio may use currency options to cross-hedge, which involves writing or purchasing options on one currency to hedge against changes in exchange rates for a different currency with a pattern of correlation. A Portfolio may use cross-options on currency, which involves writing or purchasing options on one currency with a strike price in any other currency. As with other kinds of option transactions, however, the writing of an option as a hedge, will constitute only a partial hedge, up to the amount of the premium received. A Portfolio could be required to purchase or sell currencies at disadvantageous exchange rates, thereby incurring losses. The purchase of an option on currency may be profitable; however, in the event of exchange rate movements adverse to a Portfolio's position, the Portfolio may forfeit the entire amount of the premium plus related transaction costs.

A Portfolio may purchase and write call or put options on currencies, other than its Base Currency, to protect against an anticipated rise or fall in the Base Currency equivalent price of securities it either intends to purchase or may purchase in the future when securities denominated in that currency do not present attractive investment opportunities at the present time or are not held by the Portfolio. Options on currencies to be written or purchased by a Portfolio may be traded on exchanges or OTC (and, in the case of OTC options, will be with parties meeting the criteria set forth below under "Options on Securities and Securities Indices"). The risks set out below under "Options on Securities and Securities Indices" apply equally to options on currencies.

Options on Securities and Securities Indices

A Portfolio may write and purchase call and put options on any security, or index composed of securities.

There is no assurance that a liquid secondary market on an options exchange will exist for any particular exchange-traded option or at any particular time. If a Portfolio is unable to effect a closing purchase transaction with respect to covered options it has written, the Portfolio will not be able to sell the underlying investments or dispose of investments held in a segregated account until the options expire or are exercised. Similarly, if a Portfolio is unable to effect a closing sale transaction with respect to options it has purchased, it would have to exercise the options in order to realise any profit and will incur transaction costs upon the purchase or sale of the underlying investments. In a closing purchase or sale transaction, a Portfolio acquires a position that offsets and cancels an option position then held by the Portfolio.

The writing and purchase of options is a highly specialised activity which involves special investment risks. Options may be used for either hedging or cross-hedging purposes, or to seek to increase total return (which is considered a speculative activity). The successful use of options depends in part on the ability of the Investment Adviser to manage future price fluctuations and the degree of correlation between the options and securities markets. If the Investment Adviser is incorrect in its expectation of changes in market prices or determination of the correlation between the instruments or indices on which options are written and purchased and the instruments in a Fund's investment portfolio, the Fund may incur losses that it would not otherwise incur. Each Portfolio pays brokerage commissions or spreads in connection with their options transactions.

A Portfolio may purchase and write both options that are traded on options exchanges, and options traded OTC with broker-dealers who make markets in these options and who are financial institutions and other eligible parties that are participants in the OTC markets. The ability to terminate OTC options is more limited than with exchange-traded options and may involve the risk that broker-dealers participating in such transactions will not fulfil their obligations.

Futures Contracts and Options on Futures Contracts

A Portfolio may purchase and sell various kinds of futures contracts, including single stock futures, and purchase and write call and put options on any of such futures contracts in order to seek to increase total return by exposure to, or, in order to seek to hedge against, changes in interest rates, securities prices, other investment prices, index prices, or, to the extent a Portfolio invests in foreign securities, currency exchange rates, or to otherwise manage its term structure, sector selection and duration in accordance with its investment objective and policies. A Portfolio may also enter into closing purchase and sale transactions with respect to any of such contracts and options. The futures contracts may be based on various investments.

These transactions involve brokerage costs and require margin deposits.

While transactions in futures contracts and options on futures may reduce certain risks, such transactions themselves entail certain other risks. Thus, while a Portfolio may benefit from the use of futures and options on futures, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Portfolio than if it had not entered into any futures contracts or options transactions. Any loss incurred by a Portfolio in entering into futures contracts and in writing options on futures is potentially unlimited and may, in the case of the latter, exceed the amount of the premium received.

In the event of an imperfect correlation between a futures position and portfolio position which is intended to be protected, the desired protection may not be obtained and a Portfolio may be exposed to risk of loss. In addition, where the future contracts and options on futures are used for hedging purposes it may not be possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in different currencies because the value of such securities is also likely to fluctuate as a result of independent factors not related to currency fluctuations. Perfect correlation between a Portfolio's futures positions and portfolio positions may be impossible to achieve.

Futures markets are highly volatile and the use of futures may increase the volatility of a Portfolio's net asset value. Futures contracts and options on futures may be illiquid, and exchanges may limit fluctuations in futures contract prices during a single day. In addition, as a result of the low margin deposits normally required in futures trading, a relatively small price movement in a futures contract may result in substantial losses to a Portfolio.

Repurchase and Reverse Repurchase Agreements

Each Portfolio may enter into repurchase and reverse repurchase agreements. In a reverse repurchase agreement, a Portfolio purchases an investment from a seller which undertakes to repurchase the security at a specified resale price on an agreed future date. The resale price generally exceeds the purchase price by an amount which reflects an agreed-upon market interest rate for the term of the reverse repurchase agreement. The principal risk is that, if the seller defaults, the Portfolio might suffer a loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Portfolio in connection with the relevant reverse repurchase agreement are less than the repurchase price because of market movements. Until such time as the repurchase term has expired or the right to repurchase these securities has been exercised by the counterparty to the reverse repurchase agreement, the Portfolio may not sell the securities which are the object of that agreement. In engaging in reverse repurchase agreement transactions, each Portfolio will seek to ensure that it is able to meet its obligations for redemption of its Shares. Under a repurchase agreement, a Portfolio sells a security to a counterparty and simultaneously agrees to repurchase the security back from the counterparty at an agreed upon price and date, with the difference between the sale price and the repurchase price establishing the cost of the transaction to the Portfolio. A Portfolio may only enter into reverse repurchase agreements in respect of certain types of securities or instruments as are specified by Luxembourg law or the CSSF from time to time.

Interest Rate, Currency, Total Return Swaps, Credit Default Swaps and Interest Rate Swaptions

Each Portfolio may also enter into interest rate, currency, total return swaps, credit default swaps and interest rate swaptions agreements. Interest rate swaps involve the exchange by each Portfolio with another party of their respective commitments to pay or receive interest, such as an exchange of fixed rate payments for floating rate payments. Currency swaps may involve the exchange of rights to make or receive payments in specified currencies. Total return swaps involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments.

Where a Portfolio enters into interest rate or total return swaps on a net basis, the two payment streams are netted out, with each Portfolio receiving or paying, as the case may be, only the net amount of the two payments. Interest rate or total return swaps entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that each Portfolio is contractually obligated to make (or in the case of total return swaps, the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments). If the other party to an interest rate or total return swap defaults, in normal circumstances each Portfolio's risk of loss consists of the net amount of interest or

total return payments that each Portfolio is contractually entitled to receive. In contrast, currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations.

Each Portfolio may use credit default swaps. A credit default swap is a bilateral financial contract in which one counterparty (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer for its par value (or some other designated reference or strike price) when a credit event (such as bankruptcy or insolvency) occurs or receive a cash settlement based on the difference between the market price and such reference price.

Each Portfolio may use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection. In addition, each Portfolio may buy protection under credit default swaps without holding the underlying assets provided that the aggregate premiums paid together with the present value of the aggregate premiums still payable in connection with credit default swaps purchased may not, at any time, exceed the net assets of the relevant Portfolio.

Each Portfolio may also sell protection under credit default swaps in order to acquire a specific credit exposure. In addition, the aggregate commitments in connection with such credit default swaps may not, at any time, exceed the value of the net assets of the relevant Portfolio.

Each Portfolio may also purchase a receiver or payer interest rate swaption contract. These give the purchaser the right, but not the obligation to enter into an interest rate swap at a preset interest rate within a specified period of time. The interest rate swaption buyer pays a premium to the seller for this right. A receiver interest rate swaption gives the purchaser the right to receive fixed payments in return for paying a floating rate of interest. A payer interest rate swaption would give the purchaser the right to pay a fixed rate of interest in return for receiving a floating rate payment stream.

The use of interest rate, currency, total return swaps, credit default swaps and interest rate swaptions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Investment Adviser is incorrect in its forecasts of market values, interest rates and currency exchange rates, the investment performance of the Portfolio would be less favourable than it would have been if these investment techniques were not used.

Contracts for differences

Each Portfolio may invest in contracts for differences. Contracts for differences are equity derivatives that allow users to speculate on share price movements and to benefit of trading shares or indices, without the need for ownership of the shares or indices at a small percentage of the cost of owning the shares or indices. Contracts for differences provide an opportunity for short term trading strategies. Contracts for differences are traded OTC. As contracts for differences are directly linked to the value of the underlying assets they will fluctuate depending on the market of the assets represented in the contracts for differences.

Structured Securities

Each Portfolio may invest in structured securities. The value of the principal of and/or interest on such securities is determined by reference to changes in the value of specific currencies, interest rates, commodities, indices or other financial indicators (the "Reference") or the relative change in two or more References. The interest rate or the principal amount payable upon maturity or redemption may be increased or decreased depending upon changes in the applicable Reference. The terms of the structured securities may provide that in certain circumstances no principal is due at maturity and, therefore, result in the loss of a Portfolio's investment. Structured securities may be positively or negatively indexed, so that appreciation of the Reference may produce an increase or decrease in the interest rate or value of the security at maturity. In addition, changes in the interest rates or the value of the security at maturity may be a multiple of changes in the value of the Reference. Consequently, structured securities may entail a greater degree of market risk than other types of fixed income securities. Structured securities may also be more volatile, less liquid and more difficult to accurately price than less complex securities.

When-Issued and Forward Commitment Securities

Each Portfolio may purchase securities on a when-issued basis. When-issued transactions arise when securities are purchased by the Portfolio with payment and delivery taking place in the future in order to secure what is considered to be an advantageous price and yield to the Portfolio at the time of entering into the transaction. Each Portfolio may also purchase securities on a forward commitment basis. In a forward commitment transaction, the Portfolio contracts to purchase securities for a fixed price at a future date beyond customary settlement time.

Alternatively, a Portfolio may enter into offsetting contracts for the forward sale of other securities that it owns. The purchase of securities on a when-issued or forward commitment basis involves a risk of loss if the value of the security to be purchased declines prior to the settlement date. Although a Portfolio would generally purchase securities on a when-issued or forward commitment basis with the intention of actually acquiring securities for its portfolio, the Portfolio may dispose of a when-issued security or forward commitment prior to settlement if the Investment Adviser deems it appropriate to do so.

Lending and Borrowing of Portfolio Securities

Each Portfolio may also lend or borrow portfolio securities. A Portfolio may enter into securities lending and borrowing transactions provided that it complies with the following rules (as applicable):

- (i) A Portfolio may only lend or borrow securities through a standardised system organised by a recognised clearing institution or through a financial institution specialising in this type of transaction that is subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.
- (ii) As part of lending transactions, a Portfolio must receive collateral, the value of which, at all times during the term of the contract, must be at least equal to 90% of the value of the lent securities. The collateral must be given in the form of certain types of securities or instruments as are specified by Luxembourg law or the CSSF from time to time. Such collateral shall not be required if the securities lending is made through Clearstream or through any other organisation assuring to the lender a reimbursement of the value of the securities lent, by way of a guarantee or otherwise. If a Portfolio receives cash as collateral, it may reinvest that cash in the following types of securities and instruments:
 - shares or units in money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
 - short-term bank deposits;
 - Money Market Instruments;
 - short-term bonds issued or guaranteed by a Member State of the European Union, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
 - bonds issued or guaranteed by first class issuers offering adequate liquidity;
 - reverse repurchase agreement transactions as described above.
- (iii) In respect of securities borrowing transactions, the securities borrowed by the Portfolio may not be disposed of during the time they are held by the Portfolio, unless they are covered by sufficient financial instruments which enable the Portfolio to make restitution of the borrowed securities at the close of the transaction.
- (iv) The Portfolio may borrow securities under the following circumstances in connection with the settlement of a sale transaction: (a) during a period the securities have been sent out for re-registration; (b) when the securities have been loaned and not returned in time; and (c) to avoid a failed settlement when the Custodian fails to make delivery.

Securities lending transactions are subject to the risk that a Portfolio may experience delay in the recovery of its securities or incur a loss if the institution with which it has engaged in such transaction breaches its agreement with the Portfolio or becomes insolvent. In engaging in securities lending transactions, each Portfolio will seek to ensure that it is able to meet its obligations in respect of redemption of its Shares.

Please see Section 4 “Risk Considerations” of this Prospectus for additional discussion of the active management techniques the Portfolios may utilise and their associated risks.

Appendix C: Certain ERISA Considerations

PURSUANT TO U.S. TREASURY DEPARTMENT CIRCULAR 230, THE FUND IS INFORMING PROSPECTIVE INVESTORS THAT (A) THE SUMMARY SET FORTH BELOW IS NOT INTENDED AND WAS NOT WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE U.S. FEDERAL TAX LAWS THAT MAY BE IMPOSED ON THE TAXPAYER, (B) THE SUMMARY SET FORTH BELOW WAS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING BY THE FUND AND THE PLACEMENT AGENTS OF THE SHARES, AND (C) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

ERISA and the Code impose certain requirements on employee benefit plans to which Title I of ERISA applies, certain other plans and accounts (such as Keogh plans and individual retirement accounts) that, although not subject to ERISA, are subject to certain similar rules of the Code and entities whose assets are treated as “plan assets” of any such plans or accounts under ERISA (such plans, accounts and entities, collectively, “Benefit Plan Investors”). ERISA and the Code also impose certain requirements on those persons who are fiduciaries with respect to Benefit Plan Investors (“Fiduciaries”).

In accordance with ERISA’s general fiduciary standards, before investing in a Portfolio, a Fiduciary should determine whether such an investment is permitted under the instruments governing the Benefit Plan Investor and is appropriate for the Benefit Plan Investor in view of its overall investment policy and the composition and diversification of its portfolio. Moreover, ERISA and the Code require that certain reporting and disclosure be made with respect to “plan assets,” that “plan assets” be held in trust, and that the indicia of ownership of “plan assets” be maintained within the jurisdiction of district courts of the United States. Thus, a Fiduciary considering an investment in a Portfolio should consult with its legal counsel concerning all the legal implications of investing in the Portfolio, especially the issues discussed in the following paragraphs. In addition, a Fiduciary should consider whether an investment in a Portfolio will result in any “unrelated business taxable income” to the Benefit Plan Investor.

Unless statutory or administrative exemptions are available, Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving “plan assets” and persons who have certain specified relationships to a Benefit Plan Investor (“parties in interest” within the meaning of ERISA and “disqualified persons” within the meaning of the Code) and impose additional prohibitions on parties in interest and disqualified persons who are Fiduciaries. Certain prospective Benefit Plan Investors may currently maintain relationships with the Investment Adviser and/or other entities that are affiliated with the Fund, and, as a result, one or more of such entities may be deemed to be a “party in interest” or “disqualified person” with respect to (including a Fiduciary of) any such prospective Benefit Plan Investor.

A direct or indirect investment in a Portfolio by a Benefit Plan Investor might result in the assets of the Portfolio being deemed to constitute “plan assets”, which in turn would mean (among other things) that such assets would be subject to the reporting and disclosure rules of Title I of ERISA and Section 4975 of the Code, might mean that the Fiduciary who decided to invest in the Portfolio had improperly delegated asset management responsibility and would mean that the operation of the Portfolio would be subject to the prohibited transaction rules and certain other requirements of Title I of ERISA and Section 4975 of the Code (including, without limitation, rules governing the investment of the assets of the Benefit Plan Investor and the ability of the Benefit Plan Investor to engage in transactions with parties in interest or disqualified persons).

Section 3(42) of ERISA provides that the underlying assets of an entity will not be treated as “plan assets” subject to Title I of ERISA or Section 4975 of the Code if, immediately after the most recent acquisition of any equity interest in the entity, whether or not from the entity, less than 25% of the total value of each class of equity interests in the entity is held by Benefit Plan Investors (disregarding for this purpose any equity interests held by any person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the entity or any person who provides investment advice for a fee with respect to the entity’s assets, or any affiliate of such a person). In addition, an entity in which Benefit Plan Investors exceed the 25% limit is considered to hold “plan assets”, but only to the extent of the percentage of the equity interests in the entity held by Benefit Plan Investors, and thus would be deemed a Benefit Plan Investor to that extent. The Fund expects that investment in each of the Portfolios by Benefit Plan Investors will be below the 25% limit described above and that the assets of each Portfolio will not be treated as “plan assets” subject to Title I of ERISA or Section 4975 of the Code.

The Fund reserves the right to exclude Benefit Plan Investors and other employee benefit plans not subject to Title I of ERISA or Section 4975 of the Code from, or limit investments by such investors in, the Portfolios (including, without limitation, by rejecting or limiting subscriptions for Shares by, or transfers of Shares to, any such investors or by requiring any such investors to reduce or terminate their interests in the Portfolios in whole or in part at any time) if the Portfolios determine in their sole discretion that participation or continued participation by any such investors in the Portfolios causes or could cause the assets of the Portfolios to be or continue to be treated as "plan assets" subject to Title I of ERISA, Section 4975 of the Code similar laws or regulations, or for any other reason in their sole discretion.

The availability of a prohibited transaction exemption issued by the U.S. Department of Labor to a transaction involving a Portfolio does not necessarily mean that all related requirements of ERISA or the Code are met with respect to the Portfolio and its operations or the Investment Adviser and its functions.

Employee benefit plans that are not subject to the requirements of ERISA or the Code discussed above (such as governmental plans as defined in Section 3(32) of ERISA) may be subject to materially similar provisions of other applicable federal, state or non-U.S. law or may be subject to other legal restrictions on their ability to invest in a Portfolio. Accordingly, any such plans and the fiduciaries of such plans should consult with their legal counsel concerning all the legal implications of investing in a Portfolio.

A Portfolio's sale of Shares to Benefit Plan Investors and other employee benefit plans not subject to Title I of ERISA or Section 4975 of the Code is in no respect a representation or warranty by the Portfolio, the Investment Adviser, the Board of Directors or any of their affiliates, successors or assigns (including, without limitation, Goldman, Sachs & Co.), or by any other person associated with the sale of Shares, that the investment by such investors meets all relevant legal requirements applicable to such investors generally or to any particular investor, or that the investment is otherwise appropriate for such investors generally or for any particular investor.

Each Benefit Plan Investor or other employee benefit plan not subject to Title I of ERISA or Section 4975 of the Code that invests in a Portfolio, and the fiduciary making the investment decision on behalf of the investor (in its individual and fiduciary capacities), will be deemed to have represented and warranted that (a) the investment by such investor in the Portfolio is prudent for the investor (taking into account any applicable liquidity and diversification requirements of ERISA or any similar provisions of other applicable law), (b) the investment in the Portfolio is permitted under ERISA, the Code, other applicable law and the governing plan documents, (c) neither the Investment Adviser, the Board of Directors nor any of their affiliates (including without limitation Goldman, Sachs & Co.) has acted as a fiduciary under ERISA, the Code or any other applicable law with respect to such purchase, (d) no advice provided by the Investment Adviser or any of its affiliates (including without limitation Goldman, Sachs & Co.) has formed a primary basis for any investment decision by such investor in connection with such purchase, and (e) the purchase, holding and disposition of the Shares will not result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or any similar provisions of other applicable law for which an exemption is not available

Appendix D: Definitions of U.S. Person and Non-U.S. Person

In addition to any other requirements contained in this Prospectus, the Articles or the Original Account Agreement, except at the sole discretion of the Board of Directors, a prospective Shareholder (a) must not be a “U.S. Person” as defined under Regulation S promulgated under the 1933 Act, (b) must be a “Non-United States Person” as defined under the Commodity Exchange Act and (c) must not be a “U.S. Person” as defined in the Code and the Treasury Regulations promulgated thereunder. Each of such terms is defined below, which definitions shall include any amendments to the relevant legislation which may come into effect from time to time. A prospective Shareholder who meets the requirements of clauses (a), (b) and (c) above is referred to as a “Non-U.S. Person” in this Prospectus.

A. Regulation S Definition of U.S. Person

- (1) “U.S. Person” means:
 - (a) any natural person resident in the United States;
 - (b) any partnership or corporation organized or incorporated under the laws of the United States;
 - (c) any estate of which any executor or administrator is a U.S. Person;
 - (d) any trust of which any trustee is a U.S. Person;
 - (e) any agency or branch of a foreign entity located in the United States;
 - (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
 - (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
 - (h) any partnership or corporation if:
 - (i) organized or incorporated under the laws of any foreign jurisdiction; and
 - (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.
- (2) Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a Non-U.S. Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States shall not be deemed a “U.S. Person.”
- (3) Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person shall not be deemed a “U.S. Person” if:
 - (a) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate; and
 - (b) the estate is governed by foreign law.
- (4) Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a “U.S. Person”.
- (5) Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a “U.S. Person”.
- (6) Notwithstanding (1) above, any agency or branch of a U.S. Person located outside the United States shall not be deemed a “U.S. Person” if:

- (a) the agency or branch operates for valid business reasons; and
 - (b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.
- (7) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans shall not be deemed "U.S. Persons".

B. Under the Commodity Exchange Act, a "Non-United States Person" is defined as:

- (1) a natural person who is not a resident of the United States;
- (2) a partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction;
- (3) an estate or trust, the income of which is not subject to United States income tax regardless of source;
- (4) an entity organized principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-United States Persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States Persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-United States Persons; and
- (5) a pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States.

C. Under the Code and the Treasury Regulations promulgated thereunder, a "U.S. Person" is defined as:

- (1) an individual who is a U.S. citizen or a U.S. "resident alien." Currently, the term "resident alien" is defined to generally include an individual who (i) holds an Alien Registration Card (a "green card") issued by the U.S. Immigration and Naturalization Service or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any current calendar year if (i) an individual is present in the U.S. on at least 31 days during such year and (ii) the sum of the number of days on which such individual is present in the U.S. during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days;
- (2) a corporation or partnership created or organized in the United States or under the law of the United States or any state;
- (3) a trust where (i) a U.S. court is able to exercise primary jurisdiction over the trust and (ii) one or more U.S. Persons have the authority to control all substantial decisions of the trust; and
- (4) an estate that is subject to U.S. tax on its worldwide income from all sources.



**Asset
Management**

Prospectus

Goldman Sachs Funds II SICAV

An undertaking for collective investment organised under the laws of the Grand Duchy of Luxembourg (S.I.C.A.V.)

March 2010

Supplement I to the Prospectus

- Asset Allocation Portfolios

Pursuant to an exemption from the United States Commodity Futures Trading Commission in connection with pools whose participants are limited to qualified eligible persons, an offering memorandum for this company is not required to be, and has not been, filed with the Commodity Futures Trading Commission. The Commodity Futures Trading Commission does not pass upon the merits of participating in a pool or upon the adequacy or accuracy of an offering memorandum. Consequently, the Commodity Futures Trading Commission has not reviewed or approved this offering or any offering memorandum for this company

This Supplement

The purpose of this Supplement is to describe in more detail those Asset Allocation Portfolios of Goldman Sachs Funds II SICAV which are managed by Goldman Sachs Asset Management International and its affiliates.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Fund: a description of Share Classes; the risks associated with an investment in the Fund; information on the management and administration of the Fund and in respect of those third parties providing services to the Fund; the purchase and redemption of Shares and exchange privileges; the determination of Net Asset Value; dividend policy; fees and expenses of the Fund; information on the Fund; meetings of and reports to Shareholders; and taxation. In addition, the Prospectus contains, in its Appendices, information on special investment techniques and applicable investment restrictions.

Potential investors are advised to read the full Prospectus and this Supplement, as amended from time to time, together with the latest annual or semi-annual report, if any, before making an investment decision. The rights and duties of the investor as well as the legal relationship with the Fund are set out in the full Prospectus.

This Supplement provides information on each of the Asset Allocation Portfolios including details of the Share Classes within each Asset Allocation Portfolio of the Fund that are available as of the date of the Prospectus.

Table of Contents

	Page
This Supplement.....	i
Table of Contents	ii
Definitions.....	1
1 Goldman Sachs Funds II SICAV – Summary Table of Portfolios	2
2 Goldman Sachs Funds II SICAV – Summary Table of Share Classes of each Portfolio.....	3
Appendix A: Goldman Sachs Global Absolute Return Portfolio	5
Appendix B: Goldman Sachs Asset Allocation – Cautious Strategy Portfolio	6
Appendix C: Goldman Sachs Asset Allocation – Balanced Strategy Portfolio	7
Appendix D: Goldman Sachs Asset Allocation – Growth Strategy Portfolio.....	8

Definitions

In this Supplement, unless more particularly defined herein or in the Prospectus, the following capitalised words and phrases, which are in addition to and are intended to be read in conjunction with those definitions contained in the Prospectus, will have the following meanings:

“Absolute Return”

Absolute Return investment strategies seek to deliver consistent, positive returns irrespective of prevailing market conditions. Unlike many traditional long only equity and fixed income portfolios, the performance of absolute return portfolios will not be compared or benchmarked to traditional equity or fixed income market indices. Strategies of this nature will typically have a low correlation with market indices.

“Asset Allocation Portfolios”

means those Asset Allocation Portfolios of the Fund which are contemplated by this Supplement;

1 Goldman Sachs Funds II SICAV – Summary Table of Portfolios

An Undertaking for Collective Investment organised under the Laws of the Grand Duchy of Luxembourg, (SICAV).

The following are separate investment portfolios (each an “Asset Allocation Portfolio”, together the “Asset Allocation Portfolios”) of Goldman Sachs Funds II SICAV (the “Fund”) managed by Goldman Sachs Asset Management International and its affiliates.

Asset Allocation Portfolios

Asset Allocation Portfolios	Launched
Goldman Sachs Global Absolute Return Portfolio	N/a
Goldman Sachs Asset Allocation – Cautious Strategy Portfolio	N/a
Goldman Sachs Asset Allocation – Balanced Strategy Portfolio	N/a
Goldman Sachs Asset Allocation – Growth Strategy Portfolio	N/a

For those Portfolios where no launch date has been stated, please contact your usual Goldman Sachs representative or the European Shareholder Services team at Goldman Sachs International, Christchurch Court, 10-15 Newgate Street, London EC1A 7HD to determine whether the Portfolio has been launched since the date of this Prospectus. Investors have the possibility to ask for any information about the Fund and the creation and launching of additional Portfolios and Share Classes at the registered office of the Fund.

Hereinafter, the above Portfolios may be referred to without being preceded by the full name of the Portfolio.

Capitalised words and phrases contained in this Supplement shall bear the meaning attributed to them in the text or, as the case may be, in the sections entitled “Definitions” in the Prospectus and/or in this Supplement.

Before purchasing, redeeming, transferring or exchanging any Shares in the Fund, the Board of Directors of the Fund strongly encourage all potential and current Shareholders to seek appropriate professional advice on the legal and taxation requirements of investing in the Fund, together with advice on the suitability and appropriateness of an investment in the Fund or any of its Portfolios. The Fund, its Directors and (unless such duties are separately expressly assumed by them in writing respect of investment matters only) the Investment Adviser and other Goldman Sachs entities shall not have any responsibility in respect of these matters. As more particularly described in the Prospectus, certain distributors may be remunerated by Goldman Sachs or the Fund for distributing Shares and any advice received by them should not, in consequence, be assumed to be free of conflict.

2 Goldman Sachs Funds II SICAV – Summary Table of Share Classes of each Portfolio

The following table sets out the Share Classes within the Asset Allocation Portfolios of the Fund. For details, please refer to “Description of Share Classes” in the Prospectus.

Each type of Share Class may be offered denominated in or hedged into the base currency of the Portfolio or the following currencies: USD, GBP, JPY, CHF, HKD, SGD, CAD, SEK, NOK, DKK, AUD and NZD. The Sales Charge, Management Fee, Distribution Fee, Performance Fee and Operating Expenses (in each case, where applicable) for these additional hedged Share Classes are the same as for the relevant Share Class type in the below tables. The amount of the Investment Minimum for these Share Classes in each of the following currencies is the same amount in the relevant currency as the amount quoted for that Share Class type in the base currency of the Portfolio in the below tables: USD, GBP, CHF, HKD, SGD, CAD, AUD, NZD (e.g., the minimum for the Class I Shares (GBP-hedged) class is GBP 1m). In the case of JPY, the Investment Minimum will be equal to the amount quoted for that Share Class type in the base currency of the Portfolio multiplied by 100. In the case of DKK, NOK and SEK, the Investment Minimum will be equal to the amount quoted for that Share Class in the base currency of the Portfolio multiplied by 7, 8 and 10 respectively. Each type of Share Class is also offered in Accumulation Shares and Distribution Shares.

Asset Allocation Portfolios

Goldman Sachs Global Absolute Return Portfolio

Base Currency – EUR

	Share Class Currency	Sales Charge	Management Fee	Distribution Fee	Performance Fee	Minimum Investment
Base	EUR	Up to 5.5 %	Up to 1.50 %	Nil	N/a	EUR 5,000
Other Currency Shares (USD)	USD	Up to 5.5 %	Up to 1.50 %	Nil	N/a	USD 5,000
Class A Shares	USD	Up to 4 %	Up to 1.50 %	Up to 0.50%	N/a	USD 1,500
Class E Shares	EUR	Up to 4 %	Up to 1.50 %	Up to 1.00%	N/a	EUR 1,500
Class P Shares	EUR	Up to 5.5 %	Up to 1.25%	Up to 1.00%	N/a	EUR 50,000
Class I Shares	EUR	Nil	Up to 1.00%	Nil	N/a	EUR 5m
Class IX Shares	EUR	Nil	Up to 1.00%	Nil	N/a	EUR 5m
Class IXO Shares	EUR	Nil	N/a	Nil	N/a	EUR 5m
Class IO Shares	EUR	Nil	N/a	Nil	N/a	EUR 5m

Goldman Sachs Asset Allocation – Cautious Strategy Portfolio

Base Currency – EUR

	Share Class Currency	Sales Charge	Management Fee	Distribution Fee	Performance Fee	Minimum Investment
Base	EUR	Up to 5.5 %	Up to 1.50 %	Nil	N/a	EUR 5,000
Other Currency Shares (USD)	USD	Up to 5.5 %	Up to 1.50 %	Nil	N/a	USD 5,000
Class A Shares	USD	Up to 4 %	Up to 1.50 %	Up to 0.50%	N/a	USD 1,500
Class E Shares	EUR	Up to 4 %	Up to 1.50 %	Up to 1.00%	N/a	EUR 1,500
Class P Shares	EUR	Up to 5.5 %	Up to 1.25	Nil	N/a	EUR 50,000
Class I Shares	EUR	Nil	Up to 1.00%	Nil	N/a	EUR 5m
Class IX Shares	EUR	Nil	Up to 1.00%	Nil	N/a	EUR 5m
Class IXO Shares	EUR	Nil	N/a	Nil	N/a	EUR 5m
Class IO Shares	EUR	Nil	N/a	Nil	N/a	EUR 5m

Goldman Sachs Asset Allocation - Balanced Strategy Portfolio

Base Currency – EUR

	Share Class Currency	Sales Charge	Management Fee	Distribution Fee	Performance Fee	Minimum Investment
Base	EUR	Up to 5.5 %	Up to 1.50 %	Nil	N/a	EUR 5,000
Other Currency Shares (USD)	USD	Up to 5.5 %	Up to 1.50 %	Nil	N/a	USD 5,000
Class A Shares	USD	Up to 4 %	Up to 1.50 %	Up to 0.50 %	N/a	USD 1,500
Class E Shares	EUR	Up to 4 %	Up to 1.50 %	Up to 1.00%	N/a	EUR 1,500
Class P Shares	EUR	Up to 5.5 %	Up to 1.25	Nil	N/a	EUR 50,000
Class I Shares	EUR	Nil	Up to 1.00%	Nil	N/a	EUR 5m
Class IX Shares	EUR	Nil	Up to 1.00%	Nil	N/a	EUR 5m
Class IXO Shares	EUR	Nil	N/a	Nil	N/a	EUR 5m
Class IO Shares	EUR	Nil	N/a	Nil	N/a	EUR 5m

Goldman Sachs Asset Allocation – Growth Strategy Portfolio

Base Currency – EUR

	Share Class Currency	Sales Charge	Management Fee	Distribution Fee	Performance Fee	Minimum Investment
Base	EUR	Up to 5.5 %	Up to 1.50 %	Nil	N/a	EUR 5,000
Other Currency Shares (USD)	USD	Up to 5.5 %	Up to 1.50 %	Nil	N/a	USD 5,000
Class A Shares	USD	Up to 4 %	Up to 1.50 %	Up to 0.50%	N/a	USD 1,500
Class E Shares	EUR	Up to 4 %	Up to 1.50 %	Up to 1.00%	N/a	EUR 1,500
Class P Shares	EUR	Up to 5.5 %	Up to 1.25	Nil	N/a	EUR 50,000
Class I Shares	EUR	Nil	Up to 1.00%	Nil	N/a	EUR 5m
Class IX Shares	EUR	Nil	Up to 1.00%	Nil	N/a	EUR 5m
Class IXO Shares	EUR	Nil	N/a	Nil	N/a	EUR 5m
Class IO Shares	EUR	Nil	N/a	Nil	N/a	EUR 5m

To the extent a Portfolio invests a substantial proportion of its assets in underlying Permitted Funds (including Permitted Funds managed by Goldman Sachs), the sum of the management fees levied by such Permitted Funds in which the Portfolio invests shall not exceed 2.5% of the Portfolio's assets so invested. In addition, the underlying Permitted Funds may charge performance fees. Further detail on fees and expenses, including other fees that are attributable to the Shares of the Fund, can be found in the Prospectus.

Please refer to "Description of Share Classes" in the Prospectus for more details on the type of Share Class or Currency in which a Share Class may be launched.

Appendix A: Goldman Sachs Global Absolute Return Portfolio

Investment Objective

The Portfolio will seek to achieve attractive total returns through both capital appreciation and income generation from a portfolio of Permitted Investments including Permitted Funds, equity and fixed income securities and financial derivative instruments.

Investment Policies

The Investment Adviser will seek to employ a number of diverse investment strategies on a global basis and will also seek to allocate capital to the strategies which it believes will offer the best opportunities at a given point in time. It may in its discretion allocate capital to one or more strategies, regions, sectors or securities or instruments in one or more countries globally from time to time but it will not necessarily invest in all such strategies, regions, sectors, securities or instruments, or countries.

The Portfolio may invest in Permitted Funds, but may also invest directly in equity securities issued by global companies, fixed income securities, and also use financial derivative instruments. Fixed income securities may include, but are not limited to, government bonds, government agency bonds, supranational bonds, asset-backed securities, mortgage-backed securities, corporate bonds (including corporate high yield bonds) and emerging market debt. The Portfolio may engage in derivative transactions including, but not limited to, swaps (including equity swaps, equity index swaps, interest rate swaps, credit default swaps and total return swaps), futures contracts, options, foreign currency forward contracts, reverse repurchase agreements, and other transactions involving currency and interest rate hedging, security hedging or other strategies to manage risk relating to the Portfolio's investments, to leverage the Portfolio and to establish speculative positions. The Investment Adviser in particular may use certain techniques, through the use of financial derivative instruments, which may result in both net long and net short exposures in, amongst other things, equity securities and markets, interest rates, credit and currencies, and other Permitted Investments as part of their general investment policy, to generate returns and/or for hedging purposes.

The Portfolio may invest up to 100% of its net assets in Permitted Funds some or all of which may be Permitted Funds managed by Goldman Sachs or third parties, or it may invest up to 100% of its net assets directly in the securities and instruments listed above.

The Portfolio may hold cash or invest its cash balances at such times and in any instruments deemed appropriate by the Investment Adviser, including without limitation cash-equivalents and short-term investments, pending allocation of such capital to one or more investment strategies, in order to meet operational needs, for temporary defensive purposes, to maintain liquidity, to fund anticipated redemptions or expenses of the Portfolio or otherwise in the sole discretion of the Investment Adviser. These investments may include Money Market Instruments and other short-term debt obligations, shares of money market collective investment funds, and repurchase agreements with banks and broker-dealers.

Subscriptions, Redemptions and Exchanges

The Cut-off Point for the Goldman Sachs Global Absolute Return Portfolio is 1:00pm Central European time, which means that requests for subscriptions, redemptions and exchanges of shares shall be received no later than 1:00pm Central European time on a Business Day on which the shares may be subscribed for, redeemed or exchanged, as applicable.

The Goldman Sachs Global Absolute Return Portfolio intends to normally pay redemption proceeds, less any tax or duty imposed on the redemption of the Shares within four (4) Business Days following the relevant Redemption Date.

Appendix B: Goldman Sachs Asset Allocation – Cautious Strategy Portfolio

Investment Objective

The Portfolio will seek to achieve attractive total returns through both capital appreciation and income generation from a portfolio of Permitted Investments predominantly focused on fixed income securities either directly or through investments in Permitted Funds.

Investment Policies

The Investment Adviser will seek to employ a number of diverse investment strategies on a global basis and will also seek to allocate capital tactically to the strategies which it believes will offer the best opportunities at a given point in time. It may in its discretion allocate capital to one or more strategies, regions, sectors or securities or instruments in one or more countries globally from time to time but it will not necessarily invest in all such strategies, regions, sectors, securities or instruments, or countries.

The Investment Adviser may use certain techniques, through the use of financial derivative instruments, which may result in both net long and net short exposures in, amongst other things, equity securities and markets, interest rates, credit and currencies, and other Permitted Investments as part of their general investment policy, to generate returns and/or for hedging purposes.

The Portfolio may invest in Permitted Funds, but may also invest directly in equity and fixed income securities, currencies and also use financial derivative instruments. Fixed income securities may include, but are not limited to, government bonds, government agency bonds, supranational bonds, asset-backed securities, mortgage-backed securities, corporate bonds (including corporate high yield bonds) and emerging market debt. The Portfolio may engage in derivative transactions including, but not limited to, swaps (including equity swaps, interest rate swaps, credit default swaps and total return swaps), futures contracts, options, foreign currency forward contracts, reverse repurchase agreements, and other transactions involving currency and interest rate hedging, security hedging or other strategies to manage risk relating to the Portfolio's investments, to leverage the Portfolio and to establish speculative positions.

The Portfolio may invest up to 100% of its net assets in Permitted Funds some or all of which may be Permitted Funds managed by Goldman Sachs or third parties, or it may invest up to 100% of its net assets directly in the securities and instruments listed above.

The Portfolio may hold cash or invest its cash balances at such times and in any instruments deemed appropriate by the Investment Adviser, including without limitation cash-equivalents and short-term investments, pending allocation of such capital to one or more investment strategies, in order to meet operational needs, for temporary defensive purposes, to maintain liquidity, to fund anticipated redemptions or expenses of the Portfolio or otherwise in the sole discretion of the Investment Adviser. These investments may include Money Market Instruments and other short-term debt obligations, shares of money market collective investment funds, and repurchase agreements with banks and broker-dealers.

Subscriptions, Redemptions and Exchanges

The Cut-off Point for the Goldman Sachs Asset Allocation – Cautious Strategy Portfolio is 10:30am Central European time, which means that requests for subscriptions, redemptions and exchanges of shares shall be received no later than 10:30am Central European time on a Business Day on which the shares may be subscribed for, redeemed or exchanged, as applicable.

Appendix C: Goldman Sachs Asset Allocation – Balanced Strategy Portfolio

Investment Objective

The Portfolio will seek to achieve attractive total returns through both capital appreciation and income generation from a portfolio of Permitted Investments. This Portfolio will seek to generally be balanced between its equity and fixed income securities allocation either directly or through investments in Permitted Funds.

Investment Policies

The Investment Adviser will seek to employ a number of diverse investment strategies on a global basis and will also seek to allocate capital tactically to the strategies which it believes will offer the best opportunities at a given point in time. It may in its discretion allocate capital to one or more strategies, regions, sectors or securities or instruments in one or more countries globally from time to time but it will not necessarily invest in all such strategies, regions, sectors, securities or instruments, or countries.

The Investment Adviser may use certain techniques, through the use of financial derivative instruments, which may result in both net long and net short exposures in, amongst other things, equity securities and markets, interest rates, credit and currencies, and other Permitted Investments as part of their general investment policy, to generate returns and/or for hedging purposes.

The Portfolio may invest in Permitted Funds, but may also invest directly in equity and fixed income securities, currencies and also use financial derivative instruments. Fixed income securities may include, but are not limited to, government bonds, government agency bonds, supranational bonds, asset-backed securities, mortgage-backed securities, corporate bonds (including corporate high yield bonds) and emerging market debt. The Portfolio may engage in derivative transactions including, but not limited to, swaps (including equity swaps, interest rate swaps, credit default swaps and total return swaps), futures contracts, options, foreign currency forward contracts, reverse repurchase agreements, and other transactions involving currency and interest rate hedging, security hedging or other strategies to manage risk relating to the Portfolio's investments, to leverage the Portfolio and to establish speculative positions.

The Portfolio may invest up to 100% of its net assets in Permitted Funds some or all of which may be Permitted Funds managed by Goldman Sachs or third parties, or it may invest up to 100% of its net assets directly in the securities and instruments listed above.

The Portfolio may hold cash or invest its cash balances at such times and in any instruments deemed appropriate by the Investment Adviser, including without limitation cash-equivalents and short-term investments, pending allocation of such capital to one or more investment strategies, in order to meet operational needs, for temporary defensive purposes, to maintain liquidity, to fund anticipated redemptions or expenses of the Portfolio or otherwise in the sole discretion of the Investment Adviser. These investments may include Money Market Instruments and other short-term debt obligations, shares of money market collective investment funds, and repurchase agreements with banks and broker-dealers.

Subscriptions, Redemptions and Exchanges

The Cut-off Point for the Goldman Sachs Asset Allocation – Balanced Strategy Portfolio is 10:30am Central European time, which means that requests for subscriptions, redemptions and exchanges of shares shall be received no later than 10:30am Central European time on a Business Day on which the shares may be subscribed for, redeemed or exchanged, as applicable.

Appendix D: Goldman Sachs Asset Allocation – Growth Strategy Portfolio

Investment Objective

The Portfolio will seek to achieve attractive total returns through both capital appreciation and income generation from a portfolio of Permitted Investments. This Portfolio will generally focus predominantly on equity securities either directly or through investments in Permitted Funds.

Investment Policies

The Investment Adviser will seek to employ a number of diverse investment strategies on a global basis and will also seek to allocate capital tactically to the strategies which it believes will offer the best opportunities at a given point in time. It may in its discretion allocate capital to one or more strategies, regions, sectors or securities or instruments in one or more countries globally from time to time but it will not necessarily invest in all such strategies, regions, sectors, securities or instruments, or countries.

The Investment Adviser may use certain techniques, through the use of financial derivative instruments, which may result in both net long and net short exposures in, amongst other things, equity securities and markets, interest rates, credit and currencies, and other Permitted Investments as part of their general investment policy, to generate returns and/or for hedging purposes.

The Portfolio may invest in Permitted Funds, but may also invest directly in equity and fixed income securities, currencies and also use financial derivative instruments. Fixed income securities may include, but are not limited to, government bonds, government agency bonds, supranational bonds, asset-backed securities, mortgage-backed securities, corporate bonds (including corporate high yield bonds) and emerging market debt. The Portfolio may engage in derivative transactions including, but not limited to, swaps (including equity swaps, interest rate swaps, credit default swaps and total return swaps), futures contracts, options, foreign currency forward contracts, reverse repurchase agreements, and other transactions involving currency and interest rate hedging, security hedging or other strategies to manage risk relating to the Portfolio's investments, to leverage the Portfolio and to establish speculative positions.

The Portfolio may invest up to 100% of its net assets in Permitted Funds some or all of which may be Permitted Funds managed by Goldman Sachs or third parties, or it may invest up to 100% of its net assets directly in the securities and instruments listed above.

The Portfolio may hold cash or invest its cash balances at such times and in any instruments deemed appropriate by the Investment Adviser, including without limitation cash-equivalents and short-term investments, pending allocation of such capital to one or more investment strategies, in order to meet operational needs, for temporary defensive purposes, to maintain liquidity, to fund anticipated redemptions or expenses of the Portfolio or otherwise in the sole discretion of the Investment Adviser. These investments may include Money Market Instruments and other short-term debt obligations, shares of money market collective investment funds, and repurchase agreements with banks and broker-dealers.

Subscriptions, Redemptions and Exchanges

The Cut-off Point for the Goldman Sachs Asset Allocation – Growth Strategy Portfolio is 10:30am Central European time, which means that requests for subscriptions, redemptions and exchanges of shares shall be received no later than 10:30am Central European time on a Business Day on which the shares may be subscribed for, redeemed or exchanged, as applicable.

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