

# Prospectus

## **Goldman Sachs Structured Investments SICAV**

*Société d'Investissement à Capital Variable*  
organized under the laws of the Grand Duchy of Luxembourg

**Goldman Sachs Structured Investments SICAV** (the "Umbrella Fund") is a Luxembourg *Société d'Investissement à Capital Variable* composed of several separate sub-funds (each, a "Portfolio").

The Umbrella Fund's objective is to provide investors access to a range of Portfolios, each having its own investment objective and policy.

This Prospectus is only valid if accompanied by the relevant Supplement(s) referable to the Portfolio(s) in which an investment is to be made. As at the date of this Prospectus, there are fourteen Supplements (Supplements I, II, III, IV, V, VI, VII, VIII, IX, X, XI, XII, XIII and XIV), all dated January 2010.

January 2010

**This prospectus dated January 2010 is only valid if duly accompanied by its Addenda dated March 2010, May 2010, June 2010, September 2010 and October 2010**

## IMPORTANT INFORMATION

### **SHARES ARE NOT BEING OFFERED OR SOLD IN ANY JURISDICTION WHERE THE OFFER OR SALE IS PROHIBITED BY LAW OR TO ANY PERSON WHO IS NOT QUALIFIED TO PARTICIPATE IN THE PURCHASE OF SHARES**

The Umbrella Fund is an investment company with variable capital (SICAV) incorporated under the 2002 Law and listed on the official list of UCITS, authorized under Part I of the 2002 Law in accordance with the provisions of the UCITS Directive.

However, this listing does not require an approval or disapproval of a Luxembourg authority as to the suitability of the investment or to the accuracy of this Prospectus, its Supplements or any Simplified Prospectus generally relating to the Umbrella Fund or specifically relating to any Portfolio. Any declaration to the contrary should be considered as unauthorized and illegal.

The members of the Board of Directors of the Umbrella Fund, whose names appear under the heading "Directory" accept joint responsibility for the information and statements contained in this Prospectus, in its Supplements and in the Simplified Prospectus issued for each Portfolio. To the best of the knowledge and belief of the Directors (who have taken all reasonable care possible to ensure that such is the case), the information and statements contained in this Prospectus, in its Supplements and in the Simplified Prospectuses are accurate at the date indicated on this Prospectus, on its Supplements and on the Simplified Prospectuses and there are no material omissions which would render any such statements or information inaccurate as at that date.

The Prospectus, its Supplements and the Simplified Prospectuses will be updated from time to time to take into account any material changes in the characteristics of the Umbrella Fund (including, but not limited to the issue of new Portfolios and new classes of Shares). Therefore, prospective investors should inquire as to whether a new version of this Prospectus and its Supplements has been prepared and whether Simplified Prospectuses are available.

For defined terms used in this Prospectus, if not defined herein, please refer to the "*Glossary of Terms*".

### ***Investor Responsibility***

Prospective investors should review this Prospectus and each relevant Supplement and Simplified Prospectus carefully in its entirety and consult with their legal, tax and financial advisors in relation to (i) the legal requirements within their own countries for the subscription, holding, redemption or disposal of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscription, holding, redemption or disposal of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, holding, redeeming or disposing of Shares; and (iv) the suitability for them of an investment in Shares. Prospective investors should seek the advice of their legal, tax and financial advisors if they have any doubts regarding the contents of this Prospectus and each relevant Supplement and Simplified Prospectus.

**You are reminded that this Prospectus and its Supplements have been delivered to you on the basis that you are a person into whose possession of this Prospectus and its Supplements may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Prospectus and its Supplements to any other person.**

### ***Availability of the Umbrella Fund***

The Umbrella Fund is available to both retail or natural persons and Institutional Investors. The profile of the typical investor for each Portfolio is described in each of the Simplified Prospectuses and in the description of each relevant Portfolio in the relevant Supplement.

### ***Distribution and Selling Restrictions***

No persons receiving a copy of this Prospectus, its Supplements or the Simplified Prospectuses in any jurisdiction may treat this Prospectus, its Supplements or the Simplified Prospectuses as constituting an

invitation to them to consider subscribing for Shares unless the Shares are registered for distribution in the relevant jurisdiction or such an invitation can lawfully be made without compliance with any registration or other legal requirements.

Shares have not been and will not be registered under the Securities Act (as amended) or the securities laws of any of the States of the United States. Shares may not be offered, sold or delivered directly or indirectly in the United States, or to or for the account or benefit of any "U.S. Person". Any re-offer or resale of any Shares in the United States or to U.S. Persons may constitute a violation of United States law. The Umbrella Fund will not be registered under the United States Investment Company Act of 1940, as amended. Applicants for Shares will be required to certify that they are not U.S. Persons. All Shareholders are required to notify the Umbrella Fund of any change in their status as non-U.S. Person.

### ***Reliance on this Prospectus, its Supplements and on the Simplified Prospectuses***

**Shares in any Portfolio described in this Prospectus and its Supplements as well as in the Simplified Prospectuses are offered only on the basis of the information contained therein and (if applicable) any addendum hereto and the latest audited annual financial report and any subsequent semi-annual financial report of the Umbrella Fund.**

Any further information or representations given or made by any distributor, intermediary, dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorized to give any information or to make any representation in connection with the Umbrella Fund, any Portfolio or the offering of Shares other than those contained in this Prospectus, its Supplements and the Simplified Prospectuses and (if applicable) any addendum hereto and in any subsequent semi-annual or annual financial report for the Umbrella Fund and, if given or made, such information or representations must not be relied on as having been authorized by the Directors, the Management Company, the Investment Administrator, the Custodian or the Umbrella Fund Administrator. Statements in this Prospectus, in its Supplements and in the different Simplified Prospectuses are based on the law and practice currently in force in Luxembourg at the date hereof and are subject to change. Neither the delivery of this Prospectus, its Supplements or of the Simplified Prospectuses nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the Umbrella Fund have not changed since the date hereof.

Prospective investors are offered a free of charge copy of the Simplified Prospectuses before subscription and may obtain, free of charge, on request, a copy of this Prospectus, of its Supplements and of the Simplified Prospectuses relating to the Portfolios in which they invest, the annual and semi-annual financial reports of the Umbrella Fund and the Articles of Incorporation at the registered office of the Umbrella Fund or the Custodian.

### ***Investment Risks***

**Investment in any Portfolio carries with it a degree of financial risk, which varies between Portfolios. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested. Investment risk factors for an investor to consider are set out under section "*What to Know Before You invest in a Portfolio*" and under the section "*Additional Overriding Risks*" of this Prospectus as well as in the description of each Portfolio in the relevant Supplement to this Prospectus.**

**Investors should however pay particular attention to the following risks.**

### **Investment and Trading Risks in General**

All securities investments (whether direct or indirect) involve a risk of loss of capital. The investment programme of the Portfolios may at times entail limited portfolio diversification of exposure to investments, which can, in certain circumstances, substantially increase the impact of adverse price movements in the investments on the value of Shares in the Portfolios. In addition, the value of assets comprised in the Portfolios is subject to the risk of broad market movements that may adversely affect the performance of the Portfolios. Factors that may influence the market price of assets comprised in the Portfolios include economic, military, financial, regulatory, political and terrorist events. No guarantee or representation can be made as to the future success of the investment programme of the Portfolios.

## **Index Tracking**

In case of Portfolios that are designed to track a particular index, the Investment Administrator will use a largely passive strategy to replicate a performance corresponding generally to the performance of a relevant index. This means that the Net Asset Value of the relevant Portfolios will generally track the relevant index when it is flat or declining as well as when it is rising. As a result, it is highly likely that the value of the Shares in those Portfolios will be adversely affected by a decline in the price of components of the relevant index. The Investment Administrator will not engage on behalf of any Portfolio in any activity designed to obtain a profit from, or to reduce losses caused by, changes in the value of the components of these indices.

Tracking risk is the risk that the performance of a Portfolio, the objective of which is to track a specific index, will diverge from that of the relevant index. Portfolio expenses will tend to reduce the relevant Portfolio's performance to below the return of the index so giving rise to tracking risk.

## **Investment in derivatives transactions and in OTC derivative transactions**

In so far as is permitted by the Luxembourg law, the Portfolios will enter into derivative transactions with a view to achieving their investment objectives. This might include instruments such as futures, options, contracts for differences, forwards and swaps. In particular, the Portfolios will use OTC swaps.

Derivative instruments can be highly volatile and their market value may be subject to wide fluctuations.

Some of the derivative instruments used by the Portfolios are highly specialized and there may be only a limited number of or no other counterparties that provide them. The valuation of the swaps is subject to independent annual audit.

## **Counterparty risk**

Where cash comprised in a Portfolio is held by a counterparty, it may not be treated as client money subject to the protection conferred by any rules in the relevant jurisdictions as to the holding of clients' cash and accordingly may not be segregated; in these cases, it could be used by the counterparty in the course of its investment business and the relevant Portfolio may therefore rank as an unsecured creditor in relation to that cash.

The Portfolios will be exposed to a credit risk on the counterparties with which they trade in relation to non-exchange traded futures, options, contracts for differences and swaps. Non-exchange traded futures, options, contracts for differences and swaps are agreements specifically tailored to the needs of an individual investor that enable the user to structure precisely the date, market level and amount of a given position. Non-exchange traded futures, options, contracts for differences and swaps are not afforded the same protection as may apply to participants trading futures, options, contracts for differences or swaps on organized exchanges, such as the performance guarantee of an exchange clearing house. The counterparty for these agreements will be the specific company or firm involved in the transaction, rather than a recognized exchange and accordingly the insolvency, bankruptcy or default of a counterparty with which the Portfolio trades such non-exchange traded futures, options, contracts for differences and swaps could result in substantial losses to the Portfolio.

The counterparty to the OTC derivative transactions is expected to be Goldman Sachs International (the "Counterparty"). Accordingly, the ability of the Portfolios to meet their investment objectives is, amongst other factors, significantly dependant upon the ability of the Counterparty to meet its obligations under the OTC derivative transactions it enters into in respect of the Portfolios, which will usually be swaps. In the event of the insolvency or default of Goldman Sachs, the Counterparty or any other relevant counterparty, the Portfolios could suffer a loss.

Portfolios will be exposed to a credit risk on counterparties with whom they deal in securities, and may bear the risk of settlement default.

## ***What to Know Before You Invest in a Portfolio***

### **Goldman Sachs International as Investment Administrator**

Goldman Sachs International is the promoter of the Umbrella Fund as well as the Investment Administrator of the Portfolios. The role of Goldman Sachs International as Investment Administrator is to identify and enter into investment transactions that it considers are appropriate in seeking to meet the investment objectives of the relevant Portfolios. The extent to which it will do this may be limited depending on the investment policy of the relevant Portfolio. To the extent the investment objective of a Portfolio is to track the performance of an index, that Portfolio will operate on a largely passive basis as there will be no active selection of particular assets. In these cases, the Investment Administrator will enter into an OTC derivative transaction in order to

meet the investment objective of the relevant Portfolios. The Investment Administrator will conclude a reverse repurchase agreement for which the relevant Portfolio will receive an interbank offered rate to fund its OTC derivative transaction.

The staff carrying on the activities of Goldman Sachs International as Investment Administrator (including committing the Portfolios to transactions with the derivatives division of Goldman Sachs International) is different to that from the Goldman Sachs International derivatives trading desk entering into such OTC derivative transactions.

### **No duty of Best Execution**

The Directors of the Umbrella Fund are required to ensure that the transactions entered into by the Umbrella Fund are priced on an arm's length basis. However, transactions effected on behalf of the Portfolios will not always be executed at the best available price or commission. Goldman Sachs International, acting as Investment Administrator, has agreed with the Umbrella Fund to use reasonable skill and care to ensure that all transactions to which it commits the Umbrella Fund shall be on a reasonable arm's length basis as required by Luxembourg law and Goldman Sachs International will always act in the best interests of the shareholders. However, the Umbrella Fund has agreed that Goldman Sachs International does not owe any duty of best execution that may otherwise apply under the rules of the UK Financial Services Authority or otherwise under English law. This is because the question of whether or not best execution has been provided falls to be assessed by reference to similar trades carried on in the market whereas the derivative transactions that Goldman Sachs International will enter into with the Umbrella Fund are specific to the Umbrella Fund and there may therefore be a limited market by reference to which best execution can be judged.

### **Limitation of Fiduciary Duties**

As Investment Administrator, Goldman Sachs International has a limited role which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

### **The role of Goldman Sachs International as Investment Administrator and Counterparty and the management of potential conflicts of interest**

Goldman Sachs International as Investment Administrator (and each individual acting on its behalf in that capacity) is acting on behalf of the Umbrella Fund, which is not the case for the derivatives trading desk of Goldman Sachs International. As Goldman Sachs International will also act as the Counterparty to OTC derivative transactions within the Portfolios and the Calculation Agent in respect of those OTC derivative transactions, investors should be aware that their investment in a Portfolio may be subject to conflicts of interest.

Potential conflicts of interest that may arise in relation to the above mentioned situation are set out under the section "*Additional Overriding Risks*" of this Prospectus.

In particular, investors should be aware that to the extent the Umbrella Fund trades with Goldman Sachs International operating as the Counterparty, Goldman Sachs International will make a profit from the price of the OTC derivative instruments, which may not be the best price available in the market.

However, Goldman Sachs International operates arrangements in order to mitigate such conflicts of interests and/or to facilitate that they do not affect the interests of the Umbrella Fund. The investment administration and derivatives trading desk of Goldman Sachs International are functionally separate. In addition, Goldman Sachs International (acting as the Counterparty) has agreed that it will be able to demonstrate how the price of any OTC derivative instruments entered into with the Umbrella Fund has been set and can show why it believes the relevant contract has been entered into on reasonable arm's length terms.

In addition to that the Umbrella Fund operates arrangements to ensure that its interests are protected. First, a pricing committee, appointed by the Board of Directors of the Umbrella Fund, is responsible for overseeing the OTC derivative transactions price verification process, which in turn comprises verification of each of the following: (i) the Goldman Sachs models used for such valuations to ensure that they are reasonable and in line with what other dealers may be using, (ii) that those models have been verified and approved by another

independent division within Goldman Sachs, and (iii) that the market inputs to the models are verified to the extent possible. The pricing committee will confirm that the requirements of (i), (ii) and (iii) above are met.

### **Members of the Pricing Committee and Trading Committee**

The following are the current members of the pricing committee:

- Paul Young - Managing Director, Head of FICC and Equities Strategies Group, Goldman Sachs International,
- Robert Berry - Managing Director, Global Head of Market Risk Management and Analysis Group, Goldman Sachs International,
- Mark Allen - Managing Director, Head of European Controllers Group, Goldman Sachs International.

Secondly, in addition to the pricing committee, a trading committee has also been appointed by the Board of Directors of the Umbrella Fund to oversee the inception of the OTC derivative transactions process. Before any Portfolio enters into transactions, the trading committee will review the OTC derivative transactions to be entered into by each Portfolio (*i.e.* prior to the Portfolio trading), and will consider the commercial reasonableness of the OTC derivative transaction. It meets and opines on each OTC derivative transaction, which is expected to be one per Portfolio.

The following are members of the trading committee:

- Kent A. Clark - Managing Director, HFS Global Portfolio Management, Goldman Sachs,
- Ted Sotir - Managing Director and Co-head of Goldman Sachs Asset Management Europe,
- Paul Young - Managing Director, Head of FICC and Equities Strategies Group, Goldman Sachs International,
- Robert Berry - Managing Director, Global Head of Market Risk Management and Analysis Group, Goldman Sachs International,
- Mark Allen - Managing Director, Head of European Controllers Group, Goldman Sachs International.

All members of the pricing committee and the trading committee are independent from the trading desk and may be replaced by other individuals of Goldman Sachs International, or any other entity which is a member of the Goldman Sachs Group, Inc., who are independent from the trading desk.

Details of the proposed transaction are presented to the trading committee by the Investment Administrator, and a positive confirmation is required from (i) anyone member of the trading committee who should also be a member of the pricing committee and (ii) anyone of Kent A. Clark and Ted Sotir.

### **Data Protection**

In accordance with the provisions of the law of 2 August 2002 on the protection of persons, as amended, with regard to the processing of personal data, the Umbrella Fund has to inform Shareholders that their personal data is kept by means of a computer system.

The Umbrella 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 Umbrella Fund. In this case however the Umbrella Fund may reject his/her/its request for subscription of Shares in the Umbrella 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 late trading and market timing practices, (iv) complying with applicable anti-money laundering rules.

The Umbrella Fund can delegate to another entity (the "Processors") (the Umbrella Fund Administrator, the Registrar and Transfer Agent and the Management Company) the processing of the Personal Data, in compliance and within the limits of the applicable laws and regulations. The processing of personal data may be delegated also to the services providers appointed by the Umbrella Fund in the countries of registration of the Umbrella Fund.

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 Umbrella Fund.

The Shareholder has a right of opposition regarding the use of its Personal Data for marketing purposes. This opposition can be made by letter addressed to the Umbrella Fund.

The Shareholder's personal data shall not be held for longer than necessary with regard to the purpose of data processing observing legal periods of limitation.

For additional copies of this Prospectus or its Supplements or copies of the Simplified Prospectus of each Portfolio or of most recent annual and semi-annual financial reports of the Umbrella Fund or the Articles of Incorporation or for any queries you may have on how to invest, please call The Bank of New York Mellon (Luxembourg) S.A. (+352) 26 34 77-1 or write to The Bank of New York Mellon (Luxembourg) S.A., Aerogolf Center, 1A rue Hoehenhof, L-1736 Senningerberg, Grand-Duchy of Luxembourg.

## DIRECTORY

<p><b>Board of Directors of the Umbrella Fund:</b></p>	<p><b>John Bennett</b>  <b>Vice President of Goldman Sachs (Asia) L.L.C.</b>          68<sup>th</sup> Floor, Cheung Kong Center          Queens Road Central          Hong Kong</p> <p><b>Claude Kremer</b>  <b>Partner</b>  <b>Arendt &amp; Medernach Luxembourg</b>          14, rue Erasme          L-2082 Luxembourg</p> <p><b>Patrick Zurstrassen</b>  <b>Associate</b>  <b>The Directors' Office</b>          21<sup>st</sup> Century Building          19, rue de Bitbourg          L-1273 Luxembourg</p> <p><b>Andreas Koernlein</b>  <b>Managing Director of Goldman, Sachs &amp; Co oHG</b>          Messeturm          Friedrich-Ebert-Anlage 49          60308 Frankfurt-am-Main          Germany</p>
<p><b>Management Company:</b></p>	<p><b>RBS (Luxembourg) S.A.</b>          33, rue de Gasperich          L-5826 Hesperange - Luxembourg</p>
<p><b>Board of Directors of the Management Company:</b></p>	<p><b>Ian Henley (Chairman)</b>  <b>Managing Director, Major Corporate Banking</b>  <b>The Royal Bank of Scotland</b>          280, Bishopsgate,          London, EC2M 4RB          England</p> <p><b>Peter Craft</b>  <b>Head of Trustee and Depositary Services</b>  <b>The Royal Bank of Scotland, Edinburgh</b>          The Broadstore          50 South Gyle Crescent,          Edinburgh EH12 9UZ          Scotland</p> <p><b>Antonio Thomas</b>  <b>Managing Director</b>  <b>RBS (Luxembourg) S.A., Luxembourg</b>          33, rue de Gasperich          L-5826 Hesperange – Luxembourg</p> <p><b>Lorna Cassidy</b>  <b>Director, Head of Finance,</b>  <b>RBS (Luxembourg) S.A.</b>          33, rue de Gasperich          L-5826 Hesperange – Luxembourg</p> <p><b>Thierry Logier</b>  <b>Director, Head of Sales and Marketing</b>  <b>RBS (Luxembourg) S.A., Luxembourg</b>          33, rue de Gasperich          L-5826 Hesperange – Luxembourg</p>

	<p><b>Mario Zardoni</b>  <b>Director, Head of Risk</b>  <b>RBS (Luxembourg) S.A., Luxembourg</b>  33, rue de Gasperich  L-5826 Hesperange – Luxembourg</p> <p><b>Özgül Gülbey</b>  <b>Director, Head of Legal &amp; Compliance</b>  <b>RBS (Luxembourg) S.A., Luxembourg</b>  33, rue de Gasperich  L-5826 Hesperange – Luxembourg</p> <p><b>Alisdair Stewart</b>  <b>Non Executive Director</b>  <b>RBS (Luxembourg) S.A., Luxembourg</b>  33, rue de Gasperich  L-5826 Hesperange – Luxembourg</p> <p><b>Henry Kelly</b>  <b>Director (Non-Executive Director),</b>  <b>Managing Director,</b>  <b>KellyConsult S.à r.l., Luxembourg</b>  33, rue de Gasperich  L-5826 Hesperange – Luxembourg</p>
<b>Promoter:</b>	<p><b>Goldman Sachs International</b>  Peterborough Court  133 Fleet Street  London EC4A 2BB</p>
<b>Global Distributor:</b>	<p><b>Goldman Sachs International</b>  Peterborough Court  133 Fleet Street  London EC4A 2BB</p>
<b>Custodian and Domiciliary and Corporate Agent:</b>	<p><b>The Bank of New York Mellon (Luxembourg) S.A.</b>  Aerogolf Center  1A, rue Hoehenhof  L-1736 Senningerberg  Grand Duchy of Luxembourg</p>
<b>Umbrella Fund Administrator and Registrar and Transfer Agent:</b>	<p><b>The Bank of New York Mellon (Luxembourg) S.A.</b>  Aerogolf Center  1A, rue Hoehenhof  L-1736 Senningerberg  Grand Duchy of Luxembourg</p>
<b>Hedging Agent:</b>	<p><b>The Bank of New York Mellon</b>  One Wall Street,  New York, 10286  United States of America</p>
<b>Investment Administrator:</b>	<p><b>Goldman Sachs International</b>  Peterborough Court  133 Fleet Street  London EC4A 2BB</p>
<b>Auditors of the Umbrella Fund:</b>	<p><b>PriceWaterhouse Coopers S.à r.l.</b>  400, Route d'Esch  B.P. 1443  L-1014 Luxembourg</p>
<b>Auditors of the Management Company:</b>	<p><b>Deloitte S.A.</b>  560 rue de Neudorf  L-2220 Luxembourg</p>
<b>Luxembourg Legal Adviser:</b>	<p><b>Arendt &amp; Medernach</b>  14 rue Erasme  L-2082 Luxembourg</p>

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# INTRODUCTION

The Umbrella Fund is an "umbrella fund" divided into multiple Portfolios as set forth under the heading "*List of Available Portfolios*" and in each of the Supplements to this Prospectus, each representing different investment objectives and a separate pool of assets. Shares in any particular Portfolio will be further divided into different classes to accommodate different subscription, conversion and redemption provisions and/or fees and charges to which they are subject, as well as their availability to certain types of investors. All references to a Portfolio, shall, where the context requires, include any class of Shares that belongs to such Portfolio.

In each Portfolio, the Umbrella Fund may, but is not required to, issue one or more of the following classes of Shares:

- ✓ Class "A" Shares: class of Shares dedicated to retail investors.
- ✓ Class "A (Austria)" Shares: class of Shares dedicated to Austrian retail investors.
- ✓ Class "A (EUR Hedged)" Shares: class of Shares dedicated to retail investors.
- ✓ Class "A (GBP Hedged)" Shares: class of Shares dedicated to retail investors.
- ✓ Class "A (CHF Hedged)" Shares: class of Shares dedicated to retail investors.
- ✓ Class "A (USD Hedged)" Shares: class of Shares dedicated to retail investors.
- ✓ Class "A (CZK Hedged)" Shares: class of Shares dedicated to retail investors.
- ✓ Class "A (PLN Hedged)" Shares: class of Shares dedicated to retail investors.
- ✓ Class "I" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "I (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "I (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "I (USD Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "I (CZK Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "I (PLN Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "I (CHF Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "I (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "I (2010)" Shares: class of Shares dedicated to Institutional Investors and having a predetermined maturity term; at the end of a maturity term, Shares will be compulsorily redeemed.
- ✓ Class "I (2012)" Shares: class of Shares dedicated to Institutional Investors and having a predetermined maturity term; at the end of a maturity term, Shares will be compulsorily redeemed.
- ✓ Class "I (2014)" Shares: class of Shares dedicated to Institutional Investors and having a predetermined maturity term; at the end of a maturity term, Shares will be compulsorily redeemed.
- ✓ Class "C" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "C (Austria)" Shares: class of Shares dedicated to Austrian Institutional Investors.
- ✓ Class "C (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "C (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "C (CHF Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "C (USD Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "C (CZK Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "C (PLN Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "M" Shares: class of Shares dedicated to private wealth management clients only.
- ✓ Class "M (USD Hedged)" Shares: class of Shares dedicated to private wealth management clients only.
- ✓ Class "X" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "X (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "X (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "X (CHF Hedged)" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "Y" Shares: class of Shares dedicated to Institutional Investors.
- ✓ Class "Y (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;
- ✓ Class "Y (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;
- ✓ Class "Y (CHF Hedged)" Shares: class of Shares dedicated to Institutional Investors.

Class I (2010) Shares, class I (2012) Shares and class I (2014) Shares have a maturity term as determined by the Board of Directors of the Umbrella Fund from time to time; at the end of a maturity term, the class I (2010) Shares, class I (2012) Shares and class I (2014) Shares will be compulsorily redeemed. The Board of Directors of the Umbrella Fund has the full discretion to shorten and extend previously set maturity terms.

## Hedging of classes of Shares

The Umbrella Fund will seek to hedge certain classes of Shares back from the Base Currency of the relevant Portfolio to the currency denomination of such classes Hedged Shares by employing a variety of instruments including, but not limited to, currency forwards, currency futures, currency option transactions and currency swaps. Any expenses arising from such hedging transactions will be borne by the relevant classes Hedged Shares or Portfolio.

There is no assurance or guarantee that such hedging will be effective; see "Exchange Rates and Currency Transactions" and "Foreign Exchange/Currency Risk" under "Additional Overriding Risks" below.

The Umbrella Fund has the possibility of creating further Portfolios as well as further classes of Shares per Portfolio. When new Portfolios or classes of Shares are created, this Prospectus, its Supplements and the Simplified Prospectuses will be amended accordingly, in order to provide all the necessary information on such new Portfolios and classes of Shares. Supplements and Simplified Prospectuses relating to the new Portfolios will also be issued accordingly.

For further information on the classes of Shares, investors should refer to the chapter entitled "*Subscription, Transfer, Conversion and Redemption of Shares*" and to the relevant Supplement detailing the available classes of Shares for each Portfolio as well as their characteristics.

## Umbrella Fund

The Umbrella Fund has been incorporated on 2 February 2007 for an unlimited period of time as a *société d'investissement à capital variable*.

The minimum capital of the Umbrella Fund, as provided by law, which must be achieved within six months after the date on which the Umbrella Fund has been authorized as a UCI under Luxembourg law, shall be Euro 1,250,000.-. The initial capital of the Umbrella Fund was Euro 31,000.-. divided into 31 Shares of no par value. The capital of the Umbrella Fund is represented by fully paid up Shares of no par value. The share capital is at all times equal to the total net assets of all the Portfolios.

The Articles of Incorporation have been lodged with the registry of the District Court and a publication of such deposit made in the *Mémorial C, Recueil des Sociétés et Associations* of 28 February 2007.

The registered office of the Umbrella Fund is located at Aerogolf Center, 1A, rue Hoehenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg.

The Umbrella Fund is recorded in the Luxembourg *Registre de Commerce* under the number B 124187.

Under Luxembourg law, the Umbrella Fund is a distinct legal entity. Each of the Portfolios, however, is not a distinct legal entity from the Umbrella Fund. However, with regard to third parties and, in particular, with regard to the Umbrella Fund's creditors and between Shareholders, each Portfolio shall be exclusively responsible for all liabilities attributable to it.

## Management Company / Investment Administrator

### **Management Company:**

The Umbrella Fund has appointed RBS (Luxembourg) S.A. to serve as its designated management company in accordance with the 2002 Law pursuant to a Fund Management Company Agreement dated as of February 19, 2007. Under this agreement, the Management Company provides management, administrative and marketing services to the Umbrella Fund, subject to the overall supervision and control of the Board of Directors of the Umbrella Fund.

RBS (Luxembourg) S.A. is a *Société Anonyme* incorporated under Luxembourg law on 10 November 2004 for an unlimited period of time. The articles of incorporation of the Management Company were published in the *Mémorial C* of 6 December 2004 and filed with the Chancery of the District Court of Luxembourg. The capital of the Management Company currently amounts to Euro ten million (€10,000,000).

It is registered on the official list of Luxembourg management companies governed by Chapter 13 of the 2002 Law.

Mr. Antonio Thomas and Mr. Mario Zardoni are responsible for the Management Company's daily business and operations.

The Management Company is a member of The Royal Bank of Scotland Group, which provides services to the UK collective investment schemes market, principally in the role of trustee to units trusts.

The Management Company is in charge of the day-to-day operations of the Umbrella Fund. In fulfilling its responsibilities set forth by the 2002 Law and the Fund Management Company Agreement, it is permitted to delegate all or a part of its functions and duties to third parties, provided that it retains responsibility and oversight over such delegates. The appointment of third parties is subject to the approval of the Umbrella Fund and the Regulatory Authority. The Management Company's liability shall not be affected by the fact that it has delegated its functions and duties to third parties.

The Management Company has delegated the following functions to third parties: investment administration, transfer agency and administration. The Management Company has further delegated marketing and distribution functions to the Global Distributor.

The Management Company shall at all time act in the best interests of the Shareholders and according to the provisions set forth by the 2002 Law, the Prospectus, its Supplements and the Articles of Incorporation. The Fund Management Company Agreement is for an indefinite period of time and may be terminated by either party upon ninety (90) days' prior written notice or forthwith by notice in writing in the specific circumstances provided in such agreement.

***Investment Managers and/or Investment Advisers:***

Subject to the overall responsibility of the Board of Directors of the Umbrella Fund, the Management Company may appoint third parties investment managers and/or investment advisers for managing and/or providing investment advisory services in relation with certain Portfolios.

***Investment Administrator:***

Subject to the overall responsibility of the Board of Directors of the Umbrella Fund, the Management Company will provide or procure for each Portfolio investment advisory and investment administration services, pursuant to the provisions of the Fund Management Company Agreement.

In order to implement the investment policies of each Portfolio, the Management Company, with the consent of the Board of Directors of the Umbrella Fund, has delegated the investment administration of the assets of each Portfolio to Goldman Sachs International pursuant to an Investment Administrator Agreement dated as of February 19, 2007.

The Investment Administrator is a member of the Goldman Sachs Group, Inc. which is an organization providing investment banking, broker-dealer, asset management and financial services in global financial markets.

***Auditors of the Management Company:***

The Board of Directors of the Management Company has appointed Deloitte S.A. as the Auditors of the Management Company.

## **LIST OF AVAILABLE PORTFOLIOS**

- 1) Goldman Sachs Structured Investments SICAV – Goldman Sachs Absolute Return Tracker Index Portfolio**
- 2) Goldman Sachs Structured Investments SICAV – Goldman Sachs Commodity Alpha B7 Portfolio**
- 3) Goldman Sachs Structured Investments SICAV – Dynamic Momentum Optimisation Total Return Strategy Portfolio**
- 4) Goldman Sachs Structured Investments SICAV – Goldman Sachs Floating Rate EURO Portfolio**
- 5) Goldman Sachs Structured Investments SICAV – 20 yr Maturity Floating Rate EURO Portfolio**
- 6) Goldman Sachs Structured Investments SICAV – 15 yr Maturity Floating Rate EURO Portfolio**
- 7) Goldman Sachs Structured Investments SICAV – 10 yr Maturity Floating Rate EURO Portfolio**
- 8) Goldman Sachs Structured Investments SICAV – Goldman Sachs Dow Jones - UBS Enhanced Strategy Portfolio**
- 9) Goldman Sachs Structured Investments SICAV – Reduced Volatility Velocity and Carry Strategy Portfolio**
- 10) Goldman Sachs Structured Investments SICAV – Goldman Sachs G10 & EM Carry Index Portfolio**
- 11) Goldman Sachs Structured Investments SICAV – Goldman Sachs Dividend Linked Portfolio on the Dow Jones EURO STOXX 50 ® Index**
- 12) Goldman Sachs Structured Investments SICAV – Macro Harvester Portfolio**
- 13) Goldman Sachs Structured Investments SICAV – Alternative Alpha Tactical Trading Index Portfolio**
- 14) Goldman Sachs Structured Investments SICAV – Goldman Sachs Commodity Alpha Portfolio**

**Please refer to each of the relevant Supplements to this Prospectus for the details on each of the above Portfolios.**

## INVESTMENT RESTRICTIONS

Unless more restrictive rules are provided for in the investment policy of any specific Portfolio, as described in each of the Supplements to this Prospectus, each Portfolio shall comply with the rules and restrictions detailed below.

The Umbrella Fund shall, based upon the principle of risk spreading, have power to determine the corporate and investment policy for the investments for each Portfolio, the Base Currency, the Pricing Currency, as the case may be, and the course of conduct of the management and business affairs of the Umbrella Fund.

If the limits set forth below are exceeded for reasons beyond the control of the Investment Administrator, the Investment Administrator must adopt as its primary objective in its sale transactions the remedying of such situation, taking due account of the interests of the Portfolio's Shareholders.

### **Authorized Investments**

1. Investments in the Portfolios shall consist solely of:

- a. Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market.
- b. Transferable Securities or Money Market Instruments admitted to official listing on a stock exchange or dealt in on any Other Regulated Market located in a Member State of the European Union ("EU") or any other country of Europe, Asia, Oceania, Africa or the American continents.
- c. Recently issued Transferable Securities or Money Market Instruments for which an undertaking has been made that application will, or has been made, for admission to official listing on any Regulated Market, provided that such admission is effectively secured within one (1) year of issue.
- d. Units of undertakings for collective investment in transferable securities ("UCITS") authorized according to the EEC Council Directive of December 20, 1985 (85/611/EEC) ("UCITS Directive") and/or other undertakings for collective investment ("UCI") within the meaning of the first and second indents of Article 1, paragraph (2) of the UCITS Directive, whether located in a member state of the EU ("EU Member State") or not, provided that:
  - Such other UCIs must be authorized under laws of either an EU Member State or a state in respect of which the Luxembourg supervisory authority considers that the level of (i) supervision of such UCIs is equivalent to that provided for under EU law and (ii) cooperation between the relevant local authority and the Luxembourg supervisory authority is sufficiently ensured (currently the United States, Canada, Switzerland, Hong Kong, Norway and Japan).
  - Such other UCIs must provide to their shareholders a level of protection that the Investment Administrator may reasonably consider to be equivalent to that provided to shareholders by UCITS within the meaning of Article 1(2) of the UCITS Directive, in particular with respect to the rules on assets segregation, applying to portfolio diversification and borrowing, lending and short sales transactions.
  - Such UCIs must issue semi-annual and annual reports.
  - The organizational documents of the UCITS or of the other UCIs must restrict investments in other undertakings for collective investment to no more than 10% of their aggregate net assets.
- e. Time deposits with credit institutions, under the following restrictions:
  - Such deposits may be withdrawn at any time.
  - Such deposits must have a residual maturity of less than twelve (12) months.
  - The credit institution must have its registered office in an EU Member State or, if its registered office is located in another state, the credit institution must be subject to prudential rules considered by the Luxembourg supervisory authority to be equivalent to those provided for under EU law.

f. Derivatives, including options and futures, under the following restrictions:

- Such transactions in derivatives shall under no circumstance cause the relevant Portfolio to fail to comply with its investment objective and policy.
- Such derivatives must be traded on a Regulated Market or over-the-counter with counterparties that are subject to prudential supervision and belong to the categories of counterparties approved by the Luxembourg supervisory authority.
- The underlying assets of such derivatives must consist of either the instruments mentioned in this Paragraph 1 or financial indices, interest rates, foreign exchange rates or currencies in which the relevant Portfolio invests in accordance with its investment policy.
- Such derivatives, if traded over-the-counter ("OTC Derivatives"), must be subject to reliable and verifiable pricing on a daily basis and may be sold, liquidated or closed by the Portfolio at any time at their fair value.

**Goldman Sachs International as OTC derivative counterparty has agreed with the Umbrella Fund to close out any derivative entered into with the Umbrella Fund for fair value at any time on the initiative of the Umbrella Fund.**

g. Money Market Instruments other than those dealt in on a Regulated Market, under the following restrictions:

- The issue or the issuer of such instruments must be regulated in terms of investor and savings protection.
- Such instruments must be either (i) issued or guaranteed by an EU Member State, its local authorities or central bank, the European Central Bank, the EU, the European Investment Bank, any other state that is not an EU Member State, a public international body of which one or more EU Member States are members or, in the case of a federal state, any one of the entities forming part of the federation; or (ii) issued by a corporate entity whose securities are traded on a Regulated Market; or (iii) issued or guaranteed by an entity that is subject to prudential supervision in accordance with criteria defined under EU law; or (iv) issued or guaranteed by an entity that is subject to prudential rules considered by the Luxembourg supervisory authority to be equivalent to those provided for under EU law; or (v) issued by other entities that belong to categories of issuers approved by the Luxembourg supervisory authority, provided that investments in such instruments are subject to investor protection equivalent to that provided by the types of issuers mentioned in Paragraph f.(i) to (iv) above. The issuer of the instruments referred to in Paragraph f.(v) above must be a company (x) whose capital and reserves amount to at least € 10 million, (y) that issues its annual financial statements in accordance with EEC Council Directive 78/660/EEC, and (z) that, within a group of companies including at least one listed company, is dedicated to the financing of the group or is an entity dedicated to the financing of securitization vehicles that benefits from a bank liquidity line.

2. Up to 10% of each Portfolio's net assets may consist of assets other than those referred to under Paragraph 1 above.

## **Cash Management**

Each Portfolio may:

1. Hold up to 49% of its net assets in cash. In exceptional circumstances, this limit may be temporarily exceeded if the Directors consider this to be in the best interest of the Shareholders.
2. Borrow up to 10% of its net assets on a temporary basis.
3. Acquire foreign currency by means of back-to-back loans.

## **Investments in any one Issuer**

For the purpose of the restrictions described in Paragraphs 1 to 5, 8, 9, 13 and 14 below, issuers that consolidate or combine their accounts in accordance with Directive 83/349/EEC or recognized international accounting rules ("Issuing Group") are regarded as one and the same issuer.

Issuers that are UCIs structured as umbrella funds, defined as a legal entity with several separate sub-funds or portfolios, whose assets are held exclusively by the investors of such sub-fund or portfolio and which may be held severally liable for its own debts and obligations shall be treated as a separate issuer for the purposes of Paragraphs 1 to 5, 7 to 9 and 12 to 14 below.

Each Portfolio shall comply with the following restrictions within six (6) months following its launch:

### ***Transferable Securities and Money Market Instruments***

1. Each Portfolio shall comply with the following restrictions:
  - a. No Portfolio may invest more than 10% of its net assets in Transferable Securities or Money Market Instruments of any one issuer.
  - b. Where investments in Transferable Securities or Money Market Instruments of any one issuer exceed 5% of the Portfolio's net assets, the total value of all such investments may not exceed 40% of the Portfolio's net assets. This limitation does not apply to time deposits and OTC Derivatives that satisfy the requirements described in Paragraph 1 of the section entitled "Authorized Investments" above.
2. No Portfolio may invest in the aggregate more than 20% of its net assets in Transferable Securities or Money Market Instruments issued by the same Issuing Group.
3. Notwithstanding the limit set forth in Paragraph 1.a. above, each Portfolio may invest up to 35% of its net assets in any one issuer of Transferable Securities or Money Market Instruments that are issued or guaranteed by an EU Member State, its local authorities, any other state that is not an EU Member State or a public international body of which one or more EU Member States are members.
4. Notwithstanding the limit set forth in Paragraph 1.a. above, each Portfolio may invest up to 25% in any one issuer of qualifying debt securities issued by a credit institution that has its registered office in an EU Member State and, under applicable law, is submitted to specific public control in order to protect the holders of such qualifying debt securities. Qualifying debt securities are securities the proceeds of which are invested in accordance with applicable law in assets providing a return covering the debt service through to the maturity date of the securities and will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. Where investments in any one issuer of qualifying debt securities exceed 5% of the Portfolio's net assets, the total value of such investments may not exceed 80% of the Portfolio's net assets.
5. The investments referred to in Paragraphs 3 and 4 above may be disregarded for the purposes of calculating the 40% limit set forth in Paragraph 1.b. above.
6. Notwithstanding the foregoing, each Portfolio may invest up to 100% of its net assets in Transferable Securities or Money Market Instruments issued or guaranteed by an EU Member State, its local authorities, any other Member State of the Organization for Economic Co-operation and Development ("OECD") or a public international body of which one or more EU Member States are members, provided that such securities are part of at least six different issues and the securities from any one issue do not account for more than 30% of the Portfolio's net assets.
7. Notwithstanding the limits set forth in Paragraph 1 above, each Portfolio whose investment policy is to replicate the composition of a stock or bond index may invest up to 20% of its net assets in stocks or bonds issued by any one issuer under the following restrictions:
  - a. The index must be recognized by the Luxembourg supervisory authority.
  - b. The composition of the index must be sufficiently diversified.
  - c. The index must be an adequate benchmark for the market represented in such index.

- d. The index must be appropriately published.

The 20% limit referred to above may be raised to 35% under exceptional market conditions, particularly those impacting the Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this 35% limit is only permitted for one single issuer.

### ***Bank Deposits***

8. A Portfolio may not invest more than 20% of its net assets in deposits made with any one institution.

### ***Derivatives Instruments***

9. The risk exposure to any one counterparty in an OTC Derivative may not exceed:
  - a. 10% of each Portfolio's net assets when the counterparty is a credit institution that has its registered office in an EU Member State or, if its registered office is located in another state, that is subject to prudential rules considered by the Luxembourg supervisory authority to be equivalent to those provided for under EU law, or
  - b. 5% of each Portfolio's net assets when the counterparty does not fulfill the requirements set forth above.
10. Investments in financial derivatives instruments that are not index-based shall comply with the limits set forth in Paragraphs 2, 5 and 14, provided that the exposure to the underlying assets does not exceed in the aggregate the investment limits set forth in Paragraphs 1 to 5, 8, 9, 13 and 14.
11. When a Transferable Security or a Money Market Instrument embeds a derivative, such derivative must comply with the requirements of Paragraph 10 above and those set forth under "Global Risk Exposure and Risk Management" below.

### ***Units of other UCIs***

12. Each Portfolio shall comply with the following restrictions:
  - a. No Portfolio may invest more than 20% of its net assets in the units of any one UCI. For the purposes of this Paragraph, each sub-fund of a UCI with several sub-funds within the meaning of Article 133 of the 2002 Law, must be considered as a separate issuer, provided that each sub-fund may be held severally liable for its own debts and obligations.
  - b. Investments made in units of UCIs other than UCITS may not in the aggregate exceed 30% of the net assets of each Portfolio.
  - c. When a Portfolio has acquired units of other UCIs, the underlying assets of such UCIs do not have to be taken into account for the purposes of the limits set forth in Paragraphs 1 to 5, 8, 9, 13 and 14.
  - d. If any UCI in which a Portfolio invests is linked to the Portfolio by common management or control or by a substantial direct or indirect holding, investment in the securities of such UCI shall be permitted only if no fees or costs are charged to the Portfolio on account of such investment.
  - e. A Portfolio that invests a substantial proportion of its assets in other UCIs shall disclose in the Prospectus the maximum level of investment management fees that may be charged both to the Portfolio itself and to the other UCIs in which it intends to invest. In its annual report, the Umbrella Fund shall indicate the investment management fees actually charged both to the Portfolio itself and to the other UCIs in which the Portfolio invests.

### ***Combined Limits***

13. Notwithstanding the limits set forth in Paragraphs 1, 8 and 9 above, no Portfolio may combine (a) investments in Transferable Securities or Money Market Instruments issued by, (b) deposits made with, or (c) exposure arising from OTC Derivatives undertaken with, any one entity in excess of 20% of its net assets.

14. The limits set forth in Paragraphs 1, 3, 4, 8, 9 and 13 above may not be aggregated. Accordingly, each Portfolio's investments in Transferable Securities or Money Market Instruments issued by, and deposits or derivatives instruments made with, any one issuer in accordance with Paragraphs 1, 3, 4, 8, 9 and 13 above may under no circumstances exceed 35% of its net assets.

### **Influence over any one Issuer**

The influence that the Umbrella Fund or each Portfolio may exercise over any one issuer shall be limited as follows:

1. Neither the Umbrella Fund nor any Portfolio may acquire shares with voting rights which would enable such Portfolio or the Umbrella Fund as a whole to exercise a significant influence over the management of the issuer.
2. Neither any Portfolio nor the Umbrella Fund as a whole may acquire (a) more than 10% of the outstanding non-voting shares of any one issuer, (b) more than 10% of the outstanding debt securities of any one issuer, (c) more than 10% of the Money Market Instruments of any one issuer, or (d) more than 25% of the outstanding units of any one UCI.

The limits set forth in Paragraph 2(b) to 2(d) above may be disregarded at the time of the acquisition if at that time the gross amount of debt securities or Money Market Instruments or the net amount of the instruments in issue may not be calculated.

The limits set forth in Paragraphs 1 and 2 of this section above do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by an EU Member State or its local authorities, any other state that is not an EU Member State or a public international body of which one or more EU Member States are members.
- Shares held by the Umbrella Fund in the capital of a company incorporated in a state that is not an EU Member State provided that (a) this issuer invests its assets mainly in securities issued by issuers of that state, (b) pursuant to the laws of that state such holding constitutes the only possible way for the Portfolio to purchase securities of issuers of that state, and (c) such company observes in its investment policy the restrictions in this section as well as those set forth in Paragraphs 1 to 5, 8, 9 and 12 to 14 of the section entitled "Investments in any one Issuer" and Paragraphs 1 and 2 of this section.
- Shares in the capital of affiliated companies which, exclusively on behalf of the Umbrella Fund, carry on only the activities of management, advice or marketing in the country where the affiliated company is located with respect to the redemption of Shares at the request of Shareholders.

### **Overall Risk Exposure and Risk Management**

Except as otherwise stated therein, **each Portfolio's overall risk exposure relating to financial derivative instruments must not exceed such Portfolio's total net assets.** As a general rule, a Portfolio cannot have a global exposure greater than its Net Asset Value and so this means that there is a limit to a Portfolio exposure of 100% of the Net Asset Value. The total risk exposure may not therefore be greater than 210% of the Net Asset Value, including the 10% of the Net Asset Value that each Portfolio may borrow on a temporary basis.

For Portfolios being considered as "sophisticated", a Value at Risk ("VaR") approach must be applied and stress tests have to be performed in order to help manage risks related to possible abnormal market movements. The following parameters for the VaR calculation will be used:

- Confidence level: 99%,
- Forecast time horizon: 1 month,
- "Recent volatilities" (calculated from less than one year).

The Management Company will conduct the investment risk management procedures and controls that analyse risks using three distinct main approaches to the VaR (Monte Carlo simulation, historical simulation and stress tests).

Attention of Shareholders is drawn to the potential additional exposure which may result from the use of a VaR methodology to calculate the market risk according to the provisions of the Regulatory Authority Circular 07/308 on rules of conduct to be adopted by undertakings for collective investment in transferable securities with respect to the use of a method for the management of financial risk, as well as the use of derivative financial instruments.

A Portfolio's overall risk exposure is evaluated by taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

**The Boards of Directors of the Umbrella Fund and the Management Company must implement processes for accurate and independent assessment of the value of OTC Derivatives.**

The Boards of Directors of the Umbrella Fund and the Management Company must implement risk management processes that enable them to monitor and measure at any time the risk related to the assets held in the Portfolios and their contribution to the overall risk profile of the Portfolios.

### **Prohibited Transactions**

Each Portfolio is prohibited from engaging in the following transactions:

- Acquiring commodities, precious metals or certificates representing commodities or precious metals;
- Investing in real property unless investments are made in securities secured by real estate or interests in real estate or issued by companies that invest in real estate or interests in real estate;
- Issuing warrants or other rights to subscribe in Shares of the Portfolio;
- Granting loans or guarantees in favor of a third party. However such restriction shall not prevent each Portfolio from investing up to 10% of its net assets in non fully paid-up Transferable Securities, Money Market Instruments, units of other UCIs or financial derivative instruments; and
- Entering into either uncovered short sales of Transferable Securities, uncovered Money Market Instruments, uncovered units of other UCIs or uncovered financial derivative instruments.

## **SPECIAL INVESTMENT AND HEDGING TECHNIQUES**

For the purpose of hedging, efficient portfolio management, investment purposes, duration management or other risk management of the portfolio, a Portfolio may use the following techniques and instruments relating to Transferable Securities and other liquid assets.

Under no circumstance shall these operations cause a Portfolio to fail to comply with its investment objective and policy.

### **Derivatives**

A Portfolio may use financial derivative instruments for risk management, hedging or investment purposes, as specified in the Portfolio's investment policy, provided that any derivatives transaction complies with the relevant restrictions set forth in the previous section entitled "*Investment Restrictions*".

### **Swaps**

A swap is a contract (typically with a bank or a brokerage firm) to exchange two streams of payment (for example, an exchange of floating rate payments for fixed payments). A Portfolio may enter into swap contracts under the following restrictions:

- Each of these swap contracts shall be entered into with first class financial institutions in the Investment Administrator's opinion that specialize in these types of transactions; and
- All such permitted swap transactions must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement.

**Additional Restrictions: Credit Default Swaps**

A Credit Default Swap is a contract in which the protection buyer pays a fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due.

The use of credit default swaps (which are only used for hedging purposes) is subject to the following additional limitations:

- Credit default swaps may only be used in the exclusive interest of the Portfolio's Shareholders;
- The Portfolio shall ensure adequate permanent coverage of its obligations under such credit default swaps and shall be able to fulfill at any time any redemption request of any Shareholder; and
- The credit default swaps in which the Portfolios invest shall be sufficiently liquid to allow the settlement of such transactions.

**Securities Lending and Borrowing**

The Umbrella Fund may engage in securities lending transactions either directly or through a standardised lending system organised by a recognised clearing institution or by a financial institution specialising in this type of transaction and subject to prudential supervision rules which are considered by the Regulatory Authority as equivalent to those provided by Community law, in exchange for a securities lending fee. To limit the risk of loss to the Umbrella Fund, the borrower must post in favour of the Umbrella Fund collateral representing at any time, during the lifetime of the agreement, at least 90% of the total value of the securities loaned in favour of the Umbrella Fund. The amount of collateral is valued daily to ensure that this level is maintained.

Collateral may consist of cash, or securities or instruments permissible under Luxembourg law or regulations, such as (i) liquid assets and/or (ii) sovereign OECD bonds, (iii) shares or units issued by specific money market UCIs, (iv) shares or units issued by UCITS investing in bonds issued or guaranteed by first class issuers offering an adequate liquidity, (v) shares or units issued by UCITS investing in shares listed or dealt on a stock exchange of a Member State of the OECD provided they are included in a main index, (vi) direct investment in bonds or shares with the characteristics mentioned in (iv) and (v). Cash collateral can be reinvested in liquid assets permissible under Luxembourg law or regulations, such as Money Market Instruments rated at least A1 or P1 (or its equivalent) or repurchase agreements with counterparties rated at least A1 or P1 (or its equivalent) or, if such counterparties are not rated, whose parent companies are rated at least A1 or P1 (or its equivalent).

The Umbrella Fund may pay fees to third parties for services in arranging such loans, as such persons may or may not be affiliated with the Umbrella Fund, the Management Company, the Investment Administrator or any investment manager as permitted by applicable securities and banking law.

The principal risk when lending securities is that the borrower might become insolvent or refuse to honour its obligations to return the securities. In this event, a Portfolio could experience delays in recovering its securities and may possibly incur a capital loss. A Portfolio may also incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received from a securities lending counterparty. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Portfolio to the securities lending counterparty at the conclusion of the securities lending contract. The Portfolio would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Portfolio.

**Repurchase Agreements and Reverse Repurchase Agreements**

The Umbrella Fund may enter into repurchase agreement and reverse repurchase agreement transactions which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and term specified by the two parties in their contractual arrangement.

The Umbrella Fund can act either as purchaser or seller in repurchase agreement and reverse repurchase agreement transactions or a series of continuing repurchase and reverse repurchase transactions. Its involvement in such transactions is, however, subject to the following rules:

(i) The Umbrella Fund may not buy or sell securities using a repurchase agreement or reverse repurchase agreement transaction unless the counterparty in such transactions is a first class financial institution specialising in this type of transaction subject to prudential supervision rules considered by the Regulatory Authority as equivalent to those provided by Community law.

(ii) During the life of a repurchase agreement or reverse repurchase agreement contract, the Umbrella Fund cannot sell the securities which are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired, except to the extent the Umbrella Fund has other means of coverage.

(iii) As the Umbrella Fund is exposed to redemptions of its own Shares, it must take care to ensure that the level of its exposure to repurchase agreement and reverse repurchase agreement transactions is such that it is able, at all times, to meet its redemption obligations.

Except if otherwise stated under section “*Reverse Repurchase Agreement Eligible Securities*” in the Supplement issued in connection with each Portfolio, securities that may be received as collateral under repurchase agreements are limited to any of the following ones, in compliance with the provisions of the Regulatory Authority Circular 08/356:

- (i) short-term bank certificates or money market instruments such as defined within Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to certain UCITS as regards the clarification of certain definitions;
- (ii) bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
- (iii) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
- (iv) bonds issued by non-governmental issuers offering an adequate liquidity;
- (v) shares quoted or negotiated on a regulated market of a European Union Member State or on a stock exchange of a Member State of the OECD, on the condition that these shares are included within a main index.

The securities purchased through a reverse repurchase agreement transaction must conform to the relevant Portfolio’s investment policy and must, together with the other securities that the relevant Portfolio holds in its portfolio, globally respect the Portfolios’ investment restrictions.

## **ADDITIONAL OVERRIDING RISKS**

Each separate security in which a Portfolio may invest and the investment techniques which a Portfolio may employ, are subject to various risks. This section is in addition to, and should be read together with, the section entitled “*Investment Risks*” of this Prospectus, the section entitled “*What to know before you invest in a Portfolio*” of this Prospectus and the risk factor sections in the Portfolios descriptions in the relevant Supplement. The following describes some of the general risk factors that should be considered before investing in a particular Portfolio. The following list is neither specific nor exhaustive and a financial adviser or other appropriate professional should be consulted for additional advice. In addition, these risks are limited to those generally applicable to the Umbrella Fund and each Portfolio and are not specific to any of the Portfolios. The Supplement issued in connection with each Portfolio must be reviewed in order to understand the particular risks related to each Portfolio.

### **Other Potential Conflicts of Interest**

The attention of investors is drawn to the fact that in case of discrepancies between the conflicts of interest mentioned under the present section and those mentioned under the section “*What to Know Before You Invest in a Portfolio*” of this Prospectus, the latter shall prevail.

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 and investment administrator, 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 Portfolios directly or indirectly invest. As a result, The Goldman Sachs Group, Inc., the asset management division of Goldman Sachs, the Investment Administrator, 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 Umbrella 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 Portfolios:

- While the Investment Administrator will make decisions for the Portfolios in accordance with its obligations to administrate 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 Administrator 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 Umbrella Fund that would create incentives for them to promote the Portfolios.
- 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 Administrator acts in circumstances where it has a conflict of interest, it will take reasonable care to ensure that the relevant Portfolio of the Umbrella Fund is treated fairly. In this regard, the Investment Administrator has established, implemented and maintains a written conflicts of interest policy. In addition, the Investment Administrator may from time to time deal, as principal or agent, with a Portfolio of the Umbrella 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 Administrator 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 Administrator will make proxy voting decisions as it believes appropriate and in accordance with the Investment Administrator’s policies designed to help avoid conflicts of interest, proxy voting decisions made by the Investment Administrator with respect to a Portfolio’s portfolio 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 describe these and other potential conflicts of interest presented by Goldman Sachs' other businesses and interests:

The Investment Administrator makes decisions for the Portfolios in accordance with its obligations as the Investment Administrator to the Umbrella 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 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.

Goldman Sachs, its personnel and other financial service providers have interests in promoting sales of 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 Umbrella 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 manager. Differentials in compensation may be related to the fact that Goldman Sachs may pay a portion of its advisory fee to the unaffiliated investment manager, 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 managers 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 third 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 undertakings for collective investment or other products or services offered or managed by the Investment Administrator. 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 Administrator, 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 Administrator, 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 would create incentives for them to promote the Portfolios or raise other conflicts.

Goldman Sachs or the Umbrella 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 Umbrella Fund, Client/GS Accounts or other products. Such payments may compensate Intermediaries for, among other things: 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 dollar 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.

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 Administrator) 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 Administrator) or in which Goldman Sachs (including the Investment Administrator) 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 Administrator).

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 Umbrella Fund), particularly, but not limited to, in small capitalization, emerging market or less liquid strategies.

As a result of informational barriers constructed between different divisions of Goldman Sachs, the Investment Administrator will generally not have access to information, and may not consult with personnel in other areas of Goldman Sachs. Therefore, the Investment Administrator will generally not be able to supervise and administrate the Portfolios with the benefit of information held by other divisions of Goldman Sachs. From time to time and subject to the Investment Administrator's policies and procedures regarding informational barriers, the Investment Administrator 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 Administrator could conflict with their areas of primary responsibility within Goldman Sachs or elsewhere. In connection with their activities with the Investment Administrator, such persons may receive information regarding the Investment Administrator'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 Administrator makes decisions for the Portfolios based on the Portfolios' investment programmes. The Investment Administrator 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 Administrator'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.

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 Administrator 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 Administrator, might cause the Investment Administrator 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 Administrator or in particular the personnel of the Investment Administrator making investment decisions on behalf of a Portfolio.

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 Administrator will manage the Portfolios and the other Client/GS Accounts it manages in accordance with their 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 Administrator 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 security and hence the exposure of the Portfolio.

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 Administrator, may buy and sell securities or other investments for their own accounts (including through investment funds managed by Goldman Sachs, including the Investment Administrator). 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 Administrator 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 Umbrella Fund's portfolio transactions. Each of the Investment Administrator 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 Administrator which the Investment Administrator deems to involve potential conflicts involving such personnel, Client/GS Accounts managed by the Investment Administrator and the Portfolios. The Codes of Ethics require that personnel of the Investment Administrator comply with all applicable laws and regulations and with the duties and market abuse rules to which the Investment Administrator 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 Administrator's transactions or views which may affect such clients' transactions outside of accounts controlled by the Investment Administrator, 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 Administrator's supervision and administration 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 Umbrella 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 Administrator 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 Umbrella 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 Administrator 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 Administrator 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.

**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.**

The Umbrella 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 Umbrella Fund shall have no duty to apply any commissions recaptured equally across Portfolios.

Subject to applicable law, Goldman Sachs, including the Investment Administrator, 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.

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 Umbrella 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 Umbrella Fund will only engage 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.

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 Administrator, and the Umbrella 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 Umbrella Fund has appointed an affiliate of the Investment Administrator 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 Umbrella Fund, when it deems it advisable, may, to the extent permitted by applicable law and the provisions of this Prospectus (including but not limited to the section "Investment Restrictions" above), 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 of the Umbrella Fund 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 Umbrella Fund, Goldman Sachs may require repayment of all or part of a loan at any time or from time to time.

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

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 Administrator 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 Administrator may select brokers (including, without limitation, affiliates of the Investment Administrator) that furnish the Investment Administrator, the Umbrella 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 Administrator's views, appropriate assistance to the Investment Administrator in the investment decision-making process (including with respect to futures, fixed-

price offerings and over-the-counter 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 data bases; 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 Administrator uses soft commissions, it will not have to pay for those products and services itself. The Investment Administrator 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 Administrator 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 Administrator.

The Investment Administrator 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 Administrator believes are useful in its investment decision-making processes.

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

The Investment Administrator 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 Administrator's obligations to its clients. Nevertheless, notwithstanding such proxy voting policies and procedures, actual proxy voting decisions of the Investment Administrator 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 Administrator believes such voting decisions to be in accordance with its obligations.

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 Administrator 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 Administrator'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 Administrator on behalf of clients (including the Umbrella 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 Administrator on behalf of clients (including the

Umbrella Fund) may limit purchases, sell existing investments, or otherwise restrict or limit the exercise of rights (including voting rights) when the Investment Administrator, in its sole discretion, deems it appropriate. The Investment Administrator, Global Distributor, Custodian and Registrar and Transfer Agent, and their respective affiliates may each from time to time act as investment administrator, 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 Umbrella Fund.

## **Equity Securities**

Investing in equity securities involves risks associated with the unpredictable drops in a stock's value or periods of below-average performance in a given stock or in the stock market as a whole.

## **Debt Securities**

Among the principal risks of investing in debt securities are the following:

### ***Changing Interest Rates***

The value of any fixed income security held by a Portfolio will rise or fall inversely with changes in interest rates. Interest rates typically vary from one country to the next, and may change for a number of reasons. Those reasons include rapid expansions or contractions of a country's money supply, changes in demand by business and consumers to borrow money and actual or anticipated changes in the rate of inflation.

In general, if interest rates increase, one may expect that the market value of a fixed income instrument which pays interest payments would fall, whereas if interest rates decrease, one may expect that the market value of such investment would increase.

### ***Credit Risk***

The issuer of any debt security acquired by any Portfolio may default on its financial obligations. Moreover, the price of any debt security acquired by a Portfolio normally reflects the perceived risk of default of the issuer of that security at the time the Portfolio acquired the security. If after acquisition the perceived risk of default increases, the value of the security held by the Portfolio is likely to fall.

There are many factors that could cause an issuer to default on its financial obligations, or an increase in the perceived risk of default of an issuer. Among those factors are the deteriorating financial condition of the issuer caused by changes in demand for the issuer's products or services, catastrophic litigation or the threat of catastrophic litigation and changes in laws, regulations and applicable tax regimes. The more concentrated a Portfolio is in a particular industry; the more likely it will be affected by factors that affect the financial condition of that industry as a whole. Securities rated below investment grade may have greater price volatility and a greater risk of loss of principal and interest than investment grade debt securities.

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

Additionally, there are special risks considerations associated with investing in certain types of debt securities:

### ***Mortgage-related Securities and Asset-backed Securities***

Certain Portfolios may invest in mortgage derivatives and structured notes, including mortgage-backed and asset-backed securities. Mortgage pass-through securities are securities representing interests in "pools" of mortgages in which payments of both interest and principal on the securities are usually made monthly, in effect "passing through" monthly payments made by the individual borrowers on the residential mortgage loans which underlie the securities. Early or late repayment of principal based on an expected repayment schedule on mortgage pass-through securities held by a Portfolio (due to early or late repayments of principal on the underlying mortgage loans) may result in a lower rate of return when the relevant Portfolio reinvests such principal. In addition, as with callable fixed-income securities generally, if the Umbrella Fund purchased the securities at a premium, sustained earlier than expected repayment would reduce the value of the security relative to the premium paid. When interest rates rise or decline the value of a mortgage-related security generally will decline, or increase but not as much as other fixed-income, fixed-maturity securities which have no prepayment or call features.

Asset-backed transferable securities represent a participation in, or are secured by and payable from, a stream of payments generated by particular assets, most often a pool of assets similar to one another, such as motor vehicle receivables or credit card receivables, home equity loans, manufactured housing loans or bank loan obligations.

Interest rate risk is greater for mortgage-related and asset-backed securities than for many other types of debt securities because they are generally more sensitive to changes in interest rates. These types of securities are subject to prepayment – borrowers paying off mortgages or loans sooner than expected – when interest rates fall. As a result, when interest rates rise, the effective maturities of mortgage-related and asset-backed securities tend to lengthen, and the value of the securities decreases more significantly. The result is lower returns to the Portfolio because the Portfolio must reinvest assets previously invested in these types of securities in securities with lower interest rates.

### ***Collateralized Mortgage Obligations***

A collateralized mortgage obligation (“CMO”) is a security backed by a portfolio of mortgages or mortgage-backed securities held under an indenture. CMOs of different classes are generally retired in sequence as the underlying mortgage loans in the mortgage pool are repaid. In the event of sufficient early prepayments on such mortgages, the class or series of CMOs first to mature generally will be retired prior to its maturity. As with other mortgage-backed securities, if a particular class or series of CMOs held by a Portfolio is retired early, the Portfolio would lose any premium it paid when it acquired the investment, and the Portfolio may have to reinvest the proceeds at a lower interest rate than the retired CMO paid. Because of the early retirement feature, CMOs may be more volatile than many other fixed-income investments.

### ***Yankee Bonds***

Certain Portfolios may invest in U.S. dollar-denominated bonds issued in U.S. capital markets by foreign banks or corporations (“Yankee Dollar” bonds). Yankee Dollar bonds are generally subject to the same risks that apply to domestic bonds, notably credit risk, market risk and liquidity risk. Additionally, Yankee Dollar bonds are subject to certain sovereign risks, such as the possibility that a sovereign country might prevent capital, in the form of U.S. dollars, from flowing across its borders. Other risks include adverse political and economic developments; the extent and quality of government regulation of financial markets and institutions; the imposition of foreign withholding taxes; and the expropriation or nationalization of foreign issuers.

### ***Zero Coupon Securities***

Certain Portfolios may invest in zero coupon securities issued by governmental and private issuers. Zero coupon securities are transferable debt securities that do not pay regular interest payments, and instead are sold at substantial discounts from their value at maturity. The value of these instruments tends to fluctuate more in response to changes in interest rates than the value of ordinary interest-paying transferable debt securities with similar maturities. The risk is greater when the period to maturity is longer. As the holder of certain zero coupon obligations, the relevant Portfolios may be required to accrue income with respect to these securities prior to the receipt of cash payment. They may be required to distribute income with respect to these securities and may have to dispose of such securities under disadvantageous circumstances in order to generate cash to satisfy these distribution requirements.

### ***Variation in Inflation Rates***

Certain Portfolios may invest in inflation-linked debt securities. The value of such securities fluctuates with the inflation rate of the corresponding geographical area.

### **Convertible Securities**

Certain Portfolios may invest in convertible securities which are securities generally offering fixed interest or dividend yields which may be converted either at a stated price or stated rate for common or preferred stock. Although to a lesser extent than with fixed income securities generally, the market value of convertible securities tends to decline as interest rates rise. Because of the conversion feature, the market value of convertible securities also tends to vary with fluctuations in the market value of the underlying common or preferred stock.

### **Exchange Rates and Currency Transactions**

Some Portfolios are invested in securities denominated in a number of different currencies other than their Reference Currency. Changes in foreign currency exchange rates will affect the value of some securities held by such Portfolios.

The Portfolios may, whether or not in respect of Hedged Shares Classes, engage in a variety of currency transactions. In this regard, spot and forward contracts and over-the-counter 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 unrealized 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 specialized activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Investment Manager 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.

### **Portfolio Concentration**

Although the strategy of certain Portfolios of investing in a limited number of stocks has the potential to generate attractive returns over time, it may increase the volatility of such Portfolios' investment performance as compared to funds that invest in a larger number of stocks. If the stocks in which such Portfolios invest perform poorly, the Portfolios could incur greater losses than if it had invested in a larger number of stocks.

### **Liquidity**

Certain Portfolios may acquire securities that are traded only among a limited number of investors. The limited number of investors for those securities may make it difficult for the Portfolios to dispose of those securities quickly or in adverse market conditions. Many derivatives and securities that are issued by entities that pose substantial credit risks typically are among those types of securities that the Portfolios may acquire that only are traded among limited numbers of investors.

### **Use of Derivatives and other Investment Techniques**

The Portfolios may employ techniques and instruments relating to Transferable Securities and other financial liquid assets for efficient portfolio management (*i.e.* to increase or decrease their exposure to changing security prices, interest rates, currency exchange rates, commodity prices or other factors that affect security values) and hedging purposes. These techniques may include the use of forward currency exchange contracts, contracts for differences, futures and option contracts, swaps and other investment techniques.

Participation in the futures and option markets, in currency exchange or swap transactions involves investment risks and transactions costs to which the Portfolios would not be subject in the absence of the use of these strategies.

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.

The Umbrella Fund may use these techniques to adjust the risk and return characteristics of a Portfolio's investments. If the Investment Administrator judges market conditions incorrectly or employs a strategy that does not correlate well with a Portfolio's investments, these techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return. These techniques may increase the volatility of a Portfolio and may involve a small investment of cash relative to the magnitude of the risk assumed. In addition, these techniques could result in a loss if the counterparty of the transaction does not perform as promised. Portfolios engaging in swap transactions are also exposed to a potential counterparty risk. In the case of insolvency or default of the swap counterparty, the Portfolio involved could suffer a loss.

There can be no assurance that the Investment Administrator will be able to successfully hedge the Portfolios or that the Portfolios will achieve their investment objectives.

### **Limited Hedging**

Some Portfolios will engage in limited hedging activities, in as much as the Portfolios may only employ limited hedging techniques (write call options or purchase put options). The Portfolios may not maintain such hedged positions if doing so would create a net short position with respect to such security, and the Portfolios may not engage otherwise in short-selling strategies at any time. As a general matter, these

limitations on the Portfolios' ability to enter into hedging transactions may prevent the Portfolios from minimizing potential losses in ways available to traditional hedge funds, particularly in a market environment in which the value of equities is generally declining.

### **Foreign Exchange/Currency Risk**

Although Shares of the different classes within the relevant Portfolio may be denominated in different currencies, the Portfolios may invest the assets related to a class of Shares in securities denominated in a wide range of other currencies. The Net Asset Value of the relevant class of Shares of the relevant Portfolio as expressed in the Pricing Currency will consequently fluctuate in accordance with the changes in foreign exchange rate between the Pricing Currency and the currencies in which the Portfolios' investments are denominated.

In addition, there is a risk that foreign exchange controls may be modified by foreign governments which may have an adverse effect on the Shares.

The Portfolio may therefore be exposed to a foreign exchange/currency risk. However, these risks generally depend on factors outside of the Investment Administrator's control such as financial, economic, military and political events and the supply and demand for the relevant currencies in the global markets. It may be not be possible or practicable to hedge against the consequent foreign exchange/currency risk exposure.

#### ***Changes in Foreign Currency Exchange Rates Can Be Volatile and Unpredictable***

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

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

Foreign currency exchange rates can either float or be fixed by sovereign governments. From time to time, governments use a variety of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies.

Governments may also issue a new currency to replace an existing currency or alter the exchange rate or exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing foreign currency notes may be that their yields or payouts could be significantly and unpredictably affected by governmental actions. Even in the absence of governmental action directly affecting foreign currency exchange rates, political, military or economic developments in the country issuing the specified foreign currency for a note or elsewhere could lead to significant and sudden changes in the foreign currency exchange rate between the foreign currency and your principal currency. These changes could affect your principal currency equivalent value of the note as participants in the global currency markets move to buy or sell the foreign currency or your own principal currency in reaction to these developments.

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

The Investment Administrator may enter into currency transactions as necessary to hedge the currency risks within the limits described under "*Investment restrictions*" above.

### **Changes in Applicable Law**

The Portfolios must comply with various legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which they operate. Should any of those laws change over the life of the Portfolios, the legal requirement to which the Portfolios and their Shareholders may be subject could differ materially from current requirements.

# EXPENSES, FEES AND COSTS

## I. Expenses

The Umbrella Fund pays out of its assets all expenses payable by the Umbrella Fund. These include expenses payable to the independent auditors, outside counsels and other professionals.

They also include any expenses involved in registering and maintaining the registration of the Umbrella Fund with any governmental agencies or stock exchanges in the Grand Duchy of Luxembourg and in any other country and administrative expenses, such as registration expenses, insurance coverage and the expenses relating to the translation and printing of this Prospectus, its Supplements and the Simplified Prospectuses and reports to Shareholders.

Expenses specific to a Portfolio or Share class will be borne by that Portfolio or Share class. Expenses that are not specifically attributable to a particular Portfolio or Share class may be allocated among the relevant Portfolios or Share classes based on their respective net assets or any other reasonable basis given the nature of the expenses.

The expenses incurred in connection with the formation of the Umbrella Fund and the initial issue of Shares by the Umbrella Fund, including those incurred in the preparation and publication of the sales documents of the Umbrella Fund, all legal, fiscal and printing expenses, as well as certain launch expenses (including advertising costs) and other preliminary expenses have been borne by Goldman Sachs International as Promoter of the Umbrella Fund. Such expenses were estimated to be approximately Euro 150,000.

## II. Fees

### a) Investment Administrator Fee

The Investment Administrator Fee is determined in accordance with market practice and consistent with the then current market levels. Such Investment Administrator Fee is calculated and accrued on each relevant Valuation Day and paid monthly in arrears at the annual rates which are more fully disclosed under each Portfolio's description in the relevant Supplement.

Subject to applicable law and regulations, the Investment Administrator, at its discretion, may on a negotiated basis enter into a private arrangement with a distributor under which the Investment Administrator makes payments to or for the benefit of such distributor which represent a rebate of all or part of the fees paid by the Umbrella Fund to the Investment Administrator. In addition, the Investment Administrator or a distributor at their discretion, subject to applicable law and regulations, may on a negotiated basis enter into private arrangements with a holder or prospective holder of Shares under which the Investment Administrator or a distributor are entitled to make payments to the holders of Shares of part or all of such fees. Consequently, the effective net fees payable by a holder of Shares who is entitled to receive 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. Such arrangements reflect terms privately agreed between parties other than the Umbrella Fund, and for the avoidance of doubt, the Umbrella Fund cannot, and is under no duty to, enforce equality of treatment between Shareholders by other entities, including those service providers of the Umbrella Fund that it has appointed. Neither the Investment Administrator nor a distributor shall be under any obligations to make arrangements available on equal terms to such Shareholders.

### b) Custody Fee

The Custody Fee is determined in accordance with the applicable market standards in Luxembourg and is reasonable and proportionate to the Net Asset Value of each relevant Portfolio. Such fee is payable on a monthly basis to the Custodian. Not more than 0,02% per year of each relevant Portfolio's average Net Asset Value per year will be payable to the Custodian and its agent by the Umbrella Fund. To the extent that the actual expenses exceed the above percentage during any financial year, such excess amount shall be paid by the Investment Administrator back to the Umbrella Fund at the end of such year.

### c) Umbrella Fund Administrator, Registrar and Transfer Agent Fee

The Umbrella Fund Administrator Fee and the Registrar and Transfer Agent Fee are determined in accordance with the applicable market standards in Luxembourg and are reasonable and proportionate to

the Net Asset Value of each relevant Portfolio. Such fees are payable on a monthly basis to the Umbrella Fund Administrator and to the Registrar and Transfer Agent. No more than 0,09% per year of each relevant Portfolio's average Net Asset Value per year will be payable by the Umbrella Fund to the Umbrella Fund Administrator and the Registrar and Transfer Agent per year. To the extent that the actual expenses exceed the above percentage during any financial year, such excess amount shall be paid by the Investment Administrator back to the Umbrella Fund at the end of such year.

d) Hedging Agent Fee

The Hedging Agent is entitled to receive an Hedging Agent Fee of a maximum of 0,015% per annum per hedged class of Shares based on asset size with an annual minimum fee of USD 5,000 per Portfolio and USD 5,000 per hedged class of Shares. This fee will be payable by the Umbrella Fund to the Hedging Agent on a semi-annual basis.

e) Domiciliary and Corporate Agent Fee

The Domiciliary and Corporate Agent is entitled to receive a Domiciliary and Corporate Fee of EUR 5,000 per Portfolio per annum.

f) Management Company Fee

The Management Company will receive a Management Company Fee per Portfolio of a maximum of 0,04% per annum with an annual minimum fee of EUR 30,000 per Portfolio. The Management Company Fee, payable in twelve monthly payments, will be calculated on the last Net Asset Value of the month of each Portfolio.

g) Fees related to local entities

In relation with the registration of the Umbrella Fund in foreign countries, additional amounts of fees may be charged on the assets of the Umbrella Fund in connection with the duties and services of local paying agents, correspondent banks or similar entities.

### **III. Costs related to derivative transactions**

The price of the derivative instruments entered into by the Umbrella Fund on behalf of the Portfolios may include hedging costs and a profit component payable to the Counterparty.

## **LUXEMBOURG ANTI-MONEY LAUNDERING REGULATIONS**

In an effort to deter money laundering, the Umbrella Fund, the Management Company, the Investment Administrator, the Global Distributor, any distributor or sub-distributor, and the Registrar and Transfer Agent must comply with all applicable international and Luxembourg laws and circulars regarding the prevention of money laundering and in particular with Luxembourg law dated November 12, 2004 against money laundering and terrorism financing, as amended. To that end, the Umbrella Fund, the Management Company, the Investment Administrator, the Global Distributor, any distributor or sub-distributor, and the Registrar and Transfer Agent may request information necessary to establish the identity of a potential investor and the origin of subscription proceeds. Failure to provide documentation may result in a delay or rejection by the Umbrella Fund of any subscription or exchange or a delay in payout of redemption of Shares by such investor.

## **SUBSCRIPTION, TRANSFER, CONVERSION AND REDEMPTION OF SHARES**

### **I. Share Characteristics**

#### ***Available classes***

Each Portfolio issues Shares in several separate classes of Shares, as set out in each Portfolio's description in the relevant Supplement as well as under "*Introduction*". Such classes of Shares differ with respect to the

type of investors for which they are designed, as the case may be, their Pricing Currency and as the case may be with respect to their fee structure.

### ***Shareholder Rights***

All Shareholders have the same rights, regardless of the class of Shares held. Each Share is entitled to one vote at any general meeting of Shareholders. There are no preferential or pre-emptive rights attributable to the Shares.

### ***Reference Currency/Base Currency/Pricing Currency***

The Reference Currency of the Umbrella Fund is the EUR. The Base Currency of each Portfolio and the Pricing Currency of each class of Shares are as set out in each Portfolio's description in the relevant Supplement.

### ***Dividend Policy***

The Umbrella Fund may issue Distributing Shares classes and Accumulation Shares classes within each Portfolio, as set out in each Portfolio's description in the relevant Supplement.

Accumulation Shares classes capitalize their entire earnings whereas Distributing Shares classes pay dividends.

The general meeting of Shareholders of the class or classes of Shares issued in respect of any Portfolio, upon proposal of the Board of Directors of the Umbrella Fund, shall determine how the income of the relevant classes of Shares of the relevant Portfolios shall be disposed of and the Umbrella Fund may declare from time to time, at such time and in relation to such periods as the Board of Directors of the Umbrella Fund may determine, distributions in the form of cash or Umbrella Fund's Shares for the class of Shares entitled to distribution.

Should the Shareholders decide the distribution of a cash dividend, all distributions will be paid out of the net investment income available for distribution. For certain Share classes, the Board of Directors of the Umbrella Fund may decide from time to time to distribute net realized capital gains. Unless otherwise specifically requested, dividends will be reinvested in further Shares within the same class of the same Portfolio and investors will be advised of the details by dividends statement. No sales charge will be imposed on reinvestments of dividends or other distributions.

For Shares of classes entitled to distribution, dividends, if any, will be declared and distributed on an annual basis. Moreover, interim dividends may be declared and distributed from time to time at a frequency decided by the Board of Directors of the Umbrella Fund in compliance with the conditions set forth by law.

However, in any event, no distribution may be made if, as a result, the Net Asset Value of the Umbrella Fund would fall below Euro 1,250,000.-.

Dividends not claimed within five years of their due date will lapse and revert to the relevant Shares of the relevant class in the relevant Portfolio.

No interest shall be paid on a distribution declared by the Umbrella Fund and kept by it at the disposal of its beneficiary.

### ***Listed classes***

The classes of Shares of each Portfolio that are listed on the Luxembourg Stock Exchange are indicated in each Portfolio's description in the relevant Supplement. The Board of Directors of the Umbrella Fund may, in its sole discretion, elect to list any other Share classes on any stock exchange.

### ***Fractional Shares***

Each Portfolio issues whole and fractional Shares up to one-thousandth of a Share. Fractional entitlements to Shares do not carry voting rights but do grant rights of participation on a pro-rated basis in net results and liquidation proceeds attributable to the relevant Portfolio.

### ***Share Registration and Certificates***

All Shares are issued in registered uncertificated form. All Shareholders shall receive from the Registrar and Transfer Agent a written confirmation of his or her shareholding.

## **II. Subscription of Shares**

### ***Investor Qualifications***

Only investors that meet the following qualifications may purchase class I Shares, class I Hedged Shares, class I (2010) Shares, class I (2012) Shares, class I (2014) Shares, class C Shares, class C (Austria) Shares, class C Hedged Shares, class M Shares, class M Hedged Shares, class X Shares, class X Hedged Shares, class Y Shares and class Y Hedged Shares:

The investor must be an “Institutional Investor,” as that term is defined from time to time by the Luxembourg supervisory authority. Generally, an Institutional Investor is one or more of the following:

- Credit institution or other financial professional investing in its own name or on behalf of an Institutional Investor or any other investor, provided that the credit institution or financial professional has a discretionary management relationship with the investor and that relationship does not grant the investor any right to a direct claim against the Umbrella Fund;
- Insurance or reinsurance company that is making the investment in connection with a share-linked insurance policy, provided that the insurance or reinsurance company is the sole subscriber in the Umbrella Fund and no policy grants the holder any right to receive, upon termination of the insurance policy, Shares of the Umbrella Fund;
- Pension fund or pension plan, provided that the beneficiaries of such pension fund or pension plan are not entitled to any direct claim against the Umbrella Fund;
- Undertaking for collective investment;
- Governmental authority investing in its own name;
- Holding company or similar entity in which either (a) all shareholders of the entity are Institutional Investors, or (b) the entity either (i) conducts non-financial activities and holds significant financial interests or (ii) is a “family” holding company or similar entity through which a family or a branch of a family holds significant financial interests;
- Financial or industrial group; or
- Foundation holding significant financial investments and having an existence independent from the beneficiaries or recipients of their income or assets.

The Board of Directors of the Umbrella Fund and/or any of its duly appointed representatives reserves the right to reject or postpone any application to subscribe to Shares for any reason, including if the Directors of the Umbrella Fund and/or any of its duly appointed representatives considers that the applying investor is engaging in excessive trading (market-timing). In particular, investors should consider that whenever they subscribe to Shares directly to the Umbrella Fund in their own names instead of submitting their subscriptions through a distributor or other financial intermediaries, additional due diligence could be performed on them and this could lead to a delay in acceptance/rejection of their orders by the Board of Directors of the Umbrella Fund. Therefore, in such circumstances, the purchase price for the relevant subscription application will be established with reference to the applicable Net Asset Value of the Shares with reference to the date on which the subscription has been accepted by the Board of Directors of the Umbrella Fund.

### ***Minimum Investment and Holding Amount***

No investor may subscribe initially for less than the amount of the minimum initial investment indicated in each Portfolio's description in the relevant Supplement if any, save if a derogation from such amount of minimum initial investment has been obtained from the Board of Directors of the Umbrella Fund. There may be a minimum investment amount for subsequent investments in the Shares, as indicated in each Portfolio's description in the relevant Supplement; no investor may subscribe for less than such minimum subsequent investment amount, save if a derogation from such amount of minimum subsequent investment has been obtained from the Board of Directors of the Umbrella Fund. No investor may transfer or redeem Shares of any class if the transfer or redemption would cause the investor's holding amount of that class of Shares to fall below the minimum holding amount indicated, as the case may be, in each Portfolio's description in the relevant Supplement. In case of subscription in a number of Shares, the minimum initial investment amount, the minimum subsequent investment amount and the minimum holding amount for the relevant Shares, as

indicated in each Portfolio's description in the relevant Supplement, shall be considered as the equivalent in number of Shares of the relevant minimum amounts.

The Board of Directors of the Umbrella Fund may, provided that equal treatment of Shareholders be complied with, grant Shareholders an exception from the conditions of minimum initial investment, minimum subsequent investment and minimum holding of Shares and accept a redemption request that would cause the investor's holding in any Portfolio to fall below the minimum holding amount. Such an exception may only be made in favor of investors who understand and are able to bear the risk linked to an investment in the relevant Portfolio, on exceptional basis and in specific cases.

### ***Sales Charge***

The subscription of Shares may be subject to a sales charge of a percentage of the Net Asset Value of the Shares being subscribed as indicated in each Portfolio's description in the relevant Supplement. The actual amount of the sales charge is determined by the financial institution through which the subscription of Shares is made and paid to the latter by the relevant Portfolio as remuneration for its intermediary activity. Such financial institution, at its discretion and subject to applicable law and regulations, may on a negotiated basis enter into private arrangements with a holder or prospective holder of Shares under which it is entitled to make payments to the holders of Shares of part or all of such sales charge. Investors should be aware that the subscription of Shares may also be subject to a sales charge of a percentage of the Net Asset Value of the Shares being subscribed as indicated in each Portfolio's description in the relevant Supplement when the investors are subscribing directly to the Shares of the Umbrella Fund without passing their subscription orders through financial institutions. In such case, the sales charge will be paid to the Global Distributor.

Before subscribing for Shares, please ask the financial institution whether a sales charge will apply to your subscription and the actual amount of that sales charge.

### ***Procedure of Subscription***

**Market Timing Policy:** The Umbrella Fund does not knowingly allow investments which are associated with market timing practices, as such practices may adversely affect the interests of all Shareholders.

As per the Regulatory Authority Circular 04/146, market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same UCI within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the net asset values of the sub-funds of the UCI.

Opportunities may arise for the market timer either if the Net Asset Values (as defined on hereafter) of the Portfolios of the Umbrella Fund are calculated on the basis of market prices which are no longer up to date (stale prices) or if the Portfolios of the Umbrella Fund are already calculating the Net Asset Value when it is still possible to issue orders.

Market timing practices are not acceptable as they may affect the performance of the Umbrella Fund through an increase of the costs and/or entail a dilution of the profit.

Accordingly, the Board of Directors of the Umbrella Fund and/or any of its duly appointed representatives may, whenever they deem it appropriate and at their sole discretion, cause the Registrar and Transfer Agent and the Umbrella Fund Administrator, respectively, to implement any of the following measures:

- Cause the Registrar and Transfer Agent to reject any application for conversion and/or subscription of Shares from investors whom the former considers market timers.
- The Registrar and Transfer Agent may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices.
- If a Portfolio is primarily invested in markets which are closed for business at the time the Portfolio is valued, during periods of market volatility, cause the Umbrella Fund Administrator to allow for the Net Asset Value per Share to be adjusted to reflect more accurately the fair value of the Portfolio's investments at the point of valuation.

In addition, the Board of Directors of the Umbrella Fund and/or any of its duly appointed representatives reserve the right to levy an additional fee of up to 2% of the Net Asset Value of the Shares subscribed if the Board of Directors of the Umbrella Fund and/or any of its duly appointed representatives consider that the applying investor is engaging in excessive trading (market-timing) practices. Any such fee shall be levied for the benefit of the Portfolio concerned.

**Subscription Application:** Any investor intending to subscribe initially or for additional Shares must complete an application form. Application forms are available from and should be sent to:

**The Bank of New York Mellon (Luxembourg) S.A.**  
**Aerogolf Center**  
1A, rue Hoehenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg

The application for subscription of Shares must include:

- a) the monetary amount or the number of Shares the Shareholder wishes to subscribe, and
- b) the Portfolio and the class from which Shares are to be subscribed.

Investors are made aware that for certain Portfolios and/or classes of Shares, subscriptions may only be accepted in monetary amount and should refer to the description of each relevant Portfolio in the relevant Supplement in order to know if such restriction applies.

The Registrar and Transfer Agent may request an investor to provide additional information to substantiate any representation made by the investor in its application. Any application that has not been completed to the satisfaction of the Registrar and Transfer Agent will be rejected. The Registrar and Transfer Agent shall seek the opinion of the Board of Directors of the Umbrella Fund before rejecting an order. Applications not complying with the requirements of each Portfolio's description in the relevant Supplement in terms of minimum investment may be processed late due to the fact that a derogation from the requirements of each Portfolio's description in the relevant Supplement on this aspect needs to be obtained from the Board of Directors of the Umbrella Fund. In particular, any application for subscription of Shares which will not be supported by all the documentation required by the relevant anti-money laundering legislation, will not be accepted by the Registrar and Transfer Agent; the latter will inform the investor of the missing documentation and will ask the investor to hold off sending to the Registrar and Transfer Agent the funds related to the subscription until all the documentation required will have been received by the Registrar and Transfer Agent. In case of reception of any funds prior to the reception of all the documentation required, the Registrar and Transfer Agent will not credit any interest to the investor for those funds which could only be accepted for subscription of Shares if and when all the documentation required will have been received. In addition, the Board of Directors of the Umbrella Fund and/or any of its duly appointed representatives in their sole discretion, may at any time suspend or close the sale of any class of Shares or all Shares.

The Registrar and Transfer Agent will send to each investor a written confirmation of each subscription of Shares within 3 Luxembourg and London business days from the relevant subscription date (as indicated in the relevant Portfolio's description in the relevant Supplement) or as soon as reasonably practicable.

**Subscription Date and Purchase Price:** Shares may be subscribed as referred to in the relevant Portfolio's description in the relevant Supplement. Except during the initial offering period of a new Portfolio, the subscription date for any subscription application shall be as indicated in the relevant Portfolio's description in the relevant Supplement. For each Portfolio of the Umbrella Fund, subscription orders which are not received by the Umbrella Fund before the cut-off time, as specified under the relevant Portfolio's description in the relevant Supplement, will be automatically processed on the next applicable subscription date. The purchase price for any subscription application will be the sum of the Net Asset Value of such Shares on the relevant Valuation Day plus any applicable sales charge.

Investors should note that they will not know the actual purchase price of their Shares until their order has been fulfilled.

**Payment:** Each investor must pay the purchase price as determined in the relevant Portfolio's description in the relevant Supplement. Please note that the investor's obligation to settle the purchase price in accordance with the deadlines set out in the relevant Portfolio's description in the relevant Supplement is not dependent on the investor's receipt of a fax confirmation of his/her/its trade. Purchase price must be settled in accordance with the relevant deadline, regardless of any delay in the issue of a fax confirmation to the investor.

The purchase price must be paid by electronic bank transfer only, as specified in the application form.

Any payment must be in cleared funds before it will be considered as having been received.

If an investor cannot by law pay its subscription by electronic bank transfer, the investor must call:

**The Bank of New York Mellon (Luxembourg) S.A.**

**Aerogolf Center**

1A, rue Hoehenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg  
+(352) 26 34 77 - 1

to make other arrangements. Please note that an investor's inability to pay by electronic bank transfer does not relieve it of its obligation to pay for its subscription within the deadline provided in the relevant Supplement for each Portfolio.

An investor should pay the purchase price in the Pricing Currency.

However, If an investor pays the purchase price in another currency, the Umbrella Fund or its agent will make reasonable efforts to convert the payment into the currency of the Share class purchased. All costs associated with the conversion of that payment will be borne by the investor, whether such conversion actually is made. Neither the Umbrella Fund nor any of its agents shall be liable to an investor if the Umbrella Fund or its agent is unable to convert any payment into the currency of the Share class purchased by the investor.

The Umbrella Fund will immediately redeem the Shares corresponding to any subscription not paid for in full in accordance with these provisions, and the investor submitting the subscription will be liable to the Umbrella Fund and each of its agents for any loss incurred by them, individually and collectively, as a result of such forced redemption.

### **III. Transfer of Shares**

A Shareholder may transfer Shares to one or more other persons, provided that all Shares have been paid in full with cleared funds and each transferee meets the qualifications of an investor in the relevant Share class.

In order to transfer Shares, the Shareholder must notify the Registrar and Transfer Agent of the proposed date and the number of Shares transferred. The Registrar and Transfer Agent only will recognize a transfer with a future date. In addition, each transferee must complete an application form.

The Shareholder should send its notice and each completed application form to:

**The Bank of New York Mellon (Luxembourg) S.A.**

**Aerogolf Center**

1A, rue Hoehenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg

The Registrar and Transfer Agent may request a transferee to provide additional information to substantiate any representation made by the transferee in its application. Any application that has not been completed to the satisfaction of the Registrar and Transfer Agent will be rejected.

The Registrar and Transfer Agent will not effectuate any transfer until it is satisfied with the form of notice and has accepted each transferee's subscription application.

Any Shareholder transferring Shares and each transferee, jointly and separately, agrees to hold the Portfolio and each of its agents harmless with respect to any loss suffered by one or more of them in connection with a transfer.

### **IV. Redemption of Shares**

A Shareholder may request the Umbrella Fund to redeem some or all of the Shares it holds in the Umbrella Fund. If, as a result of any redemption request, the number of Shares held by any Shareholder in a class would fall below the minimum holding amount for that class of Shares, if any, the Umbrella Fund may treat

such request as a request to redeem the full balance of such Shareholder's holding of Shares in the relevant class. Shares may be redeemed on days referred to in the relevant Portfolio's description in the relevant Supplement.

If the aggregate value of the redemption and conversion requests received by the Registrar and Transfer Agent on any day corresponds to more than 10% of the net assets of a Portfolio, the Umbrella Fund may defer part or all of such redemption and conversion requests for such period as it considers to be in the best interest of the Portfolio and its Shareholders. Any deferred redemption and conversion shall be treated as a priority to any further redemption and conversion requests received on any following redemption date.

***Redemption Notice***

Any Shareholder intending to redeem Shares must notify the Registrar and Transfer Agent:

**The Bank of New York Mellon (Luxembourg) S.A.**  
**Aerogolf Center**  
1A, rue Hoehenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg

That notice must include the following:

- The Shareholder's name, as it appears on the Shareholder's account, his or her address and account number;
- The number of Shares of each class or amount of each Share class to be redeemed; and
- Bank details of beneficiary of redemption proceeds.

Investors are made aware that for certain Portfolios and/or classes of Shares, redemptions may only be accepted in monetary amount and should refer to the description of each relevant Portfolio in the relevant Supplement in order to know if such restriction applies.

The Registrar and Transfer Agent may request the Shareholder to provide additional information to substantiate any representation made by the investor in the notice. The Registrar and Transfer Agent will reject any redemption notice that has not been completed to its satisfaction. Payments will only be made to the Shareholder of record, provided that all the documentation required by the relevant anti-money laundering legislation for the Shareholder will have been received by the Registrar and Transfer Agent; no third-party payments will be made.

Any Shareholder redeeming Shares agrees to hold the Umbrella Fund and each of its agents harmless with respect to any loss suffered by one or more of them in connection with that redemption.

***Deferred Sales Charge***

Shares will be redeemed at a price based on the Net Asset Value per Share of the relevant Class in the relevant Portfolio.

A deferred sales charge may be imposed to redemptions of Shares according to the provisions of each Portfolio's description in the relevant Supplement.

The actual amount of the deferred sales charge will be determined by the Umbrella Fund, respectively, the Global Distributor through which the subscription of the Shares is made. The Global Distributor, at its discretion and subject to applicable law and regulations, may on a negotiated basis enter into private arrangements with a holder or prospective holder of Shares under which it is entitled to make payments to the holders of the Shares of part or all of such deferred sales charge.

Before subscribing for Shares, please ask the Umbrella Fund, respectively, the Global Distributor whether a deferred sales charge will apply to your subscription and the actual amount of that deferred sales charge.

For Shares subject to a deferred sales charge, the amount of the charge is determined as a percentage of the Net Asset Value of the Shares being redeemed on the relevant Valuation Day. The amount of any deferred sales charge to be paid will be retained by the Global Distributor.

The Board of Directors reserves the right to increase the maximum deferred sales charge if and when appropriate. In such event, the present Prospectus, its Supplements and the Simplified Prospectuses will be amended accordingly.

The Board of Directors of the Umbrella Fund and/or any of its duly appointed representatives reserve the right to levy an additional fee of up to 2% of the Net Asset Value of the Shares redeemed if the Board of Directors of the Umbrella Fund and/or any of its duly appointed representatives consider that the redeeming investor is engaging in excessive trading (market-timing) practices. Any such fee shall be levied for the benefit of the Portfolio concerned.

#### ***Redemption Date and Redemption Price***

The redemption date for any redemption notice shall be as indicated in the relevant Portfolio's description in the relevant Supplement. For each Portfolio of the Umbrella Fund, redemption orders which are not received by the Umbrella Fund before the cut-off time, as specified under the relevant Portfolio's description in the relevant Supplement, will be automatically processed on the next applicable redemption date. The redemption price for any redemption notice will be the Net Asset Value of such Shares on the relevant Valuation Day.

Investors should note that they will not know the redemption price of their Shares until their redemption request has been fulfilled.

#### ***Payment***

The Umbrella Fund will pay the Shareholder redemption proceeds as determined in the relevant Portfolio's description in the relevant Supplement. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within the terms as determined in the relevant Portfolio's description in the relevant Supplement, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

The redemption proceeds will be paid by electronic bank transfer in accordance with the instructions in the redemption notice as accepted. All costs associated with that payment will be borne by the Shareholder.

Redemption proceeds will be paid in the relevant Pricing Currency.

However, if an investor requests payment in another currency, the Umbrella Fund or its agent will make reasonable efforts to convert the payment into the currency requested. All costs associated with the conversion of that payment will be borne by the Shareholder, whether such conversion actually is made. Neither the Umbrella Fund nor any agent of the Umbrella Fund shall be liable to an investor if the Umbrella Fund or agent is unable to convert and pay into a currency other than the relevant Pricing Currency.

Neither the Umbrella Fund nor any of its agents shall pay any interest on redemption proceeds or make any adjustment on account of any delay in making payment to the Shareholder. Any redemption proceeds that have not been claimed within 5 years following the redemption date shall be forfeited and shall accrue for the benefit of the relevant class of Shares.

#### ***Forced Redemption***

The Umbrella Fund and/or any of its duly appointed representatives may immediately redeem some or all of a Shareholder's Shares if the Umbrella Fund and/or any of its duly appointed representatives believe that:

- The Shareholder has made any misrepresentation as to his or her qualifications to be a Shareholder;
- The Shareholder's continued presence as a Shareholder of the Umbrella Fund would cause irreparable harm to the Umbrella Fund or the other Shareholders of the Umbrella Fund;
- The Shareholder, by trading Shares frequently, is causing the relevant Portfolio to incur higher portfolio turnover and thus, causing adverse effects on the Portfolio's performance, higher transactions costs and/or greater tax liabilities; or
- The Shareholder's continued presence as a Shareholder would result in a breach of any law or regulation, whether Luxembourg or foreign, by the Umbrella Fund.

Class I (2010) Shares, class I (2012) Shares and class I (2014) Shares may be mandatorily redeemed either at their maturity term or before such maturity term at the full discretion of the Board of Directors of the Umbrella Fund.

### ***Redemptions In Kind***

Any Shareholder redeeming Shares representing at least 20% of any Share class may redeem those Shares in kind, provided that the Umbrella Fund determines that the redemption would not be detrimental to the remaining Shareholders and the redemption is effected in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a redemption in kind shall be borne by the relevant Shareholders.

## **V. Conversion of Shares**

Subject to the provisions of each Portfolio's description in the relevant Supplement, any Shareholder may in principle request the conversion of its Shares for (i) Shares of the same class of another Portfolio or (ii) Shares of a different class of the same or another Portfolio. Such conversion request will be treated as a redemption and subsequent subscription of Shares. Consequently, any Shareholder requesting such conversion must comply with the procedures of subscription and redemption, as well as with all other requirements notably relating to investor qualifications and minimum investment and holding thresholds, if any, applicable to each Portfolio.

If Shares are converted for Shares of another class or Portfolio having the same or a lower sales charge, no additional charge shall be levied. If Shares are converted for Shares of another class or Portfolio having a higher sales charge, the conversion may be subject to a conversion fee to the benefit of an intermediary as determined by the Board of Directors of the Umbrella Fund equal to the difference in percentage of the sales charges of the relevant Shares.

In case of conversion of Shares, no deferred sales charge will be applicable.

### ***Conversion Date***

The conversion of Shares between Portfolios having different valuation frequencies may only be effected on a common subscription date as more fully described under each Portfolio's description in the relevant Supplement.

To exercise the right to exchange Shares, the Shareholders must deliver an exchange order in proper form to the Registrar and Transfer Agent.

The conversion date for any exchange order shall be as indicated in the relevant Portfolio's description in the relevant Supplement. For each Portfolio of the Umbrella Fund, exchange orders which are not received by the Umbrella Fund before the cut-off time, as specified under the relevant Portfolio's description in the relevant Supplement, will be automatically processed on the next applicable conversion date.

The number of Shares in the newly selected Portfolio or class of Shares will be calculated in accordance with the following formula:

$$A = (B \times C \times D) / E$$

where:

- A is the number of Shares to be allocated in the new class;
- B is the number of Shares of the original class to be converted;
- C is the Net Asset Value per Share of the original class on the relevant Valuation Day;
- D is the actual rate of exchange on the day concerned in respect of the Pricing Currency of the original class and the Pricing Currency of the new class;
- E is the Net Asset Value per Share of the new class on the relevant Valuation Day.

In the event that a Shareholder is no longer entitled to be invested in the Shares he holds pursuant to the investor qualifications defined in this Prospectus, the Directors of the Umbrella Fund or the Management Company may decide to convert, without any prior notice or charge, the Shares held by the Shareholder into such other Shares which total expense ratio is the lowest among the Share classes for which the Shareholder complies with the investor qualifications.

# DETERMINATION OF THE NET ASSET VALUE

## **Day of Calculation**

The Umbrella Fund calculates the Net Asset Value of each Share class for each Valuation Day as indicated for each Portfolio in its description in the relevant Supplement.

The Umbrella Fund may for track record purposes, calculate Net Asset Values even on days where subscription, redemption and conversion are not accepted, as more fully described for each Portfolio in its description in the relevant Supplement, as the case may be.

Please refer to each Portfolio's description under "*Characteristics*" in the relevant Supplement for details on the days on which the Net Asset Value of each Portfolio may not be calculated and on the impact that the market disruption events, if any, and their consequences may have on the calculation of the Net Asset Value of each Portfolio.

If any date specified for the purpose of processing subscriptions, conversions and redemptions within a Portfolio falls on a day which is not a Valuation Day as indicated for such Portfolio in its description in the relevant Supplement, the Net Asset Value of the Portfolio will not be calculated on that day and the Net Asset Value at which subscriptions, redemptions or conversions are effected will be calculated on the next Valuation Day.

If since the time of determination of the Net Asset Value, there has been a material change in the quotations in the markets on which a substantial portion of the investments of any Portfolio are dealt in or quoted, the Umbrella Fund may, in order to safeguard the interests of the Shareholders and the Portfolio, cancel the first valuation and carry out a second valuation for all applications made on the relevant subscription/redemption date.

## **Method of Calculation**

The Net Asset Value of each Share of any one class on any day that any Portfolio calculates its Net Asset Value is determined by dividing the value of the portion of assets attributable to that class less the portion of liabilities attributable to that class, by the total number of Shares of that class outstanding on such day.

The Net Asset Value per Share of each class shall be available at the registered office of the Umbrella Fund in principle the Luxembourg and London business day following the relevant Valuation Day. A Net Asset Value may be calculated on days different from the applicable Valuation Day for each Portfolio with the exception of any Luxembourg banking holidays for the Shares of the Portfolios. Such Net Asset Value is only indicative and is available for information purposes only. It is based on the previous available net asset values with an adjustment for the expense accrual and is published on a Bloomberg page. Please refer to each Portfolio's description under "*Characteristics*" in the relevant Supplement for details on the pages at which the aforementioned indicative Net Asset Value may be found.

The Net Asset Value of each class of Share shall be determined in the Pricing Currency of the relevant class of Shares.

The Net Asset Value of each class of Share may be rounded to the nearest ten-thousandth of the Pricing Currency in accordance with the Umbrella Fund's guidelines.

The value of each Portfolio's assets shall be determined as follows:

- (i) the value of any cash on hand or on deposit, bills and demand notes payable and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be 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 shall be arrived at after making such discount as the Board of Directors of the Umbrella Fund may consider appropriate in such case to reflect the true value thereof;

- (ii) the value of Transferable Securities, Money Market Instruments and any financial assets listed or dealt in on a stock exchange of an Other State or on a Regulated Market, or on any Other Regulated Market of a Member State or of an Other State, shall be based on the last available closing or settlement price in the relevant market prior to the time of valuation, or any other price deemed appropriate by the Board of Directors of the Umbrella Fund;
- (iii) the value of any assets held in a Portfolio's portfolio which are not listed or dealt on a stock exchange of an Other State or on a Regulated Market or on any Other Regulated Market of a Member State or of an Other State or if, with respect to assets quoted or dealt in on any stock exchange or dealt in on any such Regulated Markets, the last available closing or settlement price is not representative of their value, such assets are stated at fair 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 of the Umbrella Fund;
- (iv) Money Market Instruments with a remaining maturity of 90 days 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 amortization of premium or accretion of discount rather than at market value;
- (v) units or shares of open-ended UCI will be valued at their last determined and available official net asset value as reported or provided by such UCI or their agents, or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Umbrella Fund on a fair and equitable basis. Units or shares of a closed-ended UCI will be valued in accordance with the valuation rules set out in items (ii) and (iii);
- (vi) the liquidating value of futures, forward or options contracts not traded on a stock exchange of an Other State or on Regulated Markets, or on Other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established prudently and in good faith by the Board of Directors of the Umbrella Fund, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on a stock exchange of an Other State 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 Umbrella 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 of the Umbrella Fund may deem fair and reasonable;
- (vii) interest rate swaps will be valued on the basis of their market value established by reference to the applicable interest rate curve. Swaps pegged to indexes or financial instruments shall be valued at their market value, based on the applicable index or financial instrument. The valuation of the swaps tied to such indexes or financial instruments shall be based upon the market value of said swaps, in accordance with the procedures laid down by the Board of Directors of the Umbrella Fund.

Credit default swaps are valued on the frequency of the Net Asset Value founding on a market value obtained by external price providers. The calculation of the market value is based on the credit risk of the reference party respectively the issuer, the maturity of the credit default swap and its liquidity on the secondary market. The valuation method is recognised by the Board of Directors of the Umbrella Fund and checked by the auditors.

Total return swaps or TRORS will be valued at fair value under procedures approved by the Board of Directors of the Umbrella Fund. As these swaps are not exchange-traded, but are private contracts into which the Umbrella 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 total return swaps or TRORS near the Valuation Day. 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 total return swaps or TRORS 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, total return swaps or TRORS will be valued at their fair value pursuant to a valuation method adopted by the Board of Directors of the Umbrella Fund 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 of the Umbrella Fund may deem fair and reasonable be made. The Umbrella Fund's Auditors will review the appropriateness of the valuation methodology used in valuing total return swaps or TRORS. In any way the Umbrella Fund will always value total return swaps or TRORS on an arm-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 of the Umbrella Fund;

- (viii) 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. Contract for differences will be valued at fair market value, as determined in good faith pursuant to procedures established by the Board of Directors of the Umbrella Fund;
- (ix) all other securities, instruments and other assets will be valued at fair market value, as determined in good faith pursuant to procedures established by the Board of Directors of the Umbrella Fund.

The Umbrella Fund also may value securities at fair value or estimate their value pursuant to procedures approved by the Umbrella Fund in other circumstances such as when extraordinary events occur after the publication of the last market price but prior to the time the Portfolios' Net Asset Value is calculated.

The effect of fair value pricing as described above for securities traded on exchanges and all other securities and instruments is that securities and other instruments may not be priced on the basis of quotations from the primary market in which they are traded. Instead, they may be priced by another method that the Umbrella Fund believes is more likely to result in a price that reflects fair value. When fair valuing its securities, the Umbrella Fund may, among other things, use modeling tools or other processes that take into account factors such as securities market activity and/or significant events that occur after the publication of the last market price and before the time a Portfolio's Net Asset Value is calculated.

On any Valuation Day the Board of Directors may determine to apply an alternative valuation methodology (to include such reasonable factors as they see fit) to the Net Asset Value per Share. This method of valuation is intended to pass the estimated costs of underlying investment activity of the Umbrella Fund to the active Shareholders by adjusting the Net Asset Value of the relevant Share and thus to protect the Umbrella Fund's long-term Shareholders from costs associated with ongoing subscription and redemption activity.

This alternative valuation methodology may take account of trading spreads on the Umbrella Fund's investments, the value of any duties and charges incurred as a result of trading and includes an allowance for market impact.

Where the Board of Directors, based on the prevailing market conditions and the level of subscriptions or redemptions requested by Shareholders or potential Shareholders in relation to the size of the relevant Portfolio, have determined for a particular Portfolio to apply an alternative valuation methodology, the Portfolio may be valued either on a bid or offer basis (which would include the factors referenced in the preceding paragraph).

Because the determination of whether to value the Umbrella Fund's Net Asset Value on an offer or bid basis is based on the net transaction activity of the relevant day, Shareholders transacting in the opposite direction of the Umbrella Fund's net transaction activity may benefit at the expense of the other Shareholders in the Umbrella Fund. In addition, the Umbrella Fund's Net Asset Value and short-term performance may experience greater volatility as a result of this valuation methodology.

Trading in most of the portfolio securities of the Portfolios takes place in various markets outside Luxembourg on days and at times other than when banks in Luxembourg are open for regular business. Therefore, the calculation of the Portfolios' Net Asset Values does not take place at the same time as the prices of many of their portfolio securities are determined, and the value of the Portfolios' portfolio may change on days when the Umbrella Fund is not open for business and its Shares may not be purchased or redeemed.

The value of any asset or liability not expressed in a Portfolio's Base Currency will be converted into such currency at the latest rates quoted by any major banks. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the Umbrella Fund Administrator.

Where, as the result of a miscalculation of the net asset value of the relevant portfolio, including as a result of an error in publication of any relevant underlying index, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct net asset value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund; and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

### **Temporary Suspension of Calculation of the Net Asset Value**

The Directors may temporarily suspend the determination of the net asset value per Share within any Portfolio, and accordingly the issue and redemption of Shares of any class within any Portfolio:

- During any period when any of the principal stock exchanges, Regulated Market or any Other Regulated Market in a Member State or in an Other State on which a substantial part of the Umbrella Fund' investments attributable to such Portfolio is quoted, or when one or more foreign exchange markets in the currency in which a substantial portion of the assets of the Portfolio is denominated, are closed otherwise than for ordinary holidays or during which dealings are substantially restricted or suspended; or
- When political, economic, military, monetary or other emergency events beyond the control, liability and influence of the Umbrella Fund make the disposal of the assets of any Portfolio impossible under normal conditions or such disposal would be detrimental to the interests of the Shareholders; or
- During any breakdown in the means of communication network normally employed in determining the price or value of any of the relevant Portfolio's investments or the current price or value on any market or stock exchange in respect of the assets attributable to such Portfolio; or
- During any period when the Umbrella Fund is unable to repatriate funds for the purpose of making payments on the redemption of shares of such Portfolio or during which any transfer of funds involved in the realization or acquisition of investments or payments due on redemption of shares cannot, in the opinion of the Board of Directors of the Umbrella Fund, be effected at normal rates of exchange; or
- During any period when for any other reason the prices of any investments owned by the Umbrella Fund, including in particular the derivative and repurchase transactions entered into by the Umbrella Fund in respect of any Portfolio, cannot promptly or accurately be ascertained; or
- During any period when the Board of Directors of the Umbrella Fund so decides, provided all Shareholders are treated on an equal footing and all relevant laws and regulations are applied (i) as soon as an extraordinary general meeting of Shareholders of the Umbrella Fund or a Portfolio has been convened for the purpose of deciding on the liquidation or dissolution of the Umbrella Fund or a Portfolio and (ii) when the Board of Directors of the Umbrella Fund is empowered to decide on this

matter, upon its decision to liquidate or dissolve a Portfolio.

Any suspension shall be published, if appropriate, by the Umbrella Fund and Shareholders requesting subscription, conversion or redemption of their Shares shall be notified by the Umbrella Fund of the suspension at the time of the filing of the written request for such subscription, conversion and redemption. The suspension as to any Portfolio will have no effect on the determination of Net Asset Value and the issue, redemption or conversion of Shares in any class of the other Portfolios.

### **Historical Performance**

The Portfolios present their performance as average annual total return, reflecting all charges and expenses accrued by the relevant Portfolio. Performance does not include any adjustment for sales charges and does not consider any tax consequence to Shareholders as a result of investing in Shares.

The Portfolios, when presenting their average annual total return, also may present their performance using other means of calculation, and may compare their performance to various benchmarks and indices.

Past performance is not necessarily indicative of future results. Past performance of the Portfolios launched since a full year or more at the date of the present Prospectus is disclosed for each Portfolio in the relevant Simplified Prospectus issued for such Portfolio.

## **TAXATION**

The foregoing is based on the Board of Directors of the Umbrella Fund's understanding of the law and practice currently in force in Luxembourg and subject to changes therein. It should not be taken as constituting legal or tax advice and investors are advised to obtain information and, if necessary, advice regarding the laws and regulations applicable to them by reason of the subscription, purchase, holding and realization of Shares in their countries of origin, residence or domicile.

### **Taxation of the Umbrella Fund**

The Umbrella Fund is not subject to any Luxembourg tax on interest or dividends received by any Portfolio, any realized or unrealized capital appreciation of Portfolio's assets or any distribution paid by any Portfolio to Shareholders.

The Umbrella Fund is not subject to any Luxembourg stamp tax or other duty payable on the issuance of Shares.

The Umbrella Fund is only subject to the Luxembourg *taxe d'abonnement* at the rate of 0.05% per year of each Portfolio's Net Asset Value.

This tax is however reduced, in respect of the class I Shares, class I Hedged Shares, class I (2010) Shares, class I (2012) Shares, class I (2014) Shares, class C Shares, class C (Austria) Shares, class C Hedged Shares, class M Shares, class M Hedged Shares, class X Shares, class X Hedged Shares, class Y Shares and class Y Hedged Shares intended for Institutional Investors to 0.01% per year of the Net Asset Value of each such class of Shares.

Such tax is not due on the portion of the assets of the Portfolios invested in other Luxembourg UCIs (if any).

That tax is calculated at each Net Asset Value date and payable quarterly based upon the Net Asset Value of each class of Shares at each quarter end date. In addition, upon incorporation, the Umbrella Fund was required to pay an incorporation tax of Euro 1,250.-.

Other jurisdictions may impose withholding and other taxes on interest and dividends received by the Portfolios, if any, on assets issued by entities located outside of Luxembourg. The Umbrella Fund may not be able to recover those taxes.

### **Taxation of the Shareholders**

Shareholders currently are not subject to any Luxembourg income tax on capital gain or income or any Luxembourg withholding tax other than Shareholders:

- Domiciled, resident or having a permanent establishment in Luxembourg;
- Non-residents of Luxembourg who hold more than 10% of the Shares of the Umbrella Fund and who dispose of all or part of their holdings within 6 months from the date of acquisition;
- Certain former residents of Luxembourg who hold more than 10% of the Shares of the Umbrella Fund; or
- Shareholders receiving dividend, as the case may be, or redemption payments within the scope of the EU Savings Directive which may be subject to a withholding tax.

Indeed, any dividends, other distributions of income made by the Umbrella Fund or payments of the proceeds of sale and/or redemption of Shares in the Umbrella Fund, may as from July 1, 2005 (depending on the investment portfolio of the relevant Portfolio of the Umbrella Fund) be subject to the withholding tax and/or information providing regime imposed by EU Savings Directive, where payment is made to a Shareholder who is an individual resident in a Member State for the purposes of the EU Savings Directive (or a "residual entity" established in a Member State) by a paying agent resident in another Member State. Certain other jurisdictions (including Switzerland) have, or are proposing to introduce, an equivalent withholding tax and/or information providing regime in respect of payments made through a paying agent established in such jurisdictions.

Shareholders who are not residents of Luxembourg may be taxed in accordance with the laws of other jurisdictions. This Prospectus does not make any statement regarding those jurisdictions. Before investing in the Umbrella Fund, investors should discuss with their tax advisers the implications of acquiring, holding, transferring and redeeming Shares.

## **GLOBAL DISTRIBUTOR**

With the consent of the Umbrella Fund, the Management Company has appointed Goldman Sachs International to serve as global distributor of the Shares (the "Global Distributor").

The Global Distributor is authorized to solicit and sell Shares to investors in accordance with the terms of this Prospectus. The Global Distributor may engage certain financial institutions to solicit and sell Shares to investors.

Each entity acting as distributor of the Shares of the Umbrella Fund will comply, and by contractual agreement require each sub-distributor of the Shares to comply, with applicable laws and regulations concerning money laundering and, in particular, circulars issued by the Regulatory Authority.

## **CUSTODY**

The Umbrella Fund has appointed The Bank of New York Mellon (Luxembourg) S.A. to serve as custodian of the Umbrella Fund's assets ("Custodian") and as paying agent ("Paying Agent") in accordance with written agreements with the Umbrella Fund.

The Custodian holds all cash, securities and other instruments owned by each Portfolio in one or more accounts. In particular, the Custodian will:

- Ensure that the sale, issue, redemption, conversion and cancellation of Shares effected on behalf of the Umbrella Fund are carried out in accordance with Luxembourg law and the Articles of Incorporation;
- Ensure that in transactions involving a Portfolio's assets, any consideration due the Portfolio is remitted to the Portfolio within the customary settlement dates; and
- Ensure that the income attributable to each Portfolio is applied in accordance with the Articles of Incorporation.

The Custodian may have correspondent banks holding certain assets, in particular securities and other instruments traded or listed on exchanges outside of Luxembourg, subject to the Custodian's supervision.

The Umbrella Fund's Paying Agent is responsible for paying to Shareholders any distribution or redemption proceeds.

The Custodian is a Luxembourg *Société Anonyme* and is registered with the Regulatory Authority as a credit institution.

## **UMBRELLA FUND ADMINISTRATION**

With the consent of the Umbrella Fund, the Management Company has appointed The Bank of New York Mellon (Luxembourg) S.A. to serve as the administrator of the Umbrella Fund's assets (the "Umbrella Fund Administrator") in accordance with written agreement with the Management Company and the Umbrella Fund.

The Umbrella Fund Administrator is responsible for maintaining the books and financial records of the Umbrella Fund, preparing the Umbrella Fund's financial statements, calculating the amounts of any distribution, if any, and calculating the Net Asset Value of each class of Shares.

The Umbrella Fund has appointed The Bank of New York Mellon (Luxembourg) S.A. as the Umbrella Fund's domiciliary and corporate agent ("Domiciliary and Corporate Agent"). The Domiciliary and Corporate Agent provides the Umbrella Fund with a registered Luxembourg address and such facilities that may be required by the Umbrella Fund for holding meetings convened in Luxembourg. It also provides assistance with the Umbrella Fund's legal and regulatory reporting obligations in Luxembourg, including required filings in Luxembourg and the mailing of Shareholder documentation.

## **HEDGING AGENT**

With the consent of the Umbrella Fund, the Management Company has appointed The Bank of New York Mellon to serve as the hedging agent for the Umbrella Fund's hedged classes of Shares (the "Hedging Agent") in accordance with written agreement between the Hedging Agent, the Management Company, the Umbrella Fund Administrator and the Umbrella Fund.

The Hedging Agent is responsible for providing the Umbrella Fund with its hedging services for the hedged classes of Shares of the Umbrella Fund.

## **REGISTRAR AND TRANSFER AGENT**

With the consent of the Umbrella Fund, the Management Company has appointed The Bank of New York Mellon (Luxembourg) S.A. as the Umbrella Fund's registrar and transfer agent ("Registrar and Transfer Agent") in accordance with a written agreement with the Management Company and the Umbrella Fund.

The Registrar and Transfer Agent will be responsible for handling the processing of subscription of Shares, dealing with requests for redemption and conversion and accepting transfer of funds, for the safekeeping of the Register of the Umbrella Fund, and for providing and supervising the mailing of reports, notices and other documents to the Shareholders, as further described in the above mentioned agreement.

The Registrar and Transfer Agent is a Luxembourg *Société Anonyme* and is registered with the Regulatory Authority as a *Credit Institution*.

## **AUDITORS OF THE FUND**

The Board of Directors of the Umbrella Fund has appointed PricewaterhouseCoopers S.à r.l. as the auditors of the Umbrella Fund.

## **GENERAL INFORMATION**

### **Accounting Year**

The Umbrella Fund's accounting year begins on the 1<sup>st</sup> December and ends on 30<sup>th</sup> November of each year.

### **Reports**

The Umbrella Fund publishes annually audited financial statements and semi-annually unaudited financial statements. The Umbrella Fund's annual financial statements are accompanied by a report of each Portfolio's investment administration by the Investment Administrator.

### **Shareholders' Meetings**

The annual general meeting of Shareholders is held at 11.00 a.m. Luxembourg time in Luxembourg on the last Thursday of March of each year. Extraordinary Shareholders' meetings or general meetings of Shareholders of any Portfolio or any class of Shares may be held at such time and place as indicated in the notice to convene. Notices of such meetings shall be provided to the Shareholders in accordance with Luxembourg law.

### **Minimum Net Assets**

The Umbrella Fund must maintain assets equivalent in net value to at least Euro 1,250,000.-. There is no requirement that the individual Portfolios have a minimum amount of assets.

### **Changes in Investment Program of the Portfolio**

The investment objective and policies of each Portfolio may be modified from time to time by the Board of Directors of the Umbrella Fund without the consent of the Shareholders, although the Shareholders will be given one (1) month's prior notice of any such change in order to redeem their Shares free of charge.

### **Merger and division of Portfolios**

In the event that for any reason the value of the net assets in any Portfolio has decreased to an amount determined by the Board of Directors of the Umbrella Fund to be the minimum level for such Portfolio, to be operated in an economically efficient manner, or if a change in the economical or political situation relating to the Portfolio concerned would have material adverse consequences on the investments of that Portfolio or in order to proceed to an economic rationalization, the Board of Directors of the Umbrella Fund may decide to allocate the assets of any Portfolio to those of another existing Portfolio within the Umbrella Fund or another UCITS.

Shareholders will receive Shares of the surviving Portfolio, except in those situations when the Portfolio is the surviving entity. Any new Shares received in such a transaction will have the same value as any Shares relinquished in the transaction.

Such decision will be published either in newspapers to be determined by the Board of Directors of the Umbrella Fund or by way of a notice sent to the Shareholders at their addresses indicated in the Register of Shareholders prior to the effective date of the merger. The publication will contain information in relation to the reason and procedure related to this merger as well as on the new Portfolio.

Shareholders have the right, for a period of one (1) month as from the date of such publication, to request redemption or conversion of all or part of their Shares free of charge, at the applicable Net Asset Value, subject to the procedures described under "*Subscription, Transfer, Conversion and Redemption of Shares*" above.

In case of contribution to another UCITS of the mutual fund type, the merger will be binding only on Shareholders of the relevant Portfolio who agreed to the merger.

The Board of Directors of the Umbrella Fund may also, under the same circumstances as provided above, decide to merge one Portfolio by contribution into a foreign UCITS. This would require approval of the

Shareholders of the classes of Shares issued in the Portfolio concerned or be made subject to the condition that only the assets of the consenting Shareholders be contributed to the foreign UCITS.

Notwithstanding the powers conferred to the Board of Directors of the Umbrella Fund by the first paragraph above, a contribution of the assets and of the liabilities attributable to any Portfolio to another Portfolio of the Umbrella Fund may be decided upon by a general meeting of the Shareholders of the Portfolio concerned for which there shall be no quorum requirements and which will decide upon such a merger by resolution taken by simple majority of the Shares present or represented and validly voting at such meeting.

A contribution of the assets and of the liabilities attributable to any Portfolio to another UCITS or to another sub-fund within such other UCITS shall require a resolution of the Shareholders of the Portfolio concerned taken with 50% quorum requirement of the Shares in issue and adopted at a 2/3 majority of the Shares present or represented and validly voting at such meeting, except when such a merger is to be implemented with a Luxembourg UCITS of the contractual type (*fonds commun de placement*) or a foreign based UCITS, in which case resolutions shall be binding only on such Shareholders who have voted in favor of such merger.

In the event that the Board of Directors of the Umbrella Fund believes it is required for the interests of the Shareholders of the relevant Portfolio or that a change in the economic or political situation relating to the Portfolio concerned has occurred which would justify it, the reorganization of one Portfolio, by means of a division into two or more Portfolios, may be decided by the Board of Directors of the Umbrella Fund. Such decision will be published in the same manner as described above and, in addition, the publication will contain information in relation to the two or more new Portfolios. Such publication will be made one month before the date on which the reorganization becomes effective in order to enable the Shareholders to request redemption of their Shares, free of charge before the operation involving division into two or more Portfolios becomes effective.

### **Dissolution and Liquidation of the Umbrella Fund, any Portfolio or any class of Shares**

The Umbrella Fund has been established for an unlimited period.

However, the Umbrella Fund may at any time be dissolved by a resolution of the general meeting of Shareholders subject to the quorum and majority requirements referred to in the Articles of Incorporation and in compliance with the provision of the Company Law.

The Board of Directors of the Umbrella Fund may also decide to dissolve any Portfolio or any class of Shares and liquidate the assets thereof.

In particular, the Board of Directors of the Umbrella Fund may decide to dissolve a Portfolio or class of Shares and to compulsorily redeem all the Shares of such Portfolio or class of Shares when the net assets of such Portfolio or class of Shares fall below an amount determined by the Board of Directors of the Umbrella Fund to be the minimum level to enable the Portfolio or class of Shares to be operated in an economically efficient manner, or if a change in the economic or political situation relating to the Portfolio or class concerned would have material adverse consequences on the investments of that Portfolio, in order to proceed to economic rationalization or if the swap agreement(s) entered into by the relevant Portfolio is/are rescinded before the agreed term.

The decision of the liquidation will be published as described above for the merger or division of Portfolios prior to the effective date of the liquidation. Unless the Board of Directors of the Umbrella Fund decides otherwise in the interests of or to keep equal treatment between the Shareholders, the Shareholders of the Portfolio or class of Shares concerned may continue to redeem or convert their Shares free of charge (but taking into account actual realization prices of investments and realization expenses) prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred to the Board of Directors of the Umbrella Fund above, the Shareholders of any one or all classes of Shares issued in any Portfolio may at a general meeting of such Shareholders, upon proposal of the Board of Directors of the Umbrella Fund, redeem all the Shares of the relevant class or classes or Portfolio. There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of the Shares present and represented and validly voting.

Shareholders will receive from the Custodian their pro rata portion of the net assets of the Umbrella Fund, Portfolio or class of Shares, as the case may be, in accordance with Company Law and the Articles of Incorporation.

Liquidation proceeds not claimed by Shareholders will be held by the Custodian for a period of six months; thereafter such period the liquidation proceeds will be deposited with the Luxembourg *Caisse de Consignation* in accordance with Luxembourg law.

If the Board of Directors of the Umbrella Fund determines to dissolve any Portfolio or any class of Shares and liquidate its assets, the Board of Directors of the Umbrella Fund will publish that determination as it determines in the best interest of the Shareholders of such Portfolio or class of Shares and in compliance with the 2002 Law.

## DOCUMENTS AVAILABLE

Any investor may obtain a copy of any of the following documents at:

**The Bank of New York Mellon (Luxembourg) S.A.**  
**Aerogolf Center**  
1A, rue Hoehenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg

between 10.00 a.m. and 4.00 p.m. Luxembourg time on any day that Luxembourg banks are open for regular business:

- The Umbrella Fund's Articles of Incorporation;
- The agreement between the Umbrella Fund and the Management Company;
- The agreement between the Umbrella Fund, the Management Company and the Investment Administrator;
- The agreement between the Umbrella Fund, the Management Company and the Umbrella Fund Administrator and Registrar and Transfer Agent;
- The agreement between the Umbrella Fund, the Management Company and the Global Distributor;
- The agreement between the Umbrella Fund and the Custodian and Domiciliary and Corporate Agent;
- The agreement between the Umbrella Fund, the Management Company, the Umbrella Fund Administrator and Registrar and Transfer Agent and the Hedging Agent;
- The most recent annual and semi-annual financial statements of the Umbrella Fund;

A copy of the Prospectus, its Supplements and the Simplified Prospectuses, application form, the most recent financial statements and the Articles of Incorporation may be obtained free of charge upon request at the registered office of the Umbrella Fund or the Custodian.

The Umbrella Fund will publish in *Luxemburger Wort*, if appropriate, any Shareholder notice required by Luxembourg law or as provided in the Articles of Incorporation.

## GLOSSARY OF TERMS

"Accumulation Shares"	Shares in relation to which income is accumulated and reflected in the price of such Shares.
"Articles of Incorporation"	the articles of incorporation of the Umbrella Fund.
"Auditors of the Umbrella Fund"	PricewaterhouseCoopers S. à.r.l..
"Auditors of the Management Company"	Deloitte S.A..
"Base Currency"	the currency of a Portfolio.
"Board of Directors of the Umbrella Fund" or "Directors"	the members of the board of directors of the Umbrella Fund, for the time being and any duly constituted committee thereof and any successor to such members as may be appointed from time to time.
"Board of Directors of the Management Company"	the members of the board of directors of the Management Company, for the time being and any duly constituted committee thereof and any successor to such members as may be appointed from time to time.
"Calculation Agent"	Goldman Sachs International.
"Company Law"	the Luxembourg law of 10 August 1915 on Commercial Companies, as amended.
"Custodian"	The Bank of New York Mellon (Luxembourg) S.A.
"Distributing Shares"	Shares in relation to which income are distributed.
"EU"	European Union.
"Euro"	the legal currency of the countries participating in the European Economic and Monetary Union.
"Global Distributor"	Goldman Sachs International.
"Group of Companies"	Companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognized international accounting rules.
"Hedged Shares"	hedged shares of any class within any Portfolio in the Umbrella Fund.
"Hedging Agent"	The Bank of New York Mellon.
"Institutional Investors"	Institutional Investors, as defined by guidelines or recommendations issued by the Regulatory Authority from time to time.
"Investment Administrator"	Goldman Sachs International.
"2002 Law"	the Law of 20 December 2002 relating to Undertakings for Collective Investment, as amended.
"Local Business Day"	has the meaning given to it, under the relevant

	Portfolios' description under "Characteristics" in the relevant Supplement.
"Luxembourg and London business day"	any day on which banks are fully open in Luxembourg and London.
"Management Company"	RBS (Luxembourg) S.A., the designated management company of the Umbrella Fund.
"Member State"	a member State of the EU.
"Money Market Instruments"	instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.
"Net Asset Value"	the Net Asset Value of each class within each Portfolio.
"OTC"	Over-the-Counter.
"Other Regulated Market"	market which is regulated, operates regularly and is recognized and open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency, (iii) which is recognized by a State or by a public authority which has been delegated by that State or by another entity which is recognized by that State or by that public authority such as a professional association and (iv) on which the securities dealt are accessible to the public.
"Other State"	any State of Europe which is not a Member State, any State of America, Africa, Asia, Australia and Oceania.
"Portfolio"	a specific pool of assets established with the Umbrella Fund.
"Pricing Currency"	the currency in which the Net Asset Value of a class of Shares is calculated and expressed.
"Prospectus"	the present prospectus of the Umbrella Fund.
"Reference Currency"	the currency of the Umbrella Fund.
"Registrar and Transfer Agent"	The Bank of New York Mellon (Luxembourg) S.A.
"Regulated Market"	a regulated market according to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC ("MiFid Directive"). A list of regulated markets according to MiFid Directive is regularly updated and published by

	the European Commission.
"Regulatory Authority"	the Luxembourg authority or its successor in charge of the supervision of the UCI in the Grand Duchy of Luxembourg.
"Securities Act"	the U.S. Securities Act of 1933, as amended.
"Shareholders"	holders of Shares in the Umbrella Fund, as recorded in the books of the Umbrella Fund on file with the Registrar and Transfer Agent.
"Shares"	shares of any class within any Portfolio in the Umbrella Fund.
"Simplified Prospectus(es)"	the Simplified Prospectus(es) issued in relation to each Portfolio.
"Supplement(s)"	the Supplement(s) to this Prospectus issued in relation to each Portfolio.
"The Umbrella Fund"	Goldman Sachs Structured Investments SICAV
"Transferable Securities"	<ul style="list-style-type: none"> <li>- shares and other securities equivalent to shares;</li> <li>- bonds and other debt instruments;</li> <li>- any other negotiable securities which carry the right to acquire any such Transferable Securities by subscription or exchange with the exclusion of techniques and instruments.</li> </ul>
"Umbrella Fund Administrator"	The Bank of New York Mellon (Luxembourg) S.A.
"UCI"	an undertaking for collective investment as defined by the Luxembourg law.
"UCITS"	an undertaking for collective investment in Transferable Securities under Article 1 (2) of the UCITS Directive.
"UCITS Directive"	Council Directive EEC/85/611 of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in Transferable Securities, as amended.
"United States" or "U.S."	the United States of America, its territories or possessions or any area subject to its jurisdiction including the Commonwealth of Puerto Rico.
"U.S. Dollar" or "U.S.\$"	the currency of the United States.
"U.S. Person"	means a person as defined in Regulation S of the Securities Act and thus shall include but not limited to, (i) any natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person; (v) any agency or branch of a foreign entity located in the United States; (vi) 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; (vii) 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 (viii) any partnership or corporation if: (A) organized or incorporated under the laws of any foreign jurisdiction; and (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts; but shall not include (i) 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 or (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if 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 the estate is governed by foreign law.

"Valuation Day"

has the meaning given to it, under the relevant Portfolios' description under "*Characteristics*" in the relevant Supplement.

## **Supplement I to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – Goldman Sachs Absolute Return Tracker Index Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Goldman Sachs Absolute Return Tracker Index Portfolio (the “Portfolio”), one of the Alternative Beta Strategies Portfolios of the Umbrella Fund, which provides investors with access to our innovative underlyers.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – Goldman Sachs Absolute Return Tracker Index Portfolio**

### **Investment Objective**

The Portfolio's investment objective is to approximate the returns of hedge funds as a broad asset class, by taking exposure to various asset classes entered into by hedge funds (such as equity indices, fixed income indices and other assets) rather than actually investing in any hedge funds or hedge funds index.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should pay particular attention to the following risk:

#### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

## **Investment Policy**

The Portfolio seeks to achieve its objective by (i) entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement") and (ii) by exchanging the net returns (linked to EONIA) (the "Net Returns") generated from the Reverse Repurchase Agreement through a swap agreement (the "Swap Agreement") for participation in a portion of the capital appreciation potential of the Goldman Sachs Absolute Return Tracker Index (the "Index"). Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### **Reverse Repurchase Agreement Eligible Securities**

Reverse Repurchase Agreement Collateral Requirement: under current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time;

Composition of collateral: any eligible collateral mentioned under section "*Repurchase Agreements and Reverse Repurchase Agreements*" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments;

Currencies: collateral shall be delivered in each country's respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### **The Swap Agreement**

The Portfolio will enter into the Swap Agreement with Goldman Sachs International which is also the counterparty to the Reverse Repurchase Agreement. The Net Returns on the Reverse Repurchase Agreement will be exchanged against the performance of the Index.

The Swap Agreement will incorporate a fee payable by the Portfolio to Goldman Sachs International of 50 basis points per annum paid on the outstanding notional amount of the Swap Agreement. Such fee may include hedging costs and a profit component payable to Goldman Sachs International.

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **Overview of the Index**

The Index reflects the total return of a dynamic basket (the "Index Basket") of investable Market Factors ("MFs") determined through an algorithm to approximate patterns of returns of hedge funds as a broad asset class. The algorithm operates in accordance with a set of predetermined trading rules, and Goldman Sachs International, as the Index Sponsor, is not acting as an investment adviser or performing a discretionary management role with respect to the Index and has no fiduciary duty to any person in respect of the Index.

The Index reflects the theory that returns of hedge funds are composed of both "beta" (or varying market exposures) and "alpha" (or manager skill). The returns of a diversified and passively managed portfolio of hedge funds may have more beta than alpha. The Index seeks to approximate this beta component in a relatively liquid, transparent, and cost efficient manner.

The Index should not be expected to have the same performance as actively managed funds of hedge funds, which may produce differing amounts of alpha (as outlined in "*Principal Risks of Investing in the Portfolio*" below).

The only hedge fund related inputs to the Index algorithm are the aggregate return data from the TASS hedge fund database as administered by Lipper Limited ("the TASS hedge fund database"), with certain filters applied by Goldman Sachs International. The Index does not use any actual hedge fund position or trade information. Furthermore, the Index does not use, directly or indirectly, any fund specific information from the Goldman Sachs Group's or any of its affiliates' (together "Goldman Sachs") trading or prime brokerage business.

### **Overview of the Index Methodology**

The Index Basket of MFs currently comprises 13 total return price factors from the following asset categories: Equities, Commodities, Fixed Income and Credit. Any of the MFs may be sponsored and/or calculated by Goldman Sachs. The MFs in the Index Basket relating to Equities, Commodities and Fixed Income are from among the most liquid, representative and tradeable factors in that asset category or from total return strategies of rolling futures calculated using the most liquid and representative contracts in each broad asset category. The MF relating to Credit is currently an index sponsored and calculated by Goldman Sachs and further information on this index is available from the Index Sponsor on request or via the GS-ART Page on Goldman 360.

On an annual basis the Index algorithm uses statistical analysis to select a minimum number of the most statistically significant MFs from the Index Basket, based on the MFs' ability to explain the returns of sub-strategies of hedge funds using data from a broadly diversified database of hedge funds. These annually selected MFs (the "Traded MFs") will be weighted in the actual Index Basket for that one year period, and all other MFs have a weighting of zero in the actual Index Basket for the same period.

Once the list of all Traded MFs has been identified annually, the weights of each of the Traded MFs are rebalanced *monthly* (by Goldman Sachs International as the Index Sponsor) pursuant to a formulaic Index algorithm that maps the Traded MFs' historical returns to historical hedge fund returns. The exposures to the Traded MFs are then scaled such that the annual target volatility equals 6% per year. The weight of each Traded MF may be positive or negative and the combination of Traded MFs are subject to maximum absolute values of:

- a) The sum of the absolute values of all Traded MF weights of 100%;
- b) Commodity MF weights of 35% and
- c) Credit MF weights of 50%.

Should any one or more of the above restrictions be exceeded at any monthly rebalancing, then the exposures to all Traded MFs will be scaled proportionately such that all restrictions are satisfied.

The returns of the Traded MFs and their respective weights are then used to determine the return of the Index. The daily USD return of the Index represents the sum of (i) an overnight USD cash rate, and (ii) the change in the USD value of the Index Basket minus the overnight USD cash rate cost of funding the positions in the MFs. The EUR-denominated version of the Index will be created by notionally investing the relevant EUR value at the beginning of each month into a EUR deposit account, notionally investing the spot-equivalent of that EUR amount in USD into the USD-denominated Index and notionally funding this USD investment via USD cash funding.

### **Other Aspects of the Index**

**Modifications:** While the identities of all of the MFs in the Index Basket are fixed upfront, the Traded MF selection and monthly weighting algorithms are formulaic. Each of the identity and the number of MFs and the Traded MF selection and monthly weighting algorithms can be modified in the future, if any such changes are approved by an appointed index committee - the "Index Committee". Any material modifications will be disclosed on the GS-ART Page on the Goldman 360 website.

**Index Committee:** The Index Committee comprises employees of the Index Sponsor and external members with a relevant academic or professional background. The role, responsibilities and powers of the Index Committee are pre-defined, and any modification to the MFs, algorithm or other aspects of the Index will be primarily within certain parameters.

The responsibility of the Index Committee is to amend the Index methodology or Market Factors on the breaching of certain statistical triggers. It may also approve changes to the Index methodology, the Market Factors and/or the data sources, each based primarily on certain statistical parameters. In addition, the Index Committee will have the power to correct errors, omissions and inconsistencies and to make administrative changes that are not economically significant, such power may be delegated to the chairman of the Index Committee. The chairman of the Index Committee is one of the employees of Goldman Sachs.

**Timing of Rebalancings and Publication of Components:** The annual selection of Traded MFs from the larger Index Basket of MFs is expected to take effect as of the close of business on the second last GS-ART business day (currently the intersection of London Stock Exchange, New York Stock Exchange and New York Fed business days) in October in each calendar year. The monthly re-weighting of the Traded

MFs is expected to take place during the last seven business days of each calendar month, subject to timely receipt of sufficient information with respect to the TASS hedge fund database, with the resultant new Traded MF weights being effective as of the last business day of the month. The composition and weightings of the Traded MFs will be available with a one-month time lag on the GS-ART Page on the Goldman 360 website to current investors into Index-linked products, although certain proprietary aspects of the selection and re-weighting algorithms are expected to be kept confidential.

#### **Publication of Valuations**

The Index daily value is published on a Bloomberg page ARTIUSD <Index> (ARTIEUR <Index> for the EUR version) and will be updated daily on a next business day basis. The Index had a starting value of 1000.000 on the last business day of 2006.

The Umbrella Fund and Goldman Sachs International as counterparty to the Swap Agreement and Reverse Repurchase Agreement will in the event of any circumstances under which the Index is no longer available, identify any other suitable index which will closely approximate the investment characteristics of the Index in order to exchange the Net Returns on the Reverse Repurchase Agreement. Shareholders will be notified of such change.

With a view to future optimisation of the investment administration of the Portfolio, the Investment Administrator reserves the right to use other instruments within the framework of current Luxembourg regulation to achieve the investment objective, including the use of a total return swap and the use of other derivatives than the Swap Agreement.

#### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section "Special Investment and Hedging Techniques" of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section "Special Investment and Hedging Techniques" of the Prospectus.

#### **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

#### **Goldman Sachs roles and no active management of the Portfolio**

Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Goldman Sachs performs several roles under the Index and any Index-linked products referencing the Goldman Sachs Absolute Return Tracker Index. Although Goldman Sachs will perform its obligations in a commercially reasonable manner, Goldman Sachs may face conflicts between these roles and its own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the MFs and may exercise remedies or take other action with respect to its interests as it deems appropriate. In addition, one or more of the MFs may be indices sponsored or calculated by Goldman Sachs.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

#### **Counterparty risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by Goldman Sachs International under the Swap Agreement and the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman

Sachs International. Although both the Swap Agreement and the Reverse Repurchase agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are not collateralized.

**Trading and other transactions by the Index Sponsor or its affiliates in related financial instruments may adversely affect the value of any product linked to the performance of the Index:**

The Index Sponsor may hedge obligations in respect of the Index by purchasing or selling financial instruments linked to the components of the Index, and may adjust or unwind such hedges by purchasing or selling the foregoing on or before the date of determinations of the Index level for purposes of any product linked to the performance of the Index. The Index Sponsor may also enter into, adjust or unwind hedging transactions relating to other instruments related to the Index. Any of this hedging activity may adversely affect the value of the Index and of any product linked to the performance of the Index.

The Index Sponsor and/or its affiliates may also engage in trading in financial instruments whose returns are linked to or are similar to the Index and/or any MFs for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely affect the value of the Index and accordingly of any product linked to the performance of the Index. The Index Sponsor may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the Index or one or more of the MFs. By introducing such products to the marketplace the Index Sponsor could adversely affect the value of the Index or the value at maturity of any product linked to the performance of the Index.

**No Active Management:**

The Index seeks to approximate hedge fund returns by mapping historical hedge fund returns to those of various MFs in a manner determined by the Index algorithm. Individual hedge funds themselves may perform better or worse than such returns based on the skill of their particular manager. There will be no active management of the Index so as to enhance returns beyond those embedded in the Index. In addition, hedge funds often may adjust their investments rapidly in view of market, political, financial or other factors, whereas the Index only adjusts its composition monthly. Also, while the Index has a volatility target, this target is based on assessment of historical volatility over a period of time, while an actively managed product can potentially respond more directly to immediate volatility conditions. As a result, investors in the Index may be exposed to more or less risk than hedge funds themselves.

**No Assurance of Accuracy of Tracking/Replication:**

For the reasons listed below, the Index may not track hedge fund returns; instead, it should be viewed as an independent asset that is expected to display a pattern of returns over time that broadly resembles the pattern of returns of hedge funds as a broad asset class.

1) While the Index is based on multiple liquid MFs, hedge funds may invest in a much broader range of more geographically diverse and less liquid assets;

2) The Index algorithm's return mapping is based on historical data regarding the MFs and hedge fund returns. Hedge fund strategies can be dynamic and unpredictable, and the Index algorithm used to estimate hedge fund asset allocation may not yield an accurate estimate of the then current allocation. Past and current levels of the MFs and hedge fund returns are not necessarily indicative of future returns. Furthermore, even if historic returns prove to be a reliable indicator of future returns in one or more periods during the term of the investments, the Index algorithm may not continue to effectively identify such returns;

3) The Index calculation has a constraint on the weightings in the Index Basket while hedge funds are typically not so constrained in their concentration of investments, and hedge fund returns may reflect the performance of leveraged investments. Accordingly, an investment linked to the Index may be exposed more or less to any particular asset class and/or to more or less leverage than hedge funds in general are then currently employing;

4) The Index has a fixed volatility target, which may be lower or higher than a diversified hedge fund portfolio. Accordingly, an investment linked to the Index may be exposed to less or more risk than hedge funds as an asset class. In addition, this volatility target may itself not be achieved and the actual volatility of the Index may be substantially higher or lower than the fixed volatility target.

In addition, there can be no assurance that attempting to replicate hedge fund performance will be an effective investment strategy.

**Limited Track Record:**

As the Index is relatively new and limited historical performance data exists with respect to the Index, the investment may involve greater risk than securities linked to an index with a proven track record. The

limited track record with respect to the Index is particularly significant because the algorithm underlying the Index is based on historical trends in returns to date that may or may not be repeated in the future.

**Limitations of Simulated Returns:**

Certain presentations and back-testing or other statistical analysis materials that may have been provided in connection with explanations of the mechanics and/or potential returns of the Index use simulated analysis and hypothetical circumstances to estimate how the Index may have performed prior to its actual existence. Goldman Sachs provides no assurance or guarantee that the Index will operate or would have operated in the past in a manner consistent with those materials. As such, any historical returns projected in such material, or any hypothetical simulations based on this analysis, provided in relation to the Index may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, the Index.

**No Assurance of “Absolute” Returns:**

Alternative investments such as hedge funds may often be purchased on the basis of their potential to produce “absolute returns”, or returns independent of the overall direction of equity and fixed income markets. However, there can be no assurance that either hedge funds in general, or the Index algorithm in particular, will actually be successful at producing consistently positive returns, nor does Goldman Sachs make any representation or warranty, express or implied, that either hedge funds as an asset class or the Index algorithm will do so in the future.

**Proprietary Methodology:**

Some details of the Index methodology are proprietary to Goldman Sachs and are likely to remain confidential even following any future investment linked to the Index. Accordingly, how the Index methodology varies the MFs over time is unlikely to be disclosed.

**Use of Third Party Information:**

The Index methodology relies on information from the TASS hedge fund database, the index sponsors of each of the MFs and other public sources. Goldman Sachs makes no warranty as to the correctness of that information and takes no responsibility for the accuracy of such data or the impact of any inaccuracy of such data on the level of the Index.

**No Constraint of Full Exposure:**

The Index does not require the MFs to sum to 100% of the Index value at any time, and a portion of the Index return may be derived from cash returns.

**Short Exposure to the MFs:**

The Index algorithm may also provide that the weight of an MF in the Index is negative, *i.e.* a short position in the relevant MF. Investors should be aware that an Index-linked investment is not the same as a long position in each MF, and that an Index-linked investment may decline in value from month to month, even if the value of any or all of the MFs increase during that timeframe.

**Disclaimer:**

None of the Index Sponsor, the Index Committee, any chairman or member of the Index Committee, or any of their officers, employees or agents, as applicable, has made or will make any representation or warranty, express or implied, or accept any responsibility or liability however so arising, in contract, statute or tort (including without limitation negligence or breach of duty), except in the case of fraud, in relation to any matter in connection with the Index. This disclaimer will not exclude any liability for, or remedy in respect of, fraudulent misrepresentation. ANY PURCHASE OF A PRODUCT REFERENCING THE GOLDMAN SACHS ABSOLUTE RETURN TRACKER INDEX, SHALL BE DEEMED TO BE, AND SHALL BE EXPRESSLY CONDITIONAL ON, ACKNOWLEDGEMENT OF THE DISCLOSURES AND ACCEPTANCE OF THE DISCLAIMERS AND EXCLUSIONS CONTAINED HEREIN.

## Particularities of the Swap Agreement and of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the underlying Index and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: EONIA.

The returns generated to the Portfolio under the Swap Agreement are an appreciation (if any) of the Index and those generated to the Counterparty to such Agreement are a reference rate linked to EONIA.

## Characteristics

### Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
A	EUR	Accumulation	LU0286397590	None
A (Austria)	EUR	Accumulation	LU0445989220	None
A (GBP Hedged)	GBP	Accumulation	LU0333392834	None
A (CHF Hedged)	CHF	Accumulation	LU0333392917	None
A (USD Hedged)	USD	Accumulation	LU0333393055	None
A (CZK Hedged)	CZK	Accumulation	LU0371208637	None
A (PLN Hedged)	PLN	Accumulation	LU0371208710	None
I	EUR	Accumulation	LU0286397830	None
I (GBP Hedged)	GBP	Accumulation	LU0338356123	None
I (USD Hedged)	USD	Accumulation	LU0371208801	None
I (CZK Hedged)	CZK	Accumulation	LU0371208983	None
I (PLN Hedged)	PLN	Accumulation	LU0371209015	None
I (CHF Hedged)	CHF	Accumulation	LU0371209106	None
C	EUR	Accumulation	LU0295259518	None
C (Austria)	EUR	Accumulation	LU0445989493	None
C (GBP Hedged)	GBP	Accumulation	LU0333393139	None
C (CHF Hedged)	CHF	Accumulation	LU0333393212	None
C (USD Hedged)	USD	Accumulation	LU0333393303	None
C (CZK Hedged)	CZK	Accumulation	LU0371209288	None
C (PLN Hedged)	PLN	Accumulation	LU0371209361	None
M	EUR	Accumulation	LU0295546922	None
M (USD Hedged)	USD	Accumulation	LU0371209445	None

Share Class	Maximum Sales Charge	Maximum Deferred	Maximum Investment	Minimum Initial Investment	Minimum Holding	Minimum Subsequent
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		<b>Sales Charge*</b>	<b>Administrator Fee</b>			<b>Investment</b>
Class A	2.00%	5.00%	1.75% p.a.	EUR 1000	EUR 1000	EUR 1000
Class A (Austria)	2.00%	5.00%	1,75% p.a.	EUR 1000	EUR 1000	EUR 1000
Class A (GBP Hedged)	2.00%	5.00%	1.75% p.a.	GBP 1000	GBP 1000	GBP 1000
Class A (CHF Hedged)	2.00%	5.00%	1.75% p.a.	CHF 1000	CHF 1000	CHF 1000
Class A (USD Hedged)	2.00%	5.00%	1.75% p.a.	USD 1000	USD 1000	USD 1000
A (CZK Hedged)	2.00%	5.00%	1.75% p.a.	CZK 1000	CZK 1000	CZK 1000
A (PLN Hedged)	2.00%	5.00%	1.75% p.a.	PLN 1000	PLN 1000	PLN 1000
Class I	2.00%	5.00%	1.5% p.a.	EUR 100 000	EUR 100 000	EUR 1000
Class I (GBP Hedged)	2.00%	5.00%	1.5% p.a.	GBP 100 000	GBP 100 000	GBP 1000
I (USD Hedged)	2.00%	5.00%	1.5% p.a.	USD 100 000	USD 100 000	USD 1000
I (CZK Hedged)	2.00%	5.00%	1.5% p.a.	CZK 100 000	CZK 100 000	CZK 1000
I (PLN Hedged)	2.00%	5.00%	1.5% p.a.	PLN 100 000	PLN 100 000	PLN 1000
I (CHF Hedged)	2.00%	5.00%	1.5% p.a.	CHF 100 000	CHF 100 000	CHF 1000
Class C	5.00%	5.00%	0.65% p.a.	EUR 1, 000 000	EUR 1, 000 000	EUR 1000
Class C (Austria)	5.00%	5.00%	0.65% p.a.	EUR 1, 000 000	EUR 1, 000 000	EUR 1000
Class C (GBP Hedged)	5.00%	5.00%	0.65% p.a.	GBP 1, 000 000	GBP 1, 000 000	GBP 1000
Class C (CHF Hedged)	5.00%	5.00%	0.65% p.a.	CHF 1, 000 000	CHF 1, 000 000	CHF 1000
Class C (USD Hedged)	5.00%	5.00%	0.65% p.a.	USD 1, 000 000	USD 1, 000 000	USD 1000
C (CZK Hedged)	5.00%	5.00%	0.65% p.a.	CZK 1, 000 000	CZK 1, 000 000	CZK 1000
C (PLN Hedged)	5.00%	5.00%	0.65% p.a.	PLN 1, 000 000	PLN 1, 000 000	PLN 1000
Class M	2.00%	5.00%	1% p.a.	EUR 99 000	EUR 99 000	EUR 1000
M (USD Hedged)	2.00%	5.00%	1% p.a.	USD 99 000	USD 99 000	USD 1000

\*A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to the Hedging Agent) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

#### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

<b>Valuation Day</b>	<b>Subscription/Conversion/ Redemption Date and Cut-Off Time</b>	<b>Settlement Date</b>
Every Business Day *	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days**
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to any Valuation Day	

\*Any day (1) on which banks are open for normal banking business in Luxembourg and London, (2) on which the Goldman Sachs Absolute Return Tracker Index is calculated, and (3) on which all reference indices comprised in the Goldman Sachs Absolute Return Tracker Index are tradable. Investors may request from the Registrar and Transfer Agent a calendar summarizing on a yearly basis the applicable Valuation Days.

A Net Asset Value may be calculated on days different from the Valuation Day with the exception of any Luxembourg banking holidays. Such Net Asset Value is only indicative and is available for information purposes only. It is based on the previous available net asset values with an adjustment for the expense accrual and published on a Bloomberg page, as follows:

Class A	GSARTAA LX <Equity>
Class A (Austria)	GSAREAA LX <Equity>
Class A (GBP Hedged)	GSARGBA LX <Equity>
Class A (CHF Hedged)	GSARCMA LX <Equity>
Class A (USD Hedged)	GSARGBC LX <Equity>
Class A (CZK Hedged)	GSARACC LX <Equity>
Class A (PLN Hedged)	GSARAPC LX <Equity>
Class I	GSABRET LX <Equity>
Class I (GBP Hedged)	GSARTII LX <Equity>
Class I (USD Hedged)	GSARIUC LX <Equity>
Class I (CZK Hedged)	GSARICC LX <Equity>
Class I (PLN Hedged)	GSARIPC LX <Equity>
Class I (CHF Hedged)	GSARIHC LX <Equity>
Class C	GSABREC LX <Equity>
Class C (Austria)	GSARECA LX <Equity>
Class C (GBP Hedged)	GSARCHC LX <Equity>
Class C (CHF Hedged)	GSARHFC LX <Equity>
Class C (USD Hedged)	GSARHUCLX <Equity>
Class C (CZK Hedged)	GSARCCC LX <Equity>
Class C (PLN Hedged)	GSARCPC LX <Equity>
Class M	GSABREM LX <Equity>
M (USD Hedged)	GSARMUC LX <Equity>

\*\* Day on which commercial banks are open for business in Luxembourg, London and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

EUR

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to both retail investors and Institutional Investors wishing to approximate the exposure of a highly diversified and representative portfolio of hedge funds to various underlying asset classes (such as equity indices and fixed income indices), by taking on exposure directly to those asset classes rather than actually investing in any hedge funds or hedge funds index.

### ***License Disclaimer***

This product is not sponsored, endorsed, sold or promoted by any sponsor or provider of any MF (each, an "Underlying Index Sponsor"). No Underlying Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in any MF, and no Underlying Index Sponsor makes any representation or warranty, express or implied, regarding the advisability of investing in this product. Except as specified herein neither Goldman Sachs International nor any of its affiliates has any affiliation with or control over any Underlying Index Sponsor or any control over the computation, composition or dissemination of any MF. Although Goldman Sachs International will obtain information concerning the MFs from sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by Goldman Sachs International or its affiliates as to the accuracy, completeness and timeliness of information concerning the MFs.

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## **Supplement II to the Prospectus**

### **Internal Alpha Strategies**

#### **Goldman Sachs Structured Investments SICAV – Goldman Sachs Commodity Alpha B7 Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable  
organized under the laws of the Grand Duchy of Luxembourg***

The purpose of this Supplement is to describe in more detail the Goldman Sachs Commodity Alpha B7 Portfolio (the “Portfolio”), one of the Internal Alpha Strategies Portfolios of the Umbrella Fund, which provides investors with access to our proprietary algorithmic strategies and research driven alpha strategies.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

# **Goldman Sachs Structured Investments SICAV – Goldman Sachs Commodity Alpha B7 Portfolio**

## **Investment Objective**

The Portfolio's investment objective is to participate in the returns of S&P GSCI Alpha Basket B7 Excess Return Strategy (the "**B7 Strategy**") and as further described in section A below) together with interest earned at Effective Federal Funds rate. The value of the Portfolio on any Commodity Basket Calculation Day (d) is represented by the value of the Reverse Repurchase Agreement (such value expressed as amount in US Dollars and as further described below under the heading "*The Reverse Repurchase Agreement*") together with the value of the Swap Agreement (such value expressed as amount in US Dollars and as further described below under the heading "*The Swap Agreement*"); for the avoidance of doubt, the value of the Portfolio is exclusive of the interest earned on the Reverse Repurchase Agreement.

On each Commodity Basket Calculation Day (d), the Strategy Sponsor will publish the B7 Strategy Closing Value on the Relevant Screen Page based on the Closing Levels for each Component included in the B7 Strategy even if a Market Disruption Event (as defined in section D (*Consequences of Market Disruption Events*) below) has occurred or is existing on such Commodity Basket Calculation Day. Such value published on such Relevant Screen Page is intended as an indicative value only and therefore may not reflect the actual value of the Portfolio on any given Commodity Basket Calculation Day or values at which the Investment Administrator would use for the purposes of effecting any subscription, redemption and/or conversion application in respect of the Portfolio.

All capitalized terms used in this section which are not defined shall have the meanings set forth in the section entitled "Description of the B7 Strategy".

## **IMPORTANT INVESTOR DISCLOSURE**

### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should pay particular attention to the following risks:

### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

### **Risks associated with securities linked to commodity-based underlyers**

A number of factors, which are unpredictable and interrelated in complex ways, will influence the Net Asset Value of the Shares in the Portfolio. These factors can include (i) the B7 Strategy Closing Value; (ii) various economic, financial, regulatory and political, military or other events that affect commodity markets as further described under the section "*Principal Risks of Investing in the Portfolio*"; and (iii) interest rates and yield rates in the market.

These factors may affect the value of the B7 Strategy and the value of the Shares in varying ways. They may also cause the value of different commodities included in the B7 Strategy, and the volatilities of their prices,

to move in inconsistent directions and at inconsistent rates. An investment linked to an underlying based on different commodities (as is the B7 Strategy) may be impacted by volatile commodities prices.

### **“Long” strategies not outperforming the “short” sub-indices**

The B7 Strategy is an "outperformance" strategy that seeks to generate overall positive returns through synthetic “long” investments in certain Strategies and corresponding synthetic “short” investments in certain Sub-Indices as set forth in the Commodity Basket Table in the section entitled “Description of the B7 Strategy”. Due to the manner in which the overall return on the B7 Strategy is calculated, where the Strategies do not outperform the Sub-Indices and the overall returns on the Sub-Indices are greater than the overall returns on the Strategies, the returns on the B7 Strategy could be negative. Where returns on the B7 Strategy are negative, this will adversely affect the value of your Shares in the Portfolio.

### **Termination of the Swap Agreement**

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a “Hedging Disruption Early Unwind Event”). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

## **Investment Policy**

The Portfolio seeks to achieve its investment objective by entering into (i) a reverse repurchase agreement (the “**Reverse Repurchase Agreement**”) and (ii) excess return swap agreement (the “**Swap Agreement**”) on the B7 Strategy, each with the same financial institution, Goldman Sachs International. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under “*The Reverse Repurchase Agreement*” below. Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### **The Reverse Repurchase Agreement**

The key characteristics of the Reverse Repurchase Agreement are summarised below:

**Reverse Repurchase Agreement Eligible Securities include (i) bonds issued or guaranteed by a Member State of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or world-wide nature and (ii) bonds issued or guaranteed by first class issuers offering an adequate liquidity.**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Composition of collateral: (i) bonds issued or guaranteed by a Member State of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or world-wide nature and (ii) bonds issued or guaranteed by first class issuers offering an adequate liquidity;

Currencies: collateral shall be delivered in each country's respective currency.

Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

## **The Swap Agreement**

The Portfolio will enter into the Swap Agreement with Goldman Sachs International which is also the counterparty to the Reverse Repurchase Agreement. The notional amount for the purposes of the Swap Agreement will be an amount in US Dollars. The Swap Agreement will be reset on a weekly basis. On such weekly reset date, the Portfolio will be able to increase or decrease the notional amount of the Swap Agreement. In addition, the Portfolio will be able to enter into additional swaps, having all the same characteristics as the Swap Agreement with either positive or negative notional amounts in order to increase or decrease its exposure to the B7 Strategy relative to the then current notional value of the Swap Agreement. The basis for entering into those additional swaps is to reflect any additional subscriptions and/or redemptions and/or conversions which may be processed in the period between weekly reset dates.

Under the Swap Agreement and all such additional swaps, if on periodic payments dates the performance of the B7 Strategy is positive, Goldman Sachs International will pay the Portfolio such positive amount and if the performance of the B7 Strategy is negative, the Portfolio will pay Goldman Sachs International the absolute value of such negative amount.

The value of the Shares and the return generated from them may therefore go up and down, however, the Swap Agreement will be structured such that investors in the Portfolio will not lose more than their initial investment in the Portfolio. This will be achieved by including in the Swap Agreement a stop/loss mechanism which will operate such that the Swap Agreement will terminate automatically prior to the scheduled termination date as set out in the Swap Agreement (the “**Scheduled Termination Date**”) should the B7 Strategy Closing Value on any given Commodity Basket Calculation Day (the “**Stop Loss Date**”) be equal to or below 20% of the B7 Strategy Closing Value as of the initial subscription day in respect of the Portfolio. In such case, the Swap Agreement will terminate on the Stop Loss Date rather than the Scheduled Termination Date and the settlement amount under the Swap Agreement will be determined on the basis of the B7 Strategy Tradable Value for the next Commodity Basket Calculation Day following such Stop Loss Date subject to any adjustment for Market Disruption Events in respect of the B7 Strategy or for any schedule closure of a trading facility on which any contract underlying a Component included in the B7 Strategy is traded. In such circumstances, the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

In addition, a fee of 140 basis points per annum is built into the calculation of B7 Strategy – see definition of “Cost (d’)T(d, d)” under the heading “B.1 Calculation of the B7 Strategy Closing Value” - and is payable by the Portfolio to Goldman Sachs International for any swaps with positive notional amounts. No additional fee will be paid by the Portfolio to Goldman Sachs International under the Swap Agreement or any additional swaps entered into in the period between weekly reset dates.

## **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

## **Description of the B7 Strategy**

### **A The B7 Strategy**

The B7 Strategy is an “out-performance” strategy that seeks to generate overall positive returns through certain synthetic “long” positions in each Strategy, and corresponding synthetic “short” positions in each Sub-Index, each such Strategy and Sub-Index is a Component and are as set forth in the column entitled “Component” in the Commodity Basket Table in section B (*Determination of the B7 Strategy Closing Value and the B7 Strategy Tradable Value – General Definitions*). Each Strategy is paired with a Sub-Index having the same underlying commodity to create a Strategy Pair and to the extent a Market Disruption Event exists in respect of one or more such Components included in a Strategy Pair, a Market Disruption Event shall be deemed to exist in respect of the other Component

in the Strategy Pair. A summary description of the Strategies and Sub-indices included in the B7 Strategy, each being a Component, is set out in Appendix A to this Supplement.

As of the B7 Strategy Inception Date, the B7 Strategy Closing Value was the B7 Strategy Initial Closing Value. The B7 Strategy Closing Value (the calculation methodology for which is explained in section B.1 (*Calculation of the B7 Strategy Closing Value*) below) is used as the basis for determining the notional amount of U.S. dollars to be invested in each Component included in the B7 Strategy in order to replicate a daily investment in the B7 Strategy over time.

In calculating the overall return on the B7 Strategy, the returns on the Sub-Indices are subtracted from the returns on the Strategies. This is accomplished by assigning a positive value to the Target Component Weight assigned to each of the Strategies and a negative value to the Target Component Weight assigned to each of the Sub-Indices.

The B7 Strategy is rebalanced on each Rebalancing Date in accordance with the "Adjusted Weight Component (n)" formula as set out in section B.1 (*Calculation of the B7 Strategy Closing Value*) and as described in further detail in section C (*Rebalancing of the Commodity Basket*) below.

Any determinations required to be made in connection with the composition of, calculation methodology of, or adjustments to the B7 Strategy, or any of its Components will be made by the Strategy Sponsor.

Unless otherwise specified, all capitalised terms in this section A shall have the meanings as set forth in section B (*Determination of the B7 Strategy Closing Value and the B7 Strategy Tradable Value*) below.

## **B. Determination of the B7 Strategy Closing Value and the B7 Strategy Tradable Value**

The following section describes the calculation methodology for the B7 Strategy Closing Value and the B7 Strategy Tradable Value. As described above, the Strategy Sponsor will calculate and publish a value for the B7 Strategy (referred to as the B7 Strategy Closing Strategy), the calculation methodology for which is further described in section B.1 (*Calculation of the B7 Strategy Closing Value*) below, based on the Closing Level for each Component on the Relevant Screen Page on each Commodity Basket Calculation Day even if a Market Disruption Event is occurring in respect of a Component on such Commodity Basket Calculation Day. For the purposes of any subscription, redemption and/or conversion however, the Strategy Sponsor will use the B7 Strategy Tradable Value, the calculation methodology for which operates to make any necessary adjustments for Market Disruption Events, to the extent such event is occurring on a Valuation Day. These adjustments are made in accordance with provisions in section D (*Consequences of Market Disruption Events*) and the impact of Market Disruption Events on any subscription, redemption and/or conversion is further described below under the heading "Characteristics".

The "**B7 Strategy Closing Value**" (also expressed as "**A(d)**") for each Commodity Basket Calculation Day (d) in respect of the B7 Strategy Inception Date shall be the B7 Strategy Initial Closing Value.

### **B.1 Calculation of the B7 Strategy Closing Value**

The B7 Strategy Closing Value A(d) or any Commodity Basket Calculation Day (d) falling after the B7 Strategy Inception Date is calculated by the Calculation Agent by multiplying each of the following values (i) the B7 Strategy Closing Value (A(d')) for the Preceding Commodity Basket Calculation Day (d'); (ii) the sum of one (1) and the B7 Strategy Return measured from such Preceding Commodity Basket Calculation Day (d') to such Commodity Basket Calculation Day (d); and (iii) the Fee Difference raised to the power of T(d, d')), in accordance with the following formula:

$$A(d) = (1 + B(d, d')) \times (1 - F(d'))^{T(d, d')} \times A(d')$$

Where:

“**Cost (d')**<sup>T(d, d')</sup>” (also expressed as “**F(d')**<sup>T(d, d')</sup>”) means, in respect of any Preceding Commodity Basket Calculation Date (d'), 140 basis points raised to the power of T(d, d').

“**Term (d, d')**” (also expressed as “**T(d, d')**”) means the number of calendar days from but excluding the Commodity Basket Calculation Day (d) to and including the Preceding Commodity Basket Calculation Day (d') divided by 365.

“**B7 Strategy Return (d, d')**” (also expressed as “**B(d, d')**”) means, in respect of a Commodity Basket Calculation Day (d), the B7 Strategy Return measured from the Preceding Commodity Basket Calculation Day (d') to such Commodity Basket Calculation Day (d), calculated by the Calculation Agent in accordance with the following formula:

$$B(d, d') = \sum_{n=i}^N [W_n^{\alpha}(d') \times (P_n(d, d') - 1)]$$

Where:

“**Σ**” or sigma, means the sum of, such that, for example,  $\sum_{n=i}^N x_n \times y_n$  is defined by:

$$(x_i \times y_i) + (x_{i+1} \times y_{i+1}) + \dots + (x_N \times y_N)$$

“**Component Performance (n)**” (also expressed as “**P<sub>n</sub>(d, (d'))**”) means in respect a Commodity Basket Calculation Day (d) and the Preceding Commodity Basket Calculation Day (d'), the Closing Level of Component (n) measured from the Preceding Commodity Basket Calculation Day (d') to such Commodity Basket Calculation Day (d) and shall be calculated by the Calculation Agent in accordance with the definition of  $P_n(d_{end}, d_{begin})$  (as defined below in this section under the heading “*General Definitions*”), where “ $d_{end}$ ” shall be the Commodity Basket Calculation Day (d) and “ $d_{begin}$ ” shall be Preceding Commodity Basket Calculation Day (d').

“**Adjusted Component Weight (n)**” (also expressed as “**W<sub>n</sub><sup>α</sup>(d')**”) means for any Preceding Commodity Basket Calculation Day (d'), the Target Component Weight for such Component (n) adjusted according to the Component Performance (also expressed as “**P<sub>n</sub>(d', d<sub>r,n</sub>(d'))**” as defined below) for such Component (n) from the Relevant Clean Rebalancing Date (also expressed as “**(d<sub>r,n</sub>(d'))**” as defined below) to such Commodity Basket Calculation Day (d') relative to the Commodity Basket Performance (also expressed as “**Q(d', (d<sub>r,n</sub>(d'))**”) as defined below) as determined by the Calculation Agent for such Component (n) in accordance with the following formula:

$$W_n^{\alpha}(d') = W_n(d_{r,n}(d')) \times \frac{P_n(d', d_{r,n}(d'))}{Q(d', d_{r,n}(d'))}$$

Where:

“**Target Component Weight (n)**” (also expressed as “**W<sub>n</sub>(d<sub>r,n</sub>(d'))**”) means, in respect of each Component (n), the Preceding Commodity Basket Calculation Day (d') and the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) for such Component (n) and such Preceding Commodity Basket Calculation Day (d'), the Target Component Weight corresponding to such Component (n).

“**P<sub>n</sub>(d', d<sub>r,n</sub>(d'))**” being the Component Performance of Component (n) measured from the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) to the Preceding Commodity Basket Calculation Day (d') shall be calculated in accordance with the definition of  $P_n(d_{end}, d_{begin})$  (as defined below in this section B.2 under the heading “*General Definitions*”), where “ $d_{end}$ ” shall be the Preceding Commodity Basket Calculation Day (d') and “ $d_{begin}$ ” shall be the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) for such Component (n).

"**Q(d',d<sub>r,n</sub>(d'))**" being the Commodity Basket Performance measured from the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) to the Preceding Commodity Basket Calculation Day (d') shall be calculated in accordance with the definition of Q(d<sub>end</sub>,d<sub>begin</sub>) (as defined below in this section B.2 under the heading "*General Definitions*"), where "d<sub>end</sub>" shall be Preceding Commodity Basket Calculation Day (d') and "d<sub>begin</sub>" shall be the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) for such Component (n).

"**Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d'))**" means for a Component (n) and a Preceding Commodity Basket Calculation Day (d'), the Rebalancing Date falling on or prior to the Relevant Clean Trading Date (d<sub>t,n</sub>(d')). For the avoidance of doubt, the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) for such Preceding Commodity Basket Calculation Day (d') can be such Relevant Clean Trading Date (d<sub>t,n</sub>(d')).

"**Relevant Clean Trading Date (d<sub>t,n</sub>(d'))**" means for a Component (n) and a Preceding Commodity Basket Calculation Day (d'), the most recent Trading Day on which no Market Disruption Event has occurred for such Component (n), falling on or prior to the Preceding Commodity Basket Calculation Day (d'). For the avoidance of doubt, the Relevant Clean Trading Date (d<sub>t,n</sub>(d')) can be such Preceding Commodity Basket Calculation Day (d') for such Commodity Basket Calculation Day (d).

## **B.2 General Definitions**

The following definitions and variables are relevant for the purpose of determining the B7 Strategy Closing Value for any relevant day:

"**B7 Strategy Closing Value**" means, in respect of the B7 Strategy and each Commodity Basket Calculation Day, the value of the B7 Strategy for such Commodity Basket Calculation Day as determined by the Calculation Agent in accordance with the calculation methodology as set forth above in section B (*Determination of the B7 Strategy Closing Value and the B7 Strategy Tradable Value*) using the Closing Levels for such Basket Calculation Day.

"**B7 Strategy Inception Date**" means 19<sup>th</sup> April 1999.

"**B7 Strategy Initial Closing Value**" means 100.

"**B7 Strategy Tradable Value**" means in respect of a Trading Day (and for the purposes of the determining the B7 Strategy Tradable Value for that Trading Day only), the B7 Strategy Closing Value for such Trading Day as determined by the Calculation Agent using the Tradable Levels for such (and only such) Trading Day. For the avoidance of doubt, for any other purpose, including, without limitation, the determination of the Adjusted Component Weight for any Component (n), the B7 Strategy Tradable Value will be determined on the basis of Closing Levels and B7 Strategy Closing Values.

"Commodity Basket Table" means the following table:

n	Target Component Weight	Component (n)  Strategy	Bloomberg Ticker for Component (n)
1	3/10	S&P GSCI Crude Oil A1 Excess Return Strategy	AGGSCL1<Index>
2	1/20	S&P GSCI Gas Oil A7 Excess Return Strategy	AGGSGO7<Index>
3	1/20	S&P GSCI Cotton A14 Excess Return Strategy	AGGSCT14<Index>
4	1/5	S&P GSCI Corn A10 Excess Return Strategy	AGGSCN10<Index>
5	1/5	S&P GSCI Wheat A11 Excess Return Strategy	AGGSWH11<Index>
6	1/5	S&P GSCI Lean Hogs A52 Excess Return Strategy	AGGSLH52<Index>
<b>Sub-Index</b>			
7	-3/10	S&P GSCI <sup>TM</sup> Crude Oil Excess Return Index*	SPGCCLP<Index>
8	-1/20	S&P GSCI <sup>TM</sup> Gas Oil Excess Return Index*	SPGCGOP<Index>
9	-1/20	S&P GSCI <sup>TM</sup> Cotton Excess Return Index*	SPGCCTP<Index>
10	-1/5	S&P GSCI <sup>TM</sup> Corn Excess Return Index*	SPGCCNP<Index>
11	-1/5	S&P GSCI <sup>TM</sup> Wheat Excess Return Index*	SPGCWHP<Index>
12	-1/5	S&P GSCI <sup>TM</sup> Lean Hogs Excess Return Index*	SPGCLHP<Index>

\* This Sub-Index represents one single contract with hypothetical participation in one single component of the S&P GSCI<sup>TM</sup> Index and, therefore, it shall not be considered as a financial index within the meaning of article 9 of the Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.

"**Calculation Agent**" means for the purpose of all calculations and determinations relating to the B7 Strategy, Goldman Sachs International (or successor thereto);

"**Closing Level**" means, in respect of each Component and any Commodity Basket Calculation Day (d), the official closing price of each such Component on such Commodity Basket Calculation Day as announced and published on the Component Ticker, *provided* that if on any Commodity Basket Calculation Day, the Closing Level is not published on the Component Ticker, then in the case of the relevant trading facility for the relevant contract(s) underlying a Component not being open for trading

as a result of a scheduled holiday for such trading facility, the Closing Level will be the most recent Closing Level for such Component, otherwise the Closing Level will be determined by the Calculation Agent, in its sole discretion, in a commercially reasonable manner in accordance with section E (*Adjustment Events*) below.

**"Commodity Basket Calculation Day"** means any day on which the offices of the Strategy Sponsor in New York are open for business.

**"Components"** means each Strategy and Sub-Index (and **"Component"** means any Strategy or Sub-Index), each such Component as more fully described in Appendix A (*Descriptions of the Underlying Strategies, Sub-Indices and the S&P GSCI<sup>TM</sup>*).

**"Component (n)"** means for each number assigned to "n" in the column entitled "n" of the Commodity Basket Table, the Component corresponding to such number as set out in the column entitled "Component" of the same table.

**"Component Ticker"** means the Bloomberg ticker reference specified in the column entitled "Bloomberg Ticker for Component" of the Commodity Basket Table corresponding to the Component as set out in the column entitled "Component" of the same table (or any official successor thereto).

**"I"** means Strategy First.

**"N"** means Sub-Index Last.

**"P<sub>n</sub>(d<sub>end</sub>, d<sub>begin</sub>)", or Component Performance (n) (d<sub>end</sub>, d<sub>begin</sub>)"** means in respect of each Component (n) and any Commodity Basket Calculation Day ("d<sub>end</sub>"), the performance of the Component measured from the Commodity Basket Calculation Day ("d<sub>begin</sub>") (falling on or before the Commodity Basket Calculation Day (d<sub>end</sub>)) to the Commodity Basket Calculation Day (d<sub>end</sub>), being a value determined by the Calculation Agent as being equal to the quotient of: (i) the Closing Level of such Component (n) on such Commodity Basket Calculation Day (d<sub>end</sub>) (being "I<sub>n</sub>(d<sub>end</sub>)") and (ii) the Closing Level of such Component (n) on the preceding Commodity Basket Calculation Day (d<sub>begin</sub>) (being "I<sub>n</sub>(d<sub>begin</sub>)"), represented formulaically as follows:

$$P_n(d_{end}, d_{begin}) = \frac{I_n(d_{end})}{I_n(d_{begin})}$$

**"Preceding Commodity Basket Calculation Day (d)"** means in respect of a Commodity Basket Calculation Day (d), the Commodity Basket Calculation Day immediately preceding such Commodity Basket Calculation Day (d), as determined by the Calculation Agent.

**"Q(d<sub>end</sub>, d<sub>begin</sub>)", or Commodity Basket Performance (d<sub>end</sub>, d<sub>begin</sub>)"** means the performance of the Commodity Basket measured from such Commodity Basket Calculation Day ("d<sub>begin</sub>") (falling on or before the Commodity Basket Calculation Day ("d<sub>end</sub>")) to the Commodity Basket Calculation Day (d<sub>end</sub>), being a value determined by the Calculation Agent as being equal to the quotient of: (i) the B7 Strategy Closing Value on such Commodity Basket Calculation Day (d<sub>end</sub>) (being "A(d<sub>end</sub>)") and (ii) the B7 Strategy Closing Value on the preceding Commodity Basket Calculation Day (d<sub>begin</sub>) (being "A(d<sub>begin</sub>)"), represented formulaically as follows:

$$Q(d_{end}, d_{begin}) = \frac{A(d_{end})}{A(d_{begin})}$$

**"Rebalancing Date"** means the 19<sup>th</sup> calendar day of the first month of each quarter, being 19 January, 19 April, 19 July and 19 October, or if any such day is not a Trading Day, the immediately following Trading Day.

**"Relevant Screen Page"** means, in respect of the B7 Strategy Closing Value, Bloomberg page ABGSB07P<Index> (or any official successor thereto).

**"Strategies"** means the strategies as specified in the column entitled "Component" in the Commodity Basket Table (n=Strategy First to Strategy Last).

**"Strategy First"** means the Component as set out in the column entitled "Component" in the Commodity Basket Table corresponding to the number 1 as set out in the column entitled "n" of the same table.

**"Strategy Pairs"** shall mean each pair of two Components (each such Component included in such pair identified by reference to its corresponding Component Ticker) set out in each of the following sub-paragraphs (where each two Components in each of the sub-paragraphs below constitute a "Strategy Pair"):

- (i) AGGSCL1P and SPGCCLP;
- (ii) AGGSGO3P and SPGCGOP;
- (iii) AGGSCT14P and SPGCCTP;
- (iv) AGGSCN10P and SPGCCNP;
- (v) AGGSWH11P and SPGCWHP; and
- (vi) AGGSLH9P and SPGCLHP.

**"Strategy Last"** means the Component as set out in the column entitled "Component" in the Commodity Basket Table corresponding to the number 6 as set out in the column entitled "n" of the same table.

**"Strategy Sponsor"** means Goldman, Sachs & Co. (or successor thereto).

**Sub-Index First** means the Component as set out in the column entitled "Component" in the Commodity Basket Table corresponding to the number 7 as set out in the column entitled "n" of the same table.

**"Sub-Index Last"** means the Component as set out in the column entitled "Component" in the Commodity Basket Table corresponding to the number 12 as set out in the column entitled "n" of the same table.

**"Sub-Index Sponsor"** means Standard & Poor's, a division of The McGraw Hill Companies, Inc.

**"Sub-Indices"** means the sub-indices as specified in the column entitled "Component" in the Commodity Basket Table (n=Sub-Index First to Sub-Index Last).

**"Target Component Weight"** means in respect of each Component (n), the value specified in the column entitled "Target Component Weight for Component (n)" of the Commodity Basket Table corresponding to such Component (n).

**"Tradable Level"** means, in respect of a Component (n) and any Trading Day, the Closing Level of each such Component on such Trading Day, *provided that* if a Market Disruption Event has occurred or is existing on such Trading Day in respect of such Component, the Tradable Level for such Component shall be determined in accordance with section D (*Consequences of Market Disruption Events*).

**"Trading Day"** means any day (i) which is a Commodity Basket Calculation Day; and (ii) on which all of the trading facilities (the **"Relevant Exchanges"**) on which the relevant contracts (**"Relevant Contracts"**) underlying each Component are traded, are scheduled to be open for trading, and all Relevant Contracts are trading.

### C. Rebalancing of the Commodity Basket

The B7 Strategy is rebalanced on each Rebalancing Date. The B7 Strategy is rebalanced because the performance of each Component relative to the performance of the B7 Strategy may vary from one Rebalancing Date to the next, with the result that the Adjusted Component Weight of each Component may no longer be equal to its Target Component Weight for that period.

Therefore, on each Rebalancing Date, the Adjusted Component Weight of each Component will be reset to its Target Component Weight, the objective (the **"Rebalancing Objective"**) being to rebalance each Component as closely as possible to its Target Component Weight as soon as market conditions allow, taking into account the performance of Component relative to the performance of the B7 Strategy since the most recent Rebalancing Date, in accordance with the Adjusted Weight Component formula as set out in section B.1 (*Calculation of B7 Strategy Closing Value*) above.

If a Market Disruption Event is affecting a Component on a Rebalancing Date, then while the Market Disruption Event is continuing with respect to such Component, the Calculation Agent will continue to calculate the Adjusted Component Weight for such Component, and for the purposes of such calculation, the Relevant Clean Rebalancing Date applied will precede the most recent Rebalancing Date but the rebalancing of such Component will not be performed until market conditions allow. Accordingly until such time, the Rebalancing Objective will not be satisfied.

Market conditions will allow the rebalancing of such Component (n) affected by a Market Disruption Event (in accordance with the Rebalancing Objective as described above) on the first Trading Day on which no Market Disruption Event is occurring for such Component (n) and which is an Exchange Business day for such Component.

### D. Consequences of Market Disruption Events

- (i) If a Market Disruption Event (as defined below) has occurred in respect of a Component (such being the **"Affected Component"**) on any Commodity Basket Calculation Day (the **"Relevant Day"**):
  - (a) the Tradable Level in respect of the Relevant Day for each Component which is not an Affected Component (**"Unaffected Component"**) shall be determined by reference to the Closing Level in respect of each such Unaffected Component on the Relevant Day;
  - (b) the Tradable Level in respect of the Relevant Day for such Affected Component shall not be determined by reference to the Closing Level relating to such Affected Component for such Relevant Day but shall be determined by the Calculation Agent based on the settlement prices of the contracts underlying such Affected Component as published by the relevant trading facility on the first Exchange Business Day relating to such Affected Component immediately following the Relevant Day on which no Market Disruption Event is occurring with respect to such Affected Component (such date being, in respect of the Affected Component, the **"Determination Date"** for such Affected Component), provided that if a Market Disruption Event in respect of such Affected Component continues to exist for five (5) consecutive Exchange Business Days immediately following the

Relevant Day relating to such Affected Component, the Tradable Level for such Affected Component in respect of the Relevant Day shall be deemed to be such level as determined by the Calculation Agent in a commercially reasonable manner on the sixth (6<sup>th</sup>) Exchange Business Day immediately following such Relevant Day in accordance with the formula for and method of calculating such Affected Component last in effect immediately prior to the occurrence of the Market Disruption Event on the Relevant Day; and

- (ii) If a Market Disruption Event has occurred in respect of one or more Components on any Relevant Day, the B7 Strategy Tradable Value in respect of such Relevant Day shall not be determined by reference to the Relevant Screen Page specified above for the B7 Strategy, but shall instead be calculated by the Calculation Agent on the Determination Date for the Affected Component that falls latest in time (the "**Latest Determination Date**") following adjustment pursuant to provision (i)(b) above.
- (iii) If the offices of the Calculation Agent are not open for business on the Latest Determination Date, such calculation will be made by Goldman, Sachs & Co or another affiliate of the Calculation Agent.

The following terms shall have the following meanings for the purpose of paragraphs (i), (ii) and (iii):

**"Corresponding Component"** shall mean, in respect of a Component in a Strategy Pair, the other Component in such Strategy Pair.

**"Exchange Business Day"** means in respect of any Component and the Relevant Contract(s) underlying such Component, any day (other than a Saturday or Sunday) (i) on which the Relevant Exchange in respect of such Component and the Relevant Contract are scheduled to be open for trading for its regular trading session; and (ii) that is a Commodity Basket Calculation Day.

**"Market Disruption Event"** means, in respect of each Component and a Commodity Basket Calculation Day (and a Market Disruption Event shall be deemed to exist on such Commodity Basket Calculation Day) if, in the opinion of the Calculation Agent, any one of the following occurs:

- (i) the settlement price for any contract underlying such Component is a "limit price" which means that the settlement price for such contract for a day has increased or decreased from the previous day's settlement price by the maximum amount permitted under applicable rules of the relevant trading facility; or
- (ii) there is a failure by the applicable trading facility or other price source to announce or publish the settlement price for any contract underlying a Component; or
- (iii) trading in any contract underlying such Component is suspended or interrupted subsequent to the opening of trading and trading in such contract does not recommence at least ten (10) minutes prior to the regular scheduled close of trading in such contract, or in the event trading does recommence at least ten (10) minutes prior to the regular scheduled close of trading, trading does not continue for the entire period until the regular scheduled close of trading in such contract on the relevant trading facility.

provided that the occurrence or existence of a Market Disruption Event as contemplated in (i), (ii) above in respect of any Component in a Strategy Pair (as defined in section B.2 (*General Definitions*)) shall be deemed a Market Disruption Event in respect of the Corresponding Component in such Strategy Pair. In which case, both the Components in the Strategy Pair shall be deemed to have been disrupted and their respective Tradable Levels shall be determined in accordance with provision (i)(b) above.

## **E. Adjustment Events**

### **E.1 Replacement of Strategy Sponsor, Sub-Index Sponsor, Strategy and/or Sub-Index by a successor.**

If any Component or the B7 Strategy, as applicable, is:

- (i) not calculated and announced by the Strategy Sponsor in the case of a Component that is a Strategy or the B7 Strategy or Sub-Index Sponsor in the case of a Component that is a Sub-Index, as applicable, but is calculated and announced by a successor sponsor acceptable to the Calculation Agent; or
- (ii) replaced by a successor strategy or sub-index using, in the good faith determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Component or B7 Strategy, as applicable,

then the relevant Component, or B7 Strategy, as applicable, will be deemed to be the strategy and/or sub-index, as applicable, so calculated and announced by that successor sponsor or that successor strategy or sub-index, as the case may be.

**E.2 Discontinuance of calculation or publication of the B7 Strategy or any Component.** If, in respect of any Component or the B7 Strategy, as applicable, on any Commodity Basket Calculation Day, the Calculation Agent determines that:

- (i) the Strategy Sponsor in the case of a Component that is a Strategy or the B7 Strategy or Sub-Index Sponsor in the case of a Component that is a Sub-Index, as applicable, makes, in the reasonable judgment of the Calculation Agent, a material change in the formula for or the method of calculating, or determining the composition of any Component or the B7 Strategy, as the case may be, or in any other way materially modifies any such Component or the B7 Strategy (other than a modification prescribed in that formula or method relating to the composition or weighting of such Component or B7 Strategy or such other routine events or modifications which do not in any other way materially modify such Component or B7 Strategy); or
- (ii) in the absence of a Market Disruption Event: (a) the Strategy Sponsor fails to calculate and announce, the B7 Strategy Closing Value or the Closing Level for any Component that is a Strategy, or the B7 Strategy or a Component that is a Strategy has ceased to be calculated by the Strategy Sponsor, as the case may be and has not been replaced by a successor strategy (in either case, any such discontinuance shall not constitute a Market Disruption Event); or (b) the Sub-Index Sponsor fails to calculate and announce, the Closing Level for any Component that is a Sub-Index, or a Component that is a Sub-Index has ceased to be calculated by the Sub-Index Sponsor, as the case may be and has not been replaced by a successor sub-index (in either case, no such failure or cessation by the Strategy Sponsor or the Sub-Index Sponsor, as the case may be, shall constitute a Market Disruption Event),

then the Calculation Agent shall calculate the level of the B7 Strategy and/or relevant impacted Component, in lieu of a published level for the B7 Strategy Closing Value and/or Closing Level of any such impacted Component, as the case may be, in a commercially reasonable manner and using the same formula for and method of calculating such B7 Strategy Closing Value and/ or the Closing Level for such relevant impacted Component last in effect prior to such change, failure to calculate or cessation.

**E.3 Removal of Contract from the S&P GSCI™.** If, in respect of any Component and any given Commodity Basket Calculation Day, a contract underlying such Component is removed or modified from the S&P GSCI™, the Calculation Agent shall, for the purposes of the relevant impacted Component(s) (an **"Impacted Component"**), generally follow the decision of the S&P GSCI™ Committee (as defined in the S&P GSCI™ Index Methodology referred to Appendix A) and make the corresponding change for the purposes of the Impacted Component. However, in the event that the Calculation Agent determines, in its reasonable judgment, that the removal of such contract and/or the introduction of an alternative contract, as the case may be, and any corresponding change to the

relevant Impacted Component, could adversely affect the subsequent performance of such impacted Component and/or materially alter the nature of the B7 Strategy, it may elect to: (i) remove the relevant Impacted Component(s) from the B7 Strategy on the next Relevant Clean Rebalancing Date or such other day as the Calculation Agent determines, in its reasonable judgment, to be relevant in the circumstances then existing; (ii) retain the contract removed from the S&P GSCI™ and the corresponding Impacted Component(s) in the B7 Strategy, notwithstanding its removal from the S&P GSCI™ on the grounds of ineligibility or otherwise; or (iii) subject to approval of the Luxembourg supervisory authority, use an alternative contract for the relevant Impacted Component whether or not a replacement contract was introduced to the S&P GSCI™ by the S&P GSCI™ Committee. Any such alternative contract must:

- be in respect of a physical commodity (rather than a financial commodity), in respect of any Component included in the B7 Strategy;
- have a specified expiration or term, or provide in some other manner for delivery or settlement at a specified time, or within a specified period, in the future;
- at any given point in time, be available for trading at least five months prior to its expiration or such other date or time period specified for delivery or settlement;
- be traded on or through an exchange, trading facility or other platform (referred to as a **“trading facility”**) that has its principal place of business or operations in a country that is a member of the Organization for Economic Cooperation and Development and:
  - makes price quotations generally available to its members or participants (and, if the Strategy Sponsor is not such a member or participant, to the Strategy Sponsor) in a manner and with a frequency that is sufficient to provide reasonably reliable indications of the level of the relevant market at any given point in time;
  - makes reliable trading volume information available to the Strategy Sponsor with at least the frequency required by the Strategy Sponsor to make the monthly determinations;
  - accepts bids and offers from multiple participants or price providers; and
  - is accessible by the Strategy Sponsor;
- have an official settlement price published between 10:00 a.m. and 4:00 p.m., New York City time, on each day on which the relevant trading facility is open for business;
- make published prices available to the Strategy Sponsor. Such publication must include, at all times, daily contract reference prices for at least one expiration or settlement date that is five months or more from the date the determination is made, as well as for all expiration or settlement dates during such five-month period; and
- have a Total Dollar Value Traded (as defined in the S&P GSCI™ Index Methodology as defined in Appendix A) over the preceding year of greater than U.S. \$5 billion, in respect of any Component included in the B7 Strategy.

**E.4 Correction of Closing Levels.** If a Closing Level published on the relevant Component Ticker on any Commodity Basket Calculation Day is subsequently corrected and the correction is published by the Strategy Sponsor or Sub-Index Sponsor with respect to a Component, as applicable, not later than 12 noon, New York City time on the Commodity Basket Calculation Day immediately following a Valuation Day with reference to which a subscription, redemption and/or conversion has taken place in respect of the B7 Strategy, then the corrected Closing Level for such Commodity Basket Calculation Day shall be deemed the Closing Level for such day and the Calculation Agent shall use the corrected Closing Level in its determination of the B7 Strategy Closing Value for such Commodity Basket Calculation Day.

**E.5 Responsibility of Strategy Sponsor and the Calculation Agent.** In any such circumstances described above in this section, the Strategy Sponsor and the Calculation Agent (as applicable) will have no responsibility (in the absence of manifest error) to any person for errors or omissions made in the calculation of the values for the B7 Strategy or any relevant Component. Neither the Strategy Sponsor in relation to the B7 Strategy or any Component that is a Strategy or the Sub-Index in relation to any Component that is a Sub-Index, has any obligation to continue to publish and may discontinue publication of the B7 Strategy or any Component, as applicable.

## **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **Goldman Sachs roles and no active management of the Portfolio**

Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs expects to perform its obligations in good faith and commercially reasonable manner, it may face conflicts between these roles and its own interest.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

As described below in the risk factor entitled "Trading and other transactions by Goldman, Sachs & Co. and its affiliates relating to the B7 Strategy and their respective underlying commodity contracts and commodities may adversely affect the Net Asset Value of the Shares in the Portfolio", Goldman, Sachs & Co. and its affiliates may engage in trading on a proprietary basis, for other accounts under their management or to facilitate customer transactions relating to one or more commodities underlying the B7 Strategy; they may also issue or underwrite other securities or financial or derivative instruments indexed to the B7 Strategy as well as any of their respective Components.

Any of these activities of Goldman, Sachs & Co. or its affiliates may be adverse to your interests as a holder of Shares in the Portfolio.

### **Counterparty risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by Goldman Sachs International under the Swap Agreement and the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although both the Swap Agreement and the Reverse Repurchase agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are not collateralized.

### **As Calculation Agent, Goldman Sachs International will have the authority to make determinations that could affect the Net Asset Value of the Shares in the Portfolio**

In its capacity as Calculation Agent as described in this Supplement, Goldman Sachs International will have discretion in making various determinations that may affect the value of your Shares in the Portfolio and the

calculation of the amount due with respect to a subscription, conversion, redemption or termination of the Portfolio, such as those determinations described in section D (*Consequences of Market Disruption Events*), and section E (*Adjustment Events*) of this Supplement. The exercise of such discretion by Goldman Sachs International could adversely affect the value of the Shares in the Portfolio and may present Goldman Sachs International with a conflict of interest of the kind described under in “*Goldman Sachs Roles and no active management of the Portfolio*”.

**Trading and other transactions by Goldman, Sachs & Co. and its affiliates relating to the B7 Strategy and B7 Strategy and their respective underlying commodity contracts and commodities may adversely affect the Net Asset Value of the Shares in the Portfolio**

Goldman, Sachs & Co., and its affiliates actively trade futures contracts and options on futures contracts on the commodities that underlie the B7 Strategy, over-the-counter (“**OTC**”) contracts on these commodities, the underlying commodities included in the B7 Strategy and other instruments and derivative products based on numerous other commodities. Goldman, Sachs & Co., and its affiliates also trade instruments and derivative products based on the S&P GSCI™ and its sub-indices on which the B7 Strategy is based. Trading in the futures contracts on commodities included in the S&P GSCI™ or its sub-indices, the underlying commodities and related OTC products by Goldman, Sachs & Co., and its affiliates and unaffiliated third parties could adversely affect the value of the B7 Strategy which could in turn affect the Net Asset Value of the Shares in the Portfolio.

Goldman, Sachs & Co. and its affiliates and other parties may also issue or underwrite additional securities or trade other products the return on which is linked to the value of the B7 Strategy or other similar strategies. In addition, Standard & Poor's (as Sub-Index Sponsor and sponsor of the S&P GSCI™) has licensed and may continue to license the S&P GSCI™ or any of its sub-indices for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in, or other similar strategies linked to, the S&P GSCI™ and/or any of its sub-indices which may negatively affect the value of the B7 Strategy.

Although we are not obligated to do so, we have elected to hedge our obligations with respect to the Portfolio with an affiliate of Goldman, Sachs & Co. That affiliate, in turn, will most likely directly or indirectly hedge any of its obligations through transactions in the futures and options markets. Goldman, Sachs & Co. and its affiliates may also issue or underwrite financial instruments with returns indexed to the B7 Strategy.

**The Net Asset Value of the Shares of the Portfolio may be influenced by many factors that are unpredictable and interrelated in complex ways**

A number of factors, many of which are beyond the control of the Umbrella Fund or Goldman Sachs International or any its affiliates, will influence the Net Asset Value of the Shares in the Portfolio, including:

- the B7 Strategy Closing Value;
- various economic, financial, regulatory and political, military or other events that affect commodity markets generally and the market segments of which the commodities underlying the B7 Strategy are a part, and which may in turn affect the level of the B7 Strategy as further described in the risk factor entitled “Prices of commodity contracts may change unpredictably, affecting the value of your Shares in unforeseeable ways”; and
- interest rates and yield rates in the market.

**If the “long” strategies do not outperform the “short” sub-indices the B7 Strategy and the value of your Shares could be adversely affected**

The B7 Strategy is an “outperformance” strategy that seeks to generate overall positive returns through synthetic “long” investments in certain Strategies and corresponding synthetic “short” investments in certain Sub-Indices as described in further detail Appendix A to this Supplement. In calculating the overall return on the B7 Strategy, the returns on the Sub-Indices will be subtracted from the returns on the corresponding Strategies. Therefore to the extent that the returns on the Sub-Indices are greater than the returns on the

Strategies, the return on the B7 Strategy will be negative. Accordingly, depending on the extent of the returns on those Strategies and Sub-Indices, it is possible that the overall return on the B7 Strategy will be negative even when the returns on such Strategies or Sub-Indices taken alone are positive. To the extent that the Strategies do not outperform the Sub-Indices and the returns on the B7 Strategy are negative, this will adversely affect the value of your Shares in the Portfolio.

**The past performance of the B7 Strategy is no guide to future performance**

The actual performance of the B7 Strategy may bear little relation to the historical levels of the B7 Strategy or any of its Components. We cannot predict the future performance of the B7 Strategy.

**Prices of commodity contracts may change unpredictably, affecting the value of your Shares in unforeseeable ways**

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

These factors may cause the value of different commodities included in the B7 Strategy to move in directions which could result in a drop in the B7 Strategy Closing Value for any given day and hence a decline in the value of your Shares.

**Suspensions or disruptions of market trading in the commodity and related contracts or in the relevant contracts included in the Components included in the B7 Strategy may adversely affect the Net Asset Value of the Shares in the Portfolio**

The commodity markets are subject to temporary distortions or other disruptions due to various factors, including activities of market participants and such factors as set out in the risk factor entitled "Prices of commodity contracts may change unpredictably, affecting the value of your Shares in unforeseeable ways". In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices which may occur during a single business day. These limits are generally referred to as "daily price fluctuation limits" and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a "limit price". Once the limit price has been reached in a particular contract, trading in the contract will follow the regulations set forth by the trading facility on which the contract is listed. Limit prices may have the effect of precluding trading in a particular contract underlying any of the Components included in the B7 Strategy, which may impact on the value of such Component and, therefore, the value of the B7 Strategy.

If on a Trading Day a Market Disruption Event has occurred with respect to any contract underlying a Component in a Strategy Pair included in the B7 Strategy, then the same Market Disruption Event will be deemed to be in existence for the Corresponding Component in the same Strategy Pair and the Calculation Agent will determine the levels for both Components included in such Strategy Pair, as well as the B7 Strategy Tradable Value, in accordance with the provisions set out in section D (*Consequences of Market Disruption Events*) above. Therefore, even if only one of the Components in the Strategy Pair is affected by the Market Disruption Event, the other Component will be deemed disrupted notwithstanding that it is unaffected by such Market Disruption Event.

Further, if a Market Disruption Event occurs with respect to any Component specific to the B7 Strategy on any Trading Day on which the B7 Strategy Tradable Value is due to be determined, the calculation of B7 Strategy Tradable Value (and the settlement of any subscription, redemption and/or conversion based on the B7 Strategy Tradable Value) will be delayed until the settlement prices for the contracts underlying the relevant affected Components can be determined by the Calculation Agent. Therefore, the Tradable Levels for such affected Components and the B7 Strategy Tradable Value may be subject to the judgment of the Calculation Agent and may be different from the B7 Strategy Closing Value published by the Strategy Sponsor on the applicable Relevant Screen Page for such relevant day as a result of adjustments made by

the Calculation Agent due to the occurrence of the Market Disruption Event.

If a Market Disruption Event occurs with respect to any Component included in the B7 Strategy on a Rebalancing Date, while such Market Disruption Event is continuing, such affected Component may temporarily be over- or under-invested with respect to the other unaffected Components included in the Commodity Basket. Further, due to the occurrence of a Market Disruption Event on a Rebalancing Date with respect to any Component, and to the performance of each such Component relative to the performance of the B7 Strategy, the Rebalancing Objective may not be achieved. Notwithstanding the fact that a Market Disruption Event has ceased to affect a Component on any Commodity Basket Calculation Day, if such day is not a Trading Day, the Calculation Agent will not be able to reference the most recent Rebalancing Date on such Commodity Basket Calculation Day when calculating the Adjusted Component Weight of such Component and therefore the execution by the Calculation Agent of the Rebalancing Objective for such Component (as defined in section C (*Rebalancing of the Commodity Basket*) above) will be further delayed.

**The Components included in the B7 Strategy may in the future include contracts that are not traded on regulated futures exchanges**

The S&P GSCI™ was originally based solely on contracts traded on regulated futures exchanges (referred to in the United States as “designated contract markets”). At present, the S&P GSCI™, and therefore, the Components, continue to be comprised exclusively of regulated futures contracts. As described below, however, the Index may in the future include OTC contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. In that event, the contracts underlying the Components included in the B7 Strategy will change as well. Trading in contracts that are not listed futures contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the same provisions of, and the protections afforded by, the U.S. Commodity Exchange Act of 1936, as amended, or other applicable statutes and related regulations, that govern trading on regulated futures exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities and the possible inclusion in the future of such contracts in the Components included in the B7 Strategy following any change to the composition of the S&P GSCI™ (as more fully described in section E (*Adjustment Events*) above) may be subject to certain risks not presented by most exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

**Higher future prices of commodities underlying the Components included in the B7 Strategy relative to their current prices may decrease the amount payable on your Shares in the Portfolio**

As the contracts that underlie the Components included in the B7 Strategy come to expiration, they are replaced by contracts that have a later expiration. Thus, for example, a contract purchased and held in May may specify a July expiration. As time passes, the contract expiring in July is replaced by a contract for delivery in a later month, for example, August. This is accomplished by selling the July contract and purchasing the August contract. This process is referred to as “rolling”. If the market for these contracts is (putting aside other considerations) in “backwardation”, where the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the July contract would take place at a price that is higher than the price of the August contract, thereby creating a “roll yield”, if spot prices for such contracts remain unchanged. Some commodity contracts have historically traded in “contango” markets. Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. The absence of backwardation in the market for a commodities contract could result in negative “roll yields,” which could adversely affect the value of an index tied to that contract if rolled to nearer rather than more distant delivery months. These risks with respect to roll yields will be applicable to the “long” investments in the Strategies included in the B7 Strategy if such negative roll yield with respect to the contracts underlying each such Strategy is more negative or less positive than the negative roll yield on the contracts underlying each such Strategy’s corresponding Sub-Index.

**You have no rights with respect to commodities or commodities contracts or rights to receive any commodities**

Investing in an instrument linked to the Commodity Basket will not make you a holder of any of the commodities underlying any Component included in the B7 Strategy or any contracts with respect thereto. You will not have any rights to receive delivery of any commodity reflected in any Component included in the B7 Strategy.

**The B7 Strategy does not track the return of the S&P GSCI™ and the returns on the Strategy will therefore differ from those of the S&P GSCI™**

The B7 Strategy is based on a sub-set only of the commodities contracts included in the S&P GSCI™ as set forth in the Commodity Basket Table above and each Component that is a Strategy, has different rules from the S&P GSCI™ governing the roll periods and the procedure by which expiring positions in certain of the constituent contracts are rolled forward into more distant contract expirations. In addition, while the S&P GSCI™ represents a measure of commodity market return over time, the B7 Strategy represents the measure of the relative return of certain investment strategies on sub-indices of the S&P GSCI™ against returns on those S&P GSCI™ sub-indices, all as set out in the Commodity Basket Table (as set forth in section B entitled “*Determination of the B7 Strategy Closing Value and the B7 Strategy Tradable Value*” above). As such, an investment in an instrument linked to the value of the B7 Strategy is not comparable to and should not be benchmarked against an investment in an instrument linked to the value of the S&P GSCI™. You should understand that your Shares in the Portfolio are linked to the returns on the B7 Strategy and not linked to the S&P GSCI™ and that these differences in the roll periods and the rules governing the rolling of contracts as between the S&P GSCI™ on the one hand and the B7 Strategy on the other, are likely to produce different values for the S&P GSCI™ as opposed to the B7 Strategy at any given time and, therefore, may produce differing returns.

#### **Changes in the composition of the S&P GSCI™**

The B7 Strategy and the Components underlying each of them use contracts currently included in the S&P GSCI™. The composition of the S&P GSCI™ may change over time, as additional contracts satisfy the eligibility criteria of the S&P GSCI™ or contracts currently included in the S&P GSCI™ fail to satisfy such criteria or cease trading. Any such change could impact the composition of the Components included in the B7 Strategy. A number of modifications to the methodology for determining the contracts to be included in the S&P GSCI™, and for valuing the S&P GSCI™, have been made in the past several years and further modifications may be made in the future. It is likely that any such change to the composition or methodology of the S&P GSCI™ will be reflected by the Calculation Agent in the B7 Strategy (to the extent applicable) however if the Calculation Agent determines that making such change or modification would materially alter the nature of the B7 Strategy, it may exercise certain discretions with respect to the B7 Strategy relating to such change to the S&P GSCI™ (as more fully described in section E (Adjustment Events) above. In the event that the Calculation Agent exercises such discretion in accordance with the provisions as set forth herein and does not implement the change made to the S&P GSCI™ with respect to the B7 Strategy, the returns on the B7 Strategy may deviate, and may deviate significantly, from the returns that would have been obtained had the Calculation Agent implemented such change with respect to the Components included in the B7 Strategy and accordingly, the performance of the B7 Strategy may be adversely affected as a result of the exercise by the Calculation of its discretion in this regard.

#### **The Components included in the B7 Strategy reflect excess returns, not total returns**

The Components included in the B7 Strategy reflect the returns that are potentially available through an unleveraged investment in contracts underlying those Components. The Components included in the B7 Strategy are not, however, linked to a “total return” index or strategy which, in addition to reflecting those excess returns, would also reflect interest that could be earned on funds committed to the trading of the contracts underlying each such Component. The return on the B7 Strategy will therefore not include such a total return feature or interest component however through the Reverse Repurchase Agreement an interest component shall be generated.

### **Particularities of the Swap Agreement and of the Reverse Repurchase Agreement**

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Swap Agreement will be an excess return swap on the B7 Strategy. The notional amount for the purposes of the Swap Agreement will be an amount in US Dollars which will be approximately equivalent to the value of the Portfolio in Euros. In addition, the Swap Agreement will be reset on a weekly basis. On each such weekly reset date, the Portfolio will be able to increase or decrease the notional amount of the Swap Agreement. Under the terms of the Swap Agreement, the Portfolio will be required to make periodic payments to Goldman Sachs International, as swap counterparty, if the performance of the B7 Strategy is negative and Goldman Sachs International will be obligated to make periodic payments to the Portfolio if the performance of the B7 Strategy is positive, in each case multiplied by the notional amount of the Swap Agreement. The performance of the B7 Strategy will be determined by reference to the B7 Strategy Tradable Value Mechanism as determined for the relevant valuation date.

The Swap Agreement will include a stop/loss mechanism which will operate such that the Swap Agreement will terminate prior to the scheduled termination date (the "**Scheduled Termination Date**") should the B7 Strategy Closing Value on any Commodity Basket Calculation Day (the "**Stop Loss Date**"), be equal to or below 20% of the B7 Strategy Closing Value as of the initial subscription day in respect of the Portfolio. In such case, the Swap Agreement will terminate on the Stop Loss Date rather than the Scheduled Termination Date and the settlement amount will be referenced to the B7 Strategy Tradable Value for such Stop Loss Date.

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. In addition, the Swap Agreement will provide that, in the event of certain Market Disruption Events as described above in section D (*Consequences of Market Disruption Events*) with respect to the contracts underlying the Components included in the B7 Strategy, payments due under the Swap Agreement may be delayed and/or the settlement price of a Component affected by a Market Disruption Event may be determined in an alternative manner by the Calculation Agent. In any event, the Market Disruption Events and their consequences as contained in the Swap Agreement will mirror those set out in this Supplement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the B7 Strategy Tradable Value and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the notional amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: Effective Federal Funds rate plus/minus spread.

The Swap Agreement sets out the consequences of certain events which may impact investors in the Portfolio:

#### *Manifest Error in Publication*

If the B7 Strategy Tradable Value used for the making of any determination under the Swap Agreement is corrected to remedy a material error in its original publication whether following a correction as contemplated by E.4 above or otherwise, the Calculation Agent under the Swap Agreement will notify the Umbrella Fund and the Swap Counterparty of such correction; and (a) the Calculation Agent under the Swap Agreement will determine and notify the Umbrella Fund and the Swap Counterparty of the amount that is payable by the Umbrella Fund or the Swap Counterparty as a result of that correction as an adjustment payment to previous amounts paid under the Swap Agreement; and (b) the Calculation Agent under the Swap Agreement will adjust the terms of the Swap Agreement to account for such correction. Following any such adjustment the Board of Directors of the Umbrella Fund shall consider whether any adjustments are necessary to the terms of the Shares.

Where, as the result of a miscalculation of the Net Asset Value per Share of any Class, including as a result of an error in publication of the B7 Strategy or the levels of any of its Components, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

#### *Strategy Substitution*

If at any time notwithstanding the section E (*Adjustment Events*) provisions set out under the heading "Description of the B7 Strategy" any of the following events occur and the Calculation Agent of the Swap Agreement determines that such events have a material effect on the Portfolio and the ability to issue, convert and/or redeem Shares in the Portfolio: (i) the level of B7 Strategy is not published for a period of 15 Commodity Basket Calculation Days; or (ii) the Strategy Sponsor discontinues the calculation and publication of the B7 Strategy; or (iii) the Strategy Sponsor materially changes the formula for or the method of calculating the B7 Strategy or the nature of the Components underlying the B7 Strategy or in any other way materially modifies the B7 Strategy, then the Calculation Agent under the Swap Agreement may decide, by giving not less than 15 calendar days' notice, designate a date (the "Substitution Date"), by which date the Umbrella Fund and the Swap Counterparty shall agree on a substitute strategy (any strategy so identified by the parties, a "Substitute Strategy" in relation to such B7 Strategy).

Following identification of a Substitute Strategy, the Calculation Agent under the Swap Agreement shall, following consultation in good faith with the Umbrella Fund and the Swap Counterparty, as of the Substitution Date make adjustments to the past levels of the Substitute Strategy so that the Substitute Strategy reflects the same historical performance as the B7 Strategy or otherwise make adjustments such that, as of the Substitution Date, the value of the closing level of the B7 Strategy shall be reflected in the opening level of the Substitute Strategy.

Any such substitution shall not affect any prior payments made under the Swap Agreement or to investors. Shareholders will be notified of any Substitute Strategy and so to redeem their shares should they disagree with the contemplated change.

If the Calculation Agent under the Swap Agreement and the Umbrella Fund are unable to identify a suitable Substitute Strategy and suitable modifications to that strategy, the Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

#### *Termination of the Swap Agreement*

In the event of a prolonged Market Disruption Event which the Calculation Agent of the Swap Agreement (acting in conjunction with Umbrella Fund and the Swap Counterparty) believes materially affects its ability to issue, convert and/or redeem Shares of any Class, the Swap Agreement will be terminated. If no suitable substitution strategy can be determined in a reasonable time period by the Calculation Agent using its discretion, the Portfolio will be liquidated and the investors will receive *pro-rata* redemption amounts.

<b>Characteristics</b>
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**Characteristics of the Shares classes available in the Portfolio**

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
A	USD	Accumulation	LU0425043782	None
A (GBP Hedged)	GBP	Accumulation	LU0425043865	None
A (EUR Hedged)	EUR	Accumulation	LU0425043949	None
I	USD	Accumulation	LU0425044087	None
I (GBP Hedged)	GBP	Accumulation	LU0425044160	None
I (EUR Hedged)	EUR	Accumulation	LU0425044244	None
C	USD	Accumulation	LU0425044327	None
C (GBP Hedged)	GBP	Accumulation	LU0425044590	None
C (EUR Hedged)	EUR	Accumulation	LU0361244154	None

Share Class	Maximum Sales Charge	Deferred Sales Charge*	Investment Administrator Fee	Minimum Subsequent Investment	Minimum Holding and Initial Investment
A	5%	5%	1.00% p.a.	USD 1,000	USD 1,000
A (GBP Hedged)	5%	5%	1.00% p.a.	GBP 1,000	GBP 1,000
A (EUR Hedged)	5%	5%	1.00% p.a.	EUR 1,000	EUR 1,000
I	5%	5%	1.00% p.a.	USD 1,000	USD 100,000
I (GBP Hedged)	5%	5%	1.00% p.a.	GBP 1,000	GBP 100,000
I (EUR Hedged)	5%	5%	1.00% p.a.	EUR 1,000	EUR 100,000
C	5%	5%	0.30% p.a.	USD 1,000	USD 1,000,000
C (GBP Hedged)	5%	5%	0.30% p.a.	GBP 1,000	GBP 1,000,000
C (EUR Hedged)	5%	5%	0.30% p.a.	EUR 1,000	EUR 1,000,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio will be subject to a deferred sales charge equal to 5% if redemptions occur within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to Hedging Agent) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days **
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to the Valuation Day	

\* Any day (1) on which banks are open for normal banking business in Luxembourg and London, (2) which is a Trading Day for the purposes of the B7 Strategy Tradable Value (each such capitalised term in these subsections shall have the meaning given to it in the section B entitled "*Determination of B7 Strategy Closing Value and B7 strategy Tradable Value*"), and (3) on which no Market Disruption Events occurs, save in the circumstances described under section D entitled "*Consequences of Market Disruption Events*" above. Investors may request from the Registrar and Transfer Agent a calendar summarizing on a yearly basis the applicable Valuation Days.

\*\* Day on which commercial banks are open for business in Luxembourg, London and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

Investors in the Portfolio are made aware that they will be bound by any subscription, conversion and/or redemption order sent on any Luxembourg and London business day, notwithstanding the fact that the next available Valuation Day may be later than would otherwise be expected due to the occurrence of a Market Disruption Event in respect of the B7 Strategy (for further information on Market Disruption Events and procedures in relation thereto refer to paragraph D entitled "*Consequences of Market Disruption Events*" above.

A Net Asset Value may be calculated on days different from the Valuation Day with the exception of any Luxembourg banking holidays. Any such Net Asset Value published on non-Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available net asset values with adjustments made for the expense accrual. Accordingly, Net Asset Values for the Portfolio calculated and published on non-Valuation Days will not be used by the Investment Administrator to effect any such subscription, redemption and/or conversion.

Class A	GSLVCAU LX
Class A (GBP Hedged)	GSLVCAG LX
Class A (EUR Hedged)	GSLVCAE LX
Class I	GSLVCIU LX
Class I (GBP Hedged)	GSLVCIG LX
Class I (EUR Hedged)	GSLVCIE LX
Class C	GSLVCCU LX
Class C (GBP Hedged)	GSLVCCG LX
Class C (EUR Hedged)	GSLVCAC LX

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular, the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to Institutional Investors wishing to participate in the returns of the B7 Strategy.

### ***S&P GSCI™ License Disclaimer***

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IN THE PORTFOLIO ARE TO BE CONVERTED INTO CASH. S&P HAS NO OBLIGATION OR LIABILITY IN CONNECTION WITH THE ADMINISTRATION, MARKETING, OR TRADING OF THE PORTFOLIO OR THE UMBRELLA FUND.

S&P DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE S&P GSCI™ OR ANY OF ITS SUB-INDICES OR ANY DATA INCLUDED THEREIN AND S&P SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. S&P MAKES NO WARRANTY, CONDITION OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE PORTFOLIO OR THE UMBRELLA FUND, OWNERS OF SHARES IN THE PORTFOLIO, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE S&P INDICES OR ANY DATA INCLUDED THEREIN. S&P MAKES NO EXPRESS OR IMPLIED WARRANTIES, REPRESENTATIONS OR CONDITIONS, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE AND ANY OTHER EXPRESS OR IMPLIED WARRANTY OR CONDITION WITH RESPECT TO THE S&P GSCI™ OR ANY OF ITS SUB-INDICES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL S&P HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) RESULTING FROM THE USE OF THE S&P GSCI™ OR ANY OF ITS SUB-INDICES OR ANY DATA INCLUDED THEREIN, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Information about the past and further performance of the S&P GSCI™ and its volatility can be obtained from Bloomberg ticker reference SPGCAGP <Index> (or its successor thereto). Goldman Sachs has not independently verified any such information, and does not accept any responsibility for errors or omissions contained in such information. For the avoidance of doubt, such information is not incorporated by reference in, and does not form part of, this Supplement or the Prospectus. Prospective investors may acquire such further information as they deem necessary in relation to the S&P GSCI™ from such publicly available information as they deem appropriate.

## Appendix A

### Descriptions of the Underlying Strategy and Sub-Index and the S&P GSCI™

The following are the descriptions of the Strategies and Sub-Indices included in the B7 Strategy. All of the Strategies and Sub-Indices are calculated on an excess return basis.

#### The Strategies

##### Component 1: The S&P GSCI Crude Oil Excess Return A1 Strategy

The S&P GSCI Crude Oil Excess Return A1 Strategy (the “**A1 Strategy**”), published on Bloomberg ticker “AGGSCL1 <Index>”, reflects the returns that potentially available through an unleveraged investment solely in the S&P GSCI Crude Oil Excess Return Index and is calculated in the same manner as the S&P GSCI™, as described under the heading “The S&P GSCI™” as set out at the end of this Appendix A, except that the A1 Strategy (1) is based solely on the West Texas Intermediate crude oil contract included in the S&P GSCI Crude Oil Excess Return Index (the “**WTI Crude Oil Contract**”) and such contract therefore constitutes 100% of the weight of the A1 Strategy; (2) is rolled over a different roll period than the S&P GSCI™. Specifically, under the methodology for the S&P GSCI™, the contracts included in the S&P GSCI™ are rolled during the fifth through ninth S&P GSCI™ Business Days (as defined in the S&P GSCI™ Index Methodology) whereas under the A1 Strategy, the WTI Crude Oil Contract is rolled on the first through fifth S&P GSCI™ Business Days of each month; and (3) changes the standard rules for rolling the WTI Crude Oil Contract from that applied under the S&P GSCI™ methodology for the rolling of contracts in the S&P GSCI™ in order to gain exposure to the longer end of the curve when the front end is in “contango” (which occurs when the price of the second nearby contract expiration into which a contract rolls is greater than the price of the first nearby contract expiration). Specifically, three S&P GSCI™ Business Days before the first day of the monthly roll period applicable to the A1 Strategy, the following dynamic rolling rule is applied to determine the new expiration into which the WTI Contract will be rolled: Goldman, Sachs & Co., (as the Strategy Sponsor) will determine whether the relationship between the first and second nearby contracts of the WTI crude oil futures contracts is in contango. If the prices of the WTI crude oil contracts are in contango by an amount that is more than 0.50%, the WTI Crude Oil Contract is rolled into the sixth nearby contract expiration in accordance with the table below:

Trading Facility	Commodity (Contract)	Ticker	Contract Expirations at Roll Period Begin(%) (*) Denotes Expiration in the following year											
			Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
NYM	Oil (WTI Crude Oil)	CL	Jul	Aug	Sep	Oct	Nov	Dec	Jan*	Feb*	Mar*	Apr*	May*	Jun*

(#) This table indicates the contract expirations into which the Strategy 1 rolls during the roll period related to the indicated month starting with January

In the event that the dynamic rolling procedure set forth above occurs and the contract expiration that the WTI Contract would have rolled into is no longer listed for trading or is otherwise unavailable for trading, the rolling procedure shall revert to the standard procedure for rolling prior to the making of the adjustments set forth above, as employed by the S&P GSCI™, provided that if, in the reasonable judgment of the Calculation Agent, it is not practicable to revert to the standard procedure, or reverting to such procedure would not preserve for the parties the economics of the A1 Strategy, the Calculation Agent may determine and utilize another methodology for effecting the rolling of the WTI Contract, that, in its reasonable judgment of is reasonably designed to preserve such economics.

##### Component 2: The S&P GSCI Gas Oil Excess Return A7 Strategy

The S&P GSCI Gas Oil Excess Return A7 Strategy (the “**A7 Strategy**”), published on Bloomberg ticker “AGGSGO7 <Index>”, reflects the returns that potentially available through an unleveraged investment solely in the S&P GSCI Gas Oil Excess Return Index and is calculated in the same manner as the S&P GSCI™, except that the A7 Strategy: (1) is based solely on the gas oil contract included in the S&P GSCI Gas Oil Excess Return Index (the “**Gas Oil Contract**”) and such contract therefore constitutes 100% of the weight of the A7 Strategy; (2) is rolled over a different roll period than the S&P GSCI™. Specifically, under the

methodology for the S&P GSCI™, the contracts included in the S&P GSCI™ are rolled during the fifth through ninth S&P GSCI™ business days whereas under the A7 Strategy, the Gas Oil Contract is rolled on the first through fifth S&P GSCI™ business days of each month; and (3) during each roll period, the Gas Oil Contract is rolled into contract expirations that differ from those that are rolled into under the S&P GSCI™ methodology. Specifically, under the methodology for the S&P GSCI™, the Gas Oil Contract would be rolled, during each roll period, from the first to the second nearby contract expiration. In contrast, under the A7 Strategy, during the roll period, the Gas Oil Contract is rolled in accordance with the table below:

Trading Facility	Commodity (Contract)	Ticker	Contract Expirations at Roll Period Begin(#) (*) Denotes Expiration in the following year											
			Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
ICE	Gas Oil	LGO	Apr	Apr	Apr	Oct	Oct	Oct	Oct	Oct	Oct	Apr*	Apr*	Apr*

(#)This table indicates the contract expirations into which the Strategy 2 rolls during the roll period related to the indicated month starting with January.

### Component 3: The S&P GSCI Corn Excess Return A10 Strategy

The S&P GSCI Corn Excess Return A10 Strategy (the “**A10 Strategy**”), published on Bloomberg ticker “AGGSCN10 <Index>”, reflects the returns that potentially available through an unleveraged investment solely in the S&P GSCI Corn Excess Return Index and is calculated in the same manner as the S&P GSCI™, except that the A10 Strategy: (1) is based solely on the corn contract included in the S&P GSCI Corn Excess Return Index (the “**Corn Contract**”) and such contract therefore constitutes 100% of the weight of the A10 Strategy; (2) is rolled over a different roll period than the S&P GSCI™. Specifically, under the methodology for the S&P GSCI™, the contracts included in the index are rolled during the fifth through ninth S&P GSCI™ Business Days whereas under the A10 Strategy, the Corn Contract is rolled on the first through fifth S&P GSCI™ Business Days of each month; and (3) during each roll period, the Corn Contract is rolled into contract expirations that differ from those that are applied under the S&P GSCI™ methodology. Specifically, in accordance with the S&P GSCI™, during each roll period, the Corn Contract would be rolled from the first to the second nearby contract expiration whereas under the A10 Strategy, the Corn Contract will only be in the July contract expiration and will therefore roll only once each year. Moreover, during the roll period with respect to May of each year, the A10 Strategy will roll into the Corn Contract for delivery in July of the following year.

### Component 4: The S&P GSCI Wheat Excess Return A11 Strategy

The S&P GSCI Wheat Excess Return A11 Strategy (the “**A11 Strategy**”), published on Bloomberg ticker “AGGSWH11 <Index>”, reflects the returns that potentially available through an unleveraged investment solely in the S&P GSCI Wheat Excess Return Index and is calculated in the same manner as the S&P GSCI™, except that the A11 Strategy: (1) is based solely on the wheat contract included in the S&P GSCI Wheat Excess Return Index (the “**Wheat Contract**”) and such contract therefore constitutes 100% of the weight of the A11 Strategy; (2) is rolled over a different roll period than the S&P GSCI™. Specifically, under the methodology for the S&P GSCI™, the contracts included in the S&P GSCI™ are rolled during the fifth through ninth S&P GSCI™ Business Days whereas under the A11 Strategy, the Wheat Contract is rolled on the first through fifth S&P GSCI™ Business Days of each month; and (3) during each roll period, the Wheat Contract is rolled into contract expirations that differ from those applied under the S&P GSCI™ methodology. Specifically, under the S&P GSCI™ methodology during each roll period, the Wheat Contract is rolled from the first to the second nearby contract expiration whereas under the A11 Strategy, the Wheat Contract will be rolled only into the September and December contracts and will therefore roll only twice each year. In particular, in the roll period with respect to December of each year, the A11 Strategy will roll into the September contract expiration in the following year and will remain in such contract expiration until August of the following year, when it again rolls into the September contract expiration.

### Component 5: The S&P GSCI Cotton Excess Return A14 Strategy

The S&P GSCI Cotton Excess Return A14 Strategy (the “**A14 Strategy**”), published on Bloomberg page “AGGSCT14 <Index>”, reflects the returns that potentially available through an unleveraged investment

solely in the S&P GSCI Cotton Excess Return Index and is calculated in the same manner as the S&P GSCI™, except that the A11 Strategy: (1) is based solely on the cotton contract included in the S&P GSCI Cotton Excess Return Index (the “**Cotton Contract**”) and such contract therefore constitutes 100% of the weight of the A14 Strategy; and (2) the A14 Strategy is rolled over a different roll period than the S&P GSCI™. Specifically, under the S&P GSCI™ methodology, the contracts included in the S&P GSCI™ are rolled during the fifth through ninth S&P GSCI™ Business Days whereas under the A14 Strategy, the Cotton Contract is rolled over: (i) the three S&P GSCI™ Business Days beginning on the seventh to last S&P GSCI™ Business Day in the month preceding the calendar month in which the roll period occurs under the S&P GSCI™ methodology (the “**Preceding Month**”), and ending on the fifth to last S&P GSCI™ Business Day of such Preceding Month; and (ii) the ninth S&P GSCI™ Business Day of the month immediately following the Preceding Month. Accordingly, the rolling of the Cotton Contract occurs partially outside the month in which the roll period of the S&P GSCI™ typically takes place. In addition, because the roll period of the Cotton Contract occurs over four days, instead of five, the pro rata portion of the Cotton Contract that is rolled each day is adjusted accordingly.

#### **Component 6: The S&P GSCI Lean Hogs Excess Return A52 Strategy**

The S&P GSCI Lean Hogs Excess Return A52 Strategy (the “**A52 Strategy**”), published on Bloomberg ticker “AGGSLH52 <Index>”, reflects the returns that potentially available through an unleveraged investment solely in the S&P GSCI Lean Hogs Excess Return Index and is calculated in the same manner as the S&P GSCI™, except that the A52 Strategy: (1) is based solely on the lean hogs contract included in the S&P GSCI Lean Hogs Excess Return Index (the “**Lean Hogs Contract**”) and such contract therefore constitutes 100% of the weight of the A52 Strategy; and (2) during each roll period, the Lean Hogs Contract is rolled into contract expirations that differ from those that are rolled into under the S&P GSCI™ methodology. Specifically, under the methodology for the S&P GSCI™ during each roll period,, the Lean Hogs Contract would be rolled from the first to the second nearby contract expiration whereas under the A52 Strategy, the Lean Hogs Contract will be rolled, during the roll period, in accordance with the table below:

Trading Facility	Commodity (Contract)	Ticker	Contract Expirations at Roll Period Begin(#) (* Denotes Expiration in the following year)											
			Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
CME	Lean Hogs	LH	Jun	Jul	Jul	Aug	Aug	Oct	Dec	Feb*	Feb*	Apr*	Apr*	Jun*

(#) This table indicates the contract expirations into which the Strategy 6 rolls during the roll period related to the indicated month starting with January.

#### **The S&P GSCI™ Sub-Indices\***

\* Each of the Sub-Indices below (i.e. Component 7, Component 8, Component 9, Component 10, Component 11 and Component 12) represents one single contract with hypothetical participation in one single component of the S&P GSCI™ Index and, therefore, it shall not be considered as a financial index within the meaning of article 9 of the Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.

#### **Component 7: S&P GSCI™ Crude Oil Excess Return Index**

The S&P GSCI™ Crude Excess Return Index (“**SPGCCLP**”) is calculated in the same manner as the S&P GSCI™ described below under the heading “The S&P GSCI™” with one significant exception: the SPGCCLP consists only of one energy commodity futures contracts included in the S&P GSCI™, specifically the West Texas Intermediate Crude Oil Contract such that the weight of such commodity contract in the SPGCCLP is equal to 100%. The SPGCCLP is an excess return, and not total return, index and therefore does not include interest earned on the hypothetical, fully collateralized contract positions on the commodity contract included therein.

#### **Component 8: S&P GSCI™ Gas Oil Excess Return Index**

The S&P GSCI™ Gas Oil Excess Return Index (“**SPGCGOP**”) is calculated in the same manner as the S&P GSCI™ described below under the heading “The S&P GSCI™” with one significant exception: the SPGCGOP consists only of one energy commodity futures contracts included in the S&P GSCI™, specifically the Gas Oil Contract such that the weight of such commodity contract in the SPGCGOP is equal to 100%. The SPGCGOP is an excess return, and not total return, index and therefore does not include interest earned on the hypothetical, fully collateralized contract positions on the commodity contract included therein.

#### **Component 9: S&P GSCI™ Corn Excess Return Index**

The S&P GSCI Corn Excess Return Index (“**SPGCCNP**”) is calculated in the same manner as the S&P GSCI™, as more fully described under the heading “The S&P GSCI™” with one significant exception: the SPGCCNP consists only of one agricultural commodity included in the S&P GSCI™, specifically the Corn Contract such that the weight of such commodity in the SPGCCNP is equal to 100%. The SPGCCNP is an excess return, and not total return, index and therefore does not include interest earned on the hypothetical, fully collateralized contract positions on the commodity contract included therein.

#### **Component 10: S&P GSCI™ Wheat Excess Return Index**

The S&P GSCI Wheat Excess Return Index (“**SPGCWHP**”) is calculated in the same manner as the S&P GSCI™ as more fully described under the heading “The S&P GSCI™” with one significant exception: the SPGCWHP consists only of one agricultural commodity included in the S&P GSCI™, specifically the Wheat Contract such that the weight of such commodity in the SPGCWHP is equal to 100%. The SPGCWHP is an excess return, and not total return, index and therefore does not include interest earned on the hypothetical, fully collateralized contract positions on the commodity contract included therein.

#### **Component 11: S&P GSCI™ Cotton Excess Return Index**

The S&P GSCI Cotton Excess Return Index (“**SPGCCTP**”) is calculated in the same manner as the S&P GSCI™ as more fully described under the heading “The S&P GSCI™” with one significant exception: the SPGCCTP consists only of one agricultural commodity included in the S&P GSCI™, specifically the Cotton Contract such that the weight of such commodity in the SPGCCTP is equal to 100%. The SPGCWHP is an excess return, and not total return, index and therefore does not include interest earned on the hypothetical, fully collateralized contract positions on the commodity contract included therein.

#### **Component 12: GSCI Lean Hogs Excess Return Index**

The S&P GSCI Lean Hogs Excess Return Index (“**SPGCLHP**”) is calculated in the same manner as the S&P GSCI™ as more fully described under the heading “The S&P GSCI™” with one significant exception: the SPGCCCP consists only of one livestock commodity included in the S&P GSCI™, specifically the Lean Hogs contract such that the weight of such commodity in the SPGCLHP is equal to 100%. The SPGCLHP is an excess return, and not total return, index and therefore does not include interest earned on the hypothetical, fully collateralized contract positions on the commodity contract included therein.

To better understand the calculation of the Strategies and Sub-Indices included in the B7 Strategy it is useful to understand the calculation methodology for the S&P GSCI™.

#### **The S&P GSCI™ Index**

The S&P GSCI™ Index (the “**S&P GSCI™**”) is a proprietary index on a production-weighted basket of futures contracts on physical commodities traded on trading facilities in major industrialised countries. The Index is designed to be a measure of the performance over time of the markets for these commodities. The only commodities represented in the Index are those physical commodities on which active and liquid contracts are traded on trading facilities in major industrialised countries. Currently, 24 contracts meet the eligibility requirement for inclusion on the S&P GSCI™. In order to be included in the S&P GSCI™ a contract must satisfy the following eligibility criteria:

- The contract must be in respect of a physical commodity and not a financial commodity.
- The contract must:
  - have a specified expiration or term or provide in some other manner for delivery or settlement at a specified time, or within a specified period, in the future;
  - at any given point in time, be available for trading at least five months prior to its expiration or such other date or time period specified for delivery or settlement; and
  - be traded on a trading facility which allows market participants to execute spread transactions through a single order entry between pairs of contract expirations included in the S&P GSCI™ that, at any given point in time, will be involved in the rolls to be effected in the next three roll periods.
- The commodity must be the subject of a contract that:
  - is denominated in U.S. dollars;
  - is traded on or through an exchange, facility or other platform (referred to as a "trading facility") that has its principal place of business or operations in a country which is a member of the Organization for Economic Cooperation and Development and that:
    - makes price quotations generally available to its members or participants (and to the Sub-Index Sponsor) in a manner and with a frequency that is sufficient to provide reasonably reliable indications of the level of the relevant market at any given point in time;
    - makes reliable trading volume information available to the Sub-Index Sponsor with at least the frequency required by the Sub-Index Sponsor to make the monthly determinations;
    - accepts bids and offers from multiple participants or price providers; and
    - is accessible by a sufficiently broad range of participants.
  - The price of the relevant contract that is used as a reference or benchmark by market participants (referred to as the "daily contract reference price") generally must have been available on a continuous basis for at least two years prior to the proposed date of inclusion in the S&P GSCI™. In appropriate circumstances, however, the Sub-Index Sponsor, in consultation with its advisory committee, may determine that a shorter time period is sufficient or that historical daily contract reference prices for such contract may be derived from daily contract reference prices for a similar or related contract. The daily contract reference price may be (but is not required to be) the settlement price or other similar price published by the relevant trading facility for purposes of margining transactions or for other purposes.
  - At and after the time a contract is included in the S&P GSCI™, the daily contract reference price for such contract must be published between 10:00 a.m. and 4:00 p.m., New York City time, on each business day relating to such contract by the trading facility on or through which it is traded and must generally be available to all members of, or participants in, such facility (and, if the Sub-Index Sponsor is not such a member or participant, to the Sub-Index Sponsor) on the same day from the trading facility or through a recognized third-party data vendor. Such publication must include, at all times, daily contract reference prices for at least one expiration or settlement date that is five months or more from the date the determination is made, as well as for all expiration or settlement dates during such five-month period.
  - For a contract to be eligible for inclusion in the S&P GSCI™, volume data with respect to such contract must be available for at least the three months immediately preceding the date on which the determination is made.

- A contract that is:
  - not included in the S&P GSCI™ at the time of determination and that is based on a commodity that is not represented in the S&P GSCI™ at such time must, in order to be added to the S&P GSCI™ at such time, have a total dollar value traded, over the relevant period, as the case may be and annualized, of at least U.S. \$15 billion. The total dollar value traded is the dollar value of the total quantity of the commodity underlying transactions in the relevant contract over the period for which the calculation is made, based on the average of the daily contract reference prices on the last day of each month during the period;
  - already included in the S&P GSCI™ at the time of determination and that is the only contract on the relevant commodity included in the S&P GSCI™ must, in order to continue to be included in the S&P GSCI™ after such time, have a total dollar value traded, over the relevant period, as the case may be and annualized, of at least U.S. \$5 billion and at least U.S. \$10 billion during at least one of the three most recent annual periods used in making the determination;
  - not included in the S&P GSCI™ at the time of determination and that is based on a commodity on which there are one or more contracts already included in the S&P GSCI™ at such time must, in order to be added to the S&P GSCI™ at such time, have a total dollar value traded, over the relevant period, as the case may be and annualized of at least U.S. \$30 billion;
  - already included in the S&P GSCI™ at the time of determination and that is based on a commodity on which there are one or more contracts already included in the S&P GSCI™ at such time must, in order to continue to be included in the Index after such time, have a total dollar value traded, over the relevant period, as the case may be and annualized, of at least U.S. \$10 billion and at least U.S. \$20 billion during at least one of the three most recent annual periods used in making the determination.
- A contract that is:
  - already included in the S&P GSCI™ at the time of determination must, in order to continue to be included after such time, have a reference percentage dollar weight of at least 0.10%. The reference percentage dollar weight of a contract is determined by multiplying the Contract Production Weight ("**CPW**") of a contract by the average of its daily contract reference prices on the last day of each month during the relevant period. These amounts are summed for all contracts included in the S&P GSCI™ and each contract's percentage of the total is then determined;
  - not included in the S&P GSCI™ at the time of determination must, in order to be added to the Index at such time, have a reference percentage dollar weight of at least 1.00%.
- In the event that two or more contracts on the same commodity satisfy the eligibility criteria:
  - such contracts will be included in the S&P GSCI™ in the order of their respective total quantity traded during the relevant period (determined as the total quantity of the commodity underlying transactions in the relevant contract), with the contract having the highest total quantity traded being included first, provided that no further contracts will be included if such inclusion would result in the portion of the S&P GSCI™ attributable to such commodity exceeding a particular level;
  - if additional contracts could be included with respect to several commodities at the same time, that procedure is first applied with respect to the commodity that has the smallest portion of the Index attributable to it at the time of determination. Subject to the other eligibility criteria set forth above, the contract with the highest total quantity traded on such commodity will be included. Before any additional contracts on the same commodity or on any other commodity are included, the portion of the Index attributable to all

commodities is recalculated. The selection procedure described above is then repeated with respect to the contracts on the commodity that then has the smallest portion of the Index attributable to it.

The contract daily return for the S&P GSCI™ on any S&P GSCI™ Business Day is equal to the sum of, for each of the commodities included in the Index, the applicable daily contract reference price on the relevant contract multiplied by the contract production weight and the appropriate “roll weight”, divided by the total dollar weight of the Index on the preceding day minus one.

All of the Components included in the B7 Strategy are based on certain single commodity sub-indices of the S&P GSCI™. These S&P GSCI™ sub-indices include only a single S&P GSCI™ commodity and are calculated in the same manner as the S&P GSCI™ except that:

- The “daily contract reference prices”, “contract production weights” and “roll weights” used in performing such calculations are limited to those of the designated contracts included in the relevant S&P GSCI™ sub-index. For example, in the case of the Strategy Pair that is the S&P GSCI™ Crude Oil A1 Crude Oil Excess Return Strategy (otherwise defined above as Component 1) and the S&P GSCI™ Crude Oil A1 Crude Oil Excess Return Index, this would constitute the West Texas Intermediate Crude Oil contract traded on NYMEX.
- Each single S&P GSCI™ commodity sub-index has a separate “normalising constant”, which is calculated in accordance with the procedures set forth in Chapter V of the S&P GSCI™ Index Methodology, except that the “dollar weights” and “daily contract reference prices” used in calculating the “normalising constant” are limited to those of the designated contracts included in the relevant S&P GSCI™ sub-index.

The provisions governing the methodology for determining the composition and calculation of the S&P GSCI™ are reflected in the annually revised S&P GSCI™ Index Methodology (the “S&P GSCI™ Index Methodology”). Further information about the S&P GSCI™ methodology is available at: [http://www2.standardandpoors.com/spf/pdf/index/SP\\_GSCI\\_Index\\_Methodology\\_Web.pdf](http://www2.standardandpoors.com/spf/pdf/index/SP_GSCI_Index_Methodology_Web.pdf) (or any successor page thereto).

Information about the past and further performance of the S&P GSCI™ and its volatility can be obtained from Bloomberg page SPGCAGP <Index>. Prospective investors in the Portfolio (which includes the B7 Strategy) may acquire such further information as they deem necessary in relation to the S&P GSCI™ from as they deem appropriate from the following website: <http://www.standardandpoors.com>. Goldman Sachs has not independently verified any such information, and does not accept any responsibility for errors or omissions contained in such information. For the avoidance of doubt, such information is not incorporated by reference in, and does not form part of this Supplement or the Prospectus.

## **Supplement III to the Prospectus**

### **Internal Alpha Strategies**

# **Goldman Sachs Structured Investments SICAV – Dynamic Momentum Optimisation Total Return Strategy Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Dynamic Momentum Optimisation Total Return Strategy Portfolio (the "Portfolio"), one of the Internal Alpha Strategies Portfolios of the Umbrella Fund, which provides investors with access to our proprietary algorithmic strategies and research driven alpha strategies.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – Goldman Sachs Dynamic Momentum Optimisation Total Return Strategy Portfolio**

### **Investment Objective**

The Portfolio's investment objective is to track the return of the Goldman Sachs Dynamic Momentum Optimisation Total Return Strategy which is a long-only, multi-asset investment strategy designed to generate a synthetic exposure to the total return performance of a basket of underlying assets representing a variety of asset classes across a range of geographic zones.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should pay particular attention to the following risk:

#### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

## **Investment Policy**

The Portfolio seeks to achieve its objective by (i) entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement") and (ii) by exchanging the net returns (linked to EONIA) (the "Net Returns") generated from the Reverse Repurchase Agreement through a swap agreement (the "Swap Agreement") for participation in a portion of the capital appreciation potential of the Goldman Sachs Dynamic Momentum Optimisation Total Return Strategy ("**GS DynaMO8 TR**" or the "**Strategy**"). Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### **Reverse Repurchase Agreement Eligible Securities**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralized within a range from 100% and 110% of its notional amount. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time.

Composition of collateral: any eligible collateral mentioned under section "*Repurchase Agreements and Reverse Repurchase Agreements*" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments;

Currencies: collateral shall be delivered in each country's respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### **The Swap Agreement**

The Portfolio will enter into the Swap Agreement with Goldman Sachs International which is also the counterparty to the Reverse Repurchase Agreement. The Net Returns on the Reverse Repurchase Agreement will be exchanged against the performance of the Strategy.

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **Overview of the Strategy**

GS DynaMO8 TR is a long-only, multi-asset investment strategy designed to generate a synthetic exposure to the total return performance of a basket of underlying assets representing a variety of asset classes across a range of geographic zones. The basket will at any time be comprised of some or all the following assets: (a) the Dow Jones EURO STOXX 50® Total Return Index, S&P 500 Total Return Index, TOPIX Total Return Index, DAXglobal® BRIC Total Return Index, N-11-Core-8 (Total Return) Index, EUR Bond EUGATR Index, EPRA Total Return Index, S&P GSCI Total Return E69 Strategy, Goldman Sachs Absolute Return Tracker Index (EUR); and (b) an overnight cash deposit accruing interest at Euro Overnight Index Average ("EUR-EONIA") compounded daily.

GS DynaMO8 TR tracks the weighted total return performance of the underlying assets. The weight of each underlying asset in the basket is dynamically rebalanced by applying an asset optimization algorithm, subject to pre-determined investment, rebalancing and volatility constraints. Rebalancing of the weights takes place on a monthly basis. On each monthly rebalancing date, the algorithm selects out of all possible combinations of underlying assets the one with the highest six-month historical return. Goldman Sachs International created the algorithm but does not exercise any discretion in the rebalancing process. GS DynaMO8 TR is, therefore, not a managed strategy.

The value of GS DynaMO8 TR is published on the Bloomberg page DYNAEUT <Index> (or any successor

page). If you consider entering into or acquiring a product linked to GS DynaMO8 TR, you should read the detailed description of the methodology of GS DynaMO8 TR available on the following website: [www.gs-structured-sicav.com](http://www.gs-structured-sicav.com).

*In this document, unless the context otherwise requires, references below to the “Goldman Sachs Group” refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries.*

### **What Does the Strategy Track?**

The Strategy is designed to provide a synthetic exposure to the total return performance of a basket of assets consisting of multiple asset classes across a range of geographical zones as represented, at any given time, by some or all the following assets:

(a) various indices and strategy:

- (i) the Dow Jones EURO STOXX 50® Index (Total Return EUR);
- (ii) the DAXglobal® BRIC Total Return Index;
- (iii) the EUR Bond EUGATR Index;
- (iv) the S&P 500 Total Return Index;
- (v) the TOPIX Total Return Index;
- (vi) the N-11-Core-8 (Total Return) Index;
- (vii) the S&P GSCI Total Return E69 Strategy;
- (viii) the Goldman Sachs Absolute Return Tracker Index (EUR); and
- (ix) the EPRA Total Return Index;

and

(b) a notional overnight cash deposit accruing interest at EUR-EONIA compounded daily.

The component assets of the basket are referred to as the “Underlying Assets”.

### **What Does “Synthetic” Mean?”**

The Strategy is designed to put you in a commercial position equivalent to holding direct investment positions in the Underlying Assets. However, investing in any product linked to the Strategy will not make you a holder of, or give you a direct investment position in, any Underlying Assets.

### **What Does “Total Return” Mean?**

The Strategy is a total return and not an excess return strategy. Total return includes all of the gains and losses on an investment (including capital gains and losses and all dividends, interest and other distributions) over a given period expressed as a percentage of the amount originally invested. Excess return measures the difference in the return that can be earned on a particular investment or portfolio as compared with the return that can be earned on another investment or portfolio.

### **How Are the Underlying Assets Weighted Within the Strategy?**

The weight of each Underlying Asset is determined and rebalanced monthly by an algorithm developed by Goldman Sachs International. The weight attributed to each Underlying Asset seeks to optimize the total return performance of the Underlying Assets based on an analysis of the historical returns of various combinations of exposures to the Underlying Assets. At each monthly rebalancing date, the algorithm selects out of all the combinations of admissible Underlying Asset weights within a set of pre-determined investment, rebalancing and volatility constraints the combination with the highest historical return over a six-month period prior to the monthly rebalancing date (with a one-day time lag).

### **What Are the Constraints Applying to each Monthly Rebalancing?**

The constraints applying to each monthly rebalancing, which were specified at the inception of the Strategy, are as follows:

- Investment constraints set a maximum weight for each Underlying Asset. Negative (that is, short) weights are not permitted in the Strategy. As a result, long positions are the only form of investing permitted in the Strategy. The Strategy provides the exposure an investor would receive by acquiring investment positions in the Underlying Assets and holding them. Weights can, however, be as low as zero so that the performance of zero-weighted Underlying Assets would not be reflected in the performance of the Strategy for the relevant periods.
- Rebalancing constraints set a maximum limit on the absolute difference between the weight of certain Underlying Assets at a monthly rebalancing date and the weight of these Underlying Assets as of the previous monthly rebalancing date.
- The volatility constraint sets a maximum limit of 8% on the historic realized volatility of any given combination of Underlying Assets over a six-month period prior to the monthly rebalancing date (with a one-day time lag).

The investment and rebalancing constraints are set out in the following table:

<b>Underlying Assets</b>	<b>Investment Constraints (maximum weights)</b>	<b>Rebalancing Constraints (maximum limits)</b>
Dow Jones EURO STOXX 50® Index	40%	n/a
S&P 500 Total Return Index	10%	n/a
TOPIX Total Return Index	10%	n/a
DAXglobal® BRIC Total Return Index	30%	10%
N-11-Core-8 (Total Return) Index	30%	10%
EUR Bond EUGATR Index	60%	n/a
EPRA Total Return Index	20%	10%
S&P GSCI Total Return E69 Strategy*	30%	20%
Goldman Sachs Absolute Return Tracker Index (EUR)	30%	10%
EUR-EONIA (compounded) cash deposit	100%	n/a

\* The E69 Strategy is to be considered as an index similar to the S&P GSCI Total Return but which differs from the latter as described under the detailed description of the methodology of the Strategy available on the following website: [www.gs-structured-sicav.com](http://www.gs-structured-sicav.com).

### **Can Goldman Sachs International Alter the Weights of the Underlying Assets or the Parameters of Monthly Rebalancings?**

No. The respective weights of the Underlying Assets are dynamically rebalanced within the Strategy by applying the Strategy algorithm. The algorithm operates according to a set of pre-determined rules. Goldman Sachs International does not exercise any discretion in the rebalancing process, subject to limited exceptions where the official level of an Underlying Asset is not available or a market disruption event affects any Underlying Asset (as described below under “*What Is a Strategy Valuation Day and What Is it Used for?*”). The Strategy is, therefore, not a managed strategy.

However, if a given Underlying Asset ceases to exist or is no longer tradable, including as a result of Goldman Sachs International or Goldman, Sachs & Co. discontinuing an underlying strategy or index of which it is a sponsor (as described below under “*Is any Member of Goldman Sachs the Sponsor of any Underlying Assets?*”), or where Goldman Sachs International and its affiliates would be prevented from entering into transactions in respect of a given Underlying Asset by any applicable law or regulation, Goldman Sachs International may (but is not obliged to) substitute another Underlying Asset for the original one where it considers in its sole discretion that a similar alternative is available. If Goldman Sachs International does not select any substitute Underlying Asset, the Underlying Asset in question will be

assigned a zero weight in the Strategy.

***Is the Strategy Exposed to Currency Fluctuations?***

Yes. The Strategy is calculated in Euro. While some of the Underlying Assets are denominated in Euro, the Strategy is also comprised of Underlying Assets denominated in U.S. Dollars and Japanese yen, such as the S&P 500 Total Return Index, which is denominated in U.S. Dollars, and the TOPIX Total Return Index, which is denominated in Japanese yen. The Strategy is therefore exposed to currency exchange rate risks.

***Does the Strategy Include Any Hedge Against Currency Fluctuations?***

Yes. The Strategy has an inbuilt simulated currency hedge feature, which calculates a currency hedged spot price. This feature notionally replicates the cost of funding the non-Euro denominated Underlying Assets in the relevant currency and notionally invests that amount in Euro into an overnight deposit account. This feature (i) notionally converts the performance of a non-Euro denominated Underlying Asset into Euro, (ii) deducts the performance converted into Euro of a notional overnight cash deposit in the currency in which the non-Euro denominated Underlying Asset is denominated and (iii) reflects the performance of a notional overnight cash deposit in Euro. By offsetting the performance converted into Euro of non-Euro denominated Underlying Assets against the performance converted into Euro of notional overnight cash deposits in the relevant foreign currency, the Strategy seeks to mitigate the exposure to the relevant foreign currency.

***Does the Strategy Manage the Volatility of the Underlying Assets?***

Yes. There are two levels of volatility control, one applied at each monthly rebalancing date and the other applied on a daily basis.

At each monthly rebalancing date, a volatility constraint sets a maximum limit on the historic six-month realized volatility as discussed above under *"What Are the Constraints for each Monthly Rebalancing?"*.

The daily volatility control feature is based on the historic realized volatility of the Strategy over the previous three months (with a one-day time lag). On any given Strategy Business Day (as defined below under *"How Is the Value of the Strategy Calculated?"*), this feature has the effect of reducing rateably the Strategy exposure to the performance of each respective Underlying Asset by rebalancing a portion of this exposure into cash if the historic three-month realized volatility exceeds 10%. The exposure to the Underlying Assets is reduced by allocating a portion of it to a notional cash account, which accrues interest at EUR-EONIA compounded daily. This notional cash account is referred to as the "deleverage account".

***Are There Fees or Transaction Costs Associated with the Strategy?***

Yes. The Strategy is calculated so as to include deductions that synthetically replicate the costs that Goldman Sachs International would incur if it were to enter into direct investment positions to provide the same exposure as the Strategy. Those deductions include transaction costs and servicing costs.

Transaction costs are deducted each time the Strategy is rebalanced at a monthly rebalancing date or as a result of the daily volatility control. They are equal to an amount of 20 bps of the *product* of (i) the *sum* of the figures that represent for each Underlying Asset the absolute difference between its new weight and its actual weight as it existed immediately before the rebalancing and (ii) the value of the Strategy *before* deducting the transaction costs.

Where the exposure to the Underlying Assets is rebalanced as a result of the daily volatility control, the deduction of the daily rebalancing costs is calculated based on the adjustment to that exposure, but not on any change in the level of the deleverage account (described above under *"Does the Strategy Manage the Volatility of the Underlying Assets?"*).

Servicing costs synthetically reflect the costs of maintaining positions in and synthetically replicating the performance of certain Underlying Assets. They are on going costs applied to the level of certain Underlying Assets as a whole and deducted from the level of these Underlying Assets on a daily basis.

The annual rates of the servicing costs are as follows:

Underlying Asset	Annual Rate (bps)
Dow Jones EURO STOXX 50® Index (Return EUR) S&P 500 Total Return Index TOPIX Total Return Index EPRA Total Return Index EUR-EONIA cash deposit	0
EUR Bond EUGATR Index	20
S&P GSCI Total Return E69 Strategy	80
DAXglobal® BRIC Total Return Index Goldman Sachs Absolute Return Tracker Index (EUR)	100
N-11-Core-8 (Total Return) Index	130

### ***How Is the Value of the Strategy Calculated?***

The value of the Strategy at any given time is calculated based on the performance of the dynamically rebalanced combination of Underlying Assets and the leverage account (described above under “*Does the Strategy Manage the Volatility of the Underlying Assets?*”). The value of the Strategy is calculated in Euro and is published on each Strategy Business Day, which is a day on which (i) commercial banks and foreign currency markets settle payments and are open for general business in New York and London, and (ii) the TARGET system is open.

As the Strategy is synthetic (as described above under “*What Does “Synthetic” Mean?*”), it was given a starting value of 100 as of September 3, 2002, which is the initial calculation date of the Strategy. On any other Strategy Business Day, the value of the Strategy equals the *product* of (i) the value of the Strategy as of the previous Strategy Valuation Day (as described below under “*What Is a Strategy Valuation Day and What Is it Used for?*”) and (ii) the *sum* of the performance of the dynamically rebalanced combination of Underlying Assets and the performance of the leverage account, each weighted by a coefficient representing the respective proportion of the combination of Underlying Assets and the leverage account in the Strategy, from the previous Strategy Valuation Day (as described below under “*What Is a Strategy Valuation Day and What Is it Used for?*”) to the relevant Strategy Business Day.

If for any given Strategy Business Day the implementation of the daily volatility control (described above under “*Does the Strategy Manage the Volatility of the Underlying Assets?*”) results in any rebalancing into cash, daily rebalancing costs (which are to be calculated as described above under “*Are There Fees or Transaction Costs Associated with the Strategy?*”) will be deducted from the value of the Strategy.

As of the 30 July 2008, the value of the Strategy was 266.55.

### ***What Is a Strategy Valuation Day and What Is it Used for?***

A “Strategy Valuation Day” (as more fully described below under “*Characteristics*”) is a strategy business day (i) for which the official levels of all Underlying Assets used by Goldman Sachs International for calculating the value of the Strategy are available and (ii) on which no market disruption event occurs or is continuing with respect to any Underlying Asset, subject to various exceptions. Market disruption events include, among others, disruptions affecting trading in the Underlying Assets, their respective components or various derivatives, including options or futures contracts, relating to the Underlying Assets or their respective components.

If a monthly rebalancing or a daily rebalancing of the Strategy, as applicable, has to be effected on a Strategy Business Day that is not a Strategy Valuation Day, Goldman Sachs International, in its sole discretion, may postpone the monthly rebalancing date or the daily rebalancing, as applicable, to the next day that is a Strategy Valuation Day. If such monthly rebalancing date or daily rebalancing is postponed to the sixth Strategy Business Day following the originally scheduled rebalancing and such date is not a

Strategy Valuation Day, such rebalancing will nevertheless take place on that sixth Strategy Business Day. If, on any given Strategy Business Day, Goldman Sachs International does not postpone a monthly rebalancing or daily rebalancing, as applicable, in the circumstances described above but determines in its sole discretion to rebalance the Strategy or rebalances the Strategy because that Strategy Business Day is the sixth Strategy Business Day following the originally scheduled rebalancing, then Goldman Sachs International will determine the level of each Underlying Asset for which the official level is not available and/or is subject to a market disruption event as of such date based on its assessment made in its sole discretion.

***Is any Member of Goldman Sachs the Sponsor of any Underlying Assets?***

Yes. Goldman Sachs International and Goldman, Sachs & Co. are the sponsor, respectively, of the Goldman Sachs Absolute Return Tracker Index (EUR) and the S&P GSCI Total Return E69 Strategy.

***Where Can Additional Information About the Strategy and the Underlying Assets Be Obtained?***

The value of the Strategy is published on the Bloomberg page DYNAEUT <Index> (or any successor page). If you consider entering into or acquiring a product linked to the Strategy, you should read the detailed description of the methodology of the Strategy available on the following website: [www.gs-structured-sicav.com](http://www.gs-structured-sicav.com).

Further information on (i) the Goldman Sachs Absolute Return Tracker Index (EUR) (Bloomberg reference [GS-ART <Index>]) and (ii) the S&P GSCI Total Return E69 Strategy (Bloomberg reference [ENHGE69T <Index>]) is included in the detailed description of the Strategy available on the website mentioned above.

Further information on the other Underlying Assets can be found on the websites set out below. Neither Goldman Sachs International nor any of its affiliates has independently verified any of the information contained on the websites referred to below, nor do they accept responsibility for any errors or omissions contained in such information. Such information is not incorporated by reference in, and does not form part of, this document.

Underlying Asset	Bloomberg References	Website
Dow Jones EURO STOXX 50® Index (Total Return)	SX5T <Index>	<a href="http://www.stoxx.com">http://www.stoxx.com</a>
DAXglobal® BRIC Total Return Index	D1AZ <Index>	<a href="http://deutsche-boerse.com">http://deutsche-boerse.com</a>
EUR Bond EUGATR Index	EUGATR <Index>	<a href="http://bloomberg.com">http://bloomberg.com</a>
S&P 500 Total Return Index	SPTR <Index>	<a href="http://www2.standardandpoors.com">http://www2.standardandpoors.com</a>
TOPIX Total Return Index	TPXDDVD <Index>	<a href="http://www.tse.or.jp/english/topix/topix/index.html">http://www.tse.or.jp/english/topix/topix/index.html</a>
N-11-Core-8 (Total Return) Index	N11C8T <Index>	<a href="http://www2.standardandpoors.com">http://www2.standardandpoors.com</a>
EPRA Total Return Index	RPRA <Index>	<a href="http://www.ftse.com">www.ftse.com</a>

**Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section “Special Investment and Hedging Techniques” of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section “Special Investment and Hedging Techniques” of the Prospectus.

**Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus.

**Goldman Sachs Roles and no active management of the Portfolio:**

Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs expects to perform its obligations in good faith and a commercially reasonable manner, it may face conflicts between these roles and its own interests.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

**Counterparty risk:**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Goldman Sachs International under the Swap Agreement and the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although both the Swap Agreement and the Reverse Repurchase Agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are no collateralized.

**OVERVIEW OF GOLDMAN SACHS GROUP'S ROLES**

Goldman Sachs Group has multiple roles in connection with the Strategy:

- The Strategy was designed by, and is operated in accordance with, an algorithm developed by Goldman Sachs International. Among other things, Goldman Sachs International sets the parameters within which the Strategy operates. Goldman Sachs International is responsible for calculating and publishing the value of the Strategy from time to time. While Goldman Sachs International does not generally exercise any discretion in relation to the operation of the Strategy and owes no fiduciary duties in respect of the Strategy, Goldman Sachs International has discretion in responding to limited situations, where, among others, an Underlying Asset has ceased to exist, the levels of Underlying Assets are affected by market disruption events or an exchange rate or an overnight interest rate is not available.
- Each of Goldman Sachs International and Goldman, Sachs & Co. is a sponsor of an Underlying Asset comprised in the Strategy and in that capacity each has the power to make determinations that could materially affect the value of the Strategy.
- Goldman Sachs Group is a full service financial services group and, consequently, is engaged in a range of activities that could affect the value of the Strategy and any of the Underlying Assets positively or negatively.

Although Goldman Sachs Group will perform its obligations in a manner it considers commercially reasonable, it may face conflicts between the roles it performs in respect of the Strategy and its own interests. In particular, in its other businesses, Goldman Sachs Group may have an economic interest in the Strategy, products linked thereto, the Underlying Assets and investments referenced by or linked to the Underlying Assets and may exercise remedies or take other action with respect to its interests as it deems appropriate. These actions may adversely affect the level of the Strategy.

**CERTAIN RISK FACTORS**

You will find below certain risk factors relating to the Strategy. If you consider entering into or acquiring a product linked to the Strategy, it is important that you carefully read and understand the risks factors relating to the Strategy, the Goldman Sachs Absolute Return Tracker Index (EUR) and the S&P GSCI Total Return E69 Strategy available on the following website: [www.gs-structured-sicav.com](http://www.gs-structured-sicav.com).

### ***Historical Levels of the Strategy May Not Be Indicative of Future Performance***

Past performance of the Strategy is no guide to future performance. The Strategy is based on historical performance of certain assets and aims to capture trends in the market by using historical data over a pre-defined period. However, the actual performance of the Strategy in the future may bear little relation to the historical value of the Strategy. In a market in which the price of a given Underlying Asset moves in the opposite direction to its past performance or a market in which the movement of an Underlying Asset is otherwise not consistent with its past performance, the Strategy may under-perform a static or managed allocation into the relevant Underlying Assets. Among other things, this is because the Strategy could be over-weighted in an Underlying Asset that suffers a significant decline in performance or be under-weighted in an Underlying Asset that experiences a major rise in performance as compared with its historic performance.

### ***The Strategy Is Not Actively Managed***

The respective weights of the Underlying Assets are rebalanced within the Strategy monthly by applying an algorithm operating within pre-determined rules. There will be no active management of the Strategy so as to enhance returns beyond those embedded in the Strategy. Market participants often may adjust their investment promptly in view of market, political, financial or other factors. While the Strategy is subject to volatility constraints, these constraints are based on an assessment of historical volatility over a period of time and are rule-based. An actively managed product may potentially respond more directly and appropriately to immediate market, political, financial or other factors than a non-actively managed product.

### ***As Some Underlying Assets Are Not Denominated in Euro, the Strategy Is Subject to Foreign Currency Exchange Rate Risks***

As described elsewhere in this document, the Strategy is exposed to foreign currency exchange rate risks. The impact on the value of the Strategy will depend on the extent to which the U.S. Dollar and the Japanese yen strengthen or weaken against the Euro and the relative weight of each relevant currency represented in the Strategy. Foreign currency exchange rates vary over time. Changes in a particular exchange rate result from the interaction of many factors directly or indirectly affecting economic or political conditions, including rates of inflation, interest rate levels, balances of payment among countries, the extent of governmental surpluses or deficits and other financial, economic, military and political factors, among others.

The Strategy has an inbuilt simulated currency hedge feature, which seeks to offset the performance converted into Euro of non-Euro denominated Underlying Assets against the performance converted into Euro of notional overnight cash deposits in the relevant foreign currencies. However, the currency hedge feature of the Strategy will prove ineffective if and to the extent that the performance converted into Euro of the non-Euro denominated Underlying Assets and of the relevant money markets move in opposite directions or move in the same direction but to a different extent. As a result of such movements, you will still be subject to the risk of currency fluctuations affecting the value of the Strategy. In addition, as the currency hedged spot price is based on the performance of notional cash deposits, it is unlikely to replicate a return exactly equal or similar to the return of a particular Underlying Asset that would be available to an investor whose functional currency is the same as that of the Underlying Asset.

### ***Information About the Strategy Is No Guarantee of the Performance of the Strategy***

Certain presentations and back-testing or other statistical analysis materials in respect of the operation and/or potential returns of the Strategy which may be provided are based on simulated analyses and hypothetical circumstances to estimate how the Strategy may have performed prior to its actual existence. Goldman Sachs Group provides no assurance or guarantee that the Strategy will operate or would have operated in the past in a manner consistent with those materials. As such, any historical returns projected in such materials or any hypothetical simulations based on these analyses, which are provided in relation to the Strategy, may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of the Strategy.

### ***The Strategy Has Limited Historical Performance Data***

As limited historical performance data exist with respect to the Strategy and certain of the Underlying Assets, any investment the return of which is linked to it or them may involve greater risk than an exposure linked to indices or strategies with a proven track record. The absence of a track record with respect to certain Underlying Assets is particularly significant because the algorithm underlying the Strategy is based

on historical trends in returns that may or may not be repeated in the future.

***An Underlying Asset Could be Changed***

The sponsor of an Underlying Asset may reserve the right to alter the composition of the Underlying Asset and the manner in which the value of the Underlying Asset is calculated. An alteration may result in a decrease in the value of, or return on, a product linked to the Strategy.

***The Strategy Relies on the Use of Third Party Information***

With respect to Underlying Assets not sponsored by any member of the Goldman Sachs Group, the Strategy methodology relies on information from third party sponsors and other public sources. Goldman Sachs Group makes no warranty as to the correctness of that information and takes no responsibility for the accuracy of such data or the impact of any inaccuracy of such data on the Strategy.

## Particularities of the Swap Agreement and of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the underlying Index and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: EONIA.

The returns generated to the Portfolio under the Swap Agreement are an appreciation (if any) of the Strategy and those generated to the Counterparty to such Agreement are a reference rate linked to EONIA.

### Characteristics

#### *Characteristics of the Shares classes available in the Portfolio*

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
A	EUR	Accumulation	LU0389876078	None
C	EUR	Accumulation	LU0389876235	None
I	EUR	Accumulation	LU0389876821	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
A	5%	5%	0.95%	EUR 1,000	EUR 1,000	EUR 1,000
C	5%	5%	0.55%	EUR 1,000,000	EUR 1,000,000	EUR 1,000
I	5%	5%	0.75%	EUR 100,000	EUR 100,000	EUR 1,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section “Introduction” of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

**Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days **
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to the Valuation Day	

Investors in the Portfolio are made aware that they will be bound by any application sent on any Luxembourg and London business day, notwithstanding the fact that the applicable Valuation Day may not be determined until the sixth (6<sup>th</sup>) Strategy Business Day following the originally scheduled rebalancing (as described under section *What Is a Strategy Valuation Day and What Is it Used for?* above) following the receipt of their application.

A Net Asset Value may be calculated on days different from the Valuation Day with the exception of any Luxembourg banking holidays. Such Net Asset Value is only indicative and is available for information purposes only. It is based on the previous available net asset values with an adjustment for the expense accrual and is published on a Bloomberg page, as follows:

Class A                    GSDMOTA LX

Class C                    GSDMOTC LX

Class I                    GSDMOTI LX

\* Any day on which banks are open for normal banking business in Luxembourg and London that is also a Strategy Valuation Day. Investors may request from the Registrar and Transfer Agent a calendar summarizing on a yearly basis the applicable Valuation Days.

Strategy Valuation Day means a Strategy Business Day (as defined below)

- (i) (a) for which the official levels of all Underlying Assets used by Goldman Sachs International for calculating the value of the Strategy are available and (b) on which no market disruption event occurs or is continuing with respect to any Underlying Asset; provided that, if, on any given Strategy Business Day, (x) a market disruption event occurs or is continuing with respect to an Underlying Asset that has been assigned a zero weight in the Strategy, (y) no other Underlying Assets are subject to any market disruption event and (z) the condition described in (a) above is satisfied, then that Strategy Business Day will nevertheless be a Strategy Valuation Day; or
- (ii) on which the conditions described under sub-paragraph (i) above are not satisfied but Goldman Sachs International (a) does not postpone a monthly rebalancing or daily rebalancing, as applicable, but determines in its sole discretion to rebalance the Strategy or (b) rebalances the Strategy because that Strategy Business Day is the sixth Strategy Business Day following the originally scheduled rebalancing.

Strategy Business Day is a day on which (i) commercial banks and foreign currency markets settle payments and are open for general business in New York and London, and (ii) the TARGET system is open.

\*\* Day on which commercial banks are open for business in Luxembourg, London, and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemption proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

EUR

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to both retail investors and Institutional Investors.

## **Supplement IV to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – Goldman Sachs Floating Rate EURO Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Goldman Sachs Floating Rate EURO Portfolio (the “Portfolio”), one of the Alternative Beta Strategies Portfolios of the Umbrella Fund, which provides investors with access to our innovative underlyers.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – Goldman Sachs Floating Rate EURO Portfolio**

### **Investment Objective**

The Portfolio's investment objective is to target a daily Euro Overnight Index Average ("EONIA") return by entering into a reverse repurchase agreement, as further described below.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should pay particular attention to the following risk:

#### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

## **Investment Policy**

The Portfolio seeks to achieve its objective by entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement") generating net returns (linked to daily EONIA) (the "Net Returns") from the Reverse Repurchase Agreement. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### **Reverse Repurchase Agreement Eligible Securities**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time;

Composition of collateral: any eligible collateral mentioned under section "*Repurchase Agreements and Reverse Repurchase Agreements*" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments; Currencies: collateral shall be delivered in each country's respective currency.

The Net Returns on the Reverse Repurchase Agreement will be re-invested in the Portfolio.

**Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.**

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section "Special Investment and Hedging Techniques" of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section "Special Investment and Hedging Techniques" of the Prospectus.

## **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **Goldman Sachs Roles and no active management of the Portfolio**

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

### **Counterparty Risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Goldman Sachs International under the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although the Reverse Repurchase Agreement is collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement are not collateralized.

## Value of Assets

The value of the assets held by the Portfolio may rise or fall, including below their initial value, due to the different risks to which they are subject, as fully described in detail under the section "*Additional Overriding Risks*" of the Prospectus.

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

### Disclaimer:

Goldman Sachs International does not make any recommendation, representation or warranty, express or implied, as to results to be obtained by the Portfolio, or by any other person or entity from the use of the Portfolio or any data on which it is based for any use. Goldman Sachs International does not act as an advisor or fiduciary.

Each prospective investor must determine, based on its own independent review (including as to the financial condition and affairs and its own appraisal of the creditworthiness) of the Portfolio, the Umbrella Fund and Goldman Sachs International and after obtaining such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, whether an investment in the Shares is appropriate in its particular circumstances.

In so doing, and without restricting the generality of the preceding paragraph, such prospective purchaser must determine that its acquisition and holding of the Shares (i) is fully consistent with its financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and (iii) is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Shares.

Goldman Sachs International does not make any express or implied representation or warranty, and Goldman Sachs International hereby expressly disclaims all warranties of merchant ability or fitness for a particular purpose or use with respect to the Portfolio or any data included therein or on which it is based.

Goldman Sachs International, as investment administrator, has a limited role which is defined by its contractual obligations and without limiting any of the foregoing, in no event shall Goldman Sachs International have any other liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages, except in the case of fraud.

Nothing in this document excludes any liability for, or remedy in respect of, fraudulent misrepresentation.

ANY PURCHASE OF THIS PRODUCT SHALL BE DEEMED TO BE AN EXPRESS ACKNOWLEDGEMENT OF THE DISCLOSURES AND ACCEPTANCE OF THE DISCLAIMERS AND EXCLUSIONS CONTAINED HEREIN.

## Particularities of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Reverse Repurchase Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement's counterparty under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement's counterparty to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: daily EONIA.

## Characteristics

**Characteristics of the Shares classes available in the Portfolio**

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
A	EUR	Accumulation	LU0398686104	None
C	EUR	Accumulation	LU0398686443	None
I	EUR	Accumulation	LU0398686799	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
Class A	5.00%	5.00%	0.65% p.a.	EUR 1,000	EUR 1,000	EUR 1,000
Class C	5.00%	5.00%	0.15% p.a.	EUR 1, 000 000	EUR 1, 000 000	EUR 1000
Class I	5.00%	5.00%	0.50% p.a.	EUR 100,000	EUR 100,000	EUR 1,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.00% if redemption occurs within the first seven years.

Further details on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

**Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Investors are made aware that applications for subscription or redemption in the Portfolio may only be made in monetary amount.

Valuation Day	Subscription/Conversion/Redemption Date and Cut-Off Time	Settlement Date
Every Business Day *	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day that is also a Local Business Day **
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to any Valuation Day	

\* Any day on which banks are open for normal banking business in Luxembourg and London. Investors are made aware that the Net Asset Value is published on a Bloomberg page, as follows:

Class A                                      GSFREPA LX

Class C                                      GSFREPC LX

Class I                                        GSFREPI LX

\*\* Day on which commercial bank are open for business in Luxembourg, London, and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid on the relevant Valuation Day that is also a Local Business Day. Redemption proceeds are normally paid on the relevant Valuation Day that is also a Local Business Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid on the relevant Valuation Day that is also a Local Business Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

EUR

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail, professional and institutional investors.

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## **Supplement V to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – 20 yr Maturity Floating Rate EURO Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the 20 yr Maturity Floating Rate EURO Portfolio (the “Portfolio”), one of the Alternative Beta Strategies Portfolios of the Umbrella Fund, which provides investors with access to our innovative underlyers.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – 20 yr Maturity Floating Rate EURO Portfolio**

### **Investment Objective**

The Portfolio's investment objective is to target a daily Euro Overnight Index Average ("EONIA") return by entering into a reverse repurchase agreement, as further described below.

### **Maturity**

The Reverse Repurchase Agreement (as defined below) in which the Portfolio invests has a maturity date of 30 November 2028.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

## **IMPORTANT INVESTOR DISCLOSURE**

### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should pay particular attention to the following risk:

### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

## **Investment Policy**

The Portfolio seeks to achieve its objective by entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement") generating net returns (linked to daily EONIA) (the "Net Returns") from the Reverse Repurchase Agreement. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### **Reverse Repurchase Agreement Eligible Securities**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time;

Composition of collateral: any eligible collateral mentioned under section "*Repurchase Agreements and Reverse Repurchase Agreements*" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments;

Currencies: collateral shall be delivered in each country's respective currency.

The Net Returns on the Reverse Repurchase Agreement will be re-invested in the Portfolio.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section "Special Investment and Hedging Techniques" of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section "Special Investment and Hedging Techniques" of the Prospectus.

## **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **Goldman Sachs Roles and no active management of the Portfolio**

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

### **Counterparty Risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Goldman Sachs International under the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although the Reverse Repurchase Agreement is collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement are not

collateralized.

**Value of Assets**

The value of the assets held by the Portfolio may rise or fall, including below their initial value, due to the different risks to which they are subject, as fully described in detail under the section "*Additional Overriding Risks*" of the Prospectus.

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

**Disclaimer:**

Goldman Sachs International does not make any recommendation, representation or warranty, express or implied, as to results to be obtained by the Portfolio, or by any other person or entity from the use of the Portfolio or any data on which it is based for any use. Goldman Sachs International does not act as an advisor or fiduciary.

Each prospective investor must determine, based on its own independent review (including as to the financial condition and affairs and its own appraisal of the creditworthiness) of the Portfolio, the Umbrella Fund and Goldman Sachs International and after obtaining such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, whether an investment in the Shares is appropriate in its particular circumstances.

In so doing, and without restricting the generality of the preceding paragraph, such prospective purchaser must determine that its acquisition and holding of the Shares (i) is fully consistent with its financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and (iii) is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Shares.

Goldman Sachs International does not make any express or implied representation or warranty, and Goldman Sachs International hereby expressly disclaims all warranties of merchant ability or fitness for a particular purpose or use with respect to the Portfolio or any data included therein or on which it is based.

Goldman Sachs International, as investment administrator, has a limited role which is defined by its contractual obligations and without limiting any of the foregoing, in no event shall Goldman Sachs International have any other liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages, except in the case of fraud.

Nothing in this document excludes any liability for, or remedy in respect of, fraudulent misrepresentation.

ANY PURCHASE OF THIS PRODUCT SHALL BE DEEMED TO BE AN EXPRESS ACKNOWLEDGEMENT OF THE DISCLOSURES AND ACCEPTANCE OF THE DISCLAIMERS AND EXCLUSIONS CONTAINED HEREIN.

## Particularities of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Reverse Repurchase Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement's counterparty under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement's counterparty to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: daily EONIA.

## Characteristics

### Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
C	EUR	Accumulation	LU0398685809	None
I	EUR	Accumulation	LU0398685981	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
Class C	5.00%	5.00%	0.15% p.a.	EUR 1, 000 000	EUR 1, 000 000	EUR 1000
Class I	5.00%	5.00%	0.50% p.a.	EUR 100,000	EUR 100,000	EUR 1,000

\*A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.00% if redemption occurs within the first seven years.

Further details on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

### Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement

Investors are made aware that applications for subscription or redemption in the Portfolio may only be made in monetary amount.

<b>Valuation Day</b>	<b>Subscription/Conversion/ Redemption Date and Cut-Off Time</b>	<b>Settlement Date</b>
Every Business Day *	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day that is also a Local Business Day **
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to any Valuation Day	

\* Any day on which banks are open for normal banking business in Luxembourg and London. Investors are made aware that the Net Asset Value is published on a Bloomberg page, as follows:

Class C                                      GSSTXXC LX

Class I                                        GSSTXXI LX

\*\* Day on which commercial bank are open for business in Luxembourg, London, and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid on the relevant Valuation Day that is also a Local Business Day. Redemption proceeds are normally paid on the relevant Valuation Day that is also a Local Business Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid on the relevant Valuation Day that is also a Local Business Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

EUR

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail, professional and institutional investors.

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## **Supplement VI to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – 15 yr Maturity Floating Rate EURO Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the 15 yr Maturity Floating Rate EURO Portfolio (the “Portfolio”), one of the Alternative Beta Strategies Portfolios of the Umbrella Fund, which provides investors with access to our innovative underlyers.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – 15 yr Maturity Floating Rate EURO Portfolio**

### **Investment Objective**

The Portfolio's investment objective is to target a daily Euro Overnight Index Average ("EONIA") return by entering into a reverse repurchase agreement, as further described below.

### **Maturity**

The Reverse Repurchase Agreement (as defined below) in which the Portfolio invests has a maturity date of 30 November 2023.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

## **IMPORTANT INVESTOR DISCLOSURE**

### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should pay particular attention to the following risk:

### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

## **Investment Policy**

The Portfolio seeks to achieve its objective by entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement") generating net returns (linked to daily EONIA) (the "Net Returns") from the Reverse Repurchase Agreement. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### **Reverse Repurchase Agreement Eligible Securities**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time;

Composition of collateral: any eligible collateral mentioned under section "*Repurchase Agreements and Reverse Repurchase Agreements*" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments;

Currencies: collateral shall be delivered in each country's respective currency.

The Net Returns on the Reverse Repurchase Agreement will be re-invested in the Portfolio.

**Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.**

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section "Special Investment and Hedging Techniques" of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section "Special Investment and Hedging Techniques" of the Prospectus.

## **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **Goldman Sachs Roles and no active management of the Portfolio**

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

### **Counterparty Risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Goldman Sachs International under the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although the Reverse Repurchase Agreement is collateralised, the value of such collateral may decline in between

collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement are not collateralized.

### **Value of Assets**

The value of the assets held by the Portfolio may rise or fall, including below their initial value, due to the different risks to which they are subject, as fully described in detail under the section "*Additional Overriding Risks*" of the Prospectus.

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

### **Disclaimer:**

Goldman Sachs International does not make any recommendation, representation or warranty, express or implied, as to results to be obtained by the Portfolio, or by any other person or entity from the use of the Portfolio or any data on which it is based for any use. Goldman Sachs International does not act as an advisor or fiduciary.

Each prospective investor must determine, based on its own independent review (including as to the financial condition and affairs and its own appraisal of the creditworthiness) of the Portfolio, the Umbrella Fund and Goldman Sachs International and after obtaining such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, whether an investment in the Shares is appropriate in its particular circumstances.

In so doing, and without restricting the generality of the preceding paragraph, such prospective purchaser must determine that its acquisition and holding of the Shares (i) is fully consistent with its financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and (iii) is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Shares.

Goldman Sachs International does not make any express or implied representation or warranty, and Goldman Sachs International hereby expressly disclaims all warranties of merchant ability or fitness for a particular purpose or use with respect to the Portfolio or any data included therein or on which it is based.

Goldman Sachs International, as investment administrator, has a limited role which is defined by its contractual obligations and without limiting any of the foregoing, in no event shall Goldman Sachs International have any other liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages, except in the case of fraud.

Nothing in this document excludes any liability for, or remedy in respect of, fraudulent misrepresentation.

ANY PURCHASE OF THIS PRODUCT SHALL BE DEEMED TO BE AN EXPRESS ACKNOWLEDGEMENT OF THE DISCLOSURES AND ACCEPTANCE OF THE DISCLAIMERS AND EXCLUSIONS CONTAINED HEREIN.

## Particularities of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Reverse Repurchase Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement's counterparty under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement's counterparty to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: daily EONIA.

## Characteristics

### **Characteristics of the Shares classes available in the Portfolio**

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
C	EUR	Accumulation	LU0398684406	None
I	EUR	Accumulation	LU0398685049	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
Class C	5.00%	5.00%	0.15% p.a.	EUR 1, 000 000	EUR 1, 000 000	EUR 1000
Class I	5.00%	5.00%	0.50% p.a.	EUR 100,000	EUR 100,000	EUR 1,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.00% if redemption occurs within the first seven years.

Further details on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Investors are made aware that applications for subscription or redemption in the Portfolio may only be made in monetary amount.

<b>Valuation Day</b>	<b>Subscription/Conversion/ Redemption Date and Cut-Off Time</b>	<b>Settlement Date</b>
Every Business Day *	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day that is also a Local Business Day **
	Every Luxembourg and London business Day Before 4 p.m. CET Luxembourg time prior to any Valuation Day	

\* Any day on which banks are open for normal banking business in Luxembourg and London. Investors are made aware that the Net Asset Value is published on a Bloomberg page, as follows:

Class C                                      GSSTXVC LX

Class I                                        GSSTXVI LX

\*\* Day on which commercial bank are open for business in Luxembourg, London, and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid on the relevant Valuation Day that is also a Local Business Day. Redemption proceeds are normally paid on the relevant Valuation Day that is also a Local Business Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid on the relevant Valuation Day that is also a Local Business Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

EUR

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail, professional and institutional investors.

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## **Supplement VII to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – 10 yr Maturity Floating Rate EURO Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the 10 yr Maturity Floating Rate EURO Portfolio (the “Portfolio”), one of the Alternative Beta Strategies Portfolios of the Umbrella Fund, which provides investors with access to our innovative underlyers.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – 10 yr Maturity Floating Rate EURO Portfolio**

### **Investment Objective**

The Portfolio's investment objective is to target a daily Euro Overnight Index Average ("EONIA") return by entering into a reverse repurchase agreement, as further described below.

### **Maturity**

The Reverse Repurchase Agreement (as defined below) in which the Portfolio invests has a maturity date of 30 November 2018.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

## **IMPORTANT INVESTOR DISCLOSURE**

### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should pay particular attention to the following risk:

### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

## **Investment Policy**

The Portfolio seeks to achieve its objective by entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement") generating net returns (linked to daily EONIA) (the "Net Returns") from the Reverse Repurchase Agreement. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### **Reverse Repurchase Agreement Eligible Securities**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time;

Composition of collateral: any eligible collateral mentioned under section "*Repurchase Agreements and Reverse Repurchase Agreements*" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments;

Currencies: collateral shall be delivered in each country's respective currency.

The Net Returns on the Reverse Repurchase Agreement will be re-invested in the Portfolio.

**Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.**

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section "Special Investment and Hedging Techniques" of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section "Special Investment and Hedging Techniques" of the Prospectus.

## **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **Goldman Sachs Roles and no active management of the Portfolio**

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

### **Counterparty Risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Goldman Sachs International under the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although the Reverse Repurchase Agreement is collateralised, the value of such collateral may decline in between

collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement are not collateralized.

### **Value of Assets**

The value of the assets held by the Portfolio may rise or fall, including below their initial value, due to the different risks to which they are subject, as fully described in detail under the section "*Additional Overriding Risks*" of the Prospectus.

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

### **Disclaimer:**

Goldman Sachs International does not make any recommendation, representation or warranty, express or implied, as to results to be obtained by the Portfolio, or by any other person or entity from the use of the Portfolio or any data on which it is based for any use. Goldman Sachs International does not act as an advisor or fiduciary.

Each prospective investor must determine, based on its own independent review (including as to the financial condition and affairs and its own appraisal of the creditworthiness) of the Portfolio, the Umbrella Fund and Goldman Sachs International and after obtaining such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, whether an investment in the Shares is appropriate in its particular circumstances.

In so doing, and without restricting the generality of the preceding paragraph, such prospective purchaser must determine that its acquisition and holding of the Shares (i) is fully consistent with its financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and (iii) is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Shares.

Goldman Sachs International does not make any express or implied representation or warranty, and Goldman Sachs International hereby expressly disclaims all warranties of merchant ability or fitness for a particular purpose or use with respect to the Portfolio or any data included therein or on which it is based.

Goldman Sachs International, as investment administrator, has a limited role which is defined by its contractual obligations and without limiting any of the foregoing, in no event shall Goldman Sachs International have any other liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages, except in the case of fraud.

Nothing in this document excludes any liability for, or remedy in respect of, fraudulent misrepresentation.

ANY PURCHASE OF THIS PRODUCT SHALL BE DEEMED TO BE AN EXPRESS ACKNOWLEDGEMENT OF THE DISCLOSURES AND ACCEPTANCE OF THE DISCLAIMERS AND EXCLUSIONS CONTAINED HEREIN.

## Particularities of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Reverse Repurchase Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement's counterparty under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement's counterparty to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: daily EONIA

## . Characteristics

### Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
C	EUR	Accumulation	LU0397156869	None
I	EUR	Accumulation	LU0397157081	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
Class C	5.00%	5.00%	0.15% p.a.	EUR 1, 000 000	EUR 1, 000 000	EUR 1000
Class I	5.00%	5.00%	0.50% p.a.	EUR 100,000	EUR 100,000	EUR 1,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.00% if redemption occurs within the first seven years.

Further details on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Investors are made aware that applications for subscription or redemption in the Portfolio may only be made in monetary amount.

<b>Valuation Day</b>	<b>Subscription/Conversion/ Redemption Date and Cut-Off Time</b>	<b>Settlement Date</b>
Every Business Day *	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day that is also a Local Business Day **
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to any Valuation Day	

\* Any day on which banks are open for normal banking business in Luxembourg and London. Investors are made aware that the Net Asset Value is published on a Bloomberg page, as follows:

Class C                                      GSSTELC LX

Class I                                        GSSTELI LX

\*\* Day on which commercial bank are open for business in Luxembourg, London, and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid on the relevant Valuation Day that is also a Local Business Day. Redemption proceeds are normally paid on the relevant Valuation Day that is also a Local Business Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid on the relevant Valuation Day that is also a Local Business Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

EUR

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail, professional and institutional investors.

## **Supplement VIII to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – Goldman Sachs Dow Jones - UBS Enhanced Strategy Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Goldman Sachs Dow Jones - UBS Enhanced Strategy Portfolio (the “Portfolio”), one of the Alternative Beta Strategies Portfolios of the Umbrella Fund, which provides investors with access to our innovative underlyers.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares of the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – Goldman Sachs Dow Jones - UBS Enhanced Strategy Portfolio**

### **Investment Objective**

The Portfolio's investment objective is to outperform the Dow Jones-UBS Commodity Index Total Return<sup>SM</sup> (the "Benchmark Index") while keeping the same sector weights.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should pay particular attention to the following risk:

#### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

#### **Termination of the Swap Agreement**

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

### **Investment Policy**

The Portfolio seeks to achieve its objective by (i) entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement") and (ii) by exchanging the net returns (linked to the Effective Federal Funds rate) (the "Net Returns") generated from the Reverse Repurchase Agreement through a swap agreement (the "Swap Agreement") for participation in a portion of the capital appreciation potential of the Goldman Sachs Dow Jones-UBS Total Return Enhanced Strategy E56 (the "Underlyer Strategy") which is based on the Benchmark Index as further described in the section *The Underlyer Strategy* below. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under the section "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### **Reverse Repurchase Agreement Eligible Securities**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralized within a range from 100% and 110% of its notional amount. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time;

Composition of collateral: any eligible collateral mentioned under section “*Repurchase Agreements and Reverse Repurchase Agreements*” of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments;

Currencies: collateral shall be delivered in each country’s respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### **The Swap Agreement**

The Portfolio will enter into the Swap Agreement with Goldman Sachs International which is also the counterparty to the Reverse Repurchase Agreement. The Net Returns on the Reverse Repurchase Agreement will be exchanged against the performance of the Underlyer Strategy. The Swap Agreement will incorporate a fee payable by the Portfolio to Goldman Sachs International of 45 basis points per annum paid on the outstanding notional amount of the Swap Agreement. Such fee may include hedging costs and a profit component payable to Goldman Sachs International.

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **The Underlyer Strategy\***

The Underlyer Strategy is based on the Benchmark Index, calculated on a basis similar to the Benchmark Index, but with a number of modifications made by Goldman, Sachs & Co (the “Underlyer Strategy Sponsor”) to the rolling of contracts included in the Benchmark Index, to apply certain dynamic, timing and seasonal rolling rules as described in further detail below under the section “Description of the Underlyer Strategy”. As more fully described below in the section “The Benchmark Index”, the Benchmark Index, which is calculated by Dow Jones & Company Inc., in conjunction with UBS Securities (the “Benchmark Index Sponsor”), reflects the returns on a fully collateralised investment in the Dow Jones-UBS Commodity Index<sup>SM</sup> (the “DJ-UBSCI”) which is composed of futures contracts on commodities. The Underlyer Strategy includes all of the same futures contracts included in the Benchmark Index.

The Underlyer Strategy Sponsor is responsible for the administration and calculation of the Underlyer Strategy. Neither the Underlyer Strategy Sponsor nor any of its affiliates assumes any responsibility for the accuracy or the completeness of any information about the Benchmark Index or Benchmark Index Sponsor.

The Benchmark Index Sponsor is responsible for the administration and calculation of the Benchmark Index, the DJ-UBSCI (which is calculated on an excess return basis) and its sub-indices and for any changes to the methodology and owns the copyright and all rights to the Benchmark Index and its sub-indices. The consequences of the Benchmark Index Sponsor discontinuing or modifying the Benchmark Index (on which the Underlyer Strategy is based) are described under “Discontinuance or Modification of the Underlyer Strategy or Benchmark Index” in the “Definitions” section below. Neither the Benchmark Index Sponsor nor any of its affiliates assumes any responsibility for the accuracy or the completeness of any information about the Underlyer Strategy or Underlyer Strategy Sponsor.

\* The Underlyer Strategy shall be considered as a financial index within the meaning of article 9 of the Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for

**collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.**

### **Description of the Underlyer Strategy**

The method of calculation for the Underlyer Strategy is based primarily on the procedures set forth in the **DJ-UBS Handbook** (as defined below in the “Definitions” section) for calculating the Benchmark Index, but modified in the manner described below. This section describes the Underlyer Strategy and the modifications that are made to the Benchmark Index methodology to calculate the Underlyer Strategy.

The Underlyer Strategy varies the procedure for rolling the contracts included in the Benchmark Index in a number of respects.

First, the contracts included in the Underlyer Strategy are rolled over a different period than the Benchmark Index. Specifically under the methodology for the Benchmark Index, the contracts are rolled over a period of five (5) DJ-UBS business days (as defined in the “Definitions” section below) beginning with and including the fifth (5<sup>th</sup>) DJ-UBS business day of each month and ending on the ninth (9<sup>th</sup>) DJ-UBS business day of each month (the “**Benchmark Index Roll Period**” otherwise referred to in the DJ-UBS Handbook as the “**Hedge Roll Period**”). In contrast, the Underlyer Strategy rolls (the “**Underlyer Strategy Roll Period**”) over a period of four (4) DJ-UBS business days, beginning with the fifth (5<sup>th</sup>) DJ-UBS business day prior to the end of the immediately preceding month (such that, following such day, four (4) DJ-UBS business days will remain in the month) through and including the second (2<sup>nd</sup>) DJ-UBS business day prior to the end of the immediately preceding month (following which one (1) DJ-UBS business day will remain in the month). As a result, while we still refer to the Underlyer Strategy Roll Period as being in the month of the Benchmark Index Roll Period, the actual rolling of the futures contracts included in the Underlyer Strategy occurs in the month preceding the month in which the Benchmark Index Roll Period occurs. In addition, because the Underlyer Strategy rolls over four (4) DJ-UBS business days instead of five (5), 25% rather than 20%, of the portion of the Underlyer Strategy attributable to each contract is rolled each day during a roll period.

Second, in order to gain exposure to the longer end of the futures curve when the front end is in contango (meaning that the price of the Second Nearby Contract Month is greater than the price of the First Nearby Contract Month), the Underlyer Strategy changes the standard rolling rules for the New York Mercantile Exchange West Texas Intermediate light sweet crude oil futures contract (the “**WTI Contract**”). Specifically, three (3) DJ-UBS business days before the first day of the Underlyer Strategy Roll Period (the “**Determination Date**”), the Underlyer Strategy applies the following dynamic rolling rule in order to confirm whether the First Nearby Contract Month and Second Nearby Contract Month in respect of the WTI Contract are in contango for the purpose of determining the new contract expiration into which the WTI Contract will be rolled:

- (i) if the official settlement price of the Second Nearby Contract Month minus the official settlement price of the First Nearby Contract Month (the “**Percentage Contango**”) is equal to or less than a value (the “**Threshold Amount**”) equal to the product of 0.50% and the official settlement price of the First Nearby Contract Month, then the WTI Contract rolls into the Next Future (as defined in the DJ-UBS Handbook) which, in accordance with the standard Benchmark Index procedure for rolling the WTI Contract as set forth in the DJ-UBS Handbook, will generally be the Second Nearby Contract Month,  
  
however,
- (ii) if the Percentage Contango is a positive number and is greater than the Threshold Amount, the WTI Contract rolls according to a dynamic rolling procedure as follows: in the December and January Underlyer Strategy Roll Periods, the WTI Contract is rolled into the July contract expiration; in the February and March Underlyer Strategy Roll Periods, it is rolled into the September contract expiration; in the April and May Underlyer Strategy Roll Periods, it is rolled into the November contract expiration; in the June and July Underlyer Strategy Roll Periods, it is rolled into the January contract expiration (in the next calendar year); in the August and September Underlyer Strategy Roll Periods, it is rolled into the March contract expiration; and in the October and November Underlyer Strategy Roll Periods, it is rolled into the May contract expiration; however, in each of the foregoing cases, the roll is adjusted in this manner only if the Percentage Contango is greater than the Threshold Amount. The determination as to whether the Percentage Contango exceeds the Threshold Amount will be made each month with respect to that month only.

For the purpose of this section, the following terms shall have the following meanings:

**“First Nearby Contract Month”** means the month of expiration of the first contract for the future delivery of WTI light sweet crude oil to expire following the Determination Date. For example, the October contract will be the “First Nearby Contract Month” for the “September Roll Period” which will take place at the end of August; and

**“Second Nearby Contract Month”** means the month of expiration of the second contract for the future delivery of WTI light sweet crude oil to expire following the Determination Date. For example, the November contract will be the “Second Nearby Contract Month” for the “September Roll Period” which will take place at the end of August.

In the event that the dynamic rolling procedure set forth in the paragraph (ii) above occurs and the contract expiration that the WTI Contract would have rolled into is no longer listed for trading or is otherwise unavailable for trading, the procedure for rolling the WTI Contract shall revert to the standard Benchmark Index procedure for rolling for such WTI contract (as set forth in the DJ-UBS Handbook) and shall not be rolled in accordance with the dynamic rolling procedure as set forth in paragraph (ii) above. However if, in the reasonable judgment of the Calculation Agent, it is not practicable to revert to the standard Benchmark Index procedure, or as a result of reverting to such procedure the Underlier Strategy Sponsor determines that the Underlier Strategy could be adversely affected, the Underlier Strategy Sponsor may utilize another methodology for effecting the rolling of the WTI Contract, that, in the reasonable judgment of the Calculation Agent is designed to preserve the nature of the Underlier Strategy.

In addition to the WTI Contract, the Underlier Strategy modifies the rules for the rolling of certain other futures contracts included in the Benchmark Index to reflect the seasonal supply of or demand for the underlying commodity. Accordingly, the contracts listed below are rolled only into the months indicated, which differ from the rules applied to rolling of the same contracts included in the Benchmark Index:

- The New York Mercantile Exchange Heating Oil contract is rolled only into the December contract;
- The New York Mercantile Exchange Natural Gas contract is rolled only into the January contract (such that the Heating Oil and Natural Gas contracts will roll annually only);
- The Chicago Board of Trade Wheat contract is rolled only into the September and December contracts;
- The Chicago Mercantile Exchange Lean Hogs contract is rolled only into the April and August contracts;
- The Chicago Mercantile Exchange Live Cattle contract is rolled only into the April and October contracts;
- The Chicago Board of Trade Corn contract is rolled only into the July contract (such that the Corn contract will roll annually only in May of each year);
- The Chicago Board of Trade Soybeans contract is rolled only into the January and July contracts;
- The ICE Futures US (formerly New York Board of Trade) Sugar contract is rolled only into the March contract (such that the Sugar contract will roll annually only);
- The ICE Futures US Cotton contract is rolled only into the July contract (such that the Cotton contract will roll annually only);
- The ICE Futures US Coffee contract is rolled only into the May contract (such that the Coffee contract will roll annually only); and
- To the extent that the Benchmark Index Sponsor decides to include the ICE Futures US Cocoa contract in the Benchmark Index in the future, such contract will also be included in the Underlier Strategy according to the rules governing the Benchmark Index with the exception that the following roll schedule shall be applied by the Underlier Strategy Sponsor instead of that applied by the Benchmark Index: the ICE Futures US Cocoa contract is to be rolled only into the March contract expiration (such that the Cocoa contract will roll annually only).

In addition to the modifications made to the rolling of the contracts noted above to apply certain seasonal rolling rules, the London Metal Exchange Aluminium, Zinc and Nickel contracts included in the Underlier Strategy are rolled every month (in contrast to the Benchmark Index, which rolls these contracts every other month), rolling into the July contract during the January Underlier Roll Period and into each succeeding month during each following monthly Underlier Strategy Roll Period.

Finally, the Underlier Strategy modifies the procedure related to the determination of the Commodity Index Multipliers, or “CIMs” as defined in the DJ-UBS Handbook. The CIM of each commodity included in the Benchmark Index represents that commodity future’s percentage weight in the Benchmark Index, in dollar terms. Under the DJ-UBS Handbook, the CIM is calculated by multiplying the Commodity Index Percentage

(as defined in the DJ-UBS Handbook) of the commodity (which is based on the liquidity of the relevant futures contract and the production of the underlying commodity) by the applicable contract settlement price for such contract on the fourth (4th) DJ-UBS business day of January. In addition, the CIMs, in respect of the Benchmark Index are calculated in January of each year and remain fixed throughout the year. Because the Underlyer Strategy is rolled at the end of the month preceding the month in which the Benchmark Index Roll Period occurs, it is possible that the new CIMs for the Benchmark Index computed by the Benchmark Index Sponsor (and as applied to the Underlyer Strategy) for a given year will not be available for the January Underlyer Strategy Roll Period. Therefore, in such circumstances, the Underlyer Strategy will be calculated on the basis of those CIMs in effect in the immediately preceding year until such time as the new CIMs are made available by the Benchmark Index Sponsor. For example, if the new CIMs are not available at the time of the January Underlyer Strategy Roll Period, the prior year's CIMs will be used to calculate the Underlyer Strategy which could mean the weights determined for the individual commodities included in the Underlyer Strategy are different to the weights determined for commodities included in the Benchmark Index as the new CIM's for the current year will be applied to the Benchmark Index only. If the new CIMs become available prior to the February Underlyer Strategy Roll Period, then they will be used in calculating the weights of the individual commodities included in the Underlyer Strategy for the February Underlyer Strategy Roll Period and for each Underlyer Roll Period thereafter.

To better understand the Underlyer Strategy, it is useful to understand the calculation methodology for the Benchmark Index. Set forth below is a description of the Benchmark Index and the manner in which the Underlyer Strategy is calculated.

### **The Benchmark Index**

According to the DJ-UBS Handbook, the Benchmark Index is computed on the basis of hypothetical investments in the basket of commodity futures that make up the Benchmark Index. The Benchmark Index is the Dow Jones-UBS Commodity Index Total Return<sup>SM</sup> which is the DJ-UBSCI calculated on a total return, and not an excess return, basis and therefore reflects the returns on a fully collateralised investment in the DJ-UBSCI thus combining excess returns with the returns on cash collateral invested in U.S. Treasury Bills. These returns are calculated by using the most recent weekly auction high rate for 3 months U.S Treasury Bills. The DJ-UBSCI is an excess return index which the Benchmark Index Sponsor (Dow Jones & Company Inc., in conjunction with UBS Securities) also calculates.

However, as noted above, the Underlyer Strategy is based on the Benchmark Index which is a total return index with the modifications made by the Underlyer Strategy Sponsor to the rolling of contracts included in the Benchmark Index, to apply certain dynamic, timing and seasonal rolling rules as discussed above under the section "Description of the Underlyer Strategy".

The Benchmark Index is currently composed of futures contracts on 19 physical commodities. Unlike equities, which entitle the holder to a continuing stake in a corporation, commodity futures contracts specify a delivery date for the underlying physical commodity. In order to avoid delivery and maintain a long futures position, nearby contracts must be sold and contracts that have not yet reached the delivery period must be purchased. This process is known as "rolling" a futures position. The Benchmark Index is a "rolling index".

The Benchmark Index is composed of commodities traded on U.S. trading facilities, with the exception of aluminium, nickel and zinc, which trade on the London Metal Exchange (LME). A daily settlement price for the Benchmark Index is published at approximately 5:00 p.m. EST. The Dow Jones-UBS Commodity Index family of indices includes both the Dow Jones-UBS Commodity Index<sup>SM</sup> (or DJ-UBSCI which is calculated on an excess return basis) and the Benchmark Index (which is calculated on a total return basis and on which the Underlyer Strategy is based). While the former reflects the movement of the spot price and the roll yield, the Benchmark Index reflects the movement of the spot price, the roll yield and the U.S. Treasury Bill return on the funds hypothetically committed to the investment in the futures contracts. In addition, there are several sub-indices, representing the major commodity sectors within the DJ-UBSCI and the Benchmark Index: Energy (including petroleum and natural gas), Petroleum (including crude oil, heating oil and RBOB gasoline), Precious Metals, Industrial Metals, Grains, Livestock, Softs, Agriculture and Ex-Energy.

The component weights of the Benchmark Index are the same as those of the DJ-UBSCI. To determine its component weightings, the DJ-UBSCI relies primarily on liquidity data, or the relative amount of trading activity of a particular commodity. Liquidity is an important indicator of the value placed on a commodity by financial and physical market participants. The DJ-UBSCI also relies to a lesser extent on dollar-adjusted production data. The DJ-UBSCI thus relies on data that is endogenous to the futures markets (liquidity) and exogenous to the futures markets (production) in determining relative weightings. All data used in both the liquidity and production calculations is averaged over a five-year period.

The component weightings are also determined by several rules designed to insure diversified commodity exposure. Disproportionate weighting of any particular commodity or sector may increase volatility and negate the concept of a broad-based commodity index, unduly subjecting the investor to microeconomic shocks in one commodity or sector. To help ensure diversified commodity exposure, the DJ-UBSCI relies on several diversification rules, all of which are applied annually. Among these rules are the following:

- no single commodity may constitute more than 15% or less than 2% of the DJ-UBSCI;
- no single commodity, together with its derivatives (e.g. crude oil together with heating oil and unleaded gasoline), may constitute more than 25% of the DJ-UBSCI; and
- no related group of commodities (e.g., energy, precious metals, livestock and grains) may constitute more than 33% of the DJ-UBSCI as of the annual re-weightings of the components.

The weight of each commodity included in the DJ-UBS CI is based on such commodities' "commodity index multiplier," or "CIM". The CIM is based on a "commodity index percentage," or "CIP" for each commodity and an adjustment factor designed to allow continuity of the CIMs from one year to the next. These CIPs are determined annually according to a formula based on the single commodity and sector allocations described above and approved by the Supervisory Committee (as defined in the DJ-UBS Handbook) according to the procedures set forth in the DJ-UBS Handbook as revised annually. These CIPs are used to calculate the CIMs based on the settlement prices for the applicable futures contracts on the fourth DJ-UBS business day (as defined in the "Definitions" section below) of the month of January according to the procedures set forth in the DJ-UBS Handbook as revised annually. The level of the DJ-UBSCI on any given day is calculated pursuant to a formula based on the CIM of each commodity included in the DJ-UBSCI and the settlement price of the applicable futures contract on such commodity on that day. During a Roll Period (as defined in the DJ-UBS Handbook), a portion of the calculation is based on the settlement price of the contract month out of which the DJ-UBS CI is rolling and the remainder is based on the settlement price of the contract month into which the DJ-UBS CI is rolling. During a period when the CIMs change (usually the January Roll Period according to the procedures set forth in the DJ-UBS Handbook), a portion of the calculation is based on the CIMs for the prior year and the remainder is based on the CIMs for the new calendar year.

A Supervisory Committee (as defined in the DJ-UBS Handbook) meets annually to determine the composition of the DJ-UBS CI in accordance with the rules established in the DJ-UBS Handbook. Committee members are drawn from the academic, financial and legal communities. The most recent Supervisory Committee meeting took place in August 2008, with changes to the composition of the DJ-UBS CI effective January 2009. The following table summarizes the contracts for the commodities included in the DJ-UBS CI and the percentage weights of each index commodity that were approved for 2009:

<b>Commodity</b>	<b>Trading Facility</b>	<b>Weighting (%)</b>
Aluminium	London Metal Exchange (LME)	6.9991660%
Coffee	New York Board of Trade (NYBOT)	2.9726400%
Copper	Commodity Exchange Inc. (New York) (COMEX)	7.3065410%
Corn	Chicago Board of Trade (CBOT)	5.7214090%
Cotton	New York Cotton Exchange (NYCE)	2.2651500%
Crude Oil	New York Mercantile Exchange (NYMEX)	13.7526330%
Gold	COMEX	7.8627470%
Heating Oil	NYMEX	3.6481740%
Live Cattle	Chicago Mercantile Exchange (CME)	4.2853450%
Lean Hogs	CME	2.3988780%
Natural Gas	NYMEX	11.8900640%
Nickel	LME	2.8827230%
Silver	COMEX	2.8913020%
Soybeans	CBOT	7.5994330%
Soybean Oil	CBOT	2.8828690%
Sugar	NYBOT	2.9931550%
Unleaded Gas	NYMEX	3.7091280%

Wheat	CBOT	4.7962120%
Zinc	LME	3.1424310%

Additional information about the composition and calculation methodology of the Benchmark Index, is available on the following website: <http://www.djindexes.com/ubs/index.cfm?go=home>. We are not incorporating by reference the website or any material it includes into this document.

### **Publication of the Underlyer Strategy**

The daily value of the Underlyer Strategy will be published on a Bloomberg ticker reference ENHGD56T <Index> (or any official successor thereto), and will be updated daily on a next Underlyer Strategy Sponsor business day basis. The Underlyer Strategy had a current value of 615.4692 on September 18, 2008.

The Umbrella Fund and Goldman Sachs International as counterparties to the Swap Agreement and Reverse Repurchase Agreement will in the event of (i) a termination of the license agreement pursuant to which Goldman Sachs International may make use of the Benchmark Index to calculate the Underlyer Strategy or (ii) any other circumstances under which the Underlyer Strategy is no longer available, identify any other suitable strategy or index which will closely approximate the investment characteristics of the Underlyer Strategy in order to exchange the Net Returns on the Reverse Repurchase Agreement. Shareholders will be notified of such change.

Despite all measures taken by the Umbrella Fund to reach its objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.

With a view to future optimisation of the investment administration of the Portfolio, the Investment Administrator reserves the right to use other instruments within the framework of current Luxembourg regulation to achieve the investment objective, including the use of a total return swap and the use of other derivatives than the Swap Agreement.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under the section "Particularities of the Swap Agreement and of the Reverse Repurchase Agreement" below and under the section "Special Investment and Hedging Techniques" in the Prospectus.

## **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **a) Goldman Sachs' Roles and no active management of the Portfolio.**

Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Goldman Sachs' group performs several roles under the Underlyer Strategy and any Underlyer Strategy-linked products referenced herein. Although Goldman Sachs Group' entities will perform their obligations in good faith and a commercially reasonable manner, Goldman Sachs' entities may face conflicts between these roles and their own interests. This risk factor should be read in conjunction with the other risk factors, as more fully detailed in this Supplement and in the Prospectus.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other

functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

**b) Counterparty risk.**

The Portfolio will obtain its exposure to the Underlier Strategy exclusively through the Swap Agreement entered into with Goldman Sachs International. The counterparty of the Reverse Repurchase Agreement is expected to be Goldman Sachs International. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International and will be subject to the risk that Goldman Sachs International fails to perform on its obligations or defaults under the Swap Agreement and/or under the Reverse repurchase Agreement. In that event, the Portfolio will be exposed to potential losses, and possibly the entire amount due to it under the Swap Agreement and/or under the Reverse repurchase Agreement, even if the Underlier Strategy and the Benchmark Index have moved in a direction favourable to its position.

**c) Past Underlier Strategy performance is no guide to future performance.**

The actual performance of the Underlier Strategy may bear little relation to the historical levels of the Underlier Strategy. The future performance of the Underlier Strategy cannot be predicted.

**d) Although the Underlier Strategy includes the same contracts that comprise the Benchmark Index, its value and returns will likely differ from those of the Benchmark Index.**

The Underlier Strategy is based on the Benchmark Index, but with certain modifications with respect to the rolling of contracts, as explained in the section "Description of the Underlier Strategy" above. In particular, the Underlier Strategy has different rules from the Benchmark Index governing the procedure by which expiring positions in certain of the constituent futures contracts are rolled forward into more distant contract expirations. Since one component of the value of a commodity futures contract or over-the-counter commodity contract is the period remaining until its expiration, these different rules governing the rolling of contracts included in the Underlier Strategy are likely to produce different values for the Underlier Strategy and the Benchmark Index at any given time and, therefore, may produce differing returns. In addition, the CIMs in respect of the Benchmark Index are calculated in January of each year and remain fixed throughout the year. Because the Underlier Strategy is rolled at the end of the month preceding the month in which the Benchmark Index Roll Period (as defined above) occurs, it is possible that the new Commodity Index Multipliers (or CIMs as defined in the DJ-UBS Handbook and as explained in the section "The Benchmark Index" above) for the Benchmark Index as computed by the Benchmark Index Sponsor (and as applied to the Underlier Strategy) for any given year will not be available for the January Underlier Strategy Roll Period. Therefore, under such circumstances, the Underlier Strategy will be calculated on the basis of the CIMs in effect for the Benchmark Index in the immediately preceding year, until the new CIMs are made available by the Benchmark Index Sponsor. This could give rise to differences in the weight of individual commodities in the Underlier Strategy from those in the Benchmark Index for the period until the new CIMs are implemented for the purposes of the Underlier Strategy. These differences could adversely affect the level of the Underlier Strategy and therefore the value of the Shares of the Portfolio.

**e) Prices of commodity contracts may change unpredictably, affecting the value of the Shares of the Portfolio in unforeseeable ways.**

Trading in commodities can be extremely volatile. Commodity prices are affected by a variety of factors that are unpredictable, including, without limitation, changes in supply and demand relationships, weather, governmental programs and policies, national and international political, military, terrorist and economic events, fiscal, monetary and exchange control programs, changes in interest and exchange rates and changes, suspensions or disruptions of market trading activities in commodities and related contracts. These factors may affect the level of the Underlier Strategy in varying ways, and different factors may cause the value of different commodities included in the Underlier Strategy and the volatilities of their prices, to move in inconsistent directions and at inconsistent rates.

**f) Trading and other transactions by the Underlier Strategy Sponsor relating to the Underlier Strategy or commodity futures contracts and their underlying commodities may adversely affect the value of the Shares of the Portfolio.**

The Underlier Strategy Sponsor and its affiliates ("Goldman Sachs") actively trade futures contracts and options on futures contracts on the commodities that underlie the Underlier Strategy, over-the-counter contracts on these commodities, the underlying commodities included in the Underlier and other instruments and derivative products based on numerous other commodities. Goldman Sachs also trades instruments and derivative products based on the Underlier Strategy. In addition, Goldman Sachs trades the contracts included in the Benchmark Index, an index that has the same commodities included in the Underlier Strategy. Trading in the contracts on commodities included in the Benchmark Index, the underlying

commodities and related over-the-counter products by Goldman Sachs and unaffiliated third parties could adversely affect the level of the Underlyer Strategy and therefore the value of the Shares of the Portfolio.

Goldman Sachs and other parties may issue or underwrite additional securities or trade other products the return on which is linked to the level of the Underlyer Strategy, the Benchmark Index or other similar strategies. An increased level of investment in these products may negatively affect the performance of the Underlyer Strategy against its benchmark index, notably the Benchmark Index, and could affect the level of the Underlyer Strategy and therefore the value of the Shares of the Portfolio.

In addition, the Underlyer Strategy Sponsor has licensed and may continue to license the Benchmark Index or any of its sub-indices or strategies similar to the Underlyer Strategy for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in the Underlyer Strategy or other similar strategies.

**g) Shareholders of the Portfolio have no rights with respect to commodities or commodities contracts or rights to receive any commodities.**

Investing in any product or vehicle linked to the Underlyer Strategy will not make Shareholders of the Portfolio holders of any of the commodities included in the Underlyer Strategy or any contracts with respect thereto. Shareholders of the Portfolio will not have any rights with respect to any commodity included in the Underlyer Strategy and will have no right to receive delivery of any Underlyer Strategy commodity.

**h) Redemption amounts in respect of Shares of the Portfolio do not reflect direct investment in the commodity contracts included in the Underlyer Strategy.**

The redemption amount payable on the Shares of the Portfolio may not reflect the return a purchaser would realise if he or she actually invested in a security, whose redemption amount was based upon the price of one or more commodity contracts that were scheduled to expire on the same date as any Shareholder of the Portfolio redeemed its Shares of the Portfolio. The Underlyer Strategy is affected by "rolling", which is described further below (see risk factor under the section "Higher Future Prices of commodities included in the Underlyer Strategy relative to their current prices may adversely affect the level of the Underlyer Strategy" below). Accordingly, purchasers in Shares of the Portfolio that reference the Underlyer Strategy may receive a lower payment upon redemption of such Shares than such purchaser would have received if he or she had directly invested in a security, whose redemption amount was based upon the price of one or more commodity contracts that were scheduled to expire on the date any Shareholder of the Portfolio redeemed any such Shares. In addition, any payment upon redemption of such Shares will be made in cash and purchasers of Shares of the Portfolio that reference the Underlyer Strategy will have no right to receive delivery of any commodity contract included in the Underlyer Strategy as further described in risk factor "Shareholders of the Portfolio have no rights with respect to commodities or commodities contracts or rights to receive commodities".

**i) There may be conflicts of interest between Shareholders of the Portfolio and Goldman Sachs.**

Certain activities conducted by Goldman Sachs may conflict with interests of Shareholders of the Portfolio as holders of Shares of the Portfolio. Goldman Sachs may also engage in trading for their proprietary accounts, for other accounts under their management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more commodities included in the Underlyer Strategy. Any of these activities of Goldman Sachs could adversely affect the level of the Underlyer Strategy – directly or indirectly by affecting the price of the underlying commodities – and therefore the amount Shareholders of the Portfolio receive on redemption of the Shares of the Portfolio.

Goldman Sachs may also issue or underwrite, other securities or financial or derivative instruments indexed to the Underlyer Strategy and/or to the Benchmark Index or any of its sub-indices. By introducing competing products into the marketplace in this manner, Goldman Sachs could adversely affect the market level of the Underlyer Strategy. To the extent that Goldman Sachs serves as issuer, agent or underwriter of those securities or other similar instruments, their interests with respect to those products may be adverse to the interests of Shareholders of the Portfolio as holders of Shares of the Portfolio that are referenced to the Underlyer Strategy.

**j) As Calculation Agent, Goldman Sachs International will have the authority to make determinations that could affect the level of the Underlyer Strategy and under certain circumstances the amount Shareholders of the Portfolio receive upon redemption of Shares of the Portfolio.**

As Calculation Agent for the Underlyer Strategy, Goldman Sachs International will have discretion in making various determinations that may affect the Underlyer Strategy under certain circumstances, including when a

market disruption event is occurring on a redemption date, the Calculation Agent may be required to determine in accordance with market disruption provisions below, daily contract reference prices for any underlying contract affected by such market disruption event which will be used to calculate the Underlyer Strategy level. This could impact on the amount payable upon redemption of Shares of the Portfolio. These determinations made by Goldman Sachs International, in its capacity as Calculation Agent, will be used to calculate the Net Asset Value of the Portfolio and therefore how much cash must be paid upon any redemption. The exercise of this discretion by Goldman Sachs International could adversely affect the level of the Underlyer Strategy and may present Goldman Sachs International with a conflict of interest of the kind described above under the section "There may be conflicts of interest between Shareholders of the Portfolio and Goldman Sachs".

**k) Suspensions or disruptions of market trading in commodities and related contracts may adversely affect the value of Shares in the Portfolio.**

The commodity markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, the participation of speculators and government regulation and intervention. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices which may occur during a single Business Day. These limits are generally referred to as "daily price fluctuation limits" and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a "limit price". Once the limit price has been reached in a particular contract, trading in the contract will follow the regulations set forth by the trading facility on which the contract is listed. Limit prices may have the effect of precluding trading in a particular contract, which could adversely affect the level of the Underlyer Strategy. The prices of certain commodities, particularly wheat, corn and soybeans, have recently traded at their limit price for several consecutive days.

In making its calculations of the Underlyer Strategy level, if the relevant trading facility does not publish a settlement price as scheduled, or publishes a settlement price that, in the reasonable judgment of Goldman, Sachs & Co., as the Underlyer Strategy Sponsor, is manifestly incorrect, the Underlyer Strategy Sponsor may determine the settlement price in its reasonable judgment. In addition, if any day on which the Underlyer Strategy Sponsor calculates the Underlyer Strategy level is a day on which a relevant trading facility for an underlying contract is not open, then the Underlyer Strategy Sponsor will use the settlement price for such contract as of the last day on which such trading facility was open.

If a Market Disruption Event (as defined in the "Definitions" section below) has occurred with respect to any contract included in the Underlyer Strategy, Goldman Sachs International, as the Calculation Agent, will determine the Underlyer level as described below in the "Definitions" section under "Market Disruption Events" and "Market Disruption Fallbacks". Under the circumstances described above, the level of the Underlyer Strategy may be adversely affected.

If a Market Disruption Event occurs with respect to any contract included in the Underlyer Strategy on any Valuation Day (as defined below under the section "Characteristics"), the level of the Underlyer Strategy for such redemption date will not be calculated until Goldman Sachs International, in its capacity as Calculation Agent, can determine a settlement price for such affected contract in accordance with the provisions as set out below in the "Definitions" section under "Market Disruption Events" and "Market disruption Fallbacks". If a Market Disruption Event has occurred or is continuing on any relevant Valuation Day, such Valuation Day and any related subscription, conversion or redemption may be postponed. If a Market Disruption Event lasts for five consecutive Underlyer Strategy business days, the Calculation Agent will calculate the value of that affected contract and the Closing Level of the Underlyer Strategy on the sixth Underlyer Strategy business day following the originally scheduled Valuation Day, in a commercially reasonable manner. Accordingly, the calculation of the Underlyer Strategy level may be subject to the judgment of Goldman Sachs International, as the Calculation Agent.

Additionally, regardless of the Market Disruption Event and the determination of the level of the Underlyer Strategy by the Calculation Agent for such Valuation Day in accordance with the Market Disruption Fallbacks (as defined in the "Definitions" section below), the Underlyer Strategy Sponsor will continue to calculate the level of the Underlyer Strategy and publish such level on Bloomberg ticker reference ENHGD56T <INDEX> on each day on which the offices of the Underlyer Strategy Sponsor are open for business. However, if a Market Disruption Event in respect of the Underlyer Strategy occurs on a Valuation Day, the level for the Underlyer Strategy published on such Bloomberg ticker reference on such Valuation Day may not reflect the level of the Underlyer Strategy as determined by the Calculation Agent following adjustment in accordance with the provisions described below in the "Definitions" section under "Market Disruption Events" and "Market Disruption Fallbacks" and on which the Net Asset Value of the Portfolio will be based for the purposes of any subscription, conversion and/or redemption for the relevant Valuation Day. In some cases this will result in any payment event such as a redemption or subscription being postponed until the date on which the

Underlier Strategy level is finally determined in accordance with the “Market Disruption Fallbacks” provisions as mentioned above.

**l) The Underlier Strategy may in the future include contracts that are not traded on regulated futures exchanges.**

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

**m) Higher future prices of commodities included in the Underlier Strategy relative to their current prices may adversely affect the level of the Underlier Strategy.**

As the contracts included in the Underlier Strategy come to expiration, they are replaced by contracts that have a later expiration. Thus, for example, a contract purchased and held in May may specify a July expiration. As time passes, the contract expiring in July is replaced by a contract for delivery in a later month, for example, August. This is accomplished by selling the July contract and purchasing the August contract. This process is referred to as “rolling”. If the market for these contracts is (putting aside other considerations) in “backwardation”, where the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the July contract would take place at a price that is higher than the price of the August contract, thereby creating a “roll yield” if the spot price of the commodity remains unchanged. Some commodities futures contracts have historically traded in “contango” markets. Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. The absence of backwardation in the market for a commodities futures contract could result in negative “roll yields,” which could adversely affect the level of an index or index tied to that contract, if rolled to nearer rather than more distant delivery months. The Underlier Strategy seeks to mitigate the effects of contango by a dynamic rolling procedure subject to the satisfaction of certain conditions with respect to certain futures contracts only. This dynamic rolling procedure and conditions attaching thereto are described above under the heading “Description of the Underlier Strategy”. However, there can be no assurance that this procedure will be effective in eliminating or mitigating the effects contango with respect to the level of the Underlier Strategy.

**n) Changes in the composition and valuation of the Benchmark Index may adversely affect the level of the Underlier Strategy level.**

The composition of the Benchmark Index may change over time, as additional contracts satisfy the eligibility criteria of the Benchmark Index or contracts currently included therein fail to satisfy such criteria and those changes could impact the composition of the Underlier Strategy. A number of modifications to the methodology for determining the contracts to be included in the Benchmark Index, and for valuing the Benchmark Index, have been made in the past several years and further modifications may be made in the future. Such changes could adversely affect the level of the Underlier Strategy. In the event that the Benchmark Index Sponsor discontinues publication of the Benchmark Index or Goldman, Sachs & Co., as Underlier Strategy Sponsor discontinues calculation of the Underlier Strategy, the Calculation Agent will continue to calculate the Underlier Strategy, based on the methodology described below in this document in the “Definitions” section under “Discontinuance or Modification of the Underlier Strategy or the Benchmark Index”.

**o) As sponsor of the Underlier Strategy, Goldman, Sachs & Co., will have the authority to make determinations that could materially affect the level of the Underlier Strategy in various ways and create conflicts of interest.**

The Underlier Strategy was developed, and is currently owned, calculated and maintained, by Goldman, Sachs & Co. As Underlier Strategy Sponsor, Goldman, Sachs & Co. is responsible for the composition, calculation and maintenance of the Underlier Strategy and has a determinative influence over their composition, calculation and maintenance. The judgments that Goldman, Sachs & Co., as Underlier Strategy Sponsor with respect to the Underlier Strategy makes in connection with the composition, calculation and maintenance of the Underlier Strategy, could affect the Underlier Strategy level.

The role played by Goldman Sachs & Co., as Underlyer Strategy Sponsor, and the exercise by it of the kinds of discretion described above could present it with a conflict of interest of the kind described under the section "There may be conflicts of interest between Shareholders of the Portfolio and Goldman Sachs" above. Goldman, Sachs & Co., in its capacity as Underlyer Strategy Sponsor has no obligation to take the interests of Shareholders of the Portfolio into consideration for any reason. Goldman Sachs & Co. may decide to discontinue calculating and publishing the Underlyer Strategy which would mean that Goldman Sachs International, as Calculation Agent, would have the discretion to make determinations with respect to the Underlyer Strategy.

Dow Jones & Company and UBS Securities, as joint sponsors of the Benchmark Index, are responsible for the composition, calculation and maintenance of the Benchmark Index. The judgments that the Benchmark Index Sponsor makes in connection with the composition, calculation and maintenance of Benchmark Index, could also affect the level of the Underlyer Strategy. The Benchmark Index Sponsor is under no obligation to take the interests of Shareholders of the Portfolio into consideration for any reason. The relationship between the Underlyer Strategy and the Benchmark Index is described above under the section "Description of the Underlyer Strategy".

Goldman Sachs is not affiliated with Dow Jones & Company or UBS Securities and is not responsible for their acts or omissions with respect to the Benchmark Index or for the disclosure regarding the Benchmark Index.

**p) The policies of the sponsor of the Benchmark Index and changes that affect the Benchmark Index and the Benchmark Index commodities could affect the level of the Underlyer Strategy.**

The policies of Dow Jones & Company Inc., jointly with UBS Securities, as Benchmark Index Sponsor, concerning the calculation of the Benchmark Index, additions, deletions or substitutions of the commodities comprising the Benchmark Index, and the manner in which changes affecting those commodities (such as rebalancing of the Benchmark Index commodities) are reflected in the Benchmark Index level, could affect the Underlyer Strategy level and therefore the amount payable on any redemption of Shares of the Portfolio. The level of the Underlyer Strategy and the Shares of the Portfolio referenced to such Underlyer Strategy could also be affected if the Benchmark Index Sponsor changes these policies, for example, by changing the manner in which it calculates the Benchmark Index, or if Benchmark Index Sponsor discontinues or suspends calculation or publication of the Benchmark Index, in which case it may become difficult to determine the Underlyer Strategy level on any relevant redemption date. If events such as these occur, or such day is not an DJ-UBS business day (as defined below in the section "Definitions") or for any other reason, the Calculation Agent — which, as of the date of this document, is Goldman Sachs International — may determine the Benchmark Index level, as applicable on the relevant redemption date in a manner as described below in the section "Definitions" under "Market Disruption Fallbacks" or "Discontinuance or Modification of the Underlyer Strategy or Benchmark Index" as applicable. The discretion that the Calculation Agent will have in determining the Underlyer Strategy level on any redemption date, as applicable, is more fully described in those sections of this Supplement.

**q) The Investment Administrator can postpone the Valuation Day and any related redemption date if a Market Disruption Event occurs.**

If the Calculation Agent, determines that, on the relevant Valuation Day a Market Disruption Event has occurred or is continuing in respect of the Underlyer Strategy, the Investment Administrator will postpone such Valuation Day, until the first Valuation Day on which no Market Disruption Event is occurring or is continuing and, in any event, not later than five Underlyer Strategy business days from the originally scheduled date for such Valuation Day. In addition, if the relevant Valuation Day is so postponed, any related subscription, conversion and/or redemption date will also be postponed, although not by more than five Underlyer Strategy business days. Thus, if the Valuation Day is postponed, applications of the Shareholders of the Portfolio for any subscription, conversion and/or redemption may not be processed until several days after the originally scheduled Valuation Day.

Moreover, if the relevant Valuation Day is postponed to the fifth Underlyer Strategy business day following the originally scheduled Valuation Day, and a Market Disruption Event occurs or is continuing on the sixth Underlyer Strategy business day, that day will nevertheless be the Valuation Day provided such sixth Underlyer Strategy business day is a Business Day in all other respects. In such circumstances, the Calculation Agent, will determine the Closing Level of the Underlyer Strategy based on the procedures described below in the "Definitions" section under "Market Disruption Fallbacks".

## Particularities of the Swap Agreement and of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund, for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Swap Agreement will be a total return swap indexed to the return of the Underlyer Strategy. Under the terms of the Swap Agreement, the Portfolio will be required to make payments to Goldman Sachs International, as swap counterparty, in an amount equal to an interest rate on the notional amount of the swap (which will in turn be equal to the Net Asset Value of the Portfolio). Goldman Sachs International will be obligated to make periodic payments to the Portfolio based on any increases in the Underlyer Strategy level, and the Portfolio will be obligated to make payments to Goldman Sachs International in the amount of any decreases in the Underlyer Strategy level, in each case multiplied by the notional amount of the swap. The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. In addition, the Swap Agreement will provide that, in the event of certain market disruption events with respect to the futures contracts included in the Underlyer Strategy, payments due under the Swap Agreement may be delayed or determined in an alternative manner. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the Underlyer Strategy and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved the valuation and pricing models that will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: Effective Federal Funds rate. The returns generated to the Portfolio under the Swap Agreement are an appreciation (if any) of the Underlyer Strategy and those generated to the counterparty to such agreement are a reference rate linked to the Effective Federal Funds rate.

The Swap Agreement sets out the consequences of certain events ("**Adjustment Events**") which may impact investors in the Portfolio:

### *Strategy or Index Substitution*

If the Underlyer Strategy or the Benchmark Index is:

- (i) not calculated and announced by the Underlyer Strategy Sponsor or the Benchmark Index Sponsor, as the case may be, but in either case is calculated and announced by a successor sponsor acceptable to the calculation agent of the Swap Agreement (the "Calculation Agent"); or

- (ii) replaced by a successor strategy or index using, in the reasonable judgment of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Underlyer Strategy or Benchmark Index, as applicable,

then the Underlyer Strategy or Benchmark Index will be deemed to be the Underlyer Strategy or Benchmark Index so calculated and announced by that successor strategy sponsor or that successor index sponsor, as the case may be.

Shareholders will be notified of any successor strategy or index and will be granted with a one month period free of charges to redeem their shares should they disagree with the contemplated change.

*Material change/No calculation/publication of the index*

If in respect of the Underlyer Strategy or Benchmark Index:

- (i) on or prior to any valuation date, (x) the Underlyer Strategy Sponsor or (if applicable) the successor sponsor makes, in the judgment of the Calculation Agent, a material change in the formula for or the method of calculating, or determining the composition of, the Underlyer Strategy or in any other way materially modifies the Underlyer Strategy or (y) the Benchmark Index Sponsor or (if applicable) the successor sponsor makes, in the judgment of the Calculation Agent, a material change in the formula for or the method of calculating, or determining the composition of, the Benchmark Index or in any other way materially modifies the Benchmark Index (in either case, other than a modification prescribed in that formula or method relating to the composition of the Underlyer Strategy or the Benchmark Index, the weighting of the components of the Underlyer Strategy or the Benchmark Index and other routine events or modifications which do not in the judgment of the Calculation Agent in any way materially modify the Underlyer Strategy or the Benchmark Index, as the case may be); or
- (ii) on any valuation date, in the absence of a Market Disruption Event (x) the Underlyer Strategy Sponsor or (if applicable) the successor sponsor fails to calculate and announce the Underlyer Strategy, or the Underlyer Strategy has ceased to be calculated by the Underlyer Strategy Sponsor or a successor sponsor and has not been replaced by a successor strategy as applicable (and, for the avoidance of doubt, any such failure or cessation shall not constitute a Market Disruption Event); or (y) the Benchmark Index Sponsor or (if applicable) the successor sponsor fails to calculate and announce the Benchmark Index, or the Benchmark Index has ceased to be calculated by the Benchmark Index Sponsor or a successor sponsor and has not been replaced by a successor index as applicable (and, for the avoidance of doubt, any such failure or cessation shall not constitute a Market Disruption Event),

then the Calculation Agent may at its sole option (in the case of (i)) and shall (in the case of (ii)) (such events (i) and (ii) to be collectively referred to as "Adjustment Events") determine the level of the Underlyer Strategy, in lieu of a published level for the Underlyer Strategy or Benchmark Index, as applicable, as at the relevant valuation date or other relevant date, as the case may be, in accordance with the formula for and method of calculating the Underlyer Strategy last in effect prior to the relevant Adjustment Event, in good faith and in a commercially reasonable manner but using only those contracts that were included in the Underlyer Strategy immediately prior to such Adjustment Event (or, if such contracts are no longer traded, contracts that are the most comparable, in the judgment of the Calculation Agent).

*Error in publication*

For purposes of calculating Underlyer Strategy, if a settlement price published or announced on any given day and used or to be used by the Calculation Agent to determine the level of the Underlyer Strategy is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within 30 calendar days of the original publication or announcement, either party may notify the other party of (i) that correction and (ii) the amount (if any) that is payable as a result of that correction. If, not later than ten (10) calendar days after publication or announcement of the correction, a party gives notice that an amount is payable, the party that originally received or retained such amount will, not later than three (3) Business Days after the receipt of that notice, pay, subject to any conditions precedent, to the other party that amount, together with interest on that amount (at a rate per annum that the Calculation Agent determines to be the spot offered rate for deposits in the payment currency in the London interbank market at approximately 11:00 a.m., London time, on the relevant payment date) for the period from and including the day on which payment originally was (or was not) made to but excluding the day of payment or the refund of payment resulting from the correction.

Following any such adjustment the Board of Directors of the Umbrella Fund shall consider whether any adjustments are necessary to the terms of the Shares. Where, as the result of a miscalculation of the net asset value per Share of any Class of any Portfolio, including as a result of an error in publication of the Underlyer Strategy, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct net asset value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

## Characteristics

### Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
Class A	USD	Accumulation	LU0397155895	None
Class A (EUR Hedged)	EUR (Hedged)	Accumulation	LU0397155978	None
Class A (GBP Hedged)	GBP (Hedged)	Accumulation	LU0454945865	None
Class A (CHF Hedged)	CHF (Hedged)	Accumulation	LU0454946087	None
Class I	USD	Accumulation	LU0397156190	None
Class I (EUR Hedged)	EUR (Hedged)	Accumulation	LU0397156273	None
Class I (CHF Hedged)	CHF (Hedged)	Accumulation	LU0397156356	None
Class I (GBP Hedged)	GBP (Hedged)	Accumulation	LU0454946160	None
Class C	USD	Accumulation	LU0397156430	None
Class C (EUR Hedged)	EUR (Hedged)	Accumulation	LU0397156604	None
Class C (CHF Hedged)	CHF (Hedged)	Accumulation	LU0397156786	None
Class C (GBP Hedged)	GBP (Hedged)	Accumulation	LU0454946244	None
Class X	USD	Accumulation	LU0454946327	None
Class X (CHF Hedged)	CHF (Hedged)	Accumulation	LU0454946590	None
Class X (EUR Hedged)	EUR (Hedged)	Accumulation	LU0454946673	None
Class X (GBP Hedged)	GBP (Hedged)	Accumulation	LU0454946756	None
Class Y	USD	Accumulation	LU0454946830	None
Class Y (CHF Hedged)	CHF (Hedged)	Accumulation	LU0454946913	None
Class Y (EUR Hedged)	EUR (Hedged)	Accumulation	LU0454947051	None
Class Y (GBP Hedged)	GBP (Hedged)	Accumulation	LU0454947135	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Subsequent Investment	Minimum Holding and Initial Investment
Class A	5%	5%	1.00%	USD 1,000	USD 1,000
Class A (EUR Hedged)	5%	5%	1.00%	EUR 1,000	EUR 1,000
Class A (GBP Hedged)	5%	5%	1.00%	GBP 1,000	GBP 1,000
Class A (CHF Hedged)	5%	5%	1.00%	CHF 1,000	CHF 1,000
Class I	5%	5%	1.00%	USD 1,000	USD 100,000
Class I (EUR Hedged)	5%	5%	1.00%	EUR 1,000	EUR 100,000
Class I (CHF Hedged)	5%	5%	1.00%	CHF 1,000	CHF 100,000
Class I (GBP Hedged)	5%	5%	1.00%	GBP 1,000	GBP 100,000
Class C	5%	5%	0.30%	USD 1,000	USD 1,000,000
Class C (EUR Hedged)	5%	5%	0.30%	EUR 1,000	EUR 1,000,000
Class C (CHF Hedged)	5%	5%	0.30%	CHF 1,000	CHF 1,000,000
Class C (GBP Hedged)	5%	5%	0.30%	GBP 1,000	GBP 1,000,000

Hedged)					
Class X	5%	5%	0.25%	USD 1,000	USD 50,000,000
Class X (CHF Hedged)	5%	5%	0.25%	CHF 1,000	CHF 50,000,000
Class X (EUR Hedged)	5%	5%	0.25%	EUR 1,000	EUR 50,000,000
Class X (GBP Hedged)	5%	5%	0.25%	GBP 1,000	GBP 50,000,000
Class Y	5%	5%	0.20%	USD 1,000	USD 75,000,000
Class Y (CHF Hedged)	5%	5%	0.20%	CHF 1,000	CHF 75,000,000
Class Y (EUR Hedged)	5%	5%	0.20%	EUR 1,000	EUR 75,000,000
Class Y (GBP Hedged)	5%	5%	0.20%	GBP 1,000	GBP 75,000,000

\*A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to the Hedging Agent) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

**Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio Every Luxembourg and London business day before 4 p.m. CET - Luxembourg time prior to the relevant Valuation Day	Valuation Day + 3 Local Business Days**

Investors in the Portfolio are made aware that they will be bound by any application sent on any Luxembourg and London business day, notwithstanding the fact that the applicable Valuation Day may not be determined until the sixth Underlyer Strategy business day (as defined under section "Definitions" below) following the receipt of their application.

A Net Asset Value may be calculated on days different from the Valuation Day with the exception of any Luxembourg banking holidays. Any such Net Asset Value published on non-Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available net asset values with adjustments made for the expense accrual.

Class A	GSDJACA LX
Class A (EUR Hedged)	GSSTA EH LX
Class A (GBP Hedged)	GSDJUAP LX
Class A (CHF Hedged)	GSDJUAS LX
Class I	GSDJACI LX
Class I (EUR Hedged)	GSSTIEH LX
Class I (CHF Hedged)	GSSTISH LX
Class I (GBP Hedged)	GSDJUIP LX
Class C	GSDJACC LX
Class C (EUR Hedged)	GSSTCEH LX
Class C (CHF Hedged)	GSSTCCH LX
Class C (GBP Hedged)	GSDJUCP LX
Class X	GSDJUXD LX
Class X (CHF Hedged)	GSDJUXS LX
Class X (EUR Hedged)	GSDJUXE LX
Class X (GBP Hedged)	GSDJUSX LX
Class Y	GSDJUYP LX
Class Y (CHF Hedged)	GSDJUYS LX
Class Y (EUR Hedged)	GSDJUYE LX
Class Y (GBP Hedged)	GSDJUYP LX

\* Any day (1) on which banks are open for normal banking business in Luxembourg and London, (2) which is also an Underlyer Strategy business day, and (3) on which no Market Disruption Event is occurring in respect of the Underlyer Strategy, save in the circumstances described below in the section “Definitions” under “Market Disruption Fallbacks”.

On each day the Underlyer Strategy Sponsor is open for business, it will calculate and publish the Closing Level (as defined below in the section “Definitions”) of the Underlyer Strategy on the Bloomberg ticker reference ENHGD56T <INDEX> and therefore may be published on non-Business Days (see note \* above for definition of Business Day). Any such value published by the Underlyer Strategy Sponsor in respect of the Underlyer Strategy on non-Business Days will be indicative only and therefore may not reflect the Closing Level of the Underlyer Strategy as determined by the Calculation Agent and used by the Investment Administrator to determine the Net Asset Value of the Portfolio for the purposes of effecting any subscription, conversion and/or redemption. In addition and as noted above under the section “Principal Risks of Investing in the Portfolio”, suspensions or disruptions of market trading in commodities and related contracts may adversely affect the value of Shares in the Portfolio.

\*\* Day on which commercial banks are open for business in Luxembourg, London, and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemption proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemption proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail, institutional and professional investors.

### ***License Disclaimer***

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Securities and their respective subsidiaries and affiliates may independently issue and/or sponsor financial products unrelated to the Portfolio currently being issued by the Licensee, but which may be similar to and competitive with the Portfolio. In addition, UBS AG, UBS Securities and their subsidiaries and affiliates actively trade commodities, commodity indexes and commodity futures (including the Dow Jones-UBS Commodity Index<sup>SM</sup> and Dow Jones-UBS Commodity Index Total Return<sup>SM</sup>), as well as swaps, options and derivatives which are linked to the performance of such commodities, commodity indexes and commodity futures. It is possible that this trading activity will affect the value of the Dow Jones-UBS Commodity Index<sup>SM</sup>, and the Portfolio.

This Supplement relates only to the Portfolio and does not relate to the exchange-traded physical commodities underlying any of the Dow Jones-UBS Commodity Index<sup>SM</sup> components. Purchasers of the Portfolio should not conclude that the inclusion of a futures contract in the Dow Jones-UBS Commodity Index<sup>SM</sup> is any form of investment recommendation of the futures contract or the underlying exchange-traded physical commodity by Dow Jones, UBS AG, UBS Securities or any of their subsidiaries or affiliates. The information in this Supplement regarding the Dow Jones-UBS Commodity Index<sup>SM</sup> components has been derived solely from publicly available documents. None of Dow Jones, UBS AG, UBS Securities or any of their subsidiaries or affiliates has made any due diligence inquiries with respect to the Dow Jones-UBS Commodity Index<sup>SM</sup> components in connection with the Portfolio. None of Dow Jones, UBS AG, UBS Securities or any of their subsidiaries or affiliates makes any representation that these publicly available documents or any other publicly available information regarding the Dow Jones-UBS Commodity Index<sup>SM</sup> components, including without limitation a description of factors that affect the prices of such components, are accurate or complete.

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## DEFINITIONS

Benchmark Index	Dow Jones-UBS Commodity Index Total Return <sup>SM</sup>
Benchmark Index Sponsor	Dow Jones & Company Inc., jointly with UBS Securities or such other corporation or entity that, in the determination of the Calculation Agent: (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Benchmark Index; and (b) announces (directly or through an agent) the level of such Benchmark Index.
Calculation Agent	Goldman Sachs International. All determinations and calculations made by the Calculation Agent shall (in the absence of manifest error) be final and binding on all parties, and the Calculation Agent shall have no responsibility to any person for any good faith errors or omissions in any determine or calculation.
Closing Level	In respect of each Valuation Day, the official closing level of the Underlyer Strategy as announced and published on Bloomberg ticker reference ENHGD56T <Index> (or any official successor thereto) on such day, provided that if a Market Disruption Event (as defined below) occurs, the Closing Level in respect of the Underlyer Strategy on such Valuation Day shall be determined in accordance with the provisions set forth under "Market Disruption Fallbacks" below.
Discontinuance or Modification of Underlyer Strategy or Benchmark Index	<p>(a) If the Underlyer Strategy or the Benchmark Index is:</p> <ul style="list-style-type: none"> <li>(i) not calculated and announced by the Underlyer Strategy Sponsor or Benchmark Index Sponsor, as the case may be, but is calculated and announced by a successor sponsor acceptable to the Calculation Agent; or</li> <li>(ii) replaced by a successor underlyer or index using, in the good faith determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Underlyer Strategy or Benchmark Index, as applicable, then the Underlyer Strategy or Benchmark Index, as applicable, will be deemed to be the underlyer or the index so calculated and announced by that successor sponsor or that successor underlyer or index, as the case may be.</li> </ul> <p>(b) If in respect of the Underlyer Strategy or Benchmark Index:</p> <ul style="list-style-type: none"> <li>(i) on or prior to the Valuation Day, (A) the Underlyer Strategy Sponsor or (if applicable) the successor sponsor makes, in the judgment of the Calculation Agent, a material change in the formula for or the method of calculating, or determining the composition of, the Underlyer Strategy or in any other way materially modifies the Underlyer Strategy; or (B) the Benchmark Index Sponsor or (if applicable) the successor sponsor makes, in the judgment of the Calculation Agent, a material change in the formula for or the method of calculating, or determining the composition of, the Benchmark Index or in any other way materially modifies the Benchmark Index, (in either case, other than a modification prescribed in that formula or method relating to the composition of the</li> </ul>

Underlyer Strategy or the Benchmark Index, the weighting of the components of the Underlyer Strategy or the Benchmark Index and other routine events or modifications which do not in the judgment of the Calculation Agent in any way materially modify the Underlyer Strategy or Benchmark Index, as the case may be); or

- (ii) on the Valuation Day in the absence of a Market Disruption Event (A) the Underlyer Strategy Sponsor or (if applicable) the successor sponsor, fails to calculate and announce the Underlyer Strategy, or the Underlyer Strategy has ceased to be calculated by the Underlying Strategy Sponsor or a successor sponsor and has not been replaced by a successor Underlyer Strategy (and, for the avoidance of doubt, such failure or cessation shall not constitute a Market Disruption Event); or (B) the Benchmark Index Sponsor or (if applicable) the successor sponsor fails to calculate and announce the Benchmark Index, or the Benchmark Index has ceased to be calculated by the Benchmark Index Sponsor or a successor sponsor and has not been replaced by a successor index (and, for the avoidance of doubt, such failure or cessation by the Benchmark Index Sponsor shall constitute a Market Disruption Event),

then the Calculation Agent shall calculate the level of the Underlyer Strategy, in lieu of a published level for the Underlyer Strategy as the case may be, in good faith and in a commercially reasonable manner.

- (c) In any such circumstances as described in (a) and (b) above, the Calculation Agent will have no responsibility (in the absence of manifest error) to any person for errors or omissions made in the calculation of the Underlyer Strategy.
- (d) If the Closing Level published on any Valuation Day is subsequently corrected and the correction is published by the Underlyer Strategy Sponsor or (if applicable) the successor sponsor not later than 12 noon EST on the Underlyer Strategy business day immediately following that relevant Valuation Day then the corrected closing level for such Valuation Day shall be deemed the Closing Level for such Valuation Day and the Calculation Agent shall use such corrected closing level in accordance with the above provisions to re-calculate any redemption amount payable in respect of such Valuation Day.

DJ UBS business day	has the same meaning given to "Business Day" as set forth in the DJ-UBS Handbook.
DJ UBS Handbook	The Dow Jones - UBS Commodity Index <sup>SM</sup> Handbook as of January 2008 compiled and published by Dow Jones & Company, Inc. (as revised annually);
Market Disruption Events	means, in respect of the Underlyer Strategy and any given Underlyer Strategy business day (and a Market Disruption Event shall be deemed to exist on such Underlyer Strategy business day if), in the opinion of the Calculation Agent, any one of the following occurs: <ul style="list-style-type: none"> <li>(a) the settlement price for any contract included in the Underlyer Strategy is a "limit price" which means that the settlement price for such contract for a day has increased or</li> </ul>

decreased from the previous day's settlement price by the maximum amount permitted under applicable rules of any exchange or trading facility on which such contract is traded;

- (b) trading in any contract on the relevant trading facility is suspended or interrupted subsequent to the opening of trading and trading in such contract does not recommence at least ten (10) minutes prior to, and such suspension or interruption continues until, the regular scheduled close of trading in such contract on the relevant trading facility; or
- (c) there is a failure by any trading facility or other price source to announce or publish the settlement price for the relevant contract.

#### Market Disruption Fallbacks

If a Market Disruption Event has occurred on any day which is a Valuation Day, the Closing Level of the Underlyer Strategy will not be determined with reference to the Bloomberg ticker reference ENHGD56T <Index> (or any official successor thereto), but will instead be determined by the Calculation Agent as follows:

- (i) with respect to each contract included in the Underlyer Strategy that is not affected by the Market Disruption Event, the Closing Level will be based on the settlement price of each such contract on the Valuation Day; and
- (ii) with respect to each contract which is affected ("Affected Contract") by the Market Disruption Event, the Closing Level will be based on the settlement price of such Affected Contract on the first Underlyer Strategy business day following such originally scheduled Valuation Day on which no Market Disruption Event is occurring with respect to such Affected Contract, provided that if such Market Disruption Event exists or continues to exist with respect to such Affected Contract for five (5) consecutive Underlyer Strategy business days following the originally scheduled Valuation Day, the price of such Affected Contract to be used in calculating the Closing Level for such Valuation Day shall be determined by the Underlyer Strategy Sponsor, in a commercially reasonable manner, on the sixth (6th) Underlyer Strategy business day following such Valuation Day notwithstanding that a Market Disruption exists on such sixth (6th) Underlyer Strategy business day.

The Calculation Agent shall determine Closing Level of the Underlyer Strategy by reference to the settlement prices or other prices of the relevant contracts included in the Underlyer Strategy determined in sub-paragraphs (i) and (ii) above using the then current method for calculating the Underlyer Strategy on the Determination Date that falls latest in time following adjustment in accordance with sub-paragraph (ii) above.

If the offices of the Calculation Agent are not open for business on any relevant Determination Date, any relevant calculation will be made by Goldman, Sachs & Co. or another affiliate of the Calculation Agent.

For the purposes of this definition, "Determination Date" means, in respect of each Affected Contract, the day on which the settlement price of such Affected Contract is determined, as set out in paragraph (ii) above.

Underlyer Strategy		Goldman Sachs Dow Jones-UBS Total Return <sup>SM</sup> Enhanced Strategy E56 as calculated by the Underlyer Strategy Sponsor and published on the Bloomberg ticker reference ENHGD56T <Index> (or any official successor thereto). The Underlyer Strategy shall be considered as a financial index within the meaning of article 9 of the Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.
Underlyer business day	Strategy	in respect of the Underlyer Strategy, a day: (i) that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which all the trading facilities on which the contracts included in the Underlyer Strategy, are traded, are open for trading during their regular trading session, notwithstanding any such trading facility closing prior to its scheduled closing time; and (ii) on which the offices of the Calculation Agent in London are open for business.
Underlyer Sponsor	Strategy	Goldman Sachs & Co. or such other corporation or entity that, in the determination of the Calculation Agent: (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Underlyer Strategy; and (b) announces (directly or through an agent) the level of such Underlyer Strategy on a regular basis.

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## **Supplement IX to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – Reduced Volatility Velocity and Carry Strategy Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Reduced Volatility Velocity and Carry Strategy Portfolio (the "Portfolio"), one of the Alternative Beta Strategies Portfolios of the Umbrella Fund, provides investors with access to our innovative underlyers.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares of the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – Reduced Volatility Velocity and Carry Strategy Portfolio**

### **Investment Objective**

The Portfolio's investment objective is to participate through the Reduced Volatility Velocity and Carry Strategy (as further described below under the heading "Further information relating to the Reduced Volatility Velocity and Carry Strategy"), in the returns of the Max Velocity Max Carry Basket (the "Basket") while keeping the rolling annual volatility of the Portfolio below 20%. In order to achieve this objective of maintaining rolling annual volatility of the Portfolio at 20%, the Reduced Volatility Velocity and Carry Strategy incorporates a reduced volatility mechanism that dynamically adjusts the participation rate in the underlying Basket in response to movements in historic volatility. Therefore as realized volatility rises, the Reduced Volatility Velocity and Carry Strategy will tend to decrease participation in the Basket, dampening the volatility of such Strategy.

The Basket is comprised of two equally weighted strategies, namely, the Max Velocity D2 Strategy and the Max Carry D5 Strategy, each a Component which are determined and calculated by Goldman Sachs & Co. and as further described in Appendix 2 to this Supplement. At the end of every month, each of the Max Velocity D2 Strategy and the Max Carry D5 Strategy will invest in those commodities in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> according to certain signals.

The Max Carry D5 Strategy invests in those commodity contracts in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> based on the shape of their respective futures curve and invests for the next month in those commodities with the greatest backwardation or the least contango. If the market for any commodity contract is in backwardation, it means prices for those commodities are lower in the distant delivery months than in the nearer delivery months whereas if commodities are trading in contango markets, prices of commodities are higher in the distant delivery months than in the nearer delivery months.

The Max Velocity D2 Strategy invests in those commodities in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> based on their respective 12 month return and invests for the next month in those commodities with the highest performance. In the case of both the Max Velocity D2 Strategy and the Max Carry D5 Strategy once composition of the relevant strategy is determined as of the end of the relevant month following observance of the signals as described above, the strategy composition will remain unchanged until the end of the following month when signals are re-observed. The Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> on which the Max Velocity D2 Strategy and the Max Carry D5 Strategy are based (with various modifications) is described in further detail in Appendix 3 to this Supplement. The Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> is calculated by Dow Jones in conjunction with UBS Securities.

Since any commodity contract has a pre-determined expiration date on which the trading of the commodity contract ceases, as contracts that underlie the Max Carry D5 Strategy and Max Velocity D2 Strategy come to expiration, they are replaced by contracts that have a later expiration; this process is known as "rolling". The absence of backwardation in the market for a commodity contract underlying any of the Max Carry D5 Strategy and Max Velocity D2 Strategy could result in negative "roll yields", which could adversely affect their value and therefore impact on the value of the Basket and the Reduced Volatility Velocity and Carry Strategy.

On each Basket Calculation Day, the Basket Sponsor will publish a value for the Reduced Volatility Velocity and Carry Strategy (otherwise referred to as the Strategy Closing Value) on the Relevant Screen Page ABGSB99V <Index> as well as the Closing Levels of the Basket's Components even if a Market Disruption Event has occurred or is existing on such Basket Calculation Day in respect of any such contract underlying the Basket's Components. The Strategy Closing Value as published on such Relevant Screen Page as well as the Closing Levels of its Components are indicative values only and therefore may not reflect the actual value of the Portfolio on any given Basket Calculation Day or values which the Investment Administrator would use for the purposes of settling any subscription, redemption and/or conversion application in respect of the Portfolio. For the purposes of any Valuation Day on which the Investment Administrator settles subscriptions, conversions and/or redemptions (as further described under the heading "*Subscription, Conversions and Redemptions in the Portfolio: Pricing and Settlement*"), the Calculation Agent will use the Strategy Tradable Value, as further described below in Section A, paragraph 2 (*Determination of the Reduced Volatility Velocity and Carry Strategy Tradable Value*).

The Portfolio's rolling annual volatility is managed through the application of a Participation Factor which is based on the volatility of the Basket (measured according to the Basket Closing Value determined in accordance with paragraph 1 of Section B below) and calculated using an algorithm (hereinafter referred to as

the Algorithm, the calculation methodology for which is as described in Appendix 1 to this Supplement) which applies such Basket Closing Value. Depending on the Participation Factor generated by the Algorithm, the daily participation of the Reduced Volatility Velocity and Carry Strategy (and therefore the Portfolio) in the returns of the Basket will be increased or decreased accordingly.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

## IMPORTANT INVESTOR DISCLOSURE

### Key Risks related to the Portfolio

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section “*Principal Risks of Investing in the Portfolio*” in this Supplement as well as under sections “*Investment Risks*”, “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus.

Investors should pay particular attention to the following risk:

### No Principal Protection

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

### Termination of the Swap Agreement

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a “Hedging Disruption Early Unwind Event”). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

## Investment Policy

The Portfolio seeks to achieve its investment objective by (i) entering into a reverse repurchase agreement with Goldman Sachs International subject to prudential rules equivalent to those provided by Community law (the “Reverse Repurchase Agreement”) and (ii) an excess return swap agreement (the “Swap Agreement”) on the Reduced Volatility Velocity and Carry Strategy, each such agreement as further described below.

### Reverse Repurchase Agreement

The Portfolio will enter into a Reverse Repurchase Agreement with Goldman Sachs International. Under the Reverse Repurchase Agreement, the Portfolio will pay Goldman Sachs International in exchange for certain Eligible Securities (as referred to below).

Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under “Reverse Repurchase Agreement Eligible Securities” below. Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### **Reverse Repurchase Agreement Eligible Securities**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralized within a range from 100% and 110% of its notional amount. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time.

Composition of collateral: any eligible collateral mentioned under section “*Repurchase Agreements and Reverse Repurchase Agreements*” of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments;

Currencies: collateral shall be delivered in each country's respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### **The Swap Agreement**

The Portfolio will enter into a Swap Agreement with Goldman Sachs International, which is also the counterparty to the Reverse Repurchase Agreement. The Swap Agreement references the Reduced Volatility Velocity and Carry Strategy which invests in the Basket, the components of which are the Max Carry D5 Strategy and the Max Velocity D2 Strategy. Each such components are based on the Dow Jones - UBS Commodity Index 2 Month Forward<sup>SM</sup>, as further described under the section *Investment Objective*.

The Swap Agreement will be reset on a weekly basis. On such weekly reset date, the Portfolio will be able to increase or decrease the notional amount of the Swap Agreement. In addition, the Portfolio will be able to enter into additional swaps, having all the same characteristics as the Swap Agreement with either positive or negative notional amounts in order to increase or decrease its exposure relative to the then current notional value of the Swap Agreement. The basis for entering into those additional swaps is to reflect any additional subscriptions and/or redemptions or conversions which may be processed in the intervening periods. Under the Swap Agreement, if on periodic payment dates the performance of the Reduced Volatility Velocity and Carry Strategy is positive, Goldman Sachs International will pay the Portfolio the absolute value of such positive amount and if the performance of the Reduced Volatility Velocity and Carry Strategy is negative, the Portfolio will pay Goldman Sachs International the absolute value of such negative amount subject to a maximum of 100 per cent (100%) of the notional amount.

The Swap Agreement will incorporate a fee payable by the Portfolio to Goldman Sachs International of 80 basis points per annum paid on the outstanding notional amount of the Swap Agreement. Such fee may include hedging costs and a profit component payable to Goldman Sachs International.

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **Further information relating to the Reduced Volatility Velocity and Carry Strategy**

#### **A. Determination of the Reduced Volatility Velocity and Carry Strategy Closing Value and the Reduced Volatility Velocity and Carry Strategy Tradable Value in respect of the Reduced Volatility Velocity and Carry Strategy**

##### **1. Determination of the Reduced Volatility Velocity and Carry Strategy Closing Value (“Strategy Closing Value”)**

The Reduced Volatility Velocity and Carry Strategy is a strategy which seeks to generate overall positive returns by increasing or decreasing the hypothetical participation in the returns of the Basket (as further described below in section B) to maintain its rolling annual volatility below 20%. In order to manage this commodity price volatility objective, the Reduced Volatility Velocity and Carry Strategy applies the Participation Factor to the Components included in the Basket on each Basket Calculation Day. The Participation Factor (also expressed as J(d)) is determined by reference to the volatility of the Basket (the value of such Basket being the Basket Closing Value (A(d)) determined in accordance with paragraph 1 of section B below) and calculated through the use of the Algorithm as described in Appendix 1.

The Strategy Closing Value (also expressed as “LV(d)”) for each Basket Calculation Day (d) falling after the Basket Inception Date is determined by the Calculation Agent by multiplying: (i) the Strategy Closing Value (LV(d')) for the Preceding Basket Calculation Day (d'); by (ii) the sum of (a)

one and (b) the product (i) the Participation Factor ( $J(d')$ ); and (ii) the Basket Return (also expressed as  $B(d, d')$  as determined in accordance with the calculation methodology set out in paragraph 1 of Section B below) in accordance with the following formula:

$$LV(d) = (1 + J(d')B(d, d')) \times LV(d')$$

Where:

“**J(d')**” means, in respect of any Preceding Basket Calculation Day ( $d'$ ), the level of participation of the Reduced Volatility Velocity and Carry Strategy in the Basket as determined by the Algorithm for such Preceding Basket Calculation Day ( $d'$ ) as described in Appendix 1. In determining the Participation Factor ( $J(d)$ ) through the Algorithm, the Calculation Agent will only apply the Basket Closing Values which are based on the Closing Levels of the Components included such Basket.

Any determinations required to be made in connection with the composition of, calculation methodology of, or adjustments to, the Reduced Volatility Velocity and Carry Strategy will be made by the Basket Sponsor.

The Basket Sponsor will calculate and publish a value for the Reduced Volatility Velocity and Carry Strategy (otherwise referred to as the Strategy Closing Value) on the Relevant Screen Page on each Basket Calculation Day even if a Market Disruption Event has occurred or is existing on such Basket Calculation Day in respect of a Component included in the Basket. For the purposes of settling any subscriptions, conversions and/or redemptions (as further described under the heading “*Subscription, Conversions and Redemptions in the Portfolio: Pricing and Settlement*”), the Calculation Agent will use the Strategy Tradable Value as defined below in paragraph 2 (*Determination of the Reduced Volatility Velocity and Carry Strategy Tradable Value*) instead of the Reduced Volatility Velocity and Carry Strategy Closing Value.

**2. Determination of the Reduced Volatility Velocity and Carry Strategy Tradable Value (“Strategy Tradable Value”)**

The Strategy Tradable Value shall be determined for any Trading Day in accordance with the formula as set out in paragraph A.1 above, except that in calculating the Basket Return ( $B(d, d')$ ) the Calculation Agent shall use the Tradable Levels for each Component as set out in the Basket Table for such (and only such) Trading Day. The effect of this is that the Basket Return ( $B(d, d')$ ) for such Trading Day (and therefore the Strategy Tradable Value for any such Trading Day) will be adjusted for Market Disruption Events in accordance with paragraph B.4 (*Consequences of Market Disruption Events*).

Unless otherwise specified, all capitalised terms in this Section A shall have the meanings as set forth in Section B (*Determination of the Basket Closing Value, including the Basket Return*) below.

**B. Determination of the Basket Closing Value, including the Basket Return**

The Basket Closing Value is determined in accordance with the calculation methodology as set forth below in this Section B.

As of the Basket Inception Date, the Basket Closing Value (also expressed as  $A(d)$ ) was the Basket Initial Closing Value.

Any determinations required to be made in connection with the composition of, calculation methodology of, or adjustments to the Basket, or any of its Components will be made by the Basket Sponsor.

The Basket Sponsor will calculate the Basket Closing Value on each Basket Calculation Day based on the Closing Levels for each Component as set out in the Basket Table (as set forth below in paragraph 3 of this Section B) even if a Market Disruption Event has occurred or is existing on such Basket Calculation Day in respect of any Component included in the Basket.

**1. Calculation Methodology in respect of the Basket Closing Value including the Basket Return**

The Basket Closing Value (also expressed as “**A(d)**”) for each Basket Calculation Day ( $d$ ) falling after the Basket Inception Date is determined by the Calculation Agent by multiplying: (i) the Basket Closing Value (**A(d')**) for the Preceding Basket Calculation Day ( $d'$ ); by (ii) the sum of one (1) and the Basket

Return ("**B(d, d')**") measured from such Preceding Basket Calculation Day (d') to such Basket Calculation Day (d) in accordance with the following formula:

$$A(d) = (1 + B(d, d')) \times A(d')$$

where:

"**Basket Return (d, d')**" (also expressed as "**B(d,d')**") means, in respect of a Basket Calculation Day (d), the Basket Return measured from the Preceding Basket Calculation Day (d') to such Basket Calculation Day (d), calculated by the Calculation Agent in accordance with the following formula:

$$B(d, d') = \sum_{n=i}^N [W_n^a(d') \times (P_n(d, d') - 1)]$$

where for the purpose of determining the "Basket Return (d, d')" or "B(d, d')":

"**Σ**" or sigma, means the sum of, such that, for example,  $\sum_{n=i}^N x_n \times y_n$  is defined by:

$$(x_i \times y_i) + (x_{i+1} \times y_{i+1}) + \dots + (x_N \times y_N)$$

"**Component Performance (n)**" (also expressed as "**P<sub>n</sub>(d,d')**") means in respect a Basket Calculation Day (d) and the Preceding Basket Calculation Day (d'), the Closing Level of Component (n) measured from the Preceding Basket Calculation Day (d') to such Basket Calculation Day (d) and shall be calculated by the Calculation Agent in accordance with the definition of **P<sub>n</sub>(d<sub>end</sub>, d<sub>begin</sub>)** (as set out in paragraph (b) below), where "d<sub>end</sub>" shall be the Basket Calculation Day (d) and "d<sub>begin</sub>" shall be Preceding Basket Calculation Day (d').

"**Adjusted Component Weight (n)**" (also expressed as "**W<sub>n</sub><sup>a</sup>(d')**") means in respect of each Component (n) and for any Preceding Basket Calculation Day (d'), the Target Component Weight for such Component (n) adjusted according to the Component Performance for such relevant Component (n) ("**P<sub>n</sub>(d', d<sub>r</sub>(d'))**") as defined below) from the Relevant Rebalancing Date ("**d<sub>r,n</sub>(d')**") as defined below) to such Basket Calculation Day (d') relative to the Weighted Component Performance (d', d<sub>r</sub>(d')) ("**C(d', d<sub>r</sub>(d'))**") as defined below) as determined by the Calculation Agent for such Component (n) in accordance with the following formula:

$$W_n^a(d') = W_n(d_r(d')) \times \frac{P_n(d', d_r(d'))}{C(d', d_r(d'))}$$

Where for the purposes of determining Adjusted Component Weight (n):

"**Target Component Weight (n)**" (also expressed as "**W<sub>n</sub>(d<sub>r</sub>(d'))**") means, in respect of each Component (n), the Preceding Basket Calculation Day (d') and the Relevant Rebalancing Date (d<sub>r</sub>(d')) for such Component (n) and such Preceding Basket Calculation Day (d'), the Target Component Weight corresponding to such Component (n).

"**P<sub>n</sub>(d', d<sub>r</sub>(d'))**" being the Component Performance of Component (n) measured from the Relevant Rebalancing Date (d<sub>r</sub>(d')) to the Preceding Basket Calculation Day (d') shall be calculated in accordance with the definition of "**P<sub>n</sub>(d<sub>end</sub>, d<sub>begin</sub>)**" (as set out in paragraph 2 (*Definitions*) below), where "d<sub>end</sub>" shall be the Preceding Basket Calculation Day (d') and "d<sub>begin</sub>" shall be the Relevant Rebalancing Date (d<sub>r</sub>(d')) for such Component (n).

"**C(d', d<sub>r</sub>(d'))**" being the Weighted Component Performance of Component (n) measured from the Relevant Rebalancing Date (d<sub>r</sub>(d')) to the Preceding Basket Calculation Day (d') shall be calculated in accordance with the definition of "**C(d<sub>end</sub>, d<sub>begin</sub>)**" (as set out in paragraph 2 (*Definitions*) below), where "d<sub>end</sub>" shall be Preceding Basket Calculation Day (d') and "d<sub>begin</sub>" shall be the Relevant Rebalancing Date (d<sub>r</sub>(d')) for such Component (n).

**"Relevant Rebalancing Date (d<sub>r</sub>(d'))"** means for a Component (n) and the Preceding Basket Calculation Day (d'), the Rebalancing Date falling on or prior to the Preceding Basket Calculation Day (d'). For the avoidance of doubt, the Relevant Rebalancing Date (d<sub>r</sub>(d')) can be such Preceding Basket Calculation Day (d').

Unless otherwise specified, all capitalised terms in this paragraph 1 of this Section B shall have the meanings as set forth in paragraph 2 below.

## 2. Definitions

The following definitions and variables are relevant for determining the Basket Closing Value including the Basket Return for any relevant day:

**"Basket"** means the Max Velocity Max Carry Basket.

**"Basket Calculation Day"** means any day on which the offices of the Basket Sponsor in New York are open for business.

**"Basket Closing Value"** means, in respect of the Basket and each Basket Calculation Day, the value of the Basket for such Basket Calculation Day as determined by the Calculation Agent in accordance with the calculation methodology as set forth above in paragraph B.1 (*Determination of the Basket Closing Value including the Basket Return*) using the Closing Levels for such Basket Calculation Day.

**"Basket Inception Date"** means 30 April 1996.

**"Basket Initial Closing Value"** means 100.

**"Basket Sponsor"** means Goldman, Sachs & Co. (or successor thereto).

**"Basket Table"** means the table as set forth in paragraph B.3 (*Basket Table*).

**"C(d<sub>end</sub>, d<sub>begin</sub>)", or Weighted Component Performance (d<sub>end</sub>, d<sub>begin</sub>)"** means in respect of each Component, the performance of such Component measured from the market close on such Basket Calculation Day (d<sub>begin</sub>) (falling on or before the Basket Calculation Day (d<sub>end</sub>)) to the Basket Calculation Day (d<sub>end</sub>), being a value determined by the Calculation Agent as being equal to the quotient of: (i) the Basket Closing Value on such Basket Calculation Day (d<sub>end</sub>) (being **"A(d<sub>end</sub>)"**) and (ii) the Basket Closing Value on the preceding Basket Calculation Day (d<sub>begin</sub>) (being **"A(d<sub>begin</sub>)"**), represented formulaically as follows:

$$C(d_{end}, d_{begin}) = 1 + \sum_{n=i}^N w_n(d_{begin}) \times (P_n(d_{end}, d_{begin}) - 1)$$

**"Closing Level"** means, in respect of each Component and any Basket Calculation Day, the official closing price of each such Component on such Basket Calculation Day as announced and published on the Component Ticker, provided that if on any Basket Calculation Day, the Closing Level is not published on the Component Ticker, then in the case of the relevant trading facility for the relevant contract(s) underlying a Component not being open for trading as a result of a scheduled holiday for such trading facility, the Closing Level will be the most recent Closing Level for such Component, otherwise the Closing Level will be determined by the Calculation Agent, in its sole discretion, in a commercially reasonable manner in accordance with paragraph 5 (*Adjustment Events*) of this Section B.

**"Components"** means the Strategies\_(and **"Component"** means any such Strategy), each such Component as more fully described in Appendix 2 (*Descriptions of the Max Velocity D2 Strategy and the Max Carry D5 Strategy*) to this Supplement.

**"Component (n)"** means for each number assigned to "n" in the column entitled "n" of the Basket Table, the Component corresponding to such number as set out in the column entitled "Component" of the same table.

**"Component Ticker"** means the Bloomberg ticker reference specified in the column entitled "Bloomberg Ticker for Component" of the Basket Table corresponding to the Component as set out in the column entitled "Component" of the same table (or any official successor thereto).

**"I"** means Strategy First.

**"N"** means Strategy Last.

**" $P_n(d_{end}, d_{begin})$ ", or Component Performance (n) ( $d_{end}$ ,  $d_{begin}$ )"** means in respect of each Component (n) and any Basket Calculation Day (" $d_{end}$ "), the performance of the Component measured from the Basket Calculation Day (" $d_{begin}$ ") (falling on or before the Basket Calculation Day ( $d_{end}$ )) to the Basket Calculation Day ( $d_{end}$ ), being a value determined by the Calculation Agent as being equal to the quotient of: (i) the Closing Level of such Component (n) on such Basket Calculation Day ( $d_{end}$ ) (being " $I_n(d_{end})$ ") and (ii) the Closing Level of such Component (n) on the preceding Basket Calculation Day ( $d_{begin}$ ) (being " $I_n(d_{begin})$ "), represented formulaically as follows:

$$P_n(d_{end}, d_{begin}) = \frac{I_n(d_{end})}{I_n(d_{begin})}$$

**"Preceding Basket Calculation Day (d)"** means in respect of a Basket Calculation Day (d), the Basket Calculation Day immediately preceding such Basket Calculation Day (d), as determined by the Calculation Agent.

**"Rebalancing Date"** means the last Trading Day of each calendar quarter, or if such day is not a Trading Day, the immediately following Trading Day.

**"Relevant Screen Page"** means Bloomberg ticker reference ABGSB99V <Index> (or official successor thereto) with respect to the Basket Closing Value.

**"Strategies"** means the strategies as specified in the column entitled "Component" in the Basket Table (n=Strategy First to Strategy Last).

**"Strategy First"** means the Component as set out in the column entitled "Component" in the Basket Table corresponding to the number 1 as specified in the column entitled "n" of the same table.

**"Strategy Last"** means the Component as set out in the column entitled "Component" in the Basket Table corresponding to the number 2 as specified in the column entitled "n" of the same table.

**"Target Component Weight"** means in respect of each Component (n), the value specified in the column entitled "Target Component Weight" of the Basket Table corresponding to such Component (n).

**"Tradable Level"** means, in respect of each Component (n) and any Basket Calculation Day, the Closing Level of each such Component on such Basket Calculation Day, provided that if a Market Disruption Event has occurred or is existing on such Basket Calculation Day in respect of such Component, the Tradable Level for such Component shall be determined in accordance with paragraph B.4 (*Consequences of Market Disruption Events*)

**"Trading Day"** means any day (i) which is a Basket Calculation Day; and (ii) on which all of the trading facilities on which the relevant contracts ("**Relevant Contracts**") underlying each Component are traded, are scheduled to be open for trading, and all contracts are trading.

### 3. Basket Table

The following table ("**Basket Table**") sets out the Strategies and Sub-Indices comprising the Basket:

n	Target Component Weight	Component	Bloomberg Ticker for Component
1	50%	Max Velocity D2 Strategy	GSEDCD5P<Index>
2	50%	Max Carry D5 Strategy	GSEDVD2P <Index>

#### 4. Consequences of Market Disruption Events

- (i) If a Market Disruption Event (as defined below) has occurred in respect of a contract underlying a Component on any Trading Day (the "**Relevant Day**"), the Tradable Level of such Component on such Relevant Day shall not be determined by reference to the Component Ticker for such Component but shall instead be determined by the Calculation Agent as follows:
  - (a) with respect to each contract included in Component which is not affected by the Market Disruption Event, the Tradable Level of such Component will be determined by reference to the official closing price of each such contract as published by the relevant trading facility on the Relevant Day;
  - (b) with respect to the each contract included in such Component which is affected (being an "**Affected Contract**") by a Market Disruption Event, the Tradable Level of such Component will be determined by reference to the official closing price of each such Affected Contract as published by the relevant trading facility on the first Exchange Business Day relating to such Affected Contract immediately following the Relevant Day on which no Market Disruption Event is occurring with respect to such Affected Contract, provided that if a Market Disruption Event in respect of such Affected Contract exists or continues to exist for five (5) consecutive Exchange Business Days relating to such Affected Contract immediately following the Relevant Day, the settlement price for such Affected Contract to be used in calculating the Tradable Level for such Component in respect of the Relevant Day shall be deemed to be such price as determined by the Calculation Agent in a commercially reasonable manner on the sixth (6<sup>th</sup>) Exchange Business Day relating to such Affected Contract immediately following such Relevant Day; and
  - (c) the Calculation Agent shall determine the Tradable Level of such Component by reference to the official closing settlement prices or other prices determined pursuant to subparagraphs (a) and (b) above using the then-current method for calculating such Component;
- (ii) If the offices of the Calculation Agent are not open for business on the Latest Determination Date, such calculation will be made by Goldman, Sachs & Co or another affiliate of the Calculation Agent.

The following terms shall have the following meanings for the purpose of this paragraph B.4.

**"Determination Date"** means, in respect of each Affected Contract, the day on which the price of such Affected Contract is determined in accordance with paragraph 1(b) above.

**"Exchange Business Day"** means in respect of an Affected Contract, any day (other than a Saturday or Sunday) (i) on which the Relevant Exchange in respect of such Affected Contract is scheduled to be open for trading for its respective regular trading session; and (ii) that is a Basket Calculation Day.

**"Latest Determination Date"** means, in respect of each Component and the Relevant Day and all contracts comprised in the Component on such day, the Determination Date to fall latest in time.

**"Market Disruption Event"** means, in respect of each Component and a Trading Day (and a Market Disruption Event shall be deemed to exist on such Trading Day) if, in the opinion of the Calculation Agent, any one of the following occurs:

- (i) a contract underlying such Component remains at a "limit price" which means that the price for such contract for a day has increased or decreased from the previous day's settlement price by the maximum amount permitted under applicable rules of the relevant trading facility, during the entire closing range, irrespective of whether that contract is settled by the applicable trading facility at the "limit price" or another price;
- (ii) there is a failure by the applicable trading facility or other price source to announce or publish the settlement price for any contract underlying a Component, or
- (iii) trading in any contract underlying such Component is suspended or interrupted subsequent to the opening of trading and trading in such contract does not recommence at least ten (10) minutes prior to the regular scheduled close of trading in such contract, or in the event trading does

recommence at least ten (10) minutes prior to the regular scheduled close of trading, trading does not continue for the entire period until the regular scheduled close of trading in such contract on the relevant trading facility.

## 5. Adjustment Events

- (i) If any Component or the Basket, as applicable, is:
  - (a) not calculated and announced by the Basket Sponsor, as applicable, but is calculated and announced by a successor sponsor acceptable to the Calculation Agent; or
  - (b) replaced by a successor strategy or basket using, in the good faith determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Component or the Basket, as applicable,

then the relevant Component or Basket, as applicable, will be deemed to be that strategy and/or Basket, as applicable, so calculated and announced by that successor sponsor or that successor strategy, sub-index or basket, as the case may be.

- (ii) If, in respect of any Component or the Basket, as applicable:
  - (a) the Basket Sponsor makes, in the reasonable judgment of the Calculation Agent, a material change in the formula for or the method of calculating, or determining the composition of any Component or the Basket or in any other way materially modifies any such Component or the Basket (other than a modification prescribed in that formula or method relating to the composition or weighting of such Component or the Basket or such other routine events or modifications which do not in any other way materially modify such Component or such Basket); or
  - (b) in the absence of a Market Disruption Event: (a) the Basket Sponsor fails to calculate and announce the Basket Closing Value or the Closing Level for any Component, or the Basket or a Component has ceased to be calculated by the Basket Sponsor, as the case may be and has not been replaced by a successor strategy or basket (in either case, any such discontinuance shall not constitute a Market Disruption Event);

then the Calculation Agent shall calculate the closing level of the Basket or the relevant impacted Component (the **"Impacted Component"**), in lieu of a published level, as the case may be, in a commercially reasonable manner and using the same formula for and method of calculating such Basket Closing Value or Closing Level for such Impacted Component last in effect prior to such change, failure to calculate or cessation.

- (iii) If in respect of any Component and any given Basket Calculation Day, a contract underlying such Component is removed or modified from the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, the Calculation Agent shall, for the purposes of the relevant impacted Component(s) (an **"Impacted Component"**), generally follow the decision of the Supervisory Committee (as defined in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> Handbook) and make the corresponding change for the purposes of the relevant Impacted Component. However, in the event that Calculation Agent determines, in its reasonable judgment, that the removal of such contract and/or the introduction of an alternative contract by the Supervisory Committee (as the case may be) and any such corresponding change to the Impacted Component could adversely affect the subsequent performance of such Impacted Component and/or materially alter the nature of the Basket, it may elect to: (1) remove the relevant Impacted Component(s) from the Basket on such day as the Calculation Agent determines, in its reasonable judgment, to be relevant in the circumstances then existing; (2) retain the contract removed from the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> and the corresponding Impacted Component(s) in the Basket, notwithstanding its removal from the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> on the grounds of ineligibility or otherwise; or (3) use an alternative contract for the relevant Impacted Component whether or not a replacement contract was introduced to the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> by the Supervisory Committee.

- (iv) If a Closing Level published on the relevant Component Ticker on any Basket Calculation Day is subsequently corrected and the correction is published by the Strategy Sponsor

with respect to a Component, no later than 12 noon New York time on the Exchange Business Day immediately following that relevant Basket Calculation Day, then the corrected Closing Level for such Basket Calculation Day shall be deemed the Closing Level for such day and the Calculation Agent shall use the corrected Closing Level in its determination of the Basket Closing Value for such Basket Calculation Day.

- (v) Any calculation or determination made by the Calculation Agent in respect of the Basket or any relevant Component in any such circumstances described above shall be subject to the provisions of paragraph B.6 (*Calculation Agent*).

## 6. Calculation Agent

All determinations and calculations made by the Calculation Agent shall (in the absence of manifest error) be final and binding on all parties, and the Calculation Agent shall have no responsibility to any person for any good faith errors or omissions in any determination or calculation.

## 7. Rebalancing of the Basket

The Basket is rebalanced on each Rebalancing Date. The Basket is rebalanced because the Component Performance of each Component (n) relative to the Weighted Component Performance of Component (n) may vary from one Rebalancing Date to the next, with the result that the Adjusted Component Weight of each Component (n) may no longer be equal to its Target Component Weight for that period.

Therefore, on each Rebalancing Date, the Adjusted Component Weight of each Component will be reset to its Target Component Weight, the objective (the “**Rebalancing Objective**”) being to rebalance each Component (n) as closely as possible to its Target Component Weight as soon as market conditions allow, taking into account the performance of Component (n) relative to the performance of the Basket since the most recent Rebalancing Date, in accordance with the Adjusted Weight Component formula as set out in paragraph 1 (*Determination of the Basket Closing Value including the Basket Return*) of section A above.

If a Market Disruption Event occurs in respect of a contract expiration for any contract underlying a Component, there may be a surplus of such contract expiration that may affect the ability of the Calculation Agent to determine the Basket Return for as long as the Market Disruption Event is continuing or if the relevant trading facility is not scheduled to be open for trading and such contract expiration is scheduled to be traded, until that trading facility is open.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section “Special Investment and Hedging Techniques” of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section “Special Investment and Hedging Techniques” of the Prospectus.

### **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus.

#### **a) Goldman Sachs Roles and no active management of the Portfolio**

Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs expects to perform its obligations in good faith and a commercially reasonable manner, it may face conflicts between these roles and its own interests.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

As described below in the risk factor entitled “*Trading and other transactions by Goldman Sachs and its affiliates relating to the Components included in the Basket (used to determine the Reduced Volatility Velocity and Carry Strategy) or commodity contracts and their respective underlying commodities may adversely affect the value of the Shares in the Portfolio*”, Goldman Sachs and its affiliates may engage in trading on a proprietary basis, for other accounts under their management or to facilitate customer transactions relating to one or more commodities underlying the Reduced Volatility Velocity and Carry Strategy; they may also issue or underwrite other securities or financial or derivative instruments indexed to the Reduced Volatility Velocity and Carry Strategy as well as any of their respective Components.

Any of these activities of Goldman Sachs or its affiliates may be adverse to your interests as a holder of Shares in the Portfolio.

#### **b) Counterparty Risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Goldman Sachs International under the Swap Agreement and the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although both the Swap Agreement and the Reverse Repurchase Agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are no collateralized.

#### **c) As Calculation Agent, Goldman Sachs International will have the authority to make determinations that could affect the Net Asset Value of the Shares in the Portfolio**

In its capacity as Calculation Agent as described in this Supplement, Goldman Sachs International will have discretion in making various determinations that may affect the value of your Shares in the Portfolio and the calculation of the amount due with respect to a subscription, conversion, redemption or termination of the Portfolio, such as those determinations described in paragraph 4 (*Consequences of Market Disruption Events*) and paragraph 5 (*Adjustment Events*) of Section B of this Supplement. The exercise of such discretion by Goldman Sachs International could adversely affect the value of the Shares in the Portfolio and may present Goldman Sachs International with a conflict of interest of the kind described under in “*Goldman Sachs Roles and no active management of the Portfolio*”.

#### **d) Trading and other transactions by Goldman Sachs and its affiliates relating to the Components included in the Basket (used to determine the Reduced Volatility Velocity and Carry Strategy) or commodity contracts and their respective underlying commodities may adversely affect the value of the Shares in the Portfolio**

The Basket Sponsor and its affiliates (“Goldman Sachs”) actively trade futures contracts and options on futures contracts on the commodities that underlie the Components included in the Basket (used to determine the Reduced Volatility Velocity and Carry Strategy), over-the-counter contracts on these commodities, the commodities underlying the Components included in the Basket and other instruments and derivative products based on numerous other commodities. Goldman Sachs also trade instruments and derivative products based on the Components included in the Basket. In addition, Goldman Sachs trade the contracts included in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, an index that has the same commodities included in the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy). Trading in the contracts on commodities included in the, Dow Jones-UBS Commodity Index 2 Month, Forward<sup>SM</sup>, the underlying commodities and related over-the-counter products by Goldman Sachs and unaffiliated third parties could adversely affect the value of the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy) and in turn the value of the Shares in the Portfolio.

Goldman Sachs and other parties may issue or underwrite additional securities or trade other products the return on which is linked to the value of the Reduced Volatility Velocity and Carry Strategy or the Basket (or any of its Components), the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> or other similar strategies. An increased level of investment in these products may negatively affect the performance of the Reduced Volatility Velocity and Carry Strategy, and could therefore affect the value of the Shares in the Portfolio.

In addition, the sponsor of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> has licensed and

may continue to license the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> or any of its sub-indices for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, the Reduced Volatility Velocity and Carry Strategy, the Basket or other similar strategies.

To the extent that any of these trading activities or transactions result in an increase in the volatility of the Basket, this could result in a lower participation of the Reduced Volatility Velocity and Carry Strategy in any positive returns of the Basket which could adversely affect the value of the Reduced Volatility Velocity and Carry Strategy and therefore the value of the Shares in the Portfolio.

**e) The Net Asset Value of the Shares of the Portfolio may be influenced by many factors that are unpredictable and interrelated in complex ways**

A number of factors, many of which are beyond the control of the Umbrella Fund or Goldman Sachs International or any its affiliates, will influence the Net Asset Value of the Shares in the Portfolio, including:

- the level of the Reduced Volatility Velocity and Carry Strategy;
- the volatility – i.e. the frequency and magnitude of changes in the Reduced Volatility Velocity and Carry Strategy Closing Value (as measured by the Algorithm) and the daily participation of such Reduced Volatility Velocity and Carry Strategy in the returns on the Basket;
- various economic, financial, regulatory and political, military or other events that affect commodity markets generally and the market segments of which the commodities underlying the Components included in the Basket are a part, and which may in turn affect the Reduced Volatility Velocity and Carry Strategy as further described in the risk factor entitled “Prices of commodity contracts may change unpredictably, affecting the value of the Shares in the Portfolio in unforeseeable ways”; and
- interest rates and yield rates in the market.

**f) No assurance that the modified weighting of commodities in the Max Velocity D2 Strategy and the Max Carry D5 Strategy, each being a Component of the Basket (on which the Reduced Volatility Velocity and Carry Strategy is based) will achieve the intended effect**

The methodology used to calculate Commodity Index Multiplier (or CIM) of the contracts included in the Max Velocity D2 Strategy and the Max Carry D5 Strategy, each being a Component of the Basket (on which the Reduced Volatility Velocity and Carry Strategy is based) (as further described in Appendix 2 (*Description of the Max Velocity D2 Strategy and Max Carry D5 Strategy*)) is designed to generate out-performance over the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> (the “Index”). However, there can be no assurance that the different methodologies applied by the Strategy Sponsor to the calculation of the Commodity Index Multipliers with respect to contracts underlying each Component will or will not outperform the methodology applied by the Index Sponsor for the determination of the CIMs of the contracts underlying the Index due to a number of factors, including volatile commodity prices, that are beyond the control of the Strategy Sponsor and are unpredictable. As a result, the modified methodologies applied by the Strategy Sponsor for determination of the Commodity Index Multipliers of the contracts included in each of the Components might not achieve their respective intended effects and therefore could adversely affect the performance of the Components and in turn the Basket (and therefore Reduced Volatility Velocity and Carry Strategy).

**g) The Algorithm may not achieve the objective of maintaining the volatility of the Portfolio below 20%**

Although the Algorithm is designed to determine the participation of the Reduced Volatility Velocity and Carry Strategy in the returns of the Basket such that the volatility of the Portfolio is maintained at below 20%, there can be no assurance that the Algorithm will achieve such objective. This is because the Algorithm is based on historical trends in returns of the Basket to date which may or may not be repeated in the future. To the extent that the volatility of the Basket increases more rapidly than the Participation Factor decreases, the volatility of the Portfolio may exceed 20% in which case the investment objective of the Portfolio will not be achieved.

**h) The volatility of the Basket correlates inversely with the participation of the Reduced Volatility Velocity and Carry Strategy in the returns on the Basket**

Through the application of the Algorithm which measures the volatility of the Basket and determines the Participation Factor for any Basket Calculation Day, the daily participation of the Reduced Volatility Velocity and Carry Strategy in the returns on the Basket is determined. The volatility of the Basket refers to the size and frequency of the changes in the level of the Basket. As the investment objective of the Reduced

Volatility Velocity and Carry Strategy is to maintain its annual rolling volatility below 20%, the Participation Factor operates such that as the volatility of the Basket increases, participation levels of the Reduced Volatility Velocity and Carry Strategy in the returns of the Basket decrease. Accordingly, the participation of the Reduced Volatility Velocity and Carry Strategy in the returns of the Basket are inversely correlated to the volatility of the Basket, that is, high volatility of the Basket results in low participation and low volatility results in high participation. To the extent that the Basket positively performs in a period of high volatility, the Reduced Volatility Velocity and Carry Strategy will experience lower participation in, and thus underperform, the Basket. Such lower participation will therefore impact on the value of the Shares in the Portfolio.

**i) The Basket (and therefore the Reduced Volatility Velocity and Carry Strategy) does not track the return of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, and the returns on the Reduced Volatility Velocity and Carry Strategy (and therefore the Basket) are likely to differ from those of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>**

The Basket (and therefore the Reduced Volatility Velocity and Carry Strategy) is based on the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, but due to certain modifications made to the Components included in the Basket with respect to the period for the rolling of contracts and the calculation of the Commodity Index Multipliers (or CIMs as further described in Appendix 2 to this Supplement) and the calculation methodology with respect to the Basket, this is likely to result in significant differences between the performance of the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy) and the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>. In addition, while the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> represents a measure of commodity market return over time, the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy) represents the measure of the relative return of certain investment strategies on the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, each as set out in the Basket Table (as set forth in paragraph 3 of Section B above). As such, an investment in an instrument linked to the value of the Reduced Volatility Velocity and Carry Strategy is not comparable to the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, and should not be benchmarked against an investment in an instrument linked to the value of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, the Shares in the Portfolio are linked to the returns on the Reduced Volatility Velocity and Carry Strategy and not linked to the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, and that the differences in the calculation of the CIMs and the roll periods and the rules governing the rolling of contracts underlying the Components included in the Basket as between the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> on the one hand and the Reduced Volatility Velocity and Carry Strategy on the other, are likely to produce different values for the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> as opposed to the Reduced Volatility Velocity and Carry Strategy at any given time and, therefore, may produce differing returns.

In addition, the CIMs in respect of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> are calculated in January of each year and remain fixed throughout the year. As the roll period for the contracts underlying the Components included in the Basket occurs prior to the roll period for the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> the new CIMs as computed by Dow Jones & Company in conjunction with UBS Securities (the "Index Sponsor") may not be available in time for the January roll period specific to such Components. In such case, the Components will be calculated on the basis of the CIMs in effect in the immediately preceding year. This could give rise to differences in the weight of individual commodities in the Components included in the Basket from those in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> for the period until the new CIMs are implemented by the Index Sponsor which may impact on the value of the Reduced Volatility Velocity and Carry Strategy and therefore the value of the Shares in the Portfolio.

**j) Past performance of the Reduced Volatility Velocity and Carry Strategy is no guide to future performance**

The actual performance of the Reduced Volatility Velocity and Carry Strategy may bear little relation to the historical levels of the Reduced Volatility Velocity and Carry Strategy. We cannot predict the future performance of the Reduced Volatility Velocity and Carry Strategy.

**k) The Reduced Volatility Velocity and Carry Strategy reflects excess, not total returns**

The Reduced Volatility Velocity and Carry Strategy, which reflect the returns that are potentially available through an unleveraged investment in the futures contracts underlying the Components included in the Basket (as described in under the heading "*Further Information relating to the Reduced Volatility Velocity and Carry Strategy*"). Accordingly, the Components included in the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy) are not linked to a "total return" strategy which, in addition to reflecting those excess returns, would also reflect the interest that could be earned on cash collateral invested in U.S. Treasury Bills. The return on the Reduced Volatility Velocity and Carry Strategy will therefore not include such a total return feature or interest component.

**l) Prices of commodity contracts may change unpredictably, affecting the value of the Portfolio shares in unforeseeable ways**

Trading in commodities has been and can be extremely volatile. Commodity prices are affected by a variety of factors that are unpredictable, including, without limitation, changes in supply and demand relationships, weather, governmental programs and policies, national and international political, military, terrorist and economic events, fiscal, monetary and exchange control programs, changes in interest and exchange rates and changes, suspensions or disruptions of market trading activities in commodities and related contracts. These factors may affect the Reduced Volatility Velocity and Carry Strategy in varying ways, and different factors may cause the value of different commodities included in the Basket (which is used to determine the Reduced Volatility Velocity and Carry Strategy) and the volatilities of their prices, to move in inconsistent directions and at inconsistent rates.

**m) Holder of Shares in the Portfolio has no rights with respect to commodities or commodities contracts or rights to receive any commodities**

Investing in the Portfolio or vehicle linked to the Reduced Volatility Velocity and Carry Strategy will not make any shareholder an holder of any of the commodities included in the Basket (used to determine the Reduced Volatility Velocity and Carry Strategy) or any contracts with respect thereto. The shareholders will not have any rights with respect to any commodity included in the Basket and will not have any right to receive delivery of any commodities included in the Basket.

**n) Higher future prices of commodities included in the Basket and therefore the Reduced Volatility Velocity and Carry Strategy) relative to their current prices may adversely affect the value of the Reduced Volatility Velocity and Carry Strategy**

As the contracts underlying the Components included in the Basket (used to determine the Reduced Volatility Velocity and Carry Strategy) come to expiration, they are replaced by contracts that have a later expiration. Thus, for example, a contract purchased and held in May may specify a July expiration. As time passes, the contract expiring in July is replaced by a contract for delivery in a later month, for example, August. This is accomplished by selling the July contract and purchasing the August contract. This process is referred to as "rolling". If the market for these contracts is (putting aside other considerations) in "backwardation", where the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the July contract would take place at a price that is higher than the price of the August contract, thereby creating a "roll yield" if the spot price of the commodity remains unchanged. Some commodities futures contracts have historically traded in "contango" markets. Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. The absence of backwardation in the market for a commodities futures contract could result in negative "roll yields," which could adversely affect the value of an index or index tied to that contract, if rolled to nearer rather than more distant delivery months. These risks with respect roll yields will be applicable to the Components included in the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy). The application of different rules for rolling the contracts underlying the Components included in the Basket seeks to mitigate the effects of contango subject to the satisfaction of certain conditions with respect to certain futures contracts only. There can be no assurance, however, that these modifications will be effective in mitigating the effects of contango on the rolling of contracts or that the modifications themselves will not adversely affect the returns on the Components included in the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy). In the event that the Components are adversely affected by such modifications, this could in turn adversely affect the value of the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy).

**o) There may be conflicts of interest between holders of Shares in the Portfolio and Goldman Sachs**

Certain activities conducted by Goldman Sachs may conflict with the interests of holders of Shares in the Portfolio. As described above in the risk factor entitled "Trading and other transactions by Goldman Sachs and its affiliates relating to the Components included in the Basket (used to determine the Reduced Volatility Velocity and Carry Strategy) or commodity contracts and their respective underlying commodities may adversely affect the value of the shares in the Portfolio", Goldman Sachs and its affiliates may engage in trading on a proprietary basis, for other accounts under their management or to facilitate customer transactions relating to one or more commodities underlying the Reduced Volatility Velocity and Carry Strategy and the Basket; they may also issue or underwrite other securities or financial or derivative instruments indexed to the Reduced Volatility Velocity and Carry Strategy and the Basket (as well as any of its Components). Any of these activities of Goldman, Sachs & Co. or its affiliates may be adverse to your interests as a holder of Shares in the Portfolio.

**p) As Calculation Agent, Goldman Sachs International will have the authority to make determinations that could affect the level of the Reduced Volatility Velocity and Carry Strategy and under certain circumstances the amount holders of Shares in the Portfolio receive upon redemption**

As Calculation Agent for the Reduced Volatility Velocity and Carry Strategy and the Basket, Goldman Sachs International will have discretion in making various determinations in respect of the Basket and the Reduced Volatility Velocity and Carry Strategy under certain circumstances, including when a Market Disruption Event (as defined above) is occurring on a subscription, conversion or redemption date with respect to a Component included in the Basket. The exercise of this discretion by Goldman Sachs International could adversely affect the value of the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy) and may present Goldman Sachs International with a conflict of interest of the kind described above under “There may be conflicts of interest between you and Goldman Sachs”.

**q) The Basket (used to determine the Reduced Volatility Velocity and Carry Strategy) may in the future include contracts that are not traded on regulated futures exchanges**

The Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> is comprised exclusively of regulated futures contracts. As described below, however, the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> may in future include over-the-counter contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. As a result, trading in such contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the same provisions of, and the protections afforded by, the U.S. Commodity Exchange Act of 1936, as amended, or other applicable statutes and related regulations, that govern trading on U.S. regulated futures exchanges or similar statutes and regulations that govern trading on regulated U.K. futures exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities and the inclusion of such contracts in the Components underlying the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy) may be subject to certain risks not presented by most U.S. or U.K. exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

**r) Changes in the composition and valuation of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> may adversely affect the value of the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy)**

The composition of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, may change over time, as additional contracts satisfy the eligibility criteria of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> or contracts currently included therein fail to satisfy such criteria and those changes could impact the composition of the Components included in the Basket (used to determine the Reduced Volatility Velocity and Carry Strategy). A number of modifications to the methodology for determining the contracts to be included in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, and for valuing the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> have been made in the past several years and further modifications may be made in the future. Such changes could adversely affect the value of the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy). In the event that the Dow Jones & Company and UBS Securities (as joint sponsors of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>) discontinue publication of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> or Goldman, Sachs & Co., as sponsor of the discontinues publication of the Reduced Volatility Velocity and Carry Strategy or Basket (or any of its Components) in a publicly available source, the Calculation Agent will continue to calculate the Reduced Volatility Velocity and Carry Strategy, in accordance with procedures set forth in this Supplement in paragraph 5 (*Adjustment Events*) of section B above.

**s) Suspensions or disruptions of market trading in commodities and related contracts may adversely affect the value of the Shares in the Portfolio**

The commodity markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, the participation of speculators and government regulation and intervention. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices which may occur during a single business day. These limits are generally referred to as “daily price fluctuation limits” and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a “limit price”. Once the limit price has been reached in a particular contract, trading in the contract will follow the regulations set forth by the trading facility on which the contract is listed. Limit prices may have the effect of precluding trading in a particular contract underlying any of the Components included in the Basket, which could adversely affect the value of the Reduced Volatility Velocity and Carry Strategy.

If on a Trading Day on which the Reduced Volatility Velocity and Carry Strategy Tradable Value is due to be determined, a Market Disruption Event has occurred with respect to any contract underlying a Component included in the Basket, the calculation of the Reduced Volatility Velocity and Carry Strategy Tradable Value (and any payment derived from the Reduced Volatility Velocity and Carry Strategy Tradable Value) will be delayed until the settlement prices for the contracts underlying the relevant affected Components and in turn the Basket Return can be determined by the Calculation Agent. Therefore, the

Tradable Levels for such affected Components and the Reduced Volatility Velocity and Carry Strategy Tradable Value may be subject to the judgment of the Calculation Agent and may be different from the Reduced Volatility Velocity and Carry Strategy Closing Value published by the Basket Sponsor on the applicable Relevant Screen Page for such relevant day.

Accordingly, if a Market Disruption Event is in effect with respect to a Component on a Trading Day on which the Reduced Volatility Velocity and Carry Strategy is due to be determined, for the reasons described above, the valuation of the Reduced Volatility Velocity and Carry Strategy and the Calculation Agent's adjustment of the any affected Component(s) (as the case may be) may be impacted during such period.

**t) As Basket Sponsor, Goldman, Sachs & Co., will have the authority to make determinations that could materially affect the value of the Reduced Volatility Velocity and Carry Strategy in various ways and create conflicts of interest**

The Reduced Volatility Velocity and Carry Strategy was developed, and is currently owned, calculated and maintained, by Goldman, Sachs & Co. As sponsor of the Reduced Volatility Velocity and Carry Strategy (and the Velocity and Carry Basket), Goldman, Sachs & Co. is responsible for the composition, calculation and maintenance of the Reduced Volatility Velocity and Carry Strategy (and the Basket) and has determinative influence over their composition, calculation and maintenance. The judgments that Goldman, Sachs & Co., as Basket Sponsor with respect to the Reduced Volatility Velocity and Carry Strategy (and the Basket) makes in connection with the composition, calculation and maintenance of the Reduced Volatility Velocity and Carry Strategy (and the Basket), could affect the level of the Reduced Volatility Velocity and Carry Strategy.

The role played by Goldman, Sachs & Co., as Basket Sponsor, and the exercise by it of the kinds of discretion described above could present it with a conflict of interest of the kind described under "There may be conflicts of interest between you and Goldman Sachs" above. Goldman Sachs & Co., as Basket Sponsor has no obligation to take your interests into consideration for any reason. Goldman, Sachs & Co. may decide to discontinue calculating and publishing the Reduced Volatility Velocity and Carry Strategy (and the Basket) which would mean that Goldman Sachs International, as Calculation Agent, would have the discretion to make determinations with respect to the Reduced Volatility Velocity and Carry Strategy (and the Basket).

**u) As joint sponsors of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>, Dow Jones & Company and UBS Securities will have the authority to make determinations that could affect the Net Asset Value of the Shares in the Portfolio**

Dow Jones & Company and UBS Securities as joint sponsors (the "Index Sponsor") of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> are responsible for the composition, calculation and maintenance of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>. The judgments that Dow Jones & Company and UBS Securities make in connection with the composition, calculation and maintenance, of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> could also affect the value of the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy). The Index Sponsor is under no obligation to take your interests into consideration for any reason. The relationship between the Basket (and therefore the Reduced Volatility Velocity and Carry Strategy) and the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> is described in Appendix 2 (*Description of the Max Velocity D2 Strategy and the Max Carry D5 Strategy*).

Goldman Sachs is not affiliated with Dow Jones & Company or UBS Securities and is not responsible for their acts or omissions with respect to the Index or for the disclosure regarding the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>.

## Particularities of the Swap Agreement and of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the underlying Index and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: Effective Federal Funds rate.

## Characteristics

### Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
C	USD	Accumulation	LU0417720934	None
C (EUR Hedged)	EUR	Accumulation	LU0417721155	None
C (CHF Hedged)	CHF	Accumulation	LU0417721239	None
I	USD	Accumulation	LU0417721312	None
I (EUR Hedged)	EUR	Accumulation	LU0417721403	None
I (CHF Hedged)	CHF	Accumulation	LU0417721585	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
C	5%	5%	0.40%	USD 1,000,000	USD 1,000,000	USD 1,000
C (EUR Hedged)	5%	5%	0.40%	EUR 1,000,000	EUR 1,000,000	EUR 1,000
C (CHF Hedged)	5%	5%	0.40%	CHF 1,000,000	CHF 1,000,000	CHF 1,000
I	5%	5%	1.20%	USD 100,000	USD 100,000	USD 1,000
I (EUR Hedged)	5%	5%	1.20%	EUR 100,000	EUR 100,000	EUR 1,000
I (CHF Hedged)	5%	5%	1.20%	CHF 100,000	CHF 100,000	CHF 1,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to Hedging Agent) are capped to 0.25% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

#### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days**
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to the Valuation Day	

Investors in the Portfolio are made aware that they will become bound by any application sent on any Luxembourg and London business day, notwithstanding the fact that the applicable Valuation Day may not be determined until the sixth (6<sup>th</sup>) Exchange Business Day relating to the relevant Affected Contract (as such capitalised terms are defined in paragraph B.4 "Consequences of Market Disruption Events" above) following the receipt of their application.

A Net Asset Value may be calculated on days different from the Valuation Day with the exception of any Luxembourg banking holidays. Such Net Asset Value is only indicative and is available for information purposes only. It is based on the previous available net asset values with an adjustment for the expense accrual and is published on a Bloomberg page, as follows:

C	GSRVVCC LX
C(EUR Hedged)	GSRVCEH LX
C(CHF Hedged)	GSRVCCH LX
I	GSRVVICI LX
I (EUR Hedged)	GSRVIEH LX
I (CHF Hedged)	GSRVICH LX

\* Any day (1) on which banks are open for normal banking business in Luxembourg and London, (2) which is a Trading Day for the purposes of the Strategy Tradable Value, and (3) on which no Market Disruption Events occurs, save in the circumstances described under paragraph B.4 "Consequences of Market Disruption Events" above.

\*\* Day on which commercial banks are open for business in Luxembourg, London and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### **Subscriptions in Kind**

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### **Base Currency of the Portfolio**

USD

### **Investment Administrator of the Portfolio**

Goldman Sachs International

### **Targeted Investors**

The Portfolio is targeted at investment managers, fund managers, insurance companies and pension funds.

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This Supplement relates only to the Portfolio and does not relate to the exchange-traded physical commodities underlying any of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> components. Purchasers of the Portfolio should not conclude that the inclusion of a futures contract in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> is any form of investment recommendation of the futures contract or the underlying exchange-traded physical commodity by Dow Jones, UBS AG, UBS Securities or any of their subsidiaries or affiliates. The information in this Supplement regarding the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> components has been derived solely from publicly available documents. None of Dow Jones, UBS AG, UBS Securities or any of their subsidiaries or affiliates has made any due diligence inquiries with respect to the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> components in connection with the Portfolio. None of Dow Jones, UBS AG, UBS Securities or any of their subsidiaries or affiliates makes any representation that these publicly available documents or any other publicly available information regarding the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> components, including without limitation a description of factors that affect the prices of such components, are accurate or complete.

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## Appendix 1 The Algorithm

The Algorithm determines the Participation Factor for any Basket Calculation Day ( $d_i$ ) by taking into account a Volatility Target ( $V$ ), and annualized volatility value ( $\sigma_N$ ) measured over period  $N$ , ending  $x$  Basket Calculation Days prior to Basket Calculation Day ( $d_i$ ) and calculated accordance with the following formula subject to the Participation Factor Adjustment as provided for below:

$$J(d_i) = \min\left(1, \frac{V}{\sigma_N(d_{i-x})}\right)$$

Provided that if the value  $\sigma_N(d_{i-x})$  for any Calculation Day  $d_i$  is equal to zero, then the value of  $P(d_i)$  shall be deemed to be zero.

Where:

$$V = 20\%, x = 3, N = 252$$

And where  $\sigma_N(d_i)$ , for any value of  $N$ , and any Trading Day  $d_i$  shall be calculated as:

$$\sigma_N(d_i) = \sqrt{255} \times \sqrt{\frac{1}{2}(N-1)} \times \frac{\Gamma\left(\frac{1}{2}(N-1)\right)}{\Gamma\left(\frac{1}{2}N\right)} \times \sqrt{\left| \frac{1}{N-1} \sum_{n=1}^N \left[ \text{Log}\left(\frac{A(d_{n+i-N})}{A(d_{n+i-N-1})}\right) \right]^2 - \frac{1}{N(N-1)} \times \left[ \sum_{n=1}^N \text{Log}\left(\frac{A(d_{n+i-N})}{A(d_{n+i-N-1})}\right) \right]^2 \right|}$$

Where:

Where  $\Gamma(n)$  is the Gamma function and **Log(x)** is the natural logarithm

### Participation Factor Adjustment

In the event that Basket Calculation Day ( $d_i$ ) is not a Trading Day, the Participation Factor shall be the Participation Factor as calculated on the most recent Trading Day.

## Appendix 2

### Descriptions of the Max Velocity D2 Strategy and the Max Carry D5 Strategy

#### 1. Description of the Max Velocity D2 Strategy

The Maximum Velocity D2 Strategy on the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> (the “**Max Velocity D2 Strategy**”) reflects the returns that are potentially available through an unleveraged investment in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> (the “Index”), which is composed of futures contracts on physical commodities and is as described in further detail in Appendix 2 (The Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>) to this Supplement. The Max Velocity D2 Strategy is calculated on a basis similar to the Index, but with a number of modifications made by Goldman, Sachs & Co (the “Strategy Sponsor”) to the period for the rolling of contracts and the calculation of the Commodity Index Multipliers of each commodity included in the Index (as further described below under the heading “Description of the Max Velocity D2 Strategy”). As more fully described in Appendix 2, the Index, which is calculated by Dow Jones & Company Inc., in conjunction with UBS Securities (the “Index Sponsor”), reflects the returns on an unleveraged investment in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> which is an excess return index and composed of same futures contracts on physical commodities as the Index. The Max Velocity D2 Strategy includes all of the same futures contracts included in the Index, however, depending on the weightings assigned to such Max Velocity D2 Strategy determined in accordance with certain rules as set forth below under the heading “Description of the Max Velocity D2 Strategy”, certain of the futures contracts included in the Index may not be included in the Max Velocity D2 Strategy.

The Strategy Sponsor is responsible for the administration and calculation of Max Velocity D2 Strategy. The Strategy Sponsor has no obligation to continue to publish, and may discontinue publication of, the Max Velocity D2 Strategy. The consequences of the Strategy Sponsor discontinuing or modifying the Max Velocity D2 Strategy are described in paragraph 5 (*Adjustment Events*) of Section B of this Supplement. Neither the Strategy Sponsor nor any of its affiliates assumes any responsibility for the accuracy or the completeness of any information about the Index or Index Sponsor.

The Index Sponsor is responsible for the administration and calculation of the Index and its sub-indices (as more fully described in the Appendix 2) and for any changes to the methodology and owns the copyright and all rights to the Index on which the Max Velocity D2 Strategy is based. The Index Sponsor has no obligation to continue to publish, and may discontinue publication of, the Index or any of its sub-indices. The consequences of the Index Sponsor discontinuing or modifying the Index are described in paragraph 5 (*Adjustment Events*) of Section B of this Supplement.

Investors should make their own investigation into investing in the Max Velocity D2 Strategy.

**Calculation Methodology:** This section describes the Max Velocity D2 Strategy and the modifications that are made by the Strategy Sponsor to The Dow-Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> Handbook as revised annually (the “Handbook”) in order to calculate the Max Velocity D2 Strategy.

The Closing Level of the Max Velocity D2 Strategy is published on Bloomberg ticker GSEDVD2P <Index> (or any official successor thereto) and is calculated on a basis similar to the Index, except that the Max Velocity D2 Strategy:

- (i) varies the roll period of the Index. The Max Velocity D2 Strategy employs a modified roll period (the “Strategy Roll Period”) with respect to the contracts included in Max Velocity D2 Strategy such that (i) the “Hedge Roll Period” (as defined in the Handbook as the period of five DJ-UBS Business Days, beginning with the fifth DJ-UBS Business Day through and including the ninth DJ-UBS Business Day and being the days on which futures positions are “rolled” in accordance with and subject to the terms of the Handbook) will be the period of five DJ-UBS Business Days to occur on the first through (and including) the fifth DJ-UBS Business Day of each month, subject to adjustment of these days in accordance with Section 3.3 of the Handbook, and (ii) the “Roll Period” (as defined in the Handbook as the period of five DJ-UBS Business Days, beginning with and including the sixth DJ-UBS Business Day through and including the tenth DJ-UBS Business Day in accordance with and subject to the terms of the Handbook) will instead be the period of five DJ-UBS Business Days to occur on the second through to (and including) the sixth DJ-UBS Business Day of each month; and (iii) the “Roll Weight or “RW” will be {1, .80, .60, .40, .20, 0, 0, 0, 0, 0, 0, .... 0}; and
- (ii) modifies the Index procedure for the calculation of the Commodity Index Multiplier (CIMs) for each commodity included in the Max Velocity D2 Strategy in order to exclude those commodities whose Single Commodities Index (each as set out in the table below under the heading “Single Commodity Index Name” corresponding to the commodity as set out under the heading “Commodity” in the same table) has

a performance that is lower than or equal to the median performance of all of the Single Commodity Indices as specified below of the commodities included in the Index over the previous twelve (12) months, provided that if the CIMs for the current year have not yet been made available by the Index Sponsor during the applicable Strategy Roll Period, the CIMs from the previous year shall be applied. This can occur as CIMs in respect of the Index are calculated by the Index Sponsor in the January of each year, and it may be the case that the new CIMs for the current year will not have been published by the Index Sponsor in time for the January Strategy Roll Period in which case the CIMs for the immediately preceding year will be applied. The procedure for the calculation of the CIMs for each commodity included in the Max Velocity D2 Strategy is modified as follows: on the final DJ-UBS Business Day of each month (each such date, the "Observation Date"), the CIMs for each contract included in the Max Velocity D2 Strategy shall be calculated as follows:

- a. for each Index Commodity (as set out in table below), divide the settlement price of the Single Commodity Index corresponding to such Index Commodity, as published on the applicable Bloomberg Ticker (each such Single Commodity Index and Bloomberg Ticker being set out in the table below) on such Observation Date (or preceding Business Day, if any such date is not a Business Day), by the closing level for such Single Commodity Index on the corresponding calendar date to that of the Observation Date for the preceding calendar year (or preceding Business Day, if any such date is not a Business Day);
- b. calculate the median from the values calculated for each Single Commodity Index under paragraph (a) above; and
- c. the CIM for each contract related to the Index Commodity with a value, resulting from the calculation in paragraph (a) above, that is less than or equal to the median value is set to zero; and the CIM for each other contract with a value greater than the median value shall remain unchanged from that determined in accordance with the procedure for determination of the CIMs for the Index as set out in the Handbook, subject to the procedure outlined in (ii) Because the CIMs of certain commodities are set to zero, the weight of the remaining commodities, as a percentage of the Max Carry D2 Strategy, will necessarily increase.

Trading Facility	Index Commodity	Ticker	Single Commodity Index Name	Bloomberg Ticker
CBT	Corn	C	Dow Jones-UBS Corn Sub-Index*	DJUBSCN <Index>
CSC	Cocoa	CC	Dow Jones-UBS Cocoa Sub-Index*	DJUBSCC <Index>
NYM	Light, Sweet Crude Oil	WTI	Dow Jones-UBS Crude Oil Sub-Index*	DJUBSCL <Index>
NYC	Cotton	CT	Dow Jones-UBS Cotton Sub-Index*	DJUBSCT <Index>
CMX	Gold	GC	Dow Jones-UBS Gold Sub-Index*	DJUBSGC <Index>
NYM	Heating Oil	HO	Dow Jones-UBS Heating Oil Sub-Index*	DJUBSHO <Index>
NYM	Reformulated Blendstock for Oxygen Blending	RB	Dow Jones-UBS Unleaded Gas Sub-Index*	DJUBSRB <Index>
LME	High Grade Primary Aluminium	IA	Dow Jones-UBS Aluminium Sub-Index*	DJUBSAL <Index>
CMX	Copper	HG	Dow Jones-UBS Copper Sub-Index*	DJUBSHG <Index>
LME	Primary Nickel	IN	Dow Jones-UBS Nickel Sub-Index*	DJUBSNI <Index>
LME	Special High Grade Zinc	IZ	Dow Jones-UBS Zinc Sub-Index*	DJUBSZS <Index>
CSC	Coffee "C"	KC	Dow Jones-UBS Coffee Sub-Index*	DJUBSKC <Index>
CME	Live Cattle	LC	Dow Jones-UBS Live Cattle Sub-Index*	DJUBSLC <Index>
CME	Lean Hogs	LH	Dow Jones-UBS Lean Hogs Sub-Index*	DJUBSLH <Index>

Trading Facility	Index Commodity	Ticker	Single Commodity Index Name	Bloomberg Ticker
NYM	Natural Gas	NG	Dow Jones-UBS Natural Gas Sub-Index*	DJUBSNG <Index>
CBT	Soybeans	S	Dow Jones-UBS Soybean Sub-Index*	DJUBSSY <Index>
CBT	Soybean Oil	BO	Dow Jones-UBS Soybean Oil Sub-Index*	DJUBSBO <Index>
CSC	World Sugar No. 11	SB	Dow Jones-UBS Sugar Sub-Index*	DJUBSSB <Index>
CMX	Silver	SI	Dow Jones-UBS Silver Sub-Index*	DJUBSSI <Index>
CBT	Wheat	W	Dow Jones-UBS Wheat Sub-Index*	DJUBSWH <Index>

\* This Single Commodity Index represents one single contract with hypothetical participation in one single component of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> and, therefore, it shall not be considered as a financial index within the meaning of article 9 of the Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.

Finally, the Max Velocity D2 Strategy is an excess return, not a total return strategy and therefore it does not include the U.S. Treasury Bill return that could be earned on funds committed to the trading of the underlying contracts included in the Max Velocity D2 Strategy.

In respect of the Max Velocity D2 Strategy, the Calculation Agent may, at its sole discretion, make such other modifications to the Handbook as may be necessary in order to effectuate the changes described above. Due to those modifications, the Max Velocity D2 Strategy will differ from the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> and in turn the value of the Max Velocity D2 Strategy may differ from the value of the Index as published on Bloomberg.

For the purposes of this section, DJ-UBS Business Day has the same meaning given to “Business Day” as set forth in the DJ-UBS Handbook.

To better understand the Max Velocity D2 Strategy, it is useful to understand the calculation methodology in respect of the Index. Set forth in the Appendix 3 to this Supplement, is a description of the Index on which the Max Velocity D2 Strategy is based.

## 2. Description of the Maximum Carry D5 Strategy on the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>

The Maximum Carry D5 Strategy on the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> (the “Max Carry D5 Strategy”) reflects the returns that are potentially available through an unleveraged investment in the Index which is composed of futures contracts on physical commodities and is as described in further detail in Appendix 2 (The Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>) to this Supplement.

The Max Carry D5 Strategy is calculated on a basis similar to the Index, but with a number of modifications made by the Strategy Sponsor to the period for the rolling of contracts and the calculation of the Commodity Index Multipliers of the commodities included in the Index (as further described below under the heading “Description of the Max Carry D5 Strategy”). As more fully described in Appendix 2 to this Supplement, the Index, which is calculated by Dow Jones & Company Inc., jointly with UBS Securities (the “Index Sponsor”), reflects the returns on an unleveraged investment in the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> which is an excess return index and is composed of same futures contracts on physical commodities as the Index.

The Strategy Sponsor is responsible for the administration and calculation of the Max Carry D5 Strategy. The Strategy Sponsor has no obligation to continue to publish, and may discontinue publication of, the Max Carry D5 Strategy. The consequences of the Strategy Sponsor discontinuing or modifying the Max Carry D5 Strategy are described in paragraph 5 (*Adjustment Events*) of Section B of this Supplement. Neither the Basket Sponsor nor any of its affiliates assumes any responsibility for the accuracy or the completeness of any information about the Index or the Index Sponsor.

The Index Sponsor is responsible for the administration and calculation of the Index and its sub-indices (as more fully described below under the heading "Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>") and for any changes to the methodology and owns the copyright and all rights to the Index on which the Max Carry D5 Strategy is based. The Index Sponsor has no obligation to continue to publish, and may discontinue publication of, the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> or any of its sub-indices. The consequences of the Index Sponsor discontinuing or modifying the Index are described in paragraph 5 (*Adjustment Events*) of Section B of this Supplement.

Investors should make their own investigation into the Max Carry D5 Strategy.

**Calculation Methodology:** This section describes the Max Carry D5 Strategy and the modifications that are made by the Strategy Sponsor to The Dow-Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> Handbook as revised annually (the "Handbook") in order to calculate the Max Carry D5 Strategy. The Closing Value of the Max Carry D5 Strategy is published on Bloomberg ticker GSEDCD5P<Index> (or any official successor thereto) and is calculated on a basis similar to the Index, except that the Max Carry D5 Strategy:

- (i) varies the roll period of the Index. The Max Carry D5 Strategy employs the Strategy Roll Period as defined above in sub-paragraph (i) of Description of the Max Velocity D2 Strategy set forth in paragraph 1 of this Appendix 2; and
- (ii) modifies the procedure for the calculation of the Commodity Index Multiplier (CIM) for each Commodity included in the Max Carry D5 Strategy from those applied to the Index to exclude gold and silver (otherwise included in the Index) as well as those commodities included in the Index whose futures curves are the same as or more upward sloping than (based on the percentage difference between the settlement prices of each Primary Contract and corresponding Secondary Contract (as each term is defined below) on an annualised basis) the median commodity, provided that if the CIMs for the current year are not available during the applicable Strategy Roll Period, the CIMs from the previous year shall be applied. This can occur as CIMs in respect of the Index are calculated by the Index Sponsor in the January of each year, and therefore the new CIMs for the current year may not be published by the Index Sponsor in time for the January Strategy Roll Period in which case the CIMs for the immediately preceding year will be applied. The futures curve of a commodity is upward sloping if the prices of contracts for delivery in a later month are higher than prices of contracts for delivery in the near month, a condition referred to as "contango." In particular, on the final DJ-UBS Business Day (as defined below) of each month (each such date, the "Observation Date"), the CIMs for each contract included in the Max Carry D5 Strategy shall be calculated as follows:
  - a. the CIMs for gold and silver are set to zero. As a result, these components are excluded from the Max Carry D5 Strategy from inception;
  - b. for each of the remaining Index Commodities included in Max Carry D5 Strategy:
    - i. subtract the Primary Contract Price from the Secondary Contract Price (as each such term is defined below); and (ii) divide the resulting value by the Secondary Contract Price;
    - ii. multiply each of the values determined under paragraph (b)(i) above by 12; and then divide each resulting value by the number of contract months between the Contract Expiration (as defined below) for each of (1) the Primary Contract and (2) the corresponding Secondary Contract;
    - iii. calculate the median from the values calculated for each contract under paragraph (b)(ii) above; and
    - iv. (1) the CIM for each contract with a value, resulting from the calculation in paragraph (b)(ii), that is greater than or equal to the median calculated in paragraph (b)(iii), is set to zero; and (2) the CIM for each contract with a value less than the median value shall remain unchanged from that determined in accordance with the procedure for determination of the CIMs for the Index as set out in the Handbook, subject to the procedure outlined in (ii)

For the purposes of this section, the following terms shall have the following meanings:

**"Contract Expiration"** means, with respect to each Index Commodity as set out in the table below, the date on which the relevant Primary Contract or Secondary Contract, as applicable, expires;

**"DJ-UBS Business Day"** has the same meaning given to "Business Day" as set forth in the Handbook.

**“Primary Contract”** means, with respect to each Index Commodity as set out in the table below, the contract based on the same underlying commodity, with an expiration date falling closest to but after such Observation Date;

**“Primary Contract Price”** means, with respect to each Index Commodity as set out in the table below, the settlement price on a relevant Observation Date for each Primary Contract; and

**“Secondary Contract”** means, with respect to each Index Commodity as set out in the table below), the contract based on the same underlying commodity, with an expiration date falling closest to but after the Contract Expiration of the Primary Contract; and

**“Secondary Contract Price”** means, with respect to each Index Commodity as set out in the table below, the settlement price on a relevant Observation Date for each Secondary Contract.

Trading Facility	Index Commodity	Ticker	Contract Months
CBT	Corn	C	March, May, July, September, December
CSC	Cocoa	CC	March, May, July, September, December
NYM	Light, Sweet Crude Oil	WTI	January, February, April, May, June, July, August, September, October, November, December
NYC	Cotton	CT	March, May, July, October, December
CMX	Gold	GC	February, April, June, August, December
NYM	Heating Oil	HO	January, February, April, May, June, July, August, September, October, November, December
NYM	Reformulated Blendstock for Oxygen Blending	RB	January, February, April, May, June, July, August, September, October, November, December
LME	High Grade Primary Aluminum	IA	January, February, April, May, June, July, August, September, October, November, December
CMX	Copper	HG	January, February, April, May, June, July, August, September, October, November, December
LME	Primary Nickel	IN	January, February, April, May, June, July, August, September, October, November, December
LME	Special High Grade Zinc	IZ	January, February, April, May, June, July, August, September, October, November, December
CSC	Coffee "C"	KC	March, May, July, September, December
CME	Live Cattle	LC	February, April, June, August, October, December
CME	Lean Hogs	LH	February, April, June, July, August, October, December
NYM	Natural Gas	NG	January, February, April, May, June, July, August, September, October, November, December
CBT	Soybeans	S	January, March, May, July, August, September, November
CBT	Soybean Oil	BO	January, March, May, July, August, September, October, December
CSC	World Sugar No. 11	SB	March, May, July, October
CMX	Silver	SI	March, May, July, September, December
CBT	Wheat (Chicago Wheat)	W	March, May, July, September, December

Finally, the Max Carry D5 Strategy is an excess return, not total return strategy and therefore the Max Carry D5 Strategy does not include the U.S. Treasury Bill return that could be earned on a funds committed to the trading of the underlying contracts included in the Max Carry D5 Strategy, calculated in the same manner as the Index.

In respect of the Max Carry D5 Strategy described above, the Calculation Agent may, at its sole discretion, make such other modifications to the Handbook as may be necessary to effectuate the changes described above. Due to those modifications, the Max Carry D5 Strategy will differ from the Index and in turn the value of the Max Carry D5 Strategy may differ from the value of the Index as published on Bloomberg.

To better understand the Max Carry D5 Strategy, it is useful to understand the calculation methodology with respect to the Index. Set forth in the Appendix 3 to this Supplement is a description of the Index on which the Max Carry D5 Strategy is based.

**Disclaimer**

"Dow Jones®," "UBS" Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup>," and "DJ-UBSCI<sup>SM</sup>" are service marks of Dow Jones & Company, Inc. ("Dow Jones") and UBS AG ("UBS"), as the case may be, and have been licensed for use for certain purposes by The Goldman Sachs Group, Inc. The Goldman Sachs Group, Inc.'s based on the Max Velocity D2 Strategy and the Max Carry D5 Strategy are not sponsored, endorsed, sold or promoted by Dow Jones, UBS, or any of their respective subsidiaries or affiliates, and none of Dow Jones, UBS, or any of their respective affiliates, makes any representation regarding the advisability of investing in such product(s).

### **Appendix 3**

#### **The Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> (the "Index")**

According to the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> Handbook dated January, 2008 (the "DJ-UBS Handbook"), the Index is computed on the basis of hypothetical investments in the basket of commodity futures that make up the Index. The Index (on which the Reduced Volatility Velocity and Carry Strategy is based and to which the Portfolio is linked) is calculated on an excess, and not a total, return basis and therefore does not reflect the returns on cash collateral invested in U.S. Treasury Bills. The Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> is calculated by Dow Jones & Company Inc., in conjunction with UBS Securities (the "Index Sponsor").

The Index Sponsor calculates "forward month versions" of the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> (the "DJ-UBSCI"). Specifically the Index is a two month forward version of the DJ-UBSCI and is calculated in accordance with Appendix J of the DJ-UBS Handbook. The Index follows all the rules of the DJ-UBSCI as set forth in the DJ-UBS Handbook with the following modification: the contracts defined as Lead Future and Next Future, such that the contracts that would be the Lead Future and Next Future in two calendar months is instead the Lead Future and Next Future in the current calendar month.

The Index, like the DJ-UBSCI, is currently composed of futures contracts on 19 physical commodities. Unlike equities, which entitle the holder to a continuing stake in a corporation, commodity futures contracts specify a delivery date for the underlying physical commodity. In order to avoid delivery and maintain a long futures position, nearby contracts must be sold and contracts that have not yet reached the delivery period must be purchased. This process is known as "rolling" a futures position. The Index is a "rolling index".

The Index, like the DJ-UBSCI, is composed of commodities traded on U.S. trading facilities, with the exception of aluminium, nickel and zinc, which trade on the London Metal Exchange (LME). A daily settlement price for the Index is published at approximately 5:00 p.m. EST. The Dow Jones-UBS Commodity Index family of indices includes both the Dow Jones-UBS Commodity Index 2 Month Forward<sup>SM</sup> (that is the DJ-UBSCI, which like the Index, is calculated on an excess return basis) and the Dow Jones-UBS Commodity Index Total Return (which is calculated on a total return basis). While the former reflects the movement of the spot price and the roll yield, the Dow Jones-UBS Commodity Index Total Return reflects the movement of the spot price, the roll yield and the U.S. Treasury Bill return on the funds hypothetically committed to the investment in the futures contracts. In addition, there are nine sub-indices, representing the major commodity sectors within the DJ-UBSCI and the Dow Jones-UBS Commodity Index Total Return: Energy (including petroleum and natural gas), Petroleum (including crude oil, heating oil and RBOB gasoline), Precious Metals, Industrial Metals, Grains, Livestock, Softs, Agriculture and ExEnergy.

The component weightings of the Index are the same as those of the DJ-UBSCI. To determine its component weightings, the DJ-UBSCI relies primarily on liquidity data, or the relative amount of trading activity of a particular commodity. Liquidity is an important indicator of the value placed on a commodity by financial and physical market participants. The DJ-UBSCI also relies to a lesser extent on dollar-adjusted production data. The DJ-UBSCI thus relies on data that is endogenous to the futures markets (liquidity) and exogenous to the futures markets (production) in determining relative weightings. All data used in both the liquidity and production calculations is averaged over a five-year period.

The component weightings are also determined by several rules designed to insure diversified commodity exposure. Disproportionate weighting of any particular commodity or sector may increase volatility and negate the concept of a broad-based commodity index, unduly subjecting the investor to microeconomic shocks in one commodity or sector. To help ensure diversified commodity exposure, the DJ-UBSCI relies on several diversification rules. Among these rules are the following:

- no single commodity may constitute more than 15% of the index or less than 2% of the DJ-UBSCI;
- no single commodity, together with its derivatives (e.g. crude oil together with heating oil and unleaded gasoline), may constitute more than 25% of the DJ-UBSCI; and
- no related group of commodities (e.g., energy, precious metals, livestock and grains) may constitute more than 33% of the DJ-UBSCI as of the annual re-weightings of the components.

The weight of each commodity included in the index is based on such commodity's "Commodity Index Multiplier," or "CIM." The CIM is based on a "Commodity Index Percentage" or "CIP" for each commodity (based on the respective Commodity Liquidity Percentage and Commodity Production Percentage for each commodity and all of which are calculated according to the terms of the DJ-UBS Handbook) and an adjustment factor designed to allow continuity of the CIMs from one year to the next. The value of the Index on any given business day is calculated pursuant to a formula based on the CIM for each commodity included in the Index and the settlement price of the applicable futures contract on such commodity on that day. During a Roll Period,

a portion of the calculation is based on the settlement price of the contract month and the CIM out of which the Index is rolling and the remainder is based on the settlement price of the contract month and the CIM into which the Index is rolling. For further information please refer to the DJ-UBS Handbook.

A Supervisory Committee meets annually to determine the composition of the DJ-UBSCI (which includes the Index) in accordance with the rules established in the DJ-UBS Handbook. Committee members are drawn from the academic, financial and legal communities. The most recent Supervisory Committee meeting took place in July 2007, with changes to the composition of the DJ-UBSCI effective January 2008. The following table summarizes the contracts for the commodities included in the DJ-UBSCI (which are the same for the purposes of the Index) and the percentage weights of each index commodity that were approved for 2008:

Commodity	Trading Facility	Commodity Index Multiplier
Aluminium	LME	0.10645781
Coffee	CSC	84.12044300
Copper	CMX	82.54348926
Corn	CBT	44.73104380
Cotton	NYC	132.43156928
Crude Oil	NYM	5.10532583
Gold	CMX	0.31597088
Heating Oil	NYM	54.36015533
Live Cattle	CME	190.25365903
Lean Hogs	CME	168.46568907
Natural Gas	NYM	57.15082625
Nickel	LME	0.00365076
Silver	CMX	6.55442858
Soybean	CBT	22.47835932
Soybean Oil	CBT	204.03994223
Sugar	CSC	1031.60874052
Unleaded Gas	NYM	56.53635029
Wheat	CBT	19.18098866
Zinc	LME	0.04488315

The provisions governing the methodology for determining the composition and calculation of the Index and the DJ-UBSCI are reflected in the DJ-UBS Handbook. Additional information about the composition and calculation methodology of the Index, is available on the following website: <http://www.djindexes.com/mdsidx/?event=showAigHome> (or successor page thereto).

Unless otherwise specified, all capitalised terms in this Appendix 3 shall have the meanings as set forth in the DJ-UBS Handbook.

The information contained in the DJ-UBS Handbook has not been independently verified by the Basket Sponsor, and the Basket Sponsor does not accept any responsibility for errors or omissions contained in such DJ-UBS Handbook. For the avoidance of doubt, such information contained in the DJ-UBS Handbook is not incorporated by reference in, and does not form part of this Supplement.

## **Supplement X to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – Goldman Sachs G10 & EM Carry Index Portfolio** a Portfolio of Goldman Sachs Structured Investments SICAV

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Goldman Sachs G10 & EM Carry Index Portfolio (the "Portfolio"), one of the Alternative Beta Strategies Portfolios of the Umbrella Fund, which provides investors with access to our innovative underlyers.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – Goldman Sachs G10 & EM Carry Index Portfolio**

### **Investment Objective**

The Portfolio's investment objective is to track the return of the Goldman Sachs Emerging Markets Carry Excess Return Index Class B (the "Index") which is designed to be an efficient way of implementing a forward based systematic carry strategy as described below, on 28 currencies from both G10 and emerging market countries.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should pay particular attention to the following risk:

#### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

## Investment Policy

The Portfolio seeks to achieve its objective by (i) entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement") and (ii) by exchanging the net returns (linked to the Effective Federal Funds rate) (the "Net Returns") generated from the Reverse Repurchase Agreement through a swap agreement (the "Swap Agreement") for participation in a portion of the capital appreciation potential of the Index. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### Reverse Repurchase Agreement Eligible Securities

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralized within a range from 100% and 110% of its notional amount. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time.

Composition of collateral: any eligible collateral mentioned under section "*Repurchase Agreements and Reverse Repurchase Agreements*" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments;

Currencies: collateral shall be delivered in each country's respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### The Swap Agreement

The Portfolio will enter into the Swap Agreement with Goldman Sachs International which is also the counterparty to the Reverse Repurchase Agreement. The Net Returns on the Reverse Repurchase Agreement will be exchanged against the performance of the Index. The Swap Agreement will incorporate a fee payable by the Portfolio to Goldman Sachs International of 50 basis points per annum paid on the outstanding notional amount of the Swap Agreement. Such fee may include hedging costs and a profit component payable to Goldman Sachs International.

### Investments in UCITS or UCIs

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### Overview of the Index

The Index replicates the performance of a currency trading strategy that uses notional forward foreign exchange sale and purchase contracts to make investments in higher-yielding currencies that are funded by borrowing in lower-yielding currencies. This strategy, known as the carry trade, yields the interest rate differential between those currencies, adjusted to reflect any changes in the spot exchange rates between them from the first day to the last day of the carry trade. Currency exchange rates are volatile and unpredictable, and changes in the spot exchange rates between currencies in a carry trade can materially and adversely affect the results of that carry trade, the level of the Index and the value of your shares.

For each approximately one-month period, (i) notional forward purchase contracts for US dollars for each of the six currencies in a basket of 28 eligible currencies with the highest implied carry rates and (ii) notional forward sale contracts for US dollars for each of the six currencies with the lowest implied carry rates in the basket of 28 eligible currencies (but excluding, in the latter case, all eligible currencies that are non-deliverable currencies at the time) are deemed to be entered into. These implied carry rates are determined by comparing forward rates over the relevant period and spot rates for each eligible currency. The amount of each notional contract is based on the Index level, adjusted by (i) a factor of 0.45, which has the effect of reducing the size of

the notional forward contracts, which reduces the volatility of the Index, and (ii) a weighting factor that increases the relative exposure of the Index to the long currencies and short currencies with the highest and lowest implied one-month carry rates, respectively. The price of each notional forward contract includes an adjustment factor to incorporate total index transaction costs of 60 basis points per annum.

This paragraph is only a summary of the operation of the Index. For a full description of the Index please refer to Annex A.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section “Special Investment and Hedging Techniques” of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section “Special Investment and Hedging Techniques” of the Prospectus.

### **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus.

#### **Goldman Sachs Roles and no active management of the Portfolio:**

Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs expects to perform its obligations in good faith and a commercially reasonable manner, it may face conflicts between these roles and its own interests.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

#### **Counterparty risk:**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Goldman Sachs International under the Swap Agreement and the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although both the Swap Agreement and the Reverse Repurchase Agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are no collateralized.

### **Risks relating to Foreign Exchange Transactions**

#### **Currency Exchange Rates Can Be Volatile and Their Changes Can Be Unpredictable**

Generally, rates of exchange between currencies are volatile, and this volatility may continue in the future, in particular with regard to emerging market currencies. Fluctuations in currency exchange rates could adversely affect the shares of the Portfolio whose value is otherwise linked to the results of notional forward positions (as defined in – “Information About the Index”) of currency pairs.

The eligible currencies contained in the list of eligible currency pairs contained in Annex A to “Information About the Index” represent a broad range of developed and emerging market currencies and therefore a potentially wide range of market volatilities and implied interest rates. Some markets, especially emerging markets, carry significant risks for investors. You should therefore ensure that, before investing, you understand the relevant risks associated with such markets and are satisfied that an investment is suitable for you.

#### **Government Policy Can Adversely Affect Currency Exchange Rates**

Currency exchange rates can either float or be fixed by sovereign governments. From time to time, governments use a variety of techniques, such as intervention by a country’s central bank or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk with investing in the shares of the Portfolio linked to the Index is that the notional value of the notional forward position could be significantly and unpredictably affected by governmental actions. Even in the absence of governmental action directly affecting currency exchange rates, political, military or economic developments in a country issuing a currency which is part of the list of eligible currency pairs in Appendix 1 to “Information about the Index” or elsewhere could lead to significant and sudden changes in the currency exchange rate between currencies in eligible currency pairs as well as notional forward positions taken into account for the purposes of the calculation of the Index value (as described in – “Information About the Index”).

The governments or central banks that issue any of the currencies to be included as part of the notional forward positions (as defined in – “Information About the Index”) will have no involvement in the offer and sale of the Index or the shares of the Portfolio and no obligations to any Shareholder of the Portfolio or the Index sponsor (as defined in – “Information About the Index”). Each such government may take actions that could adversely affect interest and currency rates and therefore the value of the notional forward positions and therefore the value of the shares of the Portfolio.

#### **Foreign Exchange and Interest Rates Will be Influenced by Unpredictable Factors**

Generally, foreign exchange and interest rates are a result of the supply of, and demand for, a given currency both domestically and internationally. Changes in exchange or interest rates may result from the interactions of many factors including economic, financial, social and political conditions in Europe, the United States as well as in other jurisdictions whose currencies are contained in the list of eligible currency pairs contained in Appendix 1 to “Information About the Index”. These conditions include, for example, the overall growth and performance of the economies of the United States, the European Monetary Union (and the constituent nations thereof), and other jurisdictions whose currencies are contained in the list of eligible currency pairs contained in Appendix 1 to “Information About the Index”, the trade and current account balance between such countries, inflation, interest rate levels, the performance of global stock markets, the stability of the United States, European or other relevant jurisdiction’s governments and banking systems, wars in which such nations or regions are directly or indirectly involved or that occur anywhere in the world, major natural disasters, and other foreseeable and unforeseeable events.

Certain relevant information relating to relevant jurisdiction (in respect of any eligible currency pair) may not be as well known or as rapidly or thoroughly reported in the United States as compared to US developments. Prospective purchasers of the shares of the Portfolio should be aware of the possible lack of availability of important information that can affect the value of any eligible currency against the US dollar in respect of the Index, and must be prepared to make special efforts to obtain such information on a timely basis. See also “Government Policy Can Adversely Affect Currency Exchange Rates” above.

#### **Foreign Exchange Rate Information May Not Be Readily Available**

There is no systematic reporting of last-sale information for foreign currencies. Reasonable current bid and offer information is available in certain brokers’ offices, in bank currency trading offices, and to others who wish to subscribe for this information, but this information will not necessarily reflect the Index constituent currency exchange rates relevant for determining the Index value. The absence of last-sale information and the limited availability of quotations to individual investors may make it difficult for many investors to obtain timely, accurate data about the state of the underlying foreign exchange markets.

**Notional Forward Positions May Generate Losses and Cause the Index Value to Decline**

The Index measures the performance of notional forward positions established as notional forward foreign exchange purchase or sale contracts on certain currencies determined, respectively, as higher yielding or lower yielding based on the Index methodology. However, the exchange rate of any such higher yielding currency may depreciate at a higher rate than reflected in the notional forward purchase contracts in respect thereof, and the exchange rate of any lower yielding currency may appreciate at a higher rate than reflected by the notional forward sale contracts in respect thereof, in each case relative to the US dollar. Accordingly, the notional forward foreign exchange purchase or sale contracts thereon may generate notional losses or insufficient notional profit to increase the Index value.

**Global Macroeconomic Factors May Cause the Index Value to Decline**

Large currency movements caused by global macroeconomic factors may cause the Index to decline. During times of general risk aversion in global financial markets, such as the Russian crisis of 1998, the emerging markets crisis of 2006 and the credit crunch of 2008, investors tend to move funds from higher-risk to lower-risk investments. This includes investors who have established carry trades and seek to unwind those trades in response to market conditions. These macroeconomic factors can cause demand for higher-yielding long currencies to decline and, conversely, demand for lower-yielding short currencies to increase as investors seek lower-risk investments. If this occurs, the Index value may decline because the notional forward foreign exchange purchase or sale contracts may generate notional losses or insufficient notional profit to increase the Index value. This will occur if the exchange rates of higher-yielding long currencies depreciate at a higher rate than reflected in the notional forward purchase contracts in respect thereof, and the exchange rates of lower-yielding short currencies appreciate at a higher rate than reflected by the notional forward sale contracts in respect thereof, in each case relative to the US dollar.

***Risks relating to the Index*****Information Provided by the Index Sponsor About the Calculation of the Index May Not Be Indicative of Future Performance**

Any information about foreign exchange rates provided by the Index sponsor will be or has been furnished as a matter of information only, and you should not regard the information as indicative of the range of, or trends in, fluctuations in currency exchange rates that may occur in the future. Such information will likely differ from the exchange rates used under the Index methodology. In addition, the historical relationship between the US dollar and any other eligible currencies contained in the list of eligible currency pairs contained in Appendix 1 to "Information About the Index" may not be an accurate proxy for the future relationship between such currencies.

**Information About the Index May Only Be Available Through the Index Sponsor**

The Index sponsor may not provide Shareholders of the Portfolio with further information in relation to the Index, beyond what is provided herein, and further information may not be generally available. The Index sponsor has entered into non-exclusive licensing agreements with certain of its third party data suppliers in order to source the necessary data to calculate the Index.

**The Index Value May Not Be Publicly Available, Which May Adversely Affect the net asset value of the shares of the Portfolio**

The Index sponsor will post the Index value on Bloomberg page GSCUEMCA Index on each Index business day (as defined in Annex A to this Supplement).

**The Index Sponsor and the Index Calculation Agent Have Discretion to Make Certain Determinations Which Could Adversely Affect the Value of the shares of the Portfolio**

The judgments that the Index sponsor and the Index Calculation Agent makes in connection with the design, calculation and maintenance of the Index, could affect both the level of the Index and the net asset value of the Portfolio. In making those determinations, the Index sponsor and the Index Calculation Agent will not be required to, and will not, take your interests into account or consider the effect its determinations will have on the value of the shares. The role played by the Index sponsor and the Index Calculation Agent, in respect of its own commercial interests, could present it with a conflict of interest.

All determinations made by the Index sponsor shall be at its sole discretion and shall be conclusive for all purposes and will bind all holders of the shares and the Index Calculation Agent. The Index sponsor and the Index Calculation Agent will not have any liability for their determinations, except in the case of fraud.

The following represent the decisions which the Index sponsor may take, in its sole discretion, in respect of the Index:

- Determine if an adjustment event (as defined in – “Information About the Index”) occurs or is continuing with respect to any currency in any currency pair, and remove such currency pair from the list of eligible currencies for the purposes of the Index;
- Determine if a market disruption event or a force majeure event (both as defined in – “Information About the Index”) occurs or is continuing on any calendar day that is likely to have a material adverse effect on the ability of the Index to achieve its objectives, the operation of the Index or the calculation of the Index value, or is likely to make it impossible or reasonably impracticable for market participants to acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any positions that replicate the Index, and then in such a case:
  - make such determinations or adjustments to the terms of the Index as it deems appropriate in order to determine the Index value on such day;
  - defer publication of information relating to the Index while such market disruption or force majeure event, as applicable, is not continuing;
  - if such calendar day is a currency selection day or a rebalancing date, to postpone such date while such event is continuing; and
  - to postpone the notional transactions to occur on such day while such event is continuing, respectively.
- Make any changes to the composition or methodology of calculating the Index determined to be necessary as a result of market, regulatory, judicial, financial, fiscal or other circumstances; and
- Resolve any ambiguities which arise in the calculation of the Index and, if necessary for resolution, make changes to the composition or methodology of calculating the Index.

#### **The Index Value and Methodology May Not Accurately Reflect Interest and Currency Exchange Rate Movements**

The strategy underlying the Index methodology is based on an analysis of spot and forward exchange rates, from which the Index methodology seeks to generate synthetic returns of certain notional forward positions. Such rates can be unpredictable and the Index methodology may not always establish notional forward positions, which reflect the real movements in the interest and foreign exchange rate markets. Past and current levels of interest and currency exchange rates and fluctuations and trends in such rates that have occurred in the past are not necessarily indicative of future trends. If the anticipated direction in these rates proves incorrect, the Index value may decline. Furthermore, even if historic trends in such rate movements prove to be a reliable indicator of future trends in one or more periods during the term the Shareholders hold shares in the Portfolio, the Index methodology may not be such that it succeeds in benefiting from such trends. If this occurs, the Index value and, therefore, the value of the shares of the Portfolio, will decline.

#### **The Inputs Used by the Index Sponsor to Run the Index Calculations May Affect the Index Value**

The inputs used to run the Index calculation are obtained from certain external sources. The shares of the Portfolio may be exposed to less or more risk, or perform better or worse, based upon the inputs received from the above suppliers or sources, than an actual investment or an index-linked investment in the notional forward positions taken into account for the purposes of the Index.

#### **No Active Management**

The Index will be operated in accordance with the methodology set forth herein. There will be no active management of the Index so as to enhance returns beyond those embedded in the Index. In addition, market participants often may adjust their investments rapidly in view of market, political, financial or other factors, and actively managed products can potentially respond promptly and directly to such conditions. The Index, by contrast, only adjusts its composition approximately monthly in accordance with its stated methodology. As a result, investors in the Portfolio which is linked to the Index may be exposed to more or less risk than investors engaging in the notional forward positions themselves or investing in a managed foreign exchange execution strategy.

**Historical Levels of the Index Should Not Be Taken as an Indication of the Future Performance of the Index**

It is impossible to predict whether the Index will rise or fall. The actual performance of the Index during any future period may bear little relation to the historical level of the Index.

**Shareholders of the Portfolio Will Not Participate Directly in the Trading Strategy Reflected in the Performance of the Index and the Shareholders of the Portfolio Will Have No Legal or Beneficial Interest in Any Notional Forward Positions**

An investment in the shares of the Portfolio does not constitute a direct or indirect purchase or other acquisition or assignment of any interest in any notional forward positions established for the purposes of the Index, nor in any other assets. Rather, the shares of the Portfolio represent synthetic exposure to the notional forward positions referred to above. As such, the risks and returns of an investment in the shares of the Portfolio may differ significantly from a cash investment in one or more of the eligible currency pairs or one or more notional forward positions.

**The Index Could Be Changed or Become Unavailable**

The Index sponsor reserves the right to alter the methodology used to calculate the Index or the formulae underlying the Index or to discontinue calculation and dissemination of the Index and an alteration may result in a decrease in the value of or return on shares of the Portfolio. As such, many aspects of the Index may change in the future, including without limitation the formulae, weighting methodology and third party data sources. The Index sponsor reserves the right to form an Index committee for the purposes of considering such changes.

Furthermore, the decisions and policies of the Index sponsor concerning the calculation of the Index value could affect the Index value and, therefore, the net asset value of the shares of the Portfolio. The net asset value of the shares of the Portfolio could also be affected if the Index sponsor changes these policies. Alternative methods of valuation are generally intended to produce a value similar to the value resulting from reference to the Index. However, it is unlikely that any alternative method of valuation used by the Index sponsor will produce a value identical to the value that the actual Index would produce. Hence, if an alternative method of valuation is used for any aspect of the Index, the net asset value of the shares of the Portfolio or the Index value for any such period, may be lower than it otherwise would be. See "Determinations Made by the Index Sponsor" above for further detail.

**Eligible Currencies Assigned a Weight of Zero Will Not Contribute to the Index Value**

On the observation date immediately preceding a rebalancing date, the Index sponsor ranks the eligible currencies using the covered interest rate parity methodology. The six highest-ranking currencies are selected as long currencies and the six lowest-ranking currencies are selected as short currencies. All of the other eligible currencies are assigned a weighting of zero for that period. For currencies with a weight of zero, no notional forward contracts will be established. As a result, changes in the value rates of that currency will not contribute to the Index value in during the following holding period.

**Weights Given to Long Currencies and Short Currencies May Not Indicate the Performance of Notional Forward Contracts**

The weights applied to the long currencies and the short currencies are determined using the covered interest rate parity methodology. The long currencies with the highest implied interest rates are weighted more heavily than the other long currencies, and the short currencies with the lowest implied interest rates are weighted more heavily than the other short currencies. This methodology may not predict the performance of a currency over the period of any notional forward contract. Therefore such weights may not be an accurate indication of eventual increases in the Index value at the relevant rebalancing date. An investment that does not rely upon a weighting methodology could generate a higher return than the ones of the shares of the Portfolio.

**The net asset value of the Portfolio May Be Less Than It Would Have Been Had the Payment Amount Been Linked to Actual Foreign Exchange or Interest Rates Rather Than an Investment Linked to the Notional Returns of Notional Forward Positions**

The ability of the Portfolio to benefit from any sustained rise or fall in the level of the foreign exchange and interest rates is limited under the Index. The Index is based upon a methodology which aims to generate notional returns through notional forward positions while also protecting you from over-exposure to certain

notional forward positions and currencies. The net asset value of the Portfolio will be linked to the Index value. An investment that is directly linked to actual foreign exchange or interest rates or to movements in such rates over a more sustained period of time (without the weighting constraints in the Index methodology as described above) could generate a higher return than the shares of the Portfolio.

**The Index Calculation Agent Relies Upon Third Party Data Sources Which May Be Inaccessible and/or Inaccurate**

The Index Calculation Agent relies upon third party external sources to obtain certain inputs necessary to compute the Index. The inability of the Index Calculation Agent to source necessary data to carry out the Index formulae may affect the Index value. See “Determinations Made by the Index Sponsor” above for further details. In addition, the Index sponsor makes no warranty as to the correctness or completeness of that information and takes no responsibility for the accuracy of such data or the impact of any inaccuracy of such data on the Index value.

## Particularities of the Swap Agreement and of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the underlying Index and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: Effective Federal Funds rate.

The returns generated to the Portfolio under the Swap Agreement are an appreciation (if any) of the Index and those generated to the Counterparty to such Agreement are a reference rate linked to the Effective Federal Funds rate.

## Characteristics

### Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
A	USD	Accumulation	LU0417509873	None
A (EUR Hedged)	EUR	Accumulation	LU0417511697	None
C	USD	Accumulation	LU0414033901	None
C (EUR Hedged)	EUR	Accumulation	LU0414034206	None
I	USD	Accumulation	LU0417510707	None

I (EUR Hedged)	EUR	Accumulation	LU0417511937	None
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Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
A	5%	5%	1.60%	USD 10,000	USD 10,000	USD 1,000
A (EUR Hedged)	5%	5%	1.60%	EUR 10,000	EUR 10,000	EUR 1,000
C	5%	5%	0.60%	USD 1,000,000	USD 1,000,000	USD 1,000
C (EUR Hedged)	5%	5%	0.60%	EUR 1,000,000	EUR 1,000,000	EUR 1,000
I	5%	5%	0.85%	USD 100,000	USD 100,000	USD 1,000
I (EUR Hedged)	5%	5%	0.85%	EUR 100,000	EUR 100,000	EUR 1,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to the Hedging Agent) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

#### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days**
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to the Valuation Day	

A Net Asset Value may be calculated on days different from the Valuation Day with the exception of any Luxembourg banking holidays. Such Net Asset Value is only indicative and is available for information purposes only. It is based on the previous available net asset values with an adjustment for the expense accrual and is published on a Bloomberg page, as follows:

A	GSEMCUA LX
A (EUR Hedged)	GSEMCHA LX
C	GSEMCCU LX
C (EUR Hedged)	GSEMCEH LX
I	GSEMCUI LX
I (EUR Hedged)	GSEMCEI LX

\* Any day on which banks are open for normal banking business in Luxembourg and London and on which the Goldman Sachs Emerging Markets Carry Excess Return Index - Class B is calculated and published. Investors are made aware that the Net Asset Value of the Portfolio will not be calculated on the days when the banks are closed in Luxembourg (for the avoidance of any doubt these days are not being Business Days).

\*\* Day on which commercial banks are open for business in Luxembourg, London and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is targeted at investment managers, fund managers, insurance companies and pension funds.

### ***License Disclaimer***

The Goldman Sachs Emerging Markets Carry Excess Return Index - Class B is a trademark of the Index sponsor.

The Index sponsor does not guarantee the accuracy and/or completeness of the Index, any data included therein, or any data from which it is based, and the Index sponsor shall have no liability for any errors, omissions, or interruptions therein.

The Index sponsor makes no warranty, express or implied, as to the results to be obtained from the use of the Index.

Neither the Index sponsor nor any of its affiliates or subsidiaries or any of their respective directors, officers, employees, representatives, delegates or agents shall have any responsibility to any person (whether as a result of negligence or otherwise) for any determination made or anything done (or omitted to be determined or done) in respect of the Index or publication of the Index level (or failure to publish such value) and any use to which any person may put the Index or the index level. In addition, although the Index sponsor reserves the right to make adjustments to correct previously incorrectly published information, including but not limited to the Index level, the Index sponsor is under no obligation to do so and shall have no liability in respect of any errors or omissions.

Nothing in this disclaimer shall exclude or limit liability to the extent such exclusion or limitation is not permitted by law.

GOLDMAN SACHS INTERNATIONAL DOES NOT GUARANTEE THE QUALITY, ACCURACY AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN. GOLDMAN SACHS INTERNATIONAL DOES NOT MAKE ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE GOLDMAN SACHS GROUP, INC., OWNERS OF THE SHARES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN FOR ANY USE. GOLDMAN SACHS INTERNATIONAL DOES NOT MAKE ANY EXPRESS OR IMPLIED WARRANTIES, AND GOLDMAN SACHS INTERNATIONAL HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL GOLDMAN SACHS INTERNATIONAL HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

## Annex A

### Information About the Index

#### ***The Goldman Sachs Emerging Markets Carry Excess Return Index – Class B (the “Index”)***

The information set forth below reflects the policies of, and is subject to change by, Goldman Sachs International (the “Index sponsor”). The Index sponsor owns the copyright and all other rights to the Index. The Index sponsor does not have any obligation to continue to publish, and may discontinue publication of, the Index at any time. The “Index Calculation Agent” initially is Markit and may thereafter be such person as the Index sponsor may appoint from time to time.

#### ***Overview of Operation of the Index***

*The following overview of the Goldman Sachs Emerging Markets Carry Excess Return Index – Class B (the “Index”) is a summary and, as such, is necessarily incomplete. This overview should be read in conjunction with, and is qualified by, the more detailed description of the Index and its operation that follows herein.*

The Index replicates the performance of a currency trading strategy that seeks to take advantage of the implied interest rate differentials among certain currencies selected from time to time from a defined universe of currencies, determined in accordance with the methodology described below, by synthetically investing in high-yielding currencies and financing the exposure by synthetically borrowing in low-yielding currencies (sometimes referred to as the “carry trade”).

The carry trade seeks to take advantage of inefficiencies in the foreign exchange markets. The carry trade seeks to generate positive returns from these inefficiencies via the following steps:

- establishing a long position in a high-yielding currency, collecting the high interest rate; and
- establishing a short position in a low-yielding currency, paying the low interest rate.

The carry trade yields the interest rate differential between the two currencies, adjusted to reflect any changes in the spot exchange rates between the relevant currencies from the first day to the last day of the carry trade. Foreign currency markets and rates of exchange between currencies are volatile and unpredictable and changes in the spot exchange rates between currencies in a carry trade can materially affect the results of that carry trade.

The Index observes a universe of up to 28 currencies of developed and emerging market countries, including the United States, and replicates a dynamic currency trading strategy using forward foreign exchange sale and purchase contracts on a portfolio of currencies selected from time to time from within that universe. A currency forward contract is an agreement between two parties to exchange, on a pre-determined future date, specific amounts of two currencies at a predetermined exchange rate. Through a series of one-month notional forward contracts, the Index synthetically seeks to replicate an investment in the six highest-yielding currencies in the portfolio which is funded by borrowing in the six lowest-yielding currencies in the same portfolio in each period.

The Index value at any given time is determined based on the prior performance of the Index and on the value of the notional forward contracts comprising the Index at that time. The value of each notional forward contract, in turn, is determined based on the appreciation or depreciation relative to the US dollar over the term of that contract of the currency purchased or sold under the contract. Accordingly, changes in foreign exchange rates can have a material impact on the Index value. The Index value is calculated in US dollars and is published on each Index business day (as defined below).

On the common business day (as defined below) on or immediately following January 14, 1998 and on each common business day on or immediately following the 14th day of each subsequent calendar month (each, a “currency selection date”) six long currencies and six short currencies are selected within the universe of up to 28 eligible currencies (as defined below). The “long currencies” are those with the highest and the “short currencies” are those with the lowest implied one-month carry rates among the eligible currencies as of the relevant currency selection date. Non-deliverable currencies are not eligible to be short currencies. A “non-deliverable currency” is a currency of a jurisdiction that it is generally impossible to deliver to accounts outside that jurisdiction or to parties non-resident in that jurisdiction and therefore is only traded using forward contracts for its sale or purchase that settle in other currencies, that are not non-deliverable currencies, at the applicable

spot exchange rate at the time of expiration of the contract. A “common business day” is each day which is a currency business day with respect to each of the up to 28 eligible currencies at the relevant time. A “currency business day” for any currency is each day which is not (i) Saturday or Sunday, (ii) a legal holiday on which banks are authorized or required to close in New York or London or (iii) a legal holiday on which banks are authorized or required to close in the jurisdiction of such currency (or, in the case of the euro for clause (iii), a day which is not a TARGET business day).

For each of the eligible currencies other than the US dollar, the implied one-month carry rate is calculated on an annualized basis as (a) the *quotient* of the forward rate for that currency *divided by* the spot rate for that currency *minus* (b) 1, as described in greater detail below. For the US dollar, the implied one-month carry rate is always zero.

Each time new long currencies and short currencies have been selected, the Index is rebalanced accordingly. This rebalancing occurs during each period (each, a “rebalancing period”) that commences on the calendar day immediately following a currency selection date and comprises such day and each succeeding day up to and including such day when there have been five currency business days (a) for each long currency and each short currency selected on the currency selection date immediately preceding such rebalancing period and (b) for each long currency and each short currency selected on the second currency selection date preceding such rebalancing period. During each rebalancing period:

- notional long positions are deemed to be taken in the long currencies selected as of the currency selection date immediately preceding such rebalancing period in the amount of (a) the Index value as of such currency selection date *times* (b) a factor of 0.45, as described below, *times* (c) a weighting factor for purposes of allocating the aggregate long positions among the selected long currencies; such long positions in such long currencies are deemed to be created under notional one-month forward purchase contracts of the long currencies for US dollars;
- notional short positions are deemed to be taken in the short currencies selected as of the currency selection date immediately preceding such rebalancing period in the amount of (a) the Index value as of such currency selection date *times* (b) a factor of 0.45, as described below, *times* (c) a weighting factor for purposes of allocating the aggregate short positions among the selected short currencies; the short positions in the short currencies are deemed to have been created under notional one-month forward sale contracts of the short currencies for US dollars; and
- the notional long positions and short positions in place, respectively, in the long currencies and short currencies that were selected on the second currency selection date preceding such rebalancing period are deemed to expire.

If the US dollar is selected as a long currency or short currency on any currency selection date, a notional one-month forward purchase or sale contract, respectively, is established on US dollars for US dollars.

The amount of each of the notional long positions and each of the notional short positions is adjusted by a factor of 0.45. This factor effectively reduces the amount deemed to be invested in the long and short currencies, thereby reducing any gain or losses deemed to have been earned. This, in turn, reduces the volatility of the Index.

The strike price reflected in each notional forward contract is determined using a formula that compares the forward price for the relevant currency to the spot price for that currency, and then adjusts this amount based on a factor in respect of implied Index costs of 60 basis points per annum. This factor is intended to replicate the transaction costs that would arise in connection with the currency trades replicated by the Index. The formula for determining the strike price reflected in each notional forward contract is described in more detail below under “Calculation of the Index Value”.

One-fifth of the new long positions or short positions, respectively, in each new long currency or short currency selected on the currency selection date immediately preceding each rebalancing period are deemed to be taken on each of the five currency business days in respect of such currency in such rebalancing period, and one-fifth of each of the expiring long positions or short positions in place, respectively, on each long currency or short currency selected on the second currency selection date preceding such rebalancing period are deemed to expire on each of the five currency business days in respect of such currency in such rebalancing period. As such notional positions expire during each rebalancing period, gains and losses since the previous rebalancing

period are deemed to be realized and accumulated with the accumulated gains and losses realized during each of the earlier rebalancing periods, and the Index value increases or decreases accordingly.

The “initial Index value” as of the inception of the Index was set at 100 US dollars. Thereafter, the “Index value” on each Index business day (as defined below) equals the sum of (i) the initial Index value *plus* (ii) the sum of the realized historical gains and losses deemed to have been earned through the notional forward foreign exchange purchase and sale contracts, respectively, on long currencies and short currencies from time to time deemed to have been entered into and to have expired since inception of the Index *plus* (iii) the mark-to-market value of the notional forward foreign currency purchase and sale contracts then deemed to be outstanding in respect of long positions in long currencies and short positions in short currencies. An “Index business day” is each day which is not (i) Saturday or Sunday or (ii) a day on which banks are authorized or required by law to close in New York or London.

Changes in the foreign exchange rates of the long currencies or short currencies at any time relative to the US dollar can have a material impact on the Index value. When a notional forward contract expires, a gain or loss will occur if the spot foreign exchange rate differs from the forward exchange rate reflected in that notional forward contract. In the case of a notional forward purchase contract for a long currency, the Index will gain value if the spot exchange rate of such long currency at the expiration of that contract is lower, per US dollar, than the forward exchange rate reflected in that contract. This will allow the notional purchase of that long currency to occur at a favourable contractual rate. Conversely, for a notional forward sale contract for a short currency, the Index will gain value if the spot exchange rate of such short currency at the expiration of that contract is higher, per US dollar, than the forward exchange rate reflected in that contract. This will allow the notional sale of that short currency to occur at a favourable contractual rate.

The Index will lose value if the spot exchange rate of a long currency at expiration of a notional forward purchase contract is higher, per US dollar, than the forward exchange rate reflected in that purchase contract, or if the spot exchange rate of a short currency at expiration of a notional forward sale contract is lower, per US dollar, than the forward exchange rate reflected in that sale contract. In these cases, the currency exchange transaction upon settlement of these notional contracts would occur at a rate that is less favourable than the market rate at that time.

Accordingly, the Index will gain value if the forward rate reflected in a notional forward contract shows a greater increase in the spot exchange rate of a long currency or a greater decrease in the spot exchange rate for a short currency than actually occurs from the date such contract is established to the date it expires. Conversely, the Index will lose value if the forward rate reflected in a notional forward contract shows a smaller increase in the spot exchange rate of a long currency or a smaller decrease in the spot exchange rate for a short currency than actually occurs from the date such contract is established to the date it expires. The Index will not necessarily gain or lose value solely because the spot exchange rate of a short currency or long currency changes while a notional forward contract is outstanding but has not yet expired, although changes to spot exchange rates may increase or decrease the mark-to-market values of outstanding notional forward contracts.

Spot exchange rates at the expiration of any notional forward contract may be higher, lower or equal to the forward exchange rates reflected in those contracts and this may adversely affect the level of the Index.

The notional forward foreign exchange sale and purchase contracts referred to in the preceding paragraphs and any related currency transactions are notional only, and no actual trading transactions are made for purposes of the Index. The Index sponsor reserves the right to enter into actual transactions that replicate or otherwise relate to the Index, as well as other currency transactions unrelated to the Index, but such transactions are not part of and do not affect the calculation of the Index value from time to time. Such transactions could adversely affect the value of the Index.

### ***Eligible Currencies; Long and Short Currencies***

#### ***Eligible Currencies***

For purposes of the Index, the Index sponsor has selected a basket of currencies representing a broad range of developed and emerging market currencies. These “eligible currencies” initially number 28 in total, and are listed on the “Eligible Currencies Table” set forth in Appendix 1 hereto. No additional eligible currencies may be designated (except for any new currency which replaces an eligible currency that ceases to exist, as described below), but currencies may be removed from the list provided in Appendix 1 and no longer constitute eligible currencies in the circumstances described below.

On each currency selection date, each currency that meets both of the following conditions will be removed from the set of eligible currencies from which the long currencies and short currencies may be chosen on that currency selection date:

- the implied one-month carry rate of that currency, calculated as of such currency selection date on an annualized basis as (a) the *quotient* of the forward rate for that currency *divided by* the spot rate for that currency *minus* (b) 1, as described in greater detail below, exceeds 20% per annum; and
- the implied one-month carry rate of that currency so calculated as of such currency selection date exceeds by more than 50% the implied one-month carry rate for such currency calculated in the same manner as of the previous currency selection date.

Because the implied one-month carry rate of the US dollar is always zero, the US dollar will never be removed from the set of eligible currencies as a result of the factors described in the bullet points above.

The removal of any currency from the set of eligible currencies on any currency selection date as a result of the circumstances described above is temporary. On the next currency selection date on which the conditions above are not met, the relevant currency will rejoin the set of eligible currencies for the following rebalancing period.

Further, as described in more detail below, each currency that is a non-deliverable currency on a currency selection date will not be eligible to be selected as a short currency on that currency selection date. On the next currency selection date on which such currency no longer is a non-deliverable currency, that currency will again be eligible to be a short currency.

In addition, if, in the sole discretion of the Index sponsor, any adjustment event (as defined below) occurs or is continuing at any time or from time to time with respect to any eligible currency, the Index sponsor may, at its sole discretion, remove that currency from the set of eligible currencies as of the currency selection date on or immediately following such determination. If any of these adjustment events occurs, the affected currency will be permanently removed from the set of eligible currencies for the Index. An “adjustment event” means any of the following:

- **Dual Exchange Rate Event:** Any currency exchange rate used with respect to any currency pair shown in the Eligible Currencies Table in Appendix 1 for the calculation of the Index value or otherwise for purposes of the Index splits into dual or multiple currency exchange rates. If a dual exchange rate event occurs for any currency for which notional forward purchase or sale contracts are deemed to be outstanding for purposes of the Index, the “offshore rate” quoted for a trade between two counterparties executing and cash-settling trades outside the jurisdiction of the currency will be used to determine the value of such outstanding notional contracts until their deemed expiration.
- **Inconvertibility Event:** An event has occurred in or affecting any jurisdiction whose currency is shown in the Eligible Currencies Table in Appendix 1 that generally makes it impossible to convert such currency into US dollars through customary legal channels.
- **Non-Transferability Event:** An event has occurred in or affecting any jurisdiction whose currency is shown in the Eligible Currencies Table in Appendix 1 that generally makes it impossible to deliver (i) US dollars from accounts inside such jurisdiction to accounts outside such jurisdiction or (ii) US dollars between accounts inside such jurisdiction for the currency of such jurisdiction or to a party that is a non-resident of such jurisdiction.
- **Governmental Authority Default:** A default, event of default, or other similar condition or event (however described) with respect to any security or indebtedness for borrowed money of, or guaranteed by, any governmental authority (as defined below), including, but not limited to, (i) the failure of timely payment in full of any principal, interest, or other amounts due (without giving effect to any applicable grace periods) in respect of any such security, indebtedness, or guarantee, (ii) a declared moratorium, standstill, waiver, deferral, repudiation, challenge of the validity, or rescheduling of any principal, interest, or other amounts due in respect of any such security, indebtedness, or guarantee, or (iii) the amendment or modification of the terms and conditions of payment of any principal, interest, or other amounts due in respect of any such security, indebtedness, or guarantee without the consent of all holders of such obligation. For these purposes, the determination of the existence or occurrence of any default, event of default, or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of such governmental authority to issue or enter into such security, indebtedness, or guarantee. “Governmental authority” means in relation to a jurisdiction whose currency is part of any currency pair shown in the Eligible

Currencies Table in Appendix 1, any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative, executive, legislative or other governmental authority, or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of such jurisdiction (which with respect to the Euro shall include the European Union as well as any member state thereof from time to time whose currency is the Euro).

- **Exchange Rate Unavailability or Illiquidity Event:** It is or becomes impossible or not reasonably practicable for the Index sponsor or the Index Calculation Agent to obtain a currency exchange rate from the source for that rate specified for use for purposes of the Index, or to obtain a firm quote for a currency exchange rate in respect of any currency pair shown in the Eligible Currencies Table in Appendix 1.
- **Nationalisation Event:** Any expropriation, confiscation, requisition, nationalisation or other action by a relevant governmental authority which deprives any market participant of all or substantially all of its assets in any jurisdiction whose currency is part of any currency pair shown in the Eligible Currencies Table in Appendix 1.
- **Inability to Hedge:** Any market participant is unable, after using commercially reasonable efforts, to acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any hedge position relating to the Index or any Index-linked transactions, or to realize, recover or remit the proceeds of any such transactions.
- **Currency Merger:** An eligible currency ceases to exist and is replaced by a new currency that is already one of the 28 eligible currencies.

If an eligible currency ceases to exist and the new currency that is its legal successor is not one of the 28 eligible currencies, such new currency will become an eligible currency for the Index in the place of the currency that has ceased to exist, provided that the exchange rate for such new currency to the US dollar is published on a Reuters WM Company page or such other publicly available source as may be determined by the Index sponsor in its sole discretion.

#### *Reference Exchange Rates*

For purposes of the Index, each eligible currency (other than the US dollar) is paired to the US dollar. The Eligible Currencies Table in Appendix 1 specifies which currency in the pair is the overlying and which is the underlying currency for purposes of customary quotations of exchange rates between the pair expressed as a ratio (unless otherwise indicated herein).

For purposes of the Index:

- the “reference spot exchange rate” ( $S_{WM}^c(t)$ ) of an eligible currency pair as of any day is the mid-market exchange rate with a 4:00pm London time fixing on such day as published on the Reuters WM Company page indicated opposite such currency pair on the Eligible Currencies Table in Appendix 1, revised, if necessary, to be expressed as a number of eligible currency units to one US dollar;
- the “reference one-month forward exchange rate” ( $F_{WM}^c(t)$ ) of an eligible currency pair as of any day is the mid-market exchange rate with a 4:00pm London time fixing on such day reported on the Reuters WM Company page indicated opposite such currency pair on the Eligible Currencies Table in Appendix 1, revised, if necessary, to be expressed as a number of eligible currency units to one US dollar;
- the “implied forward exchange rate” ( $F^c(t, T_i)$ ) for any period is the forward exchange rate interpolated or extrapolated from the reference one-month forward exchange rate, calculated for any relevant period in the manner described below under “Calculating  $F^c(t, T_i)$ ”;
- the “deemed settlement date” for a notional forward exchange contract is the date that, depending on the currency, is either one or two currency business days after the expiration of that contract, as set forth in Appendix 1; and
- the “standard fixing source” of an eligible currency pair as of any day is the mid-value of the spot exchange rates as published at the time and from the source specified opposite such currency pair on the Eligible Currencies Table in Appendix 1, revised, if necessary, to be expressed as a number of eligible currency units to one US dollar.

### *Selection and Weighting of Long Currencies and Short Currencies*

The selection of the long currencies and the short currencies is made by the Index Calculation Agent on each currency selection date following a pre-defined non-discretionary process.

For purposes of this selection, the Index Calculation Agent first determines the “implied one-month carry rate” for each eligible currency as of the currency selection date (other than any eligible currencies that have been removed for purposes of such selection or such currency selection date as described above) by dividing the implied forward exchange rate by the reference spot exchange rate for each eligible currency, subtracting 1, and annualizing the result by multiplying it by 12, as described in more detail below. The implied one-month carry rate for the US dollar is always zero.

Then, the Index Calculation Agent ranks each eligible currency in the order of that with the highest implied one-month carry rate (first) to that with the lowest implied one-month carry rate (last). If two or more currencies have the same implied one-month carry rate, the currencies with the same implied one-month carry rate will be ranked in accordance with their implied one-month carry rates on the immediately preceding currency date. If necessary, the same procedure will be repeated *mutatis mutandis* until each of the currencies can be ranked independently.

Whenever a non-deliverable currency ranks within the six lowest yielding currencies, it will not be eligible to be, and will not be taken into account for purposes of determining the short currencies on the relevant currency selection date. A non-deliverable currency is a currency of a jurisdiction that it is generally impossible to deliver to accounts outside that jurisdiction or to parties non-resident in that jurisdiction and therefore is only traded using forward contracts for its sale or purchase that settle in other currencies, that are not non-deliverable currencies, at the applicable spot exchange rate at the time of expiration of the contract.

Each eligible currency that is a non-deliverable currency as of the date hereof is marked with an asterisk in on the Eligible Currencies Table set forth in Appendix 1 hereto. The Index Calculation Agent will determine whether any of the eligible currencies has become or ceased to be a non-deliverable currency as of each currency selection date.

The six eligible currencies with the highest implied one-month carry rates are designated by the Index Calculation Agent as long currencies, and the six eligible currencies (other than non-deliverable currencies) with the lowest implied one-month carry rates are designated by the Index Calculation Agent as short currencies.

The long currencies and the short currencies are then assigned weightings for purposes of the operation of the Index. For the six long currencies, these weightings are 20/100ths for each of the four long currencies with the highest implied one-month carry rates, and, respectively, 15/100ths and 5/100ths for the other two long currencies in the declining order of their respective implied one-month carry rates. For the six short currencies, these weightings are 20/100ths for each of the four short currencies with the lowest implied one-month carry rates, and, respectively, 15/100ths and 5/100ths for the other two short currencies in the increasing order of their respective implied one-month carry rates. Such weightings carry a positive sign with respect to each long currency and a negative sign with respect to each short currency.

The effect of these weightings is to increase the relative exposure of the Index and its performance to the long currencies with the highest implied one-month carry rates and to the short currencies with the lowest implied one-month carry rates. Accordingly, fluctuations of the foreign exchange rates to the US dollar of the long currencies and short currencies with the highest weighting at any time can have a disproportionately high impact on the Index value at such time.

The implied one-month carry rate for each eligible currency is determined on each currency selection date for the immediately following rebalancing period, and remains unchanged for the duration of that rebalancing period.

### *Calculation of Implied One-month Carry Rates*

The implied one-month carry rate for each of the eligible currencies other than the US dollar is calculated as of any currency selection date as the difference of (a) the *quotient* of the forward rate for that currency *divided by* the spot rate for that currency *minus* (b) 1, annualized by multiplying such difference by 12, as illustrated by the following formula:

$$C^k = 12 \times \left[ \frac{Forward^k}{Spot^k} - 1 \right]$$

where:

$C^k$  is the implied one-month carry rate for eligible currency k for the period at the currency selection date as of which the calculation is made;

$Forward^k$  means the implied forward exchange rate for currency k at the currency selection date as of which the calculation is made for a notional forward contract expiring on the next succeeding currency selection date; and

$Spot^k$  means the reference spot exchange rate for currency k as of the currency selection date as of which the calculation is made.

Because the forward rate for the US dollar will be equal to the spot rate, the quotient of the forward rate divided by the spot rate for the US dollar will always be one, and the implied one-month carry rate for the US dollar will always be zero.

### **Calculation of the Index Value**

#### *General*

The Index value is calculated in US dollars. As of the inception date, January 14, 1998, the Initial index value was 100 US dollars.

The Index Calculation Agent will calculate and publish the Index value on each Index business day at or about the time of publication of the last in time of the spot exchange rates, using the related standard fixing sources, of the long currencies and short currencies on which notional forward contracts are deemed to be outstanding on such date. An "Index business day" is each day which is not (i) Saturday or Sunday or (ii) a legal holiday on which banks are authorized or required to close in New York or London. Because some Index business days will not be business days for all of the eligible currencies included in the Index, the Index value published by the Index Calculation Agent on any Index business day may be based in part on data from previous days.

On any Index business day, the Index value equals the sum of (i) the Initial index value *plus* (ii) the sum of realized historical gains and losses deemed to have been earned through the notional forward foreign exchange purchase and sale contracts, respectively, on the long currencies and the short currencies as described above deemed to have been entered into and expired since inception of the Index *plus* (iii) the mark-to-market value of the notional forward foreign currency purchase and sale contracts then deemed to be outstanding in respect of long positions in long currencies and short positions in short currencies.

Thus, the Index value as of any Index business day is calculated in US dollars using the following formula:

$$Index(t) = [Index(0) + PnL_{realised}(t) + Ptf(t)]$$

where:

$Index(t)$  is the Index value on Index business day  $t$ ,

$Index(0)$  is the Index value on the inception date of the Index,  $t=0$ , and is set at 100 US dollars as of January 14, 1998;

$PnL_{realised}(t)$  is the sum of the realized historical gains and losses deemed to have been earned through the notional forward foreign exchange purchase and sale contracts, respectively, on the long currencies and the short currencies deemed to have been entered into and to have expired since inception of the Index to Index business day  $t$  (such gains and losses being deemed to be realized and accumulated during each rebalancing period); and

$Ptf(t)$  is the mark-to-market value of all outstanding notional forward purchase and sale contracts, respectively, in respect of long positions in long currencies and short positions in short currencies deemed to be outstanding on Index business day  $t$ , calculated as set forth below under “—Calculation of the Index Value during a Holding Period” and “—Calculation of the Index Value during a Rebalancing Period”, as the case may be.

In order to account for costs for maintaining the Index and to replicate transaction costs that would arise in connection with currency trades replicated by the Index, a discount equal to 60 basis points per annum is applied when calculating the price of each notional forward contract. The effect of this discount is to reduce the value of each contract. This reduces the mark-to-market value of each outstanding position and reduces any gains and increases any losses deemed to be realized upon the expiration of each notional forward contract during the applicable rebalancing period, in each case as described in more detail below under “—Calculation of the Index Value during a Holding Period” and “—Calculation of the Index Value during a Rebalancing Period”.

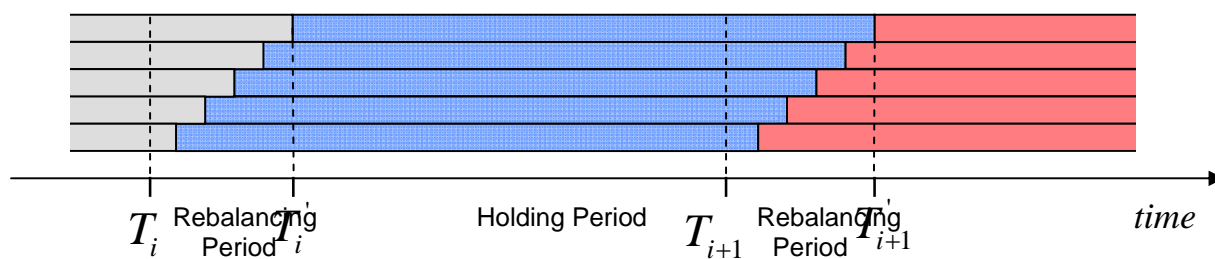
For purposes of calculating the Index value, a distinction is made between holding periods (in each case, as defined below) and rebalancing periods.

A “holding period” is the period from (and including) the first calendar day after any rebalancing period to (but excluding) the first calendar day in the next following rebalancing period. During a holding period, the notional forward foreign exchange purchase and sale contracts representing the long positions in long currencies and short positions in short currencies deemed to be outstanding remain unchanged and only mature with time. Because none of the notional forward contracts expire during a holding period, no gains or losses are deemed to be realized. Accordingly, the initial Index value ( $Index(0)$ ) and the sum of accumulated realized gains and losses ( $PnL_{realised}(t)$ ) do not change during holding periods, and the only changes to the Index value arise from changes to the mark-to-market values of the outstanding notional forward contracts, or  $Ptf(t)$ .

During a rebalancing period, by contrast, new notional forward foreign exchange purchase and sale contracts representing, respectively, long positions in new long currencies and short positions in new short currencies (in each case selected as of the immediately preceding currency selection date) are gradually deemed to be taken. Also, the outstanding notional forward foreign exchange purchase and sale contracts representing long positions in long currencies and short positions in short currencies (in each case, selected as of the second preceding currency selection date) are gradually deemed to expire and gains and losses being deemed to be realized with respect thereto. For each currency for which new positions are deemed to be established or old positions are deemed to expire during the rebalancing period, one-fifth of the total position being deemed to be established or expire, as the case may be, is deemed to be established or expire on each of the five currency business days for that currency during the rebalancing period.

During the rebalancing period, the sum of accumulated gains and losses deemed to have been realized ( $PnL_{realised}(t)$ ) changes as outstanding notional forward contracts expire and related gains and losses are deemed to be realized. In addition, the mark-to-market values of outstanding notional forward contracts ( $Ptf(t)$ ) takes into account the remaining notional forward contracts established in the previous rebalancing period that have not yet expired (but will expire later in the rebalancing period) as well as the new notional forward contracts established earlier in the current rebalancing period.

The following diagram shows schematically the sequence of a holding period between two rebalancing periods:



where:

If a particular point in time  $t$  is between  $T_i$  and  $T'_i$  (or, stated mathematically,  $\{t \mid T_i < t \leq T'_i\}$ ) or between  $T_{i+1}$  and  $T'_{i+1}$  (or, stated mathematically,  $\{t \mid T_{i+1} < t \leq T'_{i+1}\}$ ), that point in time falls during a rebalancing period; and

If a particular point in time  $t$  is between  $T'_i$  and  $T_{i+1}$  (or, stated mathematically,  $\{t \mid T'_i < t \leq T_{i+1}\}$ ), that point in time falls during a holding period.

Because currency business days will not necessarily fall at exactly the same time across each of the jurisdictions, the distinction between holding periods and rebalancing periods applies to the status of each individual currency at a particular point in time, not to the universe of currencies generally. At a particular point in time, the positions of a particular currency may be fully established, whereas the positions of another currency are still being established during the rebalancing period.

#### *Calculation of the Index Value during a Holding Period*

As described in more detail above, the Index value as of any Index business day (whether in a holding or rebalancing period) is calculated in US dollars using the following formula:

$$Index(t) = [Index(0) + PnL_{realised}(t) + Ptf(t)]$$

On any Index business day within a holding period, there will be sixty notional forward contracts deemed to be outstanding. These correspond to twelve sets of five notional forward contracts each (one set of five notional forward contracts for each of the six long currencies selected on the last currency selection date and one set for each of the six short currencies selected on such currency selection date, for a total of twelve sets of notional forward contracts). Each set of five notional forward contracts on the same currency comprises one such contract deemed to have been entered into on each of the five currency business days with respect to such currency during the rebalancing period preceding such holding period. Because no notional forward contracts expire during a holding period, no gains or losses are realized and the accumulated realized gains and losses ( $PnL_{realised}(t)$ ) remain unchanged, as is the initial Index value ( $Index(0)$ ).

Accordingly, to determine the Index value on an Index business day within a holding period, each of the sixty notional forward contracts is marked to market on such Index business day, using the methodology described below, which has the effect of multiplying the notional amount of the relevant contract by the return on that contract (with the return calculated as described below and taking into account a discount factor of 60 basis points per annum in respect of implied Index costs reflected in the strike price reflected in the contract). The resulting mark-to-market values of each set of five notional forward contracts on the same long currency or short currency, as the case may be, are then added, and their sum is multiplied by the factor of 0.45 referred to above. The resulting amounts with respect to the twelve sets of notional forward contracts are then multiplied by the applicable weighting for the relevant currency determined on the last currency selection date. The resulting amounts are then added and this sum represents the mark-to-market value of the portfolio of outstanding notional forward contracts, or  $Ptf(t)$ .

Thus, the mark-to-market value on an Index business day in a holding period of a notional forward foreign exchange purchase or sale contract outstanding during a holding period equals the *product of*:

(a) the notional amount of the long position or short position, as the case may be, deemed to have been entered into on the relevant currency on each of the five currency business days in the immediately preceding rebalancing period, equal to the *product of* (i) the weighting assigned to the relevant currency on the immediately preceding currency selection date *multiplied by* (ii) a factor of 0.45, *multiplied by* (iii) the *quotient of* (A) the Index value as of the immediately preceding currency selection date *divided by* (B) five, which is the number of currency business days for each currency in the preceding rebalancing period;

*multiplied by* (b) the return on the relevant contract, calculated as the *sum of*:

(i) the *quotient of*:

(A) the strike price reflected in the contract, which takes into account a factor in respect of implied Index costs as described below and is calculated as the *product* of:

(x) the implied forward exchange rate for the period at the currency selection date preceding such holding period for a notional forward contract expiring on the next succeeding currency selection date *divided by* the reference spot exchange rate, in each case for the relevant currency as of the most recent currency selection date, *multiplied by* (y) the spot rate for the relevant currency as of the date on which the forward contract is notionally entered into, measured using the standard fixing source for that currency, *multiplied by* (z) one minus a factor of  $\pm 0.000556$  designed to account for implied Index costs (which factor is positive for long currencies and negative for short currencies),

*divided by* (B) the forward price for the relevant currency, calculated as the *product* of

(x) the implied forward exchange rate for the relevant currency at such Index business day for a notional forward contract expiring on the date during the next rebalancing period on which the notional forward contract is deemed to expire *divided by* the reference spot rate for such currency as of such Index business day, *multiplied by* (y) the spot rate for the relevant currency as of such Index business day, measured using the standard fixing source for that currency,

*minus* (ii) one.

Thus, the mark-to-market value of the notional forward foreign exchange purchase and sale contracts  $(Ptf_i(t|T_i' < t \leq T_{i+1}))$  in respect of, respectively, the long positions in long currencies and short positions in short currencies deemed to be outstanding for purposes of calculation of the Index value on any Index business day during a holding period, after application of the applicable weightings and the factor of 0.45 and a discount by a factor in respect of implied Index costs reflected in the strike price reflected in each contract is given by the following formula:

$$Ptf_i(t|T_i' < t \leq T_{i+1}) = \sum_{c \in \{ccy\}} \sum_{n=1}^{n \leq \#RollDays} w_i^c \times L \times \frac{Index(T_i)}{\#RollDays} \times \left( \frac{\frac{F_{WM}^c(T_i, T_{i+1} + D^c)}{S_{WM}^c(T_i)} \times S^c(T_i + n) \times (1 - A^{tc}(c))}{\frac{F_{WM}^c(t, T_{i+1} + n + D^c)}{S_{WM}^c(t)} \times S^c(t)} - 1 \right)$$

where:

$\sum_{c \in \{ccy\}}$  is the weighted sum of the mark-to-market values of the twelve sets of five notional forward contracts for each set, outstanding on the six long currencies and the six short currencies;

$\sum_{n=1}^{n \leq \#RollDays}$  is the sum of the mark-to-market values of the five notional forward contracts outstanding on each long currency or short currency, each such notional forward contract being deemed to have been entered into on one of the five currency business days with respect to the relevant currency in the rebalancing period preceding the relevant holding period;

$w_i^c \times L \times \frac{Index(T_i)}{\#RollDays}$  is the notional amount of the long positions and short positions that are deemed to have been entered into on each long currency or short currency on each of the five currency business days  $T_i + n$  in the immediately preceding rebalancing period, and is equal to the *product* of (i) a factor  $L$ , equal to 0.45, *multiplied by* (ii)  $w^c$ , which is the weighting for each long currency or short currency determined on the immediately preceding currency selection date, carrying a positive sign with respect to a long currency and a

negative sign with respect to a short currency, *multiplied by* (iii) the *quotient* of (a) the Index value as of the immediately preceding currency selection date *divided by* (b) five, which is the number of currency business days for each currency in the preceding rebalancing period ( $\#RollDays$ );

$F_{WM}^c(T_i, T_{i+1} + D^c)$  is the implied forward exchange rate of currency  $c$  at the currency selection date preceding such holding period for a notional forward contract expiring on the next succeeding currency selection date, determined in the manner described below under “Calculating  $F^c(t, T_i)$ ” and expressed as units of such currency to one US dollar;

$S_{WM}^c(T_i)$  is the reference spot exchange rate of currency  $c$  determined as of the immediately preceding currency selection date as described above under “Eligible Currencies; Long and Short Currencies—Reference Exchange Rates” and expressed as units of such currency to one US dollar;

$S^c(T_i + n)$  is the spot exchange rate of currency  $c$  determined using the standard fixing source as of the date during the preceding rebalancing period on which the notional forward contract on such currency is notionally entered into (time of entry into such contract  $t = T_i + n$ ), expressed as units of such currency to one US dollar, which remains constant through the deemed expiration of such notional forward contract;

$A^{tc}(c)$  is set at  $\pm 0.000556$  in order to account for implied Index costs of 0.60% per annum;  $A^{tc}(c)$  is positive for long currencies and negative for short currencies;

$F_{WM}^c(t, T_{i+1} + n + D^c)$  is the implied forward exchange rate of currency  $c$  on Index business day  $t$  to the deemed settlement date  $T_{i+1} + n + D^c$  on which the notional forward contract is deemed to settle following its expiration during the next rebalancing period, calculated in the manner described below under “Calculating  $F^c(t, T_i)$ ” and expressed as units of such currency to one US dollar;

$D^c$  is the number of days from expiry of a notional forward contract relating to currency  $c$  to the deemed settlement date of that contract, as shown in Appendix 1; if the deemed settlement date shown in Appendix 1 for a currency  $c$  is T+2, then  $D^c = 2$ ;

$S_{WM}^c(t)$  is the reference spot exchange rate of currency  $c$  determined on the Index business day  $t$  (as of which the calculation is made), expressed as units of such currency to one US dollar; and

$S^c(t)$  is the spot exchange rate of currency  $c$  on Index business day  $t$  determined using the standard fixing source, expressed as units of such currency to one US dollar.

#### *Calculation of the Index during a Rebalancing Period*

As described in more detail above, the Index value as of any Index business day (including during a rebalancing period) is calculated in US dollars using the following formula:

$$Index(t) = [Index(0) + PnL_{realised}(t) + Ptf(t)]$$

The Index is rebalanced during the rebalancing periods, as described above. Over the course of each rebalancing period, the notional forward foreign exchange purchase and sale contracts that were in place during the preceding holding period expire and any related gains and losses are deemed to be realized. At the same time, new notional forward foreign exchange purchase and sale contracts are established in the new long currencies and short currencies selected on the last currency selection date. Accordingly, on any Index business day  $t$  within a rebalancing period (stated mathematically  $t | T_{i+1} < t \leq T_{i+1}'$ ), there are deemed to be outstanding, for purposes of calculation of the Index value, two overlapping portfolios of notional forward foreign exchange purchase and sale contracts:

- those notional forward contracts that will expire during the rebalancing period that were established with respect to long currencies and short currencies selected on the second currency selection day preceding the rebalancing period, and

- those notional forward contract that are notionally established during the rebalancing period with respect to the new long currencies and short currencies selected on the currency selection date immediately preceding the rebalancing period.

The notional forward contracts expiring during the rebalancing period may pertain to different sets of long currencies and short currencies or with different weightings than those being established during the same period, because the long currencies and short currencies for each of the two portfolios of notional forward contracts have been selected, and their weightings have been determined, on different currency selection dates. Each of the two portfolios, when complete, consists of twelve sets of five notional forward foreign exchange contracts each (one set of five notional forward contracts for each of the six long currencies and one set for each of the six short currencies, for a total of twelve sets of notional forward contracts). Each set of five notional forward contracts on the same currency comprises one such contract entered into on each of the five currency business days with respect to such currency during the rebalancing period during which the portfolio was created. Over the term of each rebalancing period, the sixty notional forward contracts in the portfolio that has been outstanding during the immediately preceding holding period are gradually deemed to expire, with gains and losses being deemed to be realized with respect thereto. Meanwhile, the sixty new notional forward contracts that form the portfolio that will be outstanding during the immediately following holding period are gradually deemed to be established. For each currency for which notional forward contracts are established or expire during the span of a rebalancing period, one-fifth of such contracts is established or expires, as the case may be, on each of the five currency business days for that currency during that rebalancing period.

Accordingly, the mark-to-market value ( $Ptf(t)$ ) of the notional forward foreign exchange purchase and sale contracts outstanding on any Index business day within a rebalancing period for purposes of calculation of the Index value is calculated as the sum of the mark-to-market values of these two portfolios relating to potentially different long currencies and short currencies or with different weightings.

For the notional forward contracts that expire during a rebalancing period ( $Ptf_i$ ), the mark-to-market value of each notional forward contract that remains outstanding on any Index business day during such rebalancing period is calculated in exactly the same way its mark-to-market value was calculated during the preceding holding period. The only difference in determining the aggregate mark-to-market value of all of the expiring contracts that remain outstanding during a rebalancing period is that there will be fewer notional forward contracts to aggregate, because on any currency business day with respect to a relevant currency within a rebalancing period, a portion of the expiring notional forward contracts will expire.

For the new notional forward contracts that are established during a rebalancing period ( $Ptf_{i+1}$ ), the mark-to-market value of each such notional forward contract that is outstanding on any Index business day during such rebalancing period is calculated in a manner similar to that used for the expiring notional forward contracts, except that the interest rate differential reflected in the ratio of reference one-month forward rates and reference spot rates used are determined as of the last currency selection date (whereas those for the expiring notional forwards are those determined as of the second preceding currency selection date). When the rebalancing period ends and the following holding period begins, each notional forward contract in the new portfolio will be marked to market during that holding period in exactly the same way that it was marked to market during the rebalancing period (except that there will be more new notional forward contracts to aggregate during the following holding period than during the rebalancing period as all of the new positions will have been established).

For purposes of calculation of the Index value, the mark-to-market value ( $Ptf(t)$ ) of all of the notional forward foreign exchange purchase and sale contracts outstanding on any Index business day  $t$  falling within a rebalancing period running from  $T_{i+1}$  to  $T'_{i+1}$  is therefore equal to the sum of (a) the mark-to-market values of the expiring contracts that remain outstanding on such Index business day within such rebalancing period ( $Ptf_i$ ) plus (b) the mark-to-market value of the new contracts that have been established during the same rebalancing period through such Index Business day ( $Ptf_{i+1}$ ). Each of these calculations takes into account a discount factor in respect of implied Index costs, which adjusts the strike price reflected in each notional forward contract as described above, as well as the notional amount of each forward contract, which is determined by the Index level, the factor of 0.45 and the applicable weightings. Accordingly, the mark-to-market value of outstanding notional forward contracts on such Index business day during a rebalancing period is calculated as follows:

$$Ptf(t | T_{i+1} < t \leq T'_{i+1}) = Ptf_i(t | T_{i+1} < t \leq T'_{i+1}) + Ptf_{i+1}(t | T_{i+1} < t \leq T'_{i+1})$$

where:

$Ptf(t | T_{i+1} < t \leq T'_{i+1})$  is the mark-to-market value on Index business day  $t$  falling within the rebalancing period that runs from  $T_{i+1}$  to  $T'_{i+1}$  of all outstanding notional forward foreign exchange purchase and sale contracts;

$Ptf_i(t | T_{i+1} < t \leq T'_{i+1})$  is the mark-to-market value on Index business day  $t$  falling within the rebalancing period that runs from  $T_{i+1}$  to  $T'_{i+1}$  of all outstanding notional forward foreign exchange purchase and sale contracts relating to the expiring long currencies and short currencies that were established during the preceding rebalancing period, that ran from  $T_i$  to  $T'_i$ ; and

$Ptf_{i+1}(t | T_{i+1} < t \leq T'_{i+1})$  is the mark-to-market value on Index business day  $t$  falling within the rebalancing period that runs from  $T_{i+1}$  to  $T'_{i+1}$  of all outstanding notional forward foreign exchange purchase and sale contracts relating to the new long currencies and short currencies that have been established during the days that have already elapsed within the rebalancing period that runs from  $T_{i+1}$  to  $T'_{i+1}$ ;

The mark-to-market value of the expiring contracts  $Ptf_i(t | T_{i+1} < t \leq T'_{i+1})$  is given by the following formula:

$$Ptf_i(t | T_{i+1} < t \leq T'_{i+1}) = \sum_{c \in \{ccy\}} \sum_{n=-T_{i+1}}^{n \leq \#RollDays} w_i^c \times L \times \frac{Index(T_i)}{\#RollDays} \times \left( \frac{\frac{F_{WM}^c(T_i, T_{i+1} + D^c)}{S_{WM}^c(T_i)} \times S^c(T_i + n) \times (1 - A^{tc}(c))}{\frac{F_{WM}^c(t, T_{i+1} + n + D^c)}{S_{WM}^c(t)} \times S^c(t)} - 1 \right)$$

and the mark-to-market value of the new contracts  $Ptf_{i+1}(t | T_{i+1} < t \leq T'_{i+1})$  is given by the following formula:

$$Ptf_{i+1}(t | T_{i+1} < t \leq T'_{i+1}) = \sum_{c \in \{ccy\}} \sum_{n=1}^{n \leq T - T_{i+1}} w_{i+1}^c \times L \times \frac{Index(T_{i+1})}{\#RollDays} \times \left( \frac{\frac{F_{WM}^c(T_{i+1}, T_{i+2} + D^c)}{S_{WM}^c(T_{i+1})} \times S^c(T_{i+1} + n) \times (1 - A^{tc}(c))}{\frac{F_{WM}^c(t, T_{i+2} + n + D^c)}{S_{WM}^c(t)} \times S^c(t)} - 1 \right)$$

where:

$\sum_{c \in \{ccy\}}$  is the weighted sum of the mark-to-market values of the remaining outstanding notional forward contracts from each set of notional forward contracts on each long currency or short currency in the portfolio of expiring notional forward contracts that have not yet expired;

$\sum_{n=-T_{i+1}}^{n \leq \#RollDays}$  is the sum of the mark-to-market values of the remaining notional forward contracts on each long currency or short currency in the portfolio of expiring notional forward contracts that have not yet expired, each such notional forward contract being deemed to have been entered into on one of the five currency business days with respect to the relevant currency in the previous rebalancing period; over the term of the current rebalancing period, for each currency, the number of outstanding notional forward contracts in the portfolio of expiring contracts will gradually decrease from five to zero;

$$\sum_{n=1}^{n \leq t - T_{i+1}}$$

is the sum of the mark-to-market values of the new notional forward contracts on each long currency or short currency that have been established in the portfolio of new notional forward contracts, each such notional forward contract being deemed to have been entered into on one of the five currency business days with respect to the relevant currency in the current rebalancing period; over the term of the rebalancing period, for each currency, the number of new notional forward contracts in the portfolio of expiring contracts will gradually increase from zero to five;

$w_i^c \times L \times \frac{\text{Index}(T_i)}{\# \text{RollDays}}$  is the notional amount of the long positions and short positions that are deemed to have been entered into in the immediately preceding rebalancing period, as described above in "Calculation of the Index Value during Holding Periods", equal to the product of (i)  $w_i^c$ , the weighting of the currencies in the expiring portfolio, as determined on the second currency selection date preceding the rebalancing period, *multiplied by* (ii)  $L$ , representing a factor equal to 0.45, *multiplied by* (iii) the *quotient* of (a) the Index value as of the second preceding currency selection date *divided by* (b) five, which is the number of currency business days for each currency in the preceding rebalancing period ( $\# \text{RollDays}$ );

$w_{i+1}^c \times L \times \frac{\text{Index}(T_{i+1})}{\# \text{RollDays}}$  is the corresponding notional amount of the long positions and short positions that are deemed to have been entered into in the current rebalancing period, equal to the product of (i)  $w_{i+1}^c$ , the weighting of the currencies in the new portfolio, as determined on the currency selection date immediately preceding the rebalancing period, *multiplied by* (ii)  $L$ , representing a factor equal to 0.45, *multiplied by* (iii) the *quotient* of (a) the Index value as of the immediately preceding currency selection date *divided by* (b) five, which is the number of currency business days for each currency in the current rebalancing period ( $\# \text{RollDays}$ );

$F_{WM}^c(T_i, T_{i+1} + D^c)$  is the implied forward exchange rate of currency  $c$  at the second currency selection date preceding the rebalancing period for a notional forward contract expiring on the immediately preceding currency selection date, determined in the manner described below under "Calculating  $F^c(t, T_i)$ ", with  $F_{WM}^c(T_{i+1}, T_{i+2} + D^c)$  representing the corresponding reference forward exchange rate at the currency selection date immediately preceding the rebalancing period for a notional forward contract expiring on the next succeeding currency selection date;

$S_{WM}^c(T_i)$  is the reference spot exchange rate of currency  $c$  determined as of the second currency selection date preceding the rebalancing period, as described above in "Calculation of the Index Value during Holding Periods", with  $S_{WM}^c(T_{i+1})$  representing the corresponding reference spot exchange rate as of the currency selection date immediately preceding the rebalancing period;

$S^c(T_i + n)$  is the spot exchange rate of currency  $c$  determined using the standard fixing source as of the date on which each expiring notional forward contract was notionally entered into, as described above in "Calculation of the Index Value during Holding Periods", with  $S^c(T_{i+1} + n)$  representing the corresponding spot exchange rate as of the date in the current rebalancing period on which each new notional forward contract was notionally entered into;

$A^{tc}(c)$  is set at  $\pm 0.000556$  as described above in "Calculation of the Index Value during Holding Periods";

$F_{WM}^c(t, T_{i+1} + n + D^c)$  is the implied forward exchange rate of currency  $c$  at Index business day  $t$  to the deemed settlement date on which each expiring notional forward contract will settle following its expiration in the current rebalancing period, as described above in "Calculation of the Index Value during Holding Periods", with  $F_{WM}^c(t, T_{i+2} + n + D^c)$  representing the corresponding implied forward exchange rate to the deemed settlement date on which each new notional forward contract will settle following its expiration in the next following rebalancing period;

$D^c$  is the number of days from expiry of a notional forward contract relating to currency  $c$  to the deemed settlement date of that contract, as shown in Appendix 1; if the deemed settlement date shown in Appendix 1 for a currency  $c$  is T+2, then  $D^c = 2$ ;

$S_{WM}^c(t)$  is the reference spot exchange rate of currency  $c$  determined on Index business day  $t$ , as described above in “Calculation of the Index Value during Holding Periods”; and

$S^c(t)$  is the spot exchange rate of currency  $c$  on Index business day  $t$  determined using the standard fixing source as described above in “Calculation of the Index Value during Holding Periods”.

In addition, in order to determine the Index value on an Index business day during the rebalancing period, gains and losses relating to expiring contracts are deemed to be realized and accumulated together with all other historical gains and losses that have been realized over the life of the Index ( $PnL_{realised}(t)$ ).

Gains will be deemed to be realized upon the expiration of a notional forward foreign exchange contract in the following circumstances:

- If the spot exchange rate of a long currency relative to the US dollar is lower than the implied forward exchange rate reflected in the expiring notional forward purchase contract in respect thereof (less the spread for Index costs), which means that the long currency has not depreciated as much as was reflected in the notional forward contract when it was established; or
- If the spot exchange rate of a short currency relative to the US dollar is higher than the implied forward exchange rate reflected in the expiring notional forward purchase contract in respect thereof (less the spread for Index costs), which means that the short currency has not appreciated as much as was reflected in the notional forward contract when it was established.

Conversely, losses will be deemed to be realized upon the expiration of a notional forward foreign exchange contract in the following circumstances:

- If the spot exchange rate of a long currency relative to the US dollar is higher than the implied forward exchange rate reflected in the expiring notional forward purchase contract in respect thereof (less the spread for Index costs), which means that the long currency has depreciated more than was reflected in the notional forward contract when it was established; or
- If the spot exchange rate of a short currency relative to the US dollar is lower than the implied forward exchange rate reflected in the expiring notional forward purchase contract in respect thereof (less the spread for Index costs), which means that the short currency has appreciated more than was reflected in the notional forward contract when it was established.

On each Index business day during a rebalancing period, the Index value is calculated and the profits and losses deemed to be generated by the positions (if any) that expire on that day are added to the level of accumulated gains and losses from the previous Index business day (which we refer to as  $PnL_{realised}(t-1)$ ). For each expiring notional forward contract, the amount of gain or loss to be realized and added to  $PnL_{realised}(t-1)$  is calculated in the same way that the mark-to-market value of that contract was calculated when it remained outstanding, as described in “Calculation of the Index Value During a Holding Period”, except that in the denominator of the calculation, the implied notional forward exchange rate will be determined on the calculation date for a period that ends on that same day and therefore will be identical to the reference spot exchange rate. This means that the denominator will reduce to the spot rate on the calculation date determined using the standard fixing source on the expiration date. Accordingly,

- The numerator of the calculation of the amount of gain or loss is based on spot exchange rates and one-month forward exchange rates for dates in the past, specifically the currency selection date on which the relevant currency was chosen and the date on which the position that is now expiring was initially established. The numerator will therefore be exactly the same as it was when the contract remained outstanding and its mark-to-market value was calculated.
- The denominator will be the spot exchange rate of the relevant currency using the standard fixing source on the expiration date of the contract.

In mathematical terms, the amount of any such gains or losses deemed to be realized on Index business day  $n$  on which a notional forward contract expires, with  $n = t - T_{i+1}$ , is determined in accordance with the following formula:

$$PnL_{realised}(t | T_{i+1} < t \leq T_{i+1}') = PnL_{realised}(t-1) +$$

$$\sum_{c \in \{ccy\}} w_i^c \times L \times \frac{Index(T_i)}{\#RollDays} \times \left( \frac{\frac{F_{WM}^c(T_i, T_{i+1} + D^c)}{S_{WM}^c(T_i)} \times S^c(T_i + n) \times (1 - A^{tc}(c))}{S^c(T_{i+1} + n)} - 1 \right)$$

where the variables used in the formulas above have the same meanings as described above and:

$\sum_{c \in \{ccy\}} w_i^c \times L \times \frac{Index(T_i)}{\#RollDays}$  is the weighted sum of the set of notional forward contracts in each long currency and short currency in the portfolio; and  
 $S^c(T_{i+1} + n)$  is the spot exchange rate of currency  $c$  on the date  $T_{i+1} + n$  on which gain or loss is calculated determined using the standard fixing source, expressed as units of such currency to one US dollar.

### Calculating $F^c(t, T_i)$

As part of the required calculations to calculate the Index value on any Index business day, which are described in more detail above, it is necessary to determine forward exchange rates for periods other than one month. Because the calculation of the Index value is based only on spot exchange rates and one-month forward exchange rates, forward exchange rates with different maturities need to be approximated for purposes of calculation of the Index value.

In particular, in order to value an outstanding notional forward contract as of Index business day  $t$  that will expire in the next rebalancing period on currency business day  $T_i$ , the forward exchange rates for a period at time  $t$  to time  $T_i$  (a period of less or more than one month) must be approximated. To do this, the forward exchange rate of the relevant eligible currency is linearly interpolated between the reference spot exchange rate on day  $t$  and the reference one-month forward exchange rate on day  $t$  with respect to such currency in relation to the US dollar or linearly extrapolated beyond the one-month forward exchange rate.

Thus, for each currency  $c$  on each day  $t$ , the forward exchange rate of currency  $c$  at time  $t$  expiring at future time  $T_i$  is calculated using the following formula:

$$F_{WM}^c(t, T_i) = S^c(t) + \frac{F_{WM}^c(t) - S^c(t)}{[T - (t + D^c)]} \times [T_i - (t + D^c)]$$

where

$F^c(t, T_i)$  is the forward exchange rate of currency  $c$  at time  $t$  expiring at future time  $T_i$ ;

$S^c(t)$  is the spot exchange rate of currency  $c$  on Index business day  $t$  determined using the standard fixing source, expressed as units of such currency to one US dollar;

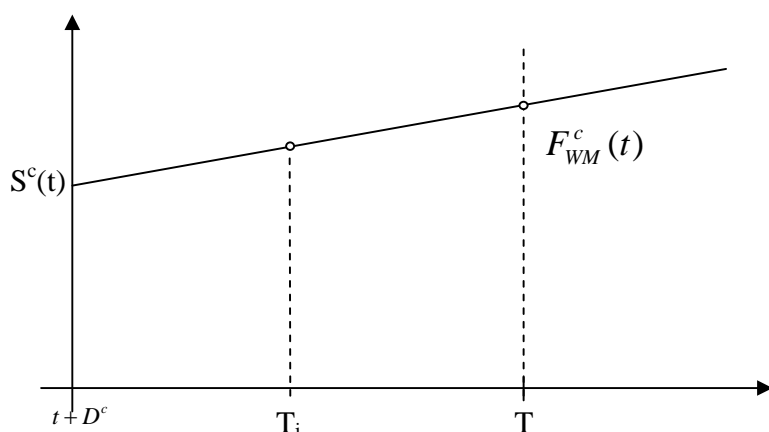
$F_{WM}^c(t)$  is the reference one-month forward exchange rate of currency  $c$  on Index business day  $t$ , expressed as units of such currency to one US dollar;

$T - (t + D^c)$  is the actual number of calendar days from the day  $t + D^c$  on which a spot trade in the relevant currency on Index business day  $t$  would settle to but excluding future day  $T$  as of which the reference one-month forward exchange rate calculated as of day  $t$  would expire;

$T_i - (t + D^c)$  is the actual number of calendar days from the day  $t + D^c$  on which a spot trade in the relevant currency on Index business day  $t$  would settle to but excluding future day  $T_i$  as of which the forward exchange rate is to be approximated; and

$D^c$  is the number of days from expiry of a notional forward contract relating to currency  $c$  to the deemed settlement date of that contract, as shown in Appendix 1; if the deemed settlement date shown in Appendix 1 for a currency  $c$  is T+2, then  $D^c = 2$ .

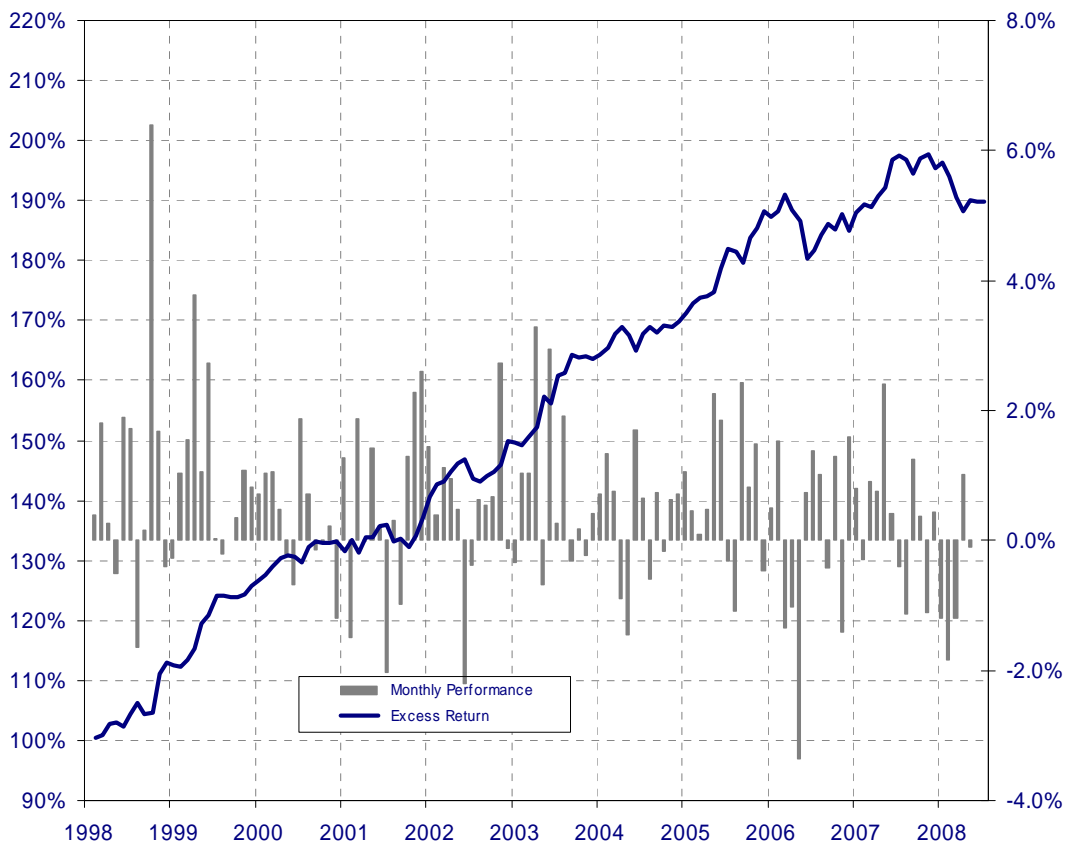
The graph below illustrates the operation of this formula:



### ***Simulated Performance of the Index***

For the purpose of the simulation, the level of the Index is deemed to have been 100 US dollars on its inception date, January 14, 1998. The Index Calculation Agent began calculating the Index on June 14<sup>th</sup>, 2008. Therefore, the historical information for the period from January 14, 1998 until June 14<sup>th</sup> 2008, is hypothetical and is provided as an illustration of how the Index would have performed during the period had the Index Calculation Agent begun calculating the Index on the inception date using the methodology it currently uses. This data does not reflect actual performance. Historical information for the period from and after June 14<sup>th</sup>, 2008 is based on the actual performance of the Index. All calculations of historical information are based on information obtained from various third party independent and public sources. The Index sponsor has not independently verified the information extracted from these sources. The following table and graph illustrate the simulated performance of the Index from January 14, 1998 to July 22, 2008. Performance has been simulated using GS fixing data due to lack of WMCompany data prior to 2004. **The simulated historical performance of the Index should not be taken as an indication of future performance.**

14-Jan-98	100%
30-Dec-99	127% (calculated using historical data)
29-Dec-00	132% (calculated using historical data)
31-Dec-01	141% (calculated using historical data)
31-Dec-02	150% (calculated using historical data)
31-Dec-03	164% (calculated using historical data)
31-Dec-04	171% (calculated using historical data)
30-Dec-05	187% (calculated using historical data)
29-Dec-06	188% (calculated using historical data)
31-Dec-07	196% (calculated using historical data)
14-Jul-08	190% (calculated using historical data)



**Limitations of Simulated/Backtested Returns:** Certain presentations and back-testing or other simulated historic/statistical analysis and materials that have been provided in connection with explanations of the mechanics and/or potential returns of the Index use simulated analysis and hypothetical circumstances to estimate how the Index may have performed prior to their actual existence. GS provides no assurance or guarantee that the Index will operate or would have operated in the past in a manner consistent with those materials and analysis. As such, any simulated historical/backtested returns projected in such analysis and related material, or any hypothetical simulations based on these materials and/or analysis, provided in relation to the Index may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, the Index. Past performance is not a reliable indicator of future performance.

### ***Modifications to the Index***

#### ***Market Disruption and Force Majeure Events***

If a “market disruption event” or a “force majeure event” occurs or is continuing on any calendar day that, in the Index sponsor’s sole discretion, is likely to have a material adverse effect on any of the eligible currencies or the trading of any such currency, or is likely to make it impossible or reasonably impracticable for any market participant to acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any position that replicates the Index, the Index sponsor may:

- make such determinations or adjustments to the terms of the Index as it deems appropriate in order to determine the level of the Index on such day (if such day is an Index business day);
- defer publication of information relating to the Index until the next Index business day on which such market disruption or force majeure event, as applicable, is not continuing;
- if such calendar day is a currency selection date, to postpone such currency selection date to the next common business day on which such market disruption or force majeure event, as applicable, is not continuing; and
- if such calendar day is a currency business day in a rebalancing period, to postpone the notional transactions to occur on such currency business day (and the subsequent currency business days in the

rebalancing period) to the next currency business day on which such market disruption or force majeure event, as applicable, is not continuing (and on an equal number of subsequent business days, respectively).

Any of the following will constitute a “market disruption event”:

- the occurrence or existence, on any calendar day at or during the one-hour period before 4:00pm London time, in relation to any eligible currency of (1) a suspension of, or limitation imposed on, trading on the New York or London interbank market or the interbank market of the relevant jurisdiction in respect of any currency in an eligible currency pair or (2) any event that disrupts or impairs (as determined by the Index sponsor in its sole discretion) the ability of market participants in general to effect transactions in relation to, or to obtain market values of, any eligible currency, or the ability of any market participant, after using commercially reasonable efforts, to acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any hedge position relating to the Index or any Index-linked transaction or to realise, recover, or remit the proceeds of any such transaction;
- the declaration of general moratorium in respect of banking activities in New York, London or the relevant jurisdiction in respect of any eligible currency; and
- on any Index business day, the failure of the source from which the reference spot exchange rate, the reference one-month forward exchange rate, any standard fixing or the source for any spot or forward rate of an eligible currency pair used for purposes of the Index to publish such values.

A “**force majeure event**” is an event or circumstance (including without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labour disruption or any similar intervening circumstance) that is beyond the reasonable control of Index sponsor, or its affiliates and that the Index sponsor determines is likely to have a material adverse effect on any of the eligible currencies or the trading of any such currency, or on any notional forward contract taken into account for purposes of the Index.

#### *Change in Methodology and Index Third Party Data Sources*

While the Index Calculation Agent currently employs the methodology described herein to compose and calculate the Index, it is possible that market, regulatory, juridical, financial, fiscal or other circumstances (including, but not limited to, any changes to or any suspension or termination of or any other events affecting any Index components or any other events affecting the ability of an Index third party data source to supply the necessary figures for purposes of the Index) will arise that would, in the view of the Index sponsor, necessitate a modification or change of such methodology in order to preserve the ability of the Index to accomplish its objectives. The Index sponsor reserves the right to make any other changes to the composition or methodology of calculating (or third party data sources used to calculate) the Index as the Index sponsor may, in its sole discretion, determine to be necessary as a result of market, regulatory, judicial, financial, fiscal or other circumstances.

In the event that ambiguities arise in the calculation of the Index, the Index sponsor will resolve such ambiguities and, if necessary for resolution, make changes to the composition or methodology of calculating the Index.

#### *Index Committee*

The Index sponsor may, but is not required to, establish an Index Committee with respect to the Index. The Index Committee, if established, may comprise employees of the Index sponsor and external members with a relevant academic or professional background. The role, responsibilities and powers of the Index Committee, if established, will be pre-defined and will be limited to approving changes to the Index methodology or the third party data sources used to calculate the Index, in each case where the Index sponsor is permitted to do so as contemplated above. In addition, where the Index sponsor has the power to do so as contemplated above, the Index Committee, if established, will have the power to correct ambiguities, errors, omissions and inconsistencies and to make administrative changes that are not economically significant.

### **NOTICES**

The Goldman Sachs Emerging Markets Carry Excess Return Index – Class B is a trademark of the Index sponsor.]

The Index sponsor does not guarantee the accuracy and/or completeness of the Index, any data included therein, or any data from which it is based, and the Index sponsor shall have no liability for any errors, omissions, or interruptions therein.

The Index sponsor makes no warranty, express or implied, as to the results to be obtained from the use of the Index.

Neither the Index sponsor nor any of its affiliates or subsidiaries or any of their respective directors, officers, employees, representatives, delegates or agents shall have any responsibility to any person (whether as a result of negligence or otherwise) for any determination made or anything done (or omitted to be determined or done) in respect of the Index or publication of the Index level (or failure to publish such value) and any use to which any person may put the Index or the index level. In addition, although the Index sponsor reserves the right to make adjustments to correct previously incorrectly published information, including but not limited to the Index level, the Index sponsor is under no obligation to do so and shall have no liability in respect of any errors or omissions.

Nothing in this disclaimer shall exclude or limit liability to the extent such exclusion or limitation is not permitted by law.

GOLDMAN SACHS INTERNATIONAL DOES NOT GUARANTEE THE QUALITY, ACCURACY AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN. GOLDMAN SACHS INTERNATIONAL DOES NOT MAKE ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE GOLDMAN SACHS GROUP, INC., OWNERS OF THE SHARES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN FOR ANY USE. GOLDMAN SACHS INTERNATIONAL DOES NOT MAKE ANY EXPRESS OR IMPLIED WARRANTIES, AND GOLDMAN SACHS INTERNATIONAL HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL GOLDMAN SACHS INTERNATIONAL HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGE.

**Appendix 1**  
**ELIGIBLE CURRENCIES TABLE**

Overlying Currency	Underlying Currency	Standard Fixing Source ( $S^c(t)$ )	Reference Spot Exchange Rate ( $S_{WM}^c(t)$ )	Reference One-Month Forward Exchange Rate ( $F_{WM}^c(t)$ )	Settlement Days
United States Dollar (USD)	Euro (EUR)	WMC 4pm LDN	WMRSPOT05	WMRNOTIONAL FORWARD06	T+2
Japanese Yen (JPY)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT12	WMRNOTIONAL FORWARD11	T+2
United States Dollar (USD)	Pound Sterling (GBP)	WMC 4pm LDN	WMRSPOT07	WMRNOTIONAL FORWARD08	T+2
Norwegian Krone (NOK)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT06	WMRNOTIONAL FORWARD07	T+2
Swedish Krona (SEK)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT07	WMRNOTIONAL FORWARD08	T+2
Swiss Franc (CHF)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT07	WMRNOTIONAL FORWARD05	T+2
Canadian Dollar (CAD)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT09	WMRNOTIONAL FORWARD10	T+1
United States Dollar (USD)	Australian Dollar (AUD)	WMC 4pm LDN	WMRSPOT12	WMRNOTIONAL FORWARD11	T+2
United States Dollar (USD)	New Zealand Dollar (NZD)	WMC 4pm LDN	WMRSPOT13	WMRNOTIONAL FORWARD12	T+2
Czech Koruna (CZK)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT05	WMRNOTIONAL FORWARD05	T+2
Hungarian Forint (HUF)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT06	WMRNOTIONAL FORWARD06	T+2
Polish Zloty (PLN)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT06	WMRNOTIONAL FORWARD07	T+2
Turkish Lira (TRY)	United States Dollar (USD)	WMC 12pm LDN	WMRSPOT07	WMRNOTIONAL FORWARD09	T+1
Israeli Shekel (ILS)	United States Dollar (USD)	WMC 4pm LDN			T+2
Russian Ruble (RUB)	United States Dollar (USD)	EMTA	WMRSPOT07	WMRNOTIONAL FORWARD08	T+1
South African Rand (ZAR)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT17	WMRNOTIONAL FORWARD14	T+2

Brazilian Real (BRL)*	United States Dollar (USD)	PTAX	WMRSPOT09	WMRNOTIONAL FORWARD10	T+2
Mexican Peso (MXN)	United States Dollar (USD)	WMC 4pm LDN	WMRSPOT10	WMRNOTIONAL FORWARD10	T+2
Chilean Peso (CLP)*	United States Dollar (USD)	OBSERVADO	WMRSPOT09	WMRNOTIONAL FORWARD10	T+2
China Renminbi (CNY)*	United States Dollar (USD)	Central Bank	WMRSPOT12	WMRNOTIONAL FORWARD11	T+2
Indian Rupee (INR)*	United States Dollar (USD)	Central Bank	WMRSPOT12	WMRNOTIONAL FORWARD11	T+2
South Korean Won (KRW)*	United States Dollar (USD)	Central Bank	WMRSPOT13	WMRNOTIONAL FORWARD12	T+2
Singapore Dollar (SGD)	United States Dollar (USD)	WMC 8am LDN	WMRSPOT13	WMRNOTIONAL FORWARD12	T+2
Taiwan Dollar (TWD)*	United States Dollar (USD)	Central Bank	WMRSPOT13	WMRNOTIONAL FORWARD12	T+2
Indonesian Rupiah (IDR)*	United States Dollar (USD)	Central Bank	WMRSPOT12	WMRNOTIONAL FORWARD11	T+2
Philippines Peso (PHP)*	United States Dollar (USD)	Central Bank	WMRSPOT13	WMRNOTIONAL FORWARD12	T+1
Malaysian Ringgit (MYR)*	United States Dollar (USD)	ABS	ABSIRFIX01	-	T+2
United States Dollar (USD)	United States Dollar (USD)	-	-	-	T+2

\* This currency is currently a non-deliverable currency and therefore would not be eligible as of the date hereof to be a short currency for purposes of the Index. A non-deliverable currency is a currency of a jurisdiction that it is generally impossible to deliver to accounts outside that jurisdiction or to parties non-resident in that jurisdiction and therefore is only traded using forward contracts for its sale or purchase that settle in other currencies, that are not non-deliverable currencies, at the applicable spot exchange rate at the time of expiration of the contract.

## **Supplement XI to the Prospectus**

### **Alternative Beta Strategies**

#### **Goldman Sachs Structured Investments SICAV – Goldman Sachs Dividend Linked Portfolio**

#### **On the Dow Jones EURO STOXX 50<sup>®</sup> Index**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Goldman Sachs Dividend Linked Portfolio on the Dow Jones EURO STOXX 50<sup>®</sup> Index (the "Portfolio"), one of the Alternative Beta Strategies of the Umbrella Fund, which provides investors with access to our innovative underlyers.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

## **Goldman Sachs Structured Investments SICAV – Goldman Sachs Dividend Linked Portfolio on the Dow Jones Euro Stoxx 50® Index**

<b>Investment Objective</b>		
<p>The Portfolio's investment objective is to provide on the Terminal Payment Date of each share class a return linked to dividends paid by the constituents of the Dow Jones EURO STOXX 50 ® Index (the "Reference Index") during the Relevant Dividend Period (as defined below under the section "<i>Relevant Dividend Period</i>").</p> <p>At the Terminal Payment Date (as defined under the table below) of the relevant share class, the Portfolio will pay EUR 1 per share multiplied by the Dividend Amount (as defined below under the section "<i>Dividend Amount</i>"), expressed as a number of index points less any expenses and fees of the Portfolio (as indicated under the section Expenses, Fees and Costs in the Prospectus)</p> <p>The Terminal Payment Date is 10 Business Days after the Maturity Date set out below for the following share classes</p>		
SHARE CLASS	MATURITY DATE	TERMINAL PAYMENT DATE
Class I (2010)	17 December 2010	10 Business Days after the Maturity Date
Class I (2012)	21 December 2012	10 Business Days after the Maturity Date
Class I (2014)	19 December 2014	10 Business Days after the Maturity Date
<p><b>Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.</b></p>		

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested. These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should however pay particular attention to the following risks:

**No Principal Protection:** The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

**Credit Exposure to Goldman Sachs International:** The counterparty of the Swap Agreements and to the Repurchase Agreement is expected to be Goldman Sachs International. Accordingly, the ability of the Portfolio to effect payment, if any, on any Terminal Payment Date is, amongst other factors, significantly dependant upon the ability of Goldman Sachs International to meet its obligations under the Swap Agreements. In the event of the insolvency or default of Goldman Sachs International, the Portfolio could suffer a significant loss.

**The value of the dividends paid by the components of the Reference Index may be influenced by many factors:** There are many independent factors that may have an impact on the dividends paid by the

components of the Reference Index. In particular, tax and regulatory decisions may result in reductions in the amount of dividends paid by constituents of the Reference Index and therefore in a reduction of the value of the Shares.

**Change in the composition of the Reference Index:** The composition of the Reference Index may change. This could have an adverse impact on the Dividend Amount paid by the Portfolio.

## Investment Policy

The Portfolio seeks to achieve its objective by (i) entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement"), and (ii) through 3 dividend-linked swap agreements (the "Swap Agreements") for participation in the Dividend Amount of the Reference Index for each of the maturities, 2010, 2012, and 2014. The Portfolio expects to enter into the Swap Agreements with Goldman Sachs International.

The Portfolio will enter into the Reverse Repurchase Agreement in order to secure collateral in respect of the counterparty obligations and to provide a cash flow to enable it to make its payments to the counterparty under the Swap Agreements. Under the Reverse Repurchase Agreement the Portfolio will make an initial outlay to the counterparty, in return for which it will obtain (i) regular floating rate payments which will be used to make the payments to the counterparty to the Swap Agreements and (ii) a diversified portfolio of cash and transferable securities for use as collateral against its initial outlay. The counterparty to the Reverse Repurchase Agreement will also agree to pay to the Portfolio a specified price on the return of the collateral. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under the section "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus, the Portfolio may hold cash and cash equivalents.

### Reverse Repurchase Agreement Eligible Securities

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Composition of collateral: any eligible collateral mentioned under section "*Repurchase Agreements and Reverse Repurchase Agreements*" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments; .

Currencies: collateral shall be delivered in each country's respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### Investments in UCITS or UCIs

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### The Swap Agreements

The Swap Agreements are contracts whereby the Portfolio pays an EONIA-linked floating amount to the counterparty in order to receive a return at Terminal Payment Date linked to the Dividend Amount.

The Swap Agreement will incorporate a fee payable by the Portfolio to Goldman Sachs International of 50 basis points per annum paid on the outstanding notional amount of the Swap Agreement. Such fee may include hedging costs and a profit component payable to Goldman Sachs International.

### Calculation of the Dividend Amount for the Reference Index at Terminal Payment Dates

#### "Relevant Dividend Period"

Class	Period
Class I ( 2010 )	From December 18, 2009 (excluding) till December 17, 2010 (including)
Class I ( 2012 )	From December 16, 2011 (excluding) till December 21, 2012 (including)
Class I ( 2014 )	From December 20, 2013 (excluding) till December 19, 2014 (including)

#### "Dividend Amount"

An amount in Base Currency determined by the calculation agent of the Swap Agreements (the "Calculation Agent") for the Relevant Dividend Period in accordance with the following formula:

$$\sum_t \sum_i \frac{n(i)(t) \times d(i)(t)}{D(t)}$$

Where:

"t" means each Relevant Day (t);

"i" means, in respect of each Relevant Day (t) each Share (i)

n(i)(t) means, in respect of each Share (i) and a Relevant Day (t), the number of free-floating shares relating to such Share (i) comprised in the Reference Index, as calculated and published by Reference Index sponsor (the "Index Sponsor") on such Relevant Day (t), subject to "Failure to Publish" as defined below.

d(i)(t) means, in respect of each Share (i) and a Relevant Day (t):

- a) if an Ex-Dividend Date in respect of such Share (i) falls on such Relevant Day (t), an amount equal to the Relevant Dividend in respect of such Share (i) and such Relevant Day (t); or
- b) otherwise, zero (0);

D(t) means, in respect of each Relevant Day (t), the Official Index Divisor, as calculated and published by the Index Sponsor on such Relevant Day (t), subject to "Failure to Publish" as defined below.

***"Relevant Dividend"***

Means in respect of each Share (i) and each Relevant Day (t) in the Relevant Dividend Period:

- (a) the Declared Cash Dividend; and/or
- (b) the Declared Cash Equivalent Dividend,

excluding any dividends in relation to which the Index Sponsor makes an adjustment to the Reference Index. Where the Index Sponsor has adjusted the Reference Index for part of a dividend, this Relevant Dividend provision shall apply only to the unadjusted part.

If holders of record of Share (i) elect between receiving a Declared Cash Dividend or a Declared Cash Equivalent Dividend, the dividend shall be deemed to be a Declared Cash Dividend for the purposes of the Swap Agreements.

Where any Relevant Dividend is declared in a currency other than the Base Currency, then the Calculation Agent shall convert such Relevant Dividend into the Base Currency at the rate declared by the issuer where any such rate is available or, if no such rate is available, at a rate determined by the Calculation Agent.

***"Declared Cash Dividend"***

Means in respect of a Relevant Dividend of Share (i), an amount per Share (i) as declared by the issuer of such Share (i) where the Ex-Dividend Date falls on such Relevant Day (t), before the withholding or deduction of taxes at source by or on behalf of any applicable authority having power to tax in respect of such a dividend (an "Applicable Authority"), and shall exclude:

- (a) any imputation or other credits, refunds or deductions granted by an Applicable Authority (together, the "Credits"); and
- (b) any taxes, credits, refunds or benefits imposed, withheld, assessed or levied on the Credits referred to in (a) above.

***"Declared Cash Equivalent Dividend"***

In respect of a Relevant Dividend of Share (i), an amount per Share (i) being the cash value of any stock dividend (whether or not such stock dividend comprises of shares that are not the ordinary shares of the issuer) declared by the issuer of such Share (i) where the Ex-Dividend Date falls on such Relevant Day (t) (or, if no cash value is declared by the relevant issuer, the cash value of such stock dividend as determined by the Calculation Agent, calculated by reference to the opening price of such ordinary shares on the Ex-

Dividend Date applicable to that stock dividend).

***“Share (i)”***

Means each share of a company that is a constituent of the Reference Index on such Relevant Day (t).

***“Relevant Day (t)”***

Means each weekday in the Relevant Dividend Period.

***“Ex Dividend Date”***

Means in respect of a Relevant Dividend the date that Share (i) is scheduled to commence trading ex-dividend on the primary exchange or quotation system for such Share (i), as determined by the Calculation Agent.

***“Official Index Divisor”***

Means the value, calculated by the Index Sponsor, necessary to ensure that the numerical value of the Reference Index remains unchanged after a change in the composition of the Reference Index. The value of the Reference Index after any change in its composition is divided by the Official Index Divisor to ensure that the value of the Reference Index returns to its normalised value.

**Failure to Publish:** If, on any Relevant Day (t), the Index Sponsor fails (for whatever reason including without limitation, discontinuance of publication of the index) to calculate and publish the number of free-floating shares in respect of such Share (i) or the Official Index Divisor, then the Calculation Agent shall determine the number of free-floating shares in respect of such Share (i) or the Official Index Divisor (as the case may be) in respect of such Relevant Day (t).

**Corrections:** In the event that an Official Index Divisor or number of free floating shares calculated and published by the Index Sponsor (or determined by the Calculation Agent pursuant to the provisions above relating to “Failure to Publish”) and utilized for any calculation or determination made under the Swap Agreements (also the “Transaction”) is subsequently corrected (or, where there has been a Failure to Publish,) and the correction is published (or, where there has been a Failure to Publish, publication is made) by the Index Sponsor within five Index Calculation Days after the original publication date, the Calculation Agent will adjust the Dividend Amount, as required, to take into account such correction provided that if such correction or subsequent publication occurs after the relevant Terminal Payment Date, the Calculation Agent may (but need not) determine any appropriate repayment to be made by a party to account for such correction or subsequent publication, as the case may be, and determine the date any such repayment should be made, together with interest on such repayment amount as determined by the Calculation Agent.

**Dividend Recovery:** If, (i) the amount actually paid or delivered by an issuer to holders of record of the relevant Share (i) in respect of any Relevant Dividend declared by such issuer (a “Declared Dividend”) to holders of record of such Share (i) is not equal to such Declared Dividend (a “Dividend Mismatch Event”); or (ii) such issuer fails to make any payment or delivery in respect of such Declared Dividend by the third Currency Business Day (as defined in the Equity Definitions) following the relevant due date, then the Calculation Agent may (but shall not be obliged to) determine any appropriate adjustment to account for such Dividend Mismatch Event or non-payment or non-delivery, as the case may be.

Where as a result of one of the events above, a miscalculation of the net asset value per Share of any Class, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

**Notifications**

The Umbrella Fund and Goldman Sachs International as counterparty to the Swap Agreements and Reverse Repurchase Agreement will in the event of any circumstances under which the Reference Index is no longer available, identify any other suitable strategy or index which will closely approximate the investment characteristics of the Reference Index in order to exchange the net returns on the Swap Agreements. Shareholders will be notified of such change.

With a view to future optimisation of the investment administration of the Portfolio, the Investment Administrator reserves the right to use other instruments within the framework of current Luxembourg regulation to achieve the investment objective, including the use of a total return swap and the use of other derivatives than the Swap Agreements.

#### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section "Special Investment and Hedging Techniques" of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section "Special Investment and Hedging Techniques" of the Prospectus.

#### **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

##### **(a) Goldman Sachs' Roles and no active management of the Portfolio:**

Goldman Sachs International performs several roles in relation to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs International will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs International expects to perform its obligations in good faith and a commercially reasonable manner, it may face conflicts between these roles and its own interests.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

##### **(b) Counterparty risk:**

The Portfolio expects to obtain its exposure to the Reference Index dividend linked payout on the Terminal Payment Date exclusively through the Swap Agreements entered into with Goldman Sachs International. The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by Goldman Sachs International under the Swap Agreement and the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although both the Swap Agreement and the Reverse Repurchase agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are not collateralized.

##### **(c) There may be conflicts of interest between Shareholders of the Portfolio and Goldman Sachs:**

Certain activities conducted by Goldman Sachs may conflict with interests of Shareholders. Goldman Sachs may also engage in trading for their proprietary accounts, for other accounts under their management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more components of the Reference Index.

##### **(d) As Calculation Agent, Goldman Sachs International will have the authority to make determinations that could affect the level of the Dividend Amount and under certain circumstances the amount Shareholders of the Portfolio receive upon redemption of Shares**

**of the Portfolio:**

As Calculation Agent for the Dividend Amounts, Goldman Sachs International will have discretion in making various determinations that may affect the Dividend Amount under certain circumstances, including when a scheduled Valuation Day is a disrupted day, the Calculation Agent may be required to determine in accordance with market disruption provisions, daily contract reference prices for any underlying contract affected by such market disruption event or index disruption event which will be used to calculate the Dividend Amount level. This could impact on the amount payable upon redemption of Shares of the Portfolio. These determinations made by Goldman Sachs International, in its capacity as Calculation Agent, will be used to calculate the Net Asset Value of the Portfolio. The exercise of this discretion by Goldman Sachs International could adversely affect the level of the Dividend Amount and may present Goldman Sachs International with a conflict of interest of the kind described above under the section *“There may be conflicts of interest between Shareholders of the Portfolio and Goldman Sachs”*.

**(e) The components of the Reference Index may not pay any dividend in the Relevant Dividend Period:**

Therefore investors could receive no return from their investment.

**(f) The dividends paid by the components of the Reference Index before the relevant Dividend Period is no guide to the Dividend Amount payable on each Terminal Payment Date:**

The actual amount of the Dividend Amount payable on the Terminal Payment Date may bear little relation to the historical levels of the dividends paid by the components of the Reference Index within similar dividend periods in the past. The future Dividend Amount of the Reference Index cannot be predicted.

**(g) Changes in the composition of the Reference Index can affect the Relevant Dividends paid by constituents of the Reference Index and accordingly the Dividend Amount:**

The composition of the Reference Index will change during the term of the investment and may do so in ways which reduce the amount of Relevant Dividends paid by constituents of the Reference Index and therefore the Dividend Amount

**(h) Constituents unlikely to maintain payments of Relevant Dividends:**

Several large constituents of the Reference Index that would previously have constituted significant payers of Relevant Dividends may cancel dividend payments and may not resume them for a number of years.

**(i) The value of Shares may not reflect movements in the Reference Index or the Dividend Amount paid by constituents of the Reference Index:**

There is no assurance that changes in the value of Shares will reflect the performance of the implied dividend level of the Reference Index.

**(j) Changes to the regulatory and tax environment:**

Tax and regulatory decisions may result in reductions in the amount of dividends paid by constituents of the Reference Index. Historically, such decisions have had materially adverse consequences for the payment of the Relevant Dividends by constituents of the Reference Index.

**(k) The Investment Administrator can postpone the scheduled Valuation Day if such day is a Disrupted Day:**

If the Calculation Agent determines that the relevant scheduled Valuation Day is a Disrupted Day (as defined under sections “Definitions” below), the Umbrella Fund, in consultation with the Investment Administrator, will postpone the actual Valuation Day as set out under the definition “Consequences of Disrupted Days” below. Thus, if the actual Valuation Day is postponed, applications of the Shareholders of the Portfolio for any subscription and/or redemption may not be processed until several days after the originally scheduled Valuation Day.

## **Particularities of the Swap Agreements and of the Reverse Repurchase Agreement**

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreements and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement and the counterparty will be required to pay regular floating rate payments to the Portfolio. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio will at all times remain the legal and beneficial owner of the collateral kept by the Custodian. The Swap Agreements will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Swap Agreements will be a series of swaps indexed to each of the Dividend Amount in the Relevant Dividend Period for each share class respectively of the Dow Jones EUROSTOXX 50® Index. Under the terms of the Swap Agreements, the Portfolio will be required to make periodic payments to Goldman Sachs International, as swap counterparty, in amounts equal to a floating interest rate on the nominal amount of the swap, as well as the nominal amount of the swap on the Terminal Payment Date. Goldman Sachs International will be obligated to make on the Terminal Payment Date, a payment based on the Dividend Amount of the Relevant Dividend Period. The Swap Agreements will be documented as confirmations incorporating the Equity Definitions and the ISDA Definitions under the terms of a 1992 (Multicurrency- Cross Border) ISDA Master Agreement, and will include the standard and customary termination provisions under that Master Agreement. The Swap Agreements will be subject to Market and Index Disruption Events, which are customary for dividend swap transactions documented under the Equity Definitions, taking into account the Consequences of Disrupted Days specified in this Supplement. The Portfolio and the Swap Counterparty will enter into a credit support annex in order to provide collateral to the Portfolio in respect of its exposure to the Swap Counterparty under the Swap Agreements.

All payments under the Swap Agreements will be subject to the Modified Following Business Day Convention as that term is defined in the ISDA Definitions.

The Reverse Repurchase Agreement and Swap Agreements will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreements' counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreements, the following factors will be considered, amongst others: the market risk free interest rate, the market level of the Reference Index Dividends for the relevant maturity date and the remaining period until the maturity of the Swap Agreements. Goldman Sachs International approved the valuation and pricing models that will be used for the valuation of the Swap Agreements. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the notional amounts under the Swap Agreements and the Reverse Repurchase Agreements will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns attributable to the Portfolio under the Reverse Repurchase Agreement are linked to EONIA. The returns attributable to the Portfolio under the Swap Agreements include any appreciation of the Dividend Amount and those attributable to the counterparty to such agreement are linked to EONIA.

## **Characteristics**

### **Characteristics of the Share classes available in the Portfolio**

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
I (2010)	EUR	Accumulation	LU0435848048	None
I (2012)	EUR	Accumulation	LU0435851000	None
I (2014)	EUR	Accumulation	LU0435856579	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
I (2010)	5.00%	5.00%	1.00%	EUR 100,000	EUR 100,000	EUR 1000
I (2012)	5.00%	5.00%	1.00%	EUR 100,000	EUR 100,000	EUR 1000
I (2014)	5.00%	5.00%	1.00%	EUR 100,000	EUR 100,000	EUR 1000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years. Therefore the deferred sales charge will be always applicable for the Shares of this Portfolio.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

#### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day+ 3 Local Business Days**
	Every Valuation Day before 12noon CET Luxembourg time	

Investors in the Portfolio are made aware that they will be bound by any subscription, conversion and/or redemption order sent to the Umbrella Fund, notwithstanding the fact that the next available Valuation Day may be later than would otherwise be expected due to the occurrence of a Disrupted Day (as defined under the section "Definitions" below) and may not be determined until the fifth Index Calculation Day (see below the definition of "Consequences of Disrupted Days" under the section "Definitions").

\* Any day (1) on which banks are open for normal banking business in Luxembourg and London, (2) which is also an Index Calculation Day, and (3) which is not a Disrupted Day, save in the circumstances described under "Consequences of Disrupted Days" under the section "Definitions" below.

\*\* Day on which commercial banks are open for business in Luxembourg, London, and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

A Net Asset Value may be calculated on days different from the Valuation Day with the exception of any Luxembourg banking holidays. Any such Net Asset Value published on non-Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available net asset values with adjustments made for the expense accrual. Accordingly, Net Asset Values for the Portfolio calculated and published on non-Valuation Days will not be used by the Investment Administrator to effect any such subscription, redemption and/or conversion.

NAV calculations are published on a Bloomberg page, as follows:

Class I (2010)	GSDJI10 LX
Class I (2012)	GSDJI12 LX
Class I (2014)	GSDJI14 LX

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to Institutional investors.

### ***License Disclaimer***

STOXX and Dow Jones have no relationship to Goldman Sachs International, other than the licensing of Goldman Sachs International to use the Dow Jones EUROSTOXX 50 ® Index and the related trademarks for use in connection with certain financial products.

STOXX and Dow Jones do not:

Sponsor, endorse, sell or promote the Portfolio.

Recommend that any person invest in the Portfolio or any other securities.

Have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Portfolio.

Have any responsibility or liability for the administration, management or marketing of the Portfolio.

Consider the needs of the Swap Agreements or the Portfolio or the owners of, or investors in, the Portfolio in determining, composing or calculating the Dow Jones EUROSTOXX 50 ® Index or have any obligation to do so.

STOXX and Dow Jones will not have any liability in connection with the Portfolio. Specifically,

STOXX and Dow Jones do not make any warranty, express or implied and disclaim any and all warranty about:

The results to be obtained by the Portfolio, the owner of, or any investor in the Portfolio or any other

person in connection with the use of the Dow Jones EUROSTOXX 50 ® Index and the data included in the Dow Jones EUROSTOXX 50 ® Index;

The accuracy or completeness of the Dow Jones EUROSTOXX 50 ® Index and its data;

The merchantability and the fitness for a particular purpose or use of the Dow Jones EUROSTOXX 50 ® Index and its data;

STOXX and Dow Jones will have no liability for any errors, omissions or interruptions in the Dow Jones EUROSTOXX 50 ® Index or its data;

Under no circumstances will STOXX or Dow Jones be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or Dow Jones knows that they might occur.

The licensing agreement between Goldman Sachs International and STOXX is solely for their benefit (and the benefit of certain entities connected with Goldman Sachs International) and not for the benefit of the owners of, or investors in, the Portfolio or any other third parties.

## **Definitions**

<b>“Base Currency”</b>	means EUR.
<b>“Calculation Agent”</b>	Goldman Sachs International.
<b>“Consequences of Disrupted Days”</b>	means, if the Calculation Agent determines that any scheduled Valuation Day is a Disrupted Day, the Umbrella Fund, in consultation with the Investment Administrator, will postpone the actual Valuation Day, until the first possible Valuation Day which is not a Disrupted Day, provided that, in the event that five Index Calculation Days from the originally scheduled Valuation Day are Disrupted Days, such fifth Index Calculation Day shall be deemed to be the Valuation Day, notwithstanding the fact that such day is a Disrupted Day. The Calculation Agent will determine the closing price of the Reference Index in accordance with the formula for and method of calculating the Reference Index last in effect prior to the occurrence of the first Disrupted Day. The Calculation Agent will further determine any such other value relevant for the Relevant Dividends using, in lieu of information published with respect to the Reference Index, such information as determined by the Calculation Agent in accordance with the formula for and method of determining such information last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Reference Index immediately prior to the occurrence of the Market Disruption Event or Index Disruption Event.
<b>“Disrupted Day”</b>	means any day on which either a Market Disruption Event or an Index Disruption Event has occurred.
<b>“Equity Definitions”</b>	means the 2002 ISDA Equity Derivatives Definitions published by ISDA and as incorporated by reference in the Swap Agreements.
<b>“Index Calculation Day”</b>	means any day on which the Reference Index is usually calculated and published by the Index Sponsor.
<b>“Index Disruption Event”</b>	means (i) that the Index Sponsor fails to calculate and announce the Reference Index, or (ii) that the Index Sponsor announces that it will make a material change in the formula for or the method of calculating the Reference Index or that it will in any other way materially modify the Reference Index or (iii) that the Index Sponsor permanently cancels the Reference Index and no successor of the Reference Index exists.

**“ISDA”**

means the International Swaps and Derivatives Association, Inc.

**”ISDA Definitions”**

means the 2006 ISDA Definitions published by ISDA and as incorporated by reference in the Swap Agreements.

**“Market Disruption Event”**

means the occurrence or existence of any of the following events, occurring on an Index Calculation Day, provided that the Calculation Agent determines that such event is likely to have a material adverse effect on, or the trading of, the Reference Index or any constituent of the Reference Index: (i) any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market valuations for, the Reference Index or constituents of the Reference Index or (ii) any suspension of or limitation imposed on trading relating to the Reference Index or constituents of the Reference Index or relating to futures or options contracts referencing the Reference Index or (iii) any other event or circumstance (including without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance) that is beyond the reasonable control of either the Index Sponsor, Goldman Sachs International, or their respective affiliates.

**“Index Sponsor”**

Stoxx Limited or any successor thereof.

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## **Supplement XII to the Prospectus**

### **External Alpha Strategies**

# **Goldman Sachs Structured Investments SICAV - Macro Harvester Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Macro Harvester Portfolio (the "Portfolio"), one of the External Alpha Strategies of the Umbrella Fund, which uses third party manager skills to generate returns.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Umbrella Fund: a description of Share classes; the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares and exchange privileges; the determination of the net asset value of the Shares; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares of the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share classes that are available as of the date of the Prospectus.

January 2010

# **Goldman Sachs Structured Investments SICAV – Macro Harvester Portfolio**

## **Investment Objective**

The Portfolio's investment objective is to track the return of the GS Macro Harvester – Portfolio B index (the “**Index**”, or “**Macro Harvester – Portfolio B**”, or “**Macro Harvester – Portfolio B Index**”) with an index exposure of 3, as further detailed below. The Macro Harvester – Portfolio B Index is a Managed Basket of Goldman Sachs Systematic Strategies designed to provide investors with a synthetic exposure to the performance of a selection of strategies (the “**Macro Harvester – Portfolio B Constituents**”) from a dynamic menu of strategies made available by Goldman Sachs International as the sponsor of the Macro Harvester – Portfolio B (the “**Macro Harvester – Portfolio B Sponsor**”) based upon underlying instruments operating within the interest rate, foreign exchange and commodities markets. The Macro Harvester – Portfolio B Sponsor may withdraw or modify strategies from the Macro Harvester – Portfolio B or from the menu of strategies available to the Rebalancing Agent (as defined below) for potential inclusion in the Macro Harvester – Portfolio B. The Macro Harvester – Portfolio B Sponsor is under no obligation to continue offering any strategy or to replace any strategy it has withdrawn.

The selection of each Macro Harvester – Portfolio B Constituent from the available menu and the exposure applied to each, subject to predetermined exposure limits as set out under “selection, exposure and volatility adjustment constraints” in item 3 under the section “The Index” below, are determined by Goldman Sachs Asset Management (“**GSAM**” or the “**Rebalancing Agent**”).

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations, as well as other risk factors as further described in this Supplement and in the Prospectus. No guarantee whatsoever may be offered to the investor in this regard.**

## **IMPORTANT INVESTOR DISCLOSURE**

### **A. Key Risks**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section “*Principal Risks of Investing in the Portfolio*” in this Supplement as well as under sections “*Investment Risks*”, “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus.

Detailed information concerning the current Macro Harvester – Portfolio B Constituents is available from the “Macro Harvester” Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> and as described in the section entitled “The Index” below.

Investors should however pay particular attention to the following risks:

The Shares in the Portfolio and the Index are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

The investment in the Portfolio is subject to varying exposures and leverage at different levels (Portfolio, Index and Macro Harvester – Portfolio B Constituent level).

(1) The “index exposure” of the Portfolio is 3, i.e. the Portfolio's exposure to the Index is 3 times leveraged. Any gains and losses in the Index will be multiplied by 3 compared to a Portfolio that tracks an unlevered index.

(2) The Index may itself include leverage to particular Macro Harvester – Portfolio B Constituents up to maximum levels specified by reference to “Exposure / Exposure Limit” in the table under the section entitled “The Index” below and as subsequently published by the Macro Harvester – Portfolio B Sponsor on the “Macro Harvester” Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> and as described in the section entitled “The Index” below. The Index may therefore give an exposure to a single Macro Harvester – Portfolio B Constituent well above 3.

(3) The following example illustrates the combined exposure to a Macro Harvester – Portfolio B Constituent on the Portfolio level by reference to the EUR Curve II Index, which is a Macro Harvester – Portfolio B Constituent at inception: The exposure might be up to 18.75, which means that the EUR Curve II Index may be 18.75 times leveraged on the Portfolio level (maximum exposure for EUR Curve II Index on the Index level: 5.00 (Exposure Limit) \* 1.25 (Volatility Scaling Factor) = 6.25; maximum exposure on the Portfolio level:  $6.25 * 3$  (Leverage of the Portfolio) = 18.75).

(4) In addition, a Macro Harvester – Portfolio B Constituent may have leveraged exposure to underlying components (see further information on Macro Harvester – Portfolio B Constituents on Bloomberg page GSMH).

Whilst Index volatility will be controlled by a non-discretionary volatility control mechanism (see section “The Index” below, item 3), no such controls in relation to the Portfolio exist. Because of no volatility control mechanisms and leveraged exposure of the Portfolio to the Index, the Portfolio may be subject to a higher or lower volatility than the Index.

Should any Macro Harvester – Portfolio B Constituent be withdrawn as described under section “The Index” below, item 1. the Macro Harvester – Portfolio B exposure to that constituent will become zero. Should the appointment of the Rebalancing Agent be terminated, as described in section “Principal Risks of Investing in the Portfolio” below, exposure to the Macro Harvester – Portfolio B Constituents will remain static and only the Volatility Scaling Factor (as defined below) will be adjusted, unless a new Rebalancing Agent is appointed. The Macro Harvester – Portfolio B Sponsor does not have any obligation to continue to publish, and may discontinue publication of, the Macro Harvester at any time. Goldman Sachs International is not liable for any decisions and actions taken by the Rebalancing Agent.

## **B. Key Conflicts of Interest**

### **1. The different roles of Goldman Sachs**

Goldman Sachs has multiple roles in connection with the Portfolio, the Macro Harvester – Portfolio B and its constituents.

#### **a) Goldman Sachs International**

Goldman Sachs International is a subsidiary of Goldman Sachs and performs several roles in relation to the Portfolio, the Macro Harvester – Portfolio B and its constituents.

With respect to the Portfolio, Goldman Sachs International is acting as Investment Administrator on behalf of the Umbrella Fund. Goldman Sachs International will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

In its role as Macro Harvester – Portfolio B Sponsor, Goldman Sachs International sets the parameters within which the Macro Harvester – Portfolio B operates. Goldman Sachs International is responsible for calculating and publishing the value of the Macro Harvester – Portfolio B from time to time. While Goldman Sachs International does not generally exercise any discretion in relation to the operation of the Macro Harvester – Portfolio B and owes no fiduciary duties in respect of the Macro Harvester, Goldman Sachs International has discretion in responding to limited situations where, among others, a Macro Harvester – Portfolio B Constituent has ceased to exist or the values of Macro Harvester – Portfolio B Constituents are affected by Market Disruption Events. The exercise by Goldman Sachs International of this discretion could adversely affect the NAV of the Portfolio.

Goldman Sachs International is also responsible for developing algorithmic strategies (as “sponsor of potential Macro Harvester – Portfolio B Constituents”) and making them available to the Rebalancing Agent for possible inclusion in the Macro Harvester – Portfolio B. In its role as sponsor of the Macro Harvester – Portfolio B Constituents, Goldman Sachs International has the power to make determinations that could materially affect the value of the Macro Harvester.

## **b) Goldman Sachs Asset Management, L.P.**

GSAM is a subsidiary of Goldman Sachs, and as Rebalancing Agent is responsible for subject to certain restrictions (see section 2 "About the Rebalancing Agent" below and section "The Index" below, item 3, under "Selection, exposure and volatility adjustment constraints"), selecting underlying strategies from the available menu of strategies and applying and from time to time rebalancing the exposure applied to each. The decisions made by the Rebalancing Agent may have a significant effect on the value of the Macro Harvester.

## **2. Potential conflict of interests**

Potential conflicts of interest may arise in relation to the above mentioned situations, as described in detail in the section "*What to Know Before You Invest in a Portfolio*" as well as in the sub-section "*Other Potential Conflicts of Interest*" in the "*Additional Overriding Risks*" section of the Prospectus.

Goldman Sachs International operates arrangements in order to mitigate the above mentioned conflicts of interests and/or to facilitate that they do not affect the interests of the Umbrella Fund. In addition to that, the Umbrella Fund operates arrangements to ensure that its interests are protected. These arrangements are more fully described in the section "*The role of Goldman Sachs International as Investment Administrator and Counterparty and the management of potential conflicts of interest*" in the Prospectus.

Irrespective of the fact that they both belong to The Goldman Sachs Group Inc., GSAM as the Rebalancing Agent (i) expects to operate independently of Goldman Sachs International with respect to the Macro Harvester - Portfolio B and (ii) will not have the same information on the Macro Harvester - Portfolio B and the underlying strategies. GSAM, without limitation, does not have any agency or analogous relationship with Goldman Sachs International nor with the Umbrella Fund in relation to its activities as Rebalancing Agent.

The staff carrying on the activities of GSAM as Rebalancing Agent is different and independent to any activities carried out by Goldman Sachs International's staff in connection with the Macro Harvester Portfolio.

Although Goldman Sachs will perform its obligations in a manner that it considers commercially reasonable, it may face conflicts between the roles it performs in respect of the Portfolio, the Macro Harvester – Portfolio B, the Macro Harvester – Portfolio B Constituents and its own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Macro Harvester – Portfolio B, any products linked to the Macro Harvester – Portfolio B, the Macro Harvester – Portfolio B Constituents and underlying investments referenced by or linked to the Macro Harvester – Portfolio B Constituents, and may exercise remedies or take other action with respect to its interests as it deems appropriate. These actions could adversely affect the value of the Portfolio and the Macro Harvester – Portfolio B. Furthermore Goldman Sachs may trade, hedge, issue or underwrite securities or trade other investments referenced to the Portfolio, the Macro Harvester – Portfolio B, the Macro Harvester - Portfolio B Constituents or any underlying investment referenced by or linked to the Macro Harvester - Portfolio B Constituents. Any of these activities could also adversely affect the value of the Macro Harvester – Portfolio B, directly or indirectly, by affecting the value of the Macro Harvester - Portfolio B Constituents or the Portfolio and, therefore, the NAV of the Portfolio

Goldman Sachs may have access to information relating to the Portfolio, the Macro Harvester – Portfolio B, the Macro Harvester - Portfolio B Constituents or any underlying investments referenced by or linked to the Macro Harvester - Portfolio B Constituents. Goldman Sachs is not obliged to use that information for the benefit of any person acquiring Shares of the Portfolio linked to the Macro Harvester – Portfolio B.

## **3. About the Rebalancing Agent**

The Rebalancing Agent is Goldman Sachs Asset Management, L.P., which is located in the United States at 32 Old Slip, New York, New York 10005 and is part of Goldman Sachs. Goldman Sachs is one of the world's oldest and largest investment banking and securities firms, was founded in 1869 and has at present 34 offices world-wide. As a successor to Goldman Sachs Asset Management, a unit of Goldman, Sachs & Co., which was formed in 1988, GSAM currently serves a wide range of clients including mutual funds, private and public pension funds, governmental entities, endowments, foundations, banks, insurance companies, corporations, and private investors and family groups. As of 30 June 2009, GSAM and its advisory affiliates acted as investment advisor in respect of approximately \$708.66 billion in assets. GSAM and its advisory affiliates, with offices in New York, Princeton, Chicago, Tampa, London, Paris, Tokyo and Singapore, have a worldwide staff of over 1,000 investment management professionals.

GSAM is not the Umbrella Fund manager and it has not been appointed by the Directors of the Umbrella Fund to perform any fund management duties. As Rebalancing Agent, GSAM has a limited role which is defined by its contractual obligations, which includes its responsibilities for (i) due diligence on algorithmic strategies made available by the Macro Harvester - Portfolio B Sponsor based on potentially limited information; (ii) selecting Macro Harvester - Portfolio B Constituents from the available menu of strategies on an annual basis in accordance with the investment objective, (iii) applying and annually rebalancing the exposure applied to Macro Harvester - Portfolio B and its constituents, and (iv) off-cycle selection and rebalancing of the Macro Harvester - Portfolio B Index and its constituents only where an Exceptional Rebalancing is triggered.

In the absence of an Exceptional Rebalancing, the Rebalancing Agent will only have the obligation to rebalance the Macro Harvester - Portfolio B once per year on the first Macro Harvester - Portfolio B Business Day of October in each year (see section "The Index" below, item 3 "Selection, exposure and volatility adjustment constraints".) At the date of each rebalance, in making its determination of the rebalancing (if any) to be effected GSAM will take into account the relative frequency of its rebalancing of the constituents of the Macro Harvester - Portfolio B and their respective exposures. The Rebalancing Agent's determinations in respect to the allocations of constituents within the Macro Harvester - Portfolio B and their respective exposures may differ from its determinations in respect of investment portfolios it manages, which may be subject to rebalancing at different intervals and subject to different criteria.

As Rebalancing Agent, GSAM is not carrying out functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, GSAM is limiting its duties to such as are defined by the arrangements agreed between Goldman Sachs International and GSAM as set out in the Index Management Agreement.

The Rebalancing Agent does not make any recommendation, representation or warranty, express or implied, as to results to be obtained by the Macro Harvester Portfolio, any Macro Harvester - Portfolio B Constituent or any underlying investments referenced to the Macro Harvester Portfolio, or by any other person or entity from the use of the Macro Harvester Portfolio or any data on which it is based for any use. The Rebalancing Agent does not act as an advisor or fiduciary.

Goldman Sachs International, as Macro Harvester - Portfolio B Sponsor, has appointed GSAM to act as the Rebalancing Agent. If that appointment is terminated, the Macro Harvester - Portfolio B Sponsor will use reasonable efforts to appoint a different entity to be Rebalancing Agent. However, unless a new Rebalancing Agent is appointed, exposure to the Macro Harvester - Portfolio B Constituents will be left static as of the last Rebalancing Day (as defined below) and only the Volatility Scaling Factor (as defined below) will be adjusted.

### **C. Difference between Macro Harvester – Portfolio B and GS Macro Harvester**

The Macro Harvester - Portfolio B is different from the GS Macro Harvester, particularly in that exposures to commodity strategies available for inclusion in the Macro Harvester – Portfolio B may be limited. Therefore, the performance of the Macro Harvester – Portfolio B is likely to differ from and may be lower than the performance of the GS Macro Harvester.

### **D. Termination of the Swap Agreement**

The Swap Agreement (as defined below) will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

## Investment Policy

The Portfolio seeks to achieve its objective (i) by entering into an excess return swap with Goldman Sachs International on the Index (the “**Swap Agreement**”), (ii) by entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the “**Reverse Repurchase Agreement**”) and (iii) by exchanging the net returns (linked to LIBOR) (the “**Net Returns**”) generated from the Reverse Repurchase Agreement through the Swap Agreement for participation in a portion of the capital appreciation potential of the Index. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under the section “Reverse Repurchase Agreement Eligible Securities” below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### Reverse Repurchase Agreement Eligible Securities

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralized within a range from 100% and 110% of its notional amount. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time;

Composition of collateral: bonds issued or guaranteed by a Member State of the G7 (currently Canada, France, Germany, Italy, Japan, United Kingdom, and United States of America);

Currencies: collateral shall be delivered in each country’s respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### The Swap Agreement

The Portfolio will enter into the Swap Agreement with Goldman Sachs International which is also the counterparty to the Reverse Repurchase Agreement. The Net Returns on the Reverse Repurchase Agreement will be exchanged, against the performance of the Index. The index exposure will initially be achieved by the Swap Agreement, although other alternative methods may be used in the future.

### Investments in UCITS or UCIs

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### The Index

The investment objective of the Macro Harvester - Portfolio B (the “Investment Objective”) is to achieve the highest possible return on a risk-adjusted basis with a longer-term volatility of 2.5 per cent per annum. Where beneficial to this objective, the Rebalancing Agent may, but is not obliged to, consider increasing diversification through exposure to a range of Macro Harvester - Portfolio B Constituents across the interest rate, foreign exchange and commodity markets.

In this document, a Macro Harvester - Portfolio B Business Day means a day (i) on which commercial banks and foreign currency markets settle payments and are open for general business in London (a “London Business Day”), and (ii) which constitutes a business day for each of the Macro Harvester - Portfolio B Constituents. Unless the context requires otherwise, Goldman Sachs refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries. The Macro Harvester - Portfolio B Sponsor is responsible for calculating and publishing the value of the Macro Harvester - Portfolio B from time to time. The Macro Harvester - Portfolio B Sponsor owns the copyright and all other rights to the Macro Harvester.

#### 1. Strategies available for selection by the Rebalancing Agent

Each Macro Harvester - Portfolio B Constituent is selected by the Rebalancing Agent from a menu of strategies made available by the Macro Harvester - Portfolio B Sponsor and operated in accordance with proprietary algorithms developed by Goldman Sachs International (in its capacity as sponsor of those strategies) based upon underlying interest rate, foreign exchange or commodities instruments. The

strategies operate in accordance with non-discretionary rules. Each strategy which the Macro Harvester - Portfolio B Sponsor makes available shall have an exposure limit (the “**Exposure Limit**”) also specified by the Macro Harvester - Portfolio B Sponsor, the effect of which is described under “Selection, exposure and volatility adjustment constraints” in item 3 below.

Each of the Macro Harvester - Portfolio B Constituents and each of the strategies made available by the Macro Harvester - Portfolio B Sponsor as potential Macro Harvester - Portfolio B Constituents will at all times include only underlying components that are determined by reference to or instruments that are: (1) property actively traded through an interbank or interdealer market, other than any property treated as a United States real property interest for United States tax purposes or (2) interest rates, other than any interest rate determined by reference to (a) the receipts, sales, cash flow, income or profits of Goldman Sachs or an entity related to Goldman Sachs, (b) any change in value of any property of Goldman Sachs or an entity related to Goldman Sachs or (c) any dividend, distribution or similar payment made by Goldman Sachs or an entity related to Goldman Sachs (these limitations on the underlying are hereinafter referred to as the “**Underlying Limitations**”).

On the first Macro Harvester - Portfolio B Business Day of October each year, with at least one month’s prior written notice to the Rebalancing Agent, the Macro Harvester - Portfolio B Sponsor may withdraw, add or modify strategies (including changes to the applicable Exposure Limit) from the Macro Harvester - Portfolio B or from the menu of strategies available to the Rebalancing Agent for potential inclusion in the Macro Harvester. The Macro Harvester - Portfolio B Sponsor is under no obligation to continue offering any strategy or to replace any strategy it has withdrawn. If there are no Macro Harvester - Portfolio B Constituents in the Macro Harvester, the Macro Harvester - Portfolio B Value will remain static.

If any strategy or Macro Harvester - Portfolio B Constituent provided to the Rebalancing Agent ceases to exist or is no longer tradable or ceases to comply with the Underlying Limitations, or where Goldman Sachs would be prevented from entering into transactions in respect of a given strategy or Macro Harvester - Portfolio B Constituent by any applicable law or regulation, such strategy or Macro Harvester - Portfolio B Constituent may be withdrawn at any time without notice.

Upon the withdrawal of any Macro Harvester - Portfolio B Constituent in accordance with this item 1, the Macro Harvester - Portfolio B exposure to such constituent becomes zero. The Macro Harvester - Portfolio B Sponsor will promptly notify the Rebalancing Agent of such withdrawal.

The Macro Harvester - Portfolio B Sponsor may (but is not obliged to) provide additional or replacement strategies at any time to the menu available for potential inclusion in the Macro Harvester - Portfolio B by the Rebalancing Agent in its sole discretion in accordance with the procedure described in item 3 below. For the avoidance of doubt, the underlying instruments and components that comprise such additional or replacement strategies will be subject to the Underlying Limitations. In addition, the Macro Harvester - Portfolio B Sponsor may be required to obtain consents from certain Goldman Sachs affiliates prior to providing such additional or replacement strategies.

When proposing a strategy to the Rebalancing Agent, the Macro Harvester - Portfolio B Sponsor shall provide to the Rebalancing Agent information regarding the strategy as described in item 5 below.

## **2. Initial Macro Harvester - Portfolio B Constituents**

The Macro Harvester - Portfolio B Constituents which were included in the Macro Harvester - Portfolio B at inception are summarized below, and the initial exposure to such Macro Harvester - Portfolio B Constituent is presented in the table under item 4 below. The current Macro Harvester - Portfolio B Constituents and exposures may differ substantially from those included in the Macro Harvester - Portfolio B at inception. Detailed information about the current Macro Harvester - Portfolio B Constituents is available from the “Macro Harvester” Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> and as described in item 5 below.

### ***EUR Curve II Strategy***

The strategy measures the performance of a relative value trading strategy designed to profit from trading opportunities in the structure of the Euro interest rate yield curve. It is based on an analysis of the historic time series of the interest rate yield curve, from which a proprietary algorithm seeks to forecast movements in Euro interest rates. Its value reflects the potential gain or loss over time resulting from the deemed

execution of a series of hypothetical forward-starting interest rate swaps intended to benefit from anticipated movements in the Euro interest rate yield curve.

### ***USD Curve II Strategy***

The strategy measures the performance of a relative value trading strategy designed to profit from trading opportunities in the structure of the U.S. Dollar interest rate yield curve. It is based on an analysis of the historic time series of the interest rate yield curve, from which a proprietary algorithm seeks to forecast movements in U.S. Dollar interest rates. Its value reflects the potential gain or loss over time resulting from the deemed execution of a series of hypothetical forward-starting interest rate swaps intended to benefit from anticipated movements in the U.S. Dollar interest rate yield curve.

### ***Cross-Duration Curve II Strategy***

The strategy measures the performance of a relative value trading strategy designed to profit from trading opportunities in the relative performance of the level of Euro, U.S. Dollar and British Pound interest rates. It is based on an analysis of the historic time series of the interest rate yield curve, from which a proprietary algorithm seeks to forecast the relative movement of any pair of interest rates out of the Euro, U.S. Dollar and British Pound currencies. Its value reflects the potential gain or loss over time resulting from the deemed execution of a series of hypothetical forward starting interest rate swaps intended to benefit from anticipated relative movements in the different interest rate yield curves.

### ***GS Macro Harvester Commodity Alpha Basket Strategy – Portfolio B***

The GS Macro Harvester Commodity Alpha Basket Strategy – Portfolio B (the "Basket") is an 'out-performance' strategy that seeks to generate overall positive returns through synthetic 'long' investments in certain GS proprietary strategies (the "Long Components") which modify the rules for the rolling of the commodity/commodities contracts underlying such strategies to reflect the seasonal supply of or demand for the underlying commodity/commodities and corresponding synthetic "short" investments in the same commodity/commodities but with a different roll schedule in most cases reflecting the rules applied by the S&P GSCI (the "Short Components").

The long positions in the Long Components aims to capture the risk premium embedded in the contracts underlying such Long Components and the short positions in the Short Components having the same commodity/commodities as their corresponding Long Component but with a different roll schedule aim to offset the market risk inherent in each Component class. Each of the Components which have the same underlying commodity/commodities shall form a Component class. In calculating the return for the overall return on the Basket, the returns of the Short Components are subtracted from the returns of the Long Components.

The Long Components and Short Components are set out in the table below:

N	Single-day Weight	Component	Bloomberg Ticker for Component
		Strategy	
1	0.6195%	S&P GSCI Natural Gas A3 Excess Return Strategy	AGGSNG3 <Index>
2	2.8838%	S&P GSCI Heating Oil Excess Return A6 Strategy	AGGSHO6 <Index>
3	1.4304%	S&P GSCI Corn Excess Return A10 Strategy	AGGSCN10 <Index>
4	2.5000%	S&P GSCI Wheat Excess Return A11 Strategy	AGGSWH11 <Index>

5	0.50000%	S&P GSCI Natural Gas Excess Return AB115 Strategy	GSNGA115P <Index>
6	5.0000%	S&P GSCI Aluminium Excess Return A21 Strategy	AGGSIA21 <Index>
7	5.0000%	S&P GSCI Zinc Excess Return A22 Strategy	AGGSIZ22 <Index>
8	1.4304%	S&P GSCI Sugar Excess Return A28 Strategy	AGGSSB28 <Index>
9	2.5000%	S&P GSCI Cocoa Excess Return A29 Strategy	AGGSA29 <Index>
10	2.5000%	S&P GSCI Coffee Excess Return A30 Strategy	AGGSKC30 <Index>
11	3.7500%	S&P GSCI Cotton Excess Return A38 Strategy	AGGSCT38 <Index>
12	5.0000%	S&P GSCI Copper ER A40 Strategy	AGGSIC40 <Index>
13	2.5118%	S&P GSCI Nickel Excess Return A41 Strategy	AGGSIK41 <Index>
14	4.1632%	S&P GSCI Soybeans Total/Excess Return A42 Strategy	AGGSSO42 <index>
15	2.5000%	S&P GSCI Wheat Excess Return A48 Strategy	AGGSWH48 <Index>
16	1.9072%	S&P GSCI Corn Excess Return A50 Strategy	AGGSCN50 <Index>
17	1.3041%	S&P GSCI Wheat Excess Return A51 Strategy	GSWHA51P <Index>
18	1.1693%	S&P GSCI Corn Excess Return A61 Strategy	AGGSCN61 <Index>
19	2.5000%	S&P GSCI Feeder Cattle Excess Return A94 Strategy	AGGSFC94 <Index>
20	3.7500%	S&P GSCI Live Cattle Excess Return A98 Strategy	AGGSA98P <Index>
21	3.2754%	S&P GSCI Crude Oil Excess Return A1 Strategy	AGGSCL1 <Index>
22	-3.2754%	S&P GSCI Crude Oil Excess Return Z5 Strategy	AGGSZ5P <Index>
23	4.4748%	S&P GSCI Agriculture Backwardation Seeking Excess Return Strategy	GSAGBSP <Index>
24	5.6097%	S&P GSCI Energy Backwardation Seeking Excess Return Strategy	GSENBSP <Index>

		Sub-Index	
25	-0.6195%	S&P GSCI Natural Gas Excess Return Index	SPGCNGP <Index>
26	-2.8838%	S&P GSCI Heating Oil Excess Return Index	SPGCHOP <Index>
27	-1.4304%	S&P GSCI Corn Excess Return Index	SPGCCNP

			<Index>
28	-2.5000%	S&P GSCI Wheat Excess Return Index	SPGCWHP <Index>
29	-0.50000%	S&P GSCI Natural Gas Excess Return Index	SPGCNGP <Index>
30	-5.0000%	S&P GSCI Aluminium Excess Return Index	SPGCIAP <Index>
31	-5.0000%	S&P GSCI Zinc Excess Return Index	SPGCIZP <Index>
32	-1.4304%	S&P GSCI Sugar Excess Return Index	SPGCSBP <Index>
33	-2.5000%	S&P GSCI Cocoa Excess Return Index	SPGCCCP <Index>
34	-2.5000%	S&P GSCI Coffee Excess Return Index	SPGCKCP <Index>
35	-3.7500%	S&P GSCI Cotton Excess Return Index	SPGCCTP <Index>
36	-5.0000%	S&P GSCI Copper Excess Return Index	SPGCICP <Index>
37	-2.5118%	S&P GSCI Nickel Excess Return Index	SPGCIKP <Index>
38	-4.1632%	S&P GSCI Soybeans Excess Return Index	SPGCSOP <Index>
39	-2.5000%	S&P GSCI Wheat Excess Return Index	SPGCWHP <Index>
40	-1.9072%	S&P GSCI Corn Excess Return Index	SPGCCNP <Index>
41	-1.3041%	S&P GSCI Wheat Excess Return Index	SPGCWHP <Index>
42	-1.1693%	S&P GSCI Corn Excess Return Index	SPGCCNP <Index>
43	-2.5000%	S&P GSCI Feeder Cattle Excess Return Index	SPGCFCP <Index>
44	-3.7500%	S&P GSCI Live Cattle Excess Return Index	SPGCLCP <Index>
45	-4.4748%	S&P GSCI Agriculture Excess Return Index	SPGCAGP <Index>
46	-5.6097%	S&P GSCI Energy Excess Return Index	SPGCENP <Index>

### **GS FX Carry Excess Return Index**

The strategy replicates the performance of a currency trading strategy that seeks to take advantage of the implied interest rate differentials among certain currencies selected from time to time from a defined universe of currencies, by synthetically investing in high-yielding currencies and financing the exposure by synthetically borrowing in low-yielding currencies (sometimes referred to as the “carry trade”).

### **3. Determination of selection and exposure to Macro Harvester - Portfolio B Constituents**

In order to achieve the Investment Objective, the Rebalancing Agent may, on any Macro Harvester - Portfolio B Business Day in its sole discretion, rebalance the Macro Harvester - Portfolio B Constituents as it considers appropriate (each such effective day, a “Macro Harvester – Portfolio B Exposure Adjustment Day”).

When rebalancing the constituents of the Macro Harvester, the Rebalancing Agent may, regardless of the exposure or weight then in effect, (i) change the exposure of any Macro Harvester - Portfolio B Constituent, (ii) apply a zero exposure to any Macro Harvester - Portfolio B Constituent, which has the effect of removing that constituent from the Macro Harvester, and/or (iii) apply a positive weight to any strategy on the menu of strategies made available by the Macro Harvester - Portfolio B Sponsor, which has the effect of including that strategy in the Macro Harvester - Portfolio B as a new Macro Harvester - Portfolio B Constituent. The exposure of the Macro Harvester - Portfolio B aggregated across all Macro Harvester - Portfolio B Constituents may be equal to a number less than or greater than 1.00, which, in the case of a number greater than 1.00, reflects an element of implicit leverage in the Macro Harvester’s exposure to the Macro Harvester - Portfolio B Constituents. In conjunction with any Rebalancing Day (as defined below) other than a Macro Harvester - Portfolio B Exposure Adjustment Day relating to an Exceptional Rebalancing (as defined below), the Rebalancing Agent will determine an updated Volatility Scaling Factor as described in item 6 below.

***Selection, exposure and volatility adjustment constraints:***

(a) The Rebalancing Agent must determine whether to rebalance the constituents of the Macro Harvester - Portfolio B and their respective exposures once per year, and, if it determines not to rebalance, provide to the Macro Harvester - Portfolio B Sponsor a statement explaining why the Rebalancing Agent believes the lack of rebalancing is nonetheless consistent with the Investment Objective (each such annual determination, an “**Annual Rebalancing**”); for the avoidance of doubt, the Rebalancing Agent will only have the obligation to rebalance the constituents of the Macro Harvester - Portfolio B and their respective exposures once per year unless one of the following circumstances occurs, which will also trigger a requirement for the Rebalancing Agent to determine whether a rebalancing of the constituents of the Macro Harvester - Portfolio B and their respective exposures (each such determination, an “**Exceptional Rebalancing**”) should be made:

- the Macro Harvester - Portfolio B Sponsor introduces a new strategy to the menu of strategies available to the Rebalancing Agent for potential inclusion in the Macro Harvester - Portfolio B;
- a Macro Harvester - Portfolio B Constituent is withdrawn from the Macro Harvester - Portfolio B;
- in the Rebalancing Agent’s sole discretion and judgment, it believes that the current exposures of the Macro Harvester - Portfolio B Constituents are inappropriate for the period remaining until the next annual rebalance date on the first Macro Harvester - Portfolio B Business Day of October;
- the Unadjusted Volatility Scaling Factor determined in the manner described in item 6 below is above 1.25 or below 0.75 for the third consecutive Volatility Scaling Factor Adjustment Day (as defined below), unless the Rebalancing Agent provides to the Macro Harvester - Portfolio B Sponsor a statement explaining why the Rebalancing Agent believes the Macro Harvester - Portfolio B volatility over the next six months will nonetheless achieve a longer-term volatility of 2.5 percent; or
- the Unadjusted Volatility Scaling Factor is above 1.25 or below 0.75 for the sixth consecutive Volatility Scaling Factor Adjustment Day (as defined below), in which case the Rebalancing Agent shall also provide to the Macro Harvester - Portfolio B Sponsor an explanatory statement as to why the Rebalancing Agent believes the Macro Harvester - Portfolio B volatility during the preceding six months has not been consistent with the Investment Objective.

(b) In connection with each Annual Rebalancing, the exposures to the Macro Harvester - Portfolio B Constituents will be modified by an updated Volatility Scaling Factor determined in the manner described in item 8 below;

(c) Subject to the last sentence of this paragraph (c), if the Rebalancing Agent determines to rebalance the Macro Harvester - Portfolio B Constituents, the Rebalancing Agent must provide the Macro Harvester - Portfolio B Sponsor with the proposed Macro Harvester - Portfolio B Constituents and their respective exposures not less than six London Business Days before the relevant Macro Harvester - Portfolio B Exposure Adjustment Day. In addition, in connection with each Annual Rebalancing, the Rebalancing Agent shall provide the Macro Harvester - Portfolio B Sponsor with the proposed updated Volatility Scaling Factor not less than six London Business Days before the relevant Macro Harvester - Portfolio B Exposure Adjustment Day. Notwithstanding the foregoing, however, on the occurrence of an Exceptional Rebalancing where there is no increase in the exposure to any Macro Harvester - Portfolio B Constituent and no new constituent is added to the Macro Harvester, the Rebalancing Agent may provide the Macro Harvester - Portfolio B Sponsor with the proposed exposures one London Business Day prior to the relevant Macro Harvester - Portfolio B Exposure Adjustment Day;

(d) The Rebalancing Agent must further ensure that in connection with any rebalancing the hypothetical Rebalancing Cost, calculated as described in item 4 below, would be less than 0.0055, if calculated as if (i) each proposed Macro Harvester - Portfolio B Constituent exposure were subsequently reduced to zero, and (ii) the Volatility Scaling Factor equals 1;

- (e) The Rebalancing Agent may not allocate an exposure to any Macro Harvester - Portfolio B Constituent greater than the applicable Exposure Limit or lower than zero;
- (f) The Rebalancing Agent may not allocate exposures to Macro Harvester – Portfolio B Constituents so that the exposure to one single commodity in the Macro Harvester – Portfolio B is greater than 5.3%. Exceptional to the above constraint, one single commodity in the Macro Harvester – Portfolio B might have an exposure of up to 9.3%;
- (g) The Rebalancing Agent may not allocate an exposure to any Macro Harvester Basket Constituent greater than the applicable Exposure Limit;
- (h) In the case of a Market Disruption Event (as defined in item 4 below) or in the event that a value for any Macro Harvester - Portfolio B Constituent (or any strategy to be included in the Macro Harvester - Portfolio B as of any Macro Harvester - Portfolio B Exposure Adjustment Day) has not been published on the relevant Bloomberg page for the “Closing Time”<sup>1</sup> (specified in the table below for initial Macro Harvester - Portfolio B Constituents and posted on the “Macro Harvester” Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> as described in item 5 below for the then current Macro Harvester - Portfolio B Constituents as of such date) the Macro Harvester - Portfolio B Exposure Adjustment Day may be postponed or the exposures modified in the manner described in item 7 below;

Information concerning the Macro Harvester - Portfolio B Constituents, rebalanced exposures to Macro Harvester - Portfolio B Constituents and any updated Volatility Scaling Factor will be disclosed as described in item 5 below.

Each rebalancing of the Macro Harvester - Portfolio B will incur Rebalancing Costs which will be deducted from the value of the Macro Harvester - Portfolio B as described under “Costs and deductions from Macro Harvester - Portfolio B Value” in item 4 below.

#### 4. Calculation of the Macro Harvester – Portfolio B Value

**Overview:** The Macro Harvester - Portfolio B Value is denominated in US dollars and separate Macro Harvester - Portfolio B values will be published for denominations other than US dollars as described below. The initial Macro Harvester - Portfolio B Value was 100 on the Macro Harvester - Portfolio B inception date of 30 September 2009. On each Index Valuation Day (as defined below) thereafter, the Macro Harvester - Portfolio B Value will equal the Macro Harvester - Portfolio B Value as of the immediately preceding Rebalancing Day (as defined below) multiplied by the sum of each individual Macro Harvester - Portfolio B Constituent Performance since the previous Rebalancing Day multiplied by the exposure to the relevant Macro Harvester - Portfolio B Constituent and the applicable Volatility Scaling Factor.

An **Index Valuation Day** will take place on each Macro Harvester - Portfolio B Business Day unless (i) a value for any Macro Harvester - Portfolio B Constituent (or any strategy to be included into the Macro Harvester - Portfolio B as of such date) has not been published on the relevant Bloomberg page for the Closing Time of such date<sup>2</sup> (specified in the table below for initial Macro Harvester - Portfolio B Constituents and posted on the “Macro Harvester” Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> as described in item 5 below for the then current Macro Harvester - Portfolio B Constituents); or (ii) any Macro Harvester - Portfolio B Constituent (or any strategy to be included into the Macro Harvester - Portfolio B as of such date) is affected by a Market Disruption Event. Any day that is not a Macro Harvester - Portfolio B Business Day shall nevertheless be deemed to be a Index Valuation Day if either (A) the Macro Harvester - Portfolio B Sponsor, in its sole discretion, elects to provide a valuation equal to the last-published value of such Macro Harvester - Portfolio B Constituent (or strategy), or (B) a Replacement Value has been provided for such Macro Harvester - Portfolio B Constituent (or strategy) in accordance with item 7 below.

A **Market Disruption Event** means the occurrence of (i) any market disruption event as such term is defined in the respective strategy disclosure published on the “Macro Harvester” Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> with respect to any Macro Harvester -

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<sup>1/2</sup>Time lags between calculation and publication of values for Macro Harvester - Portfolio B Constituents may apply as specified on the Bloomberg pages of the relevant Macro Harvester - Portfolio B Constituents.

Portfolio B Constituent or strategy to be included in the Macro Harvester - Portfolio B as of such date, or (ii) any event or circumstance (including without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance) that is beyond the reasonable control of either the sponsor of the affected strategy, the Macro Harvester - Portfolio B Sponsor, or their respective affiliates, and that the Macro Harvester - Portfolio B Sponsor, determines is likely to have a material adverse effect on, or on the trading of, the Macro Harvester - Portfolio B or any Macro Harvester - Portfolio B Constituent (or strategy to be included in the Macro Harvester - Portfolio B as of such date).

**Costs and deductions from the Macro Harvester - Portfolio B Value:** The value of the Macro Harvester - Portfolio B is calculated so as to include the deduction of a Rebalancing Cost (specified in the table below for initial Macro Harvester - Portfolio B Constituents and posted on the “Macro Harvester” Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> as described in item 5 below for the then current Macro Harvester - Portfolio B Constituents as of the relevant date) that reflects synthetically the costs that the Macro Harvester - Portfolio B Sponsor would incur were it to enter into transactions providing exposure to the Macro Harvester - Portfolio B Constituents to third parties. The actual costs incurred by the Macro Harvester - Portfolio B Sponsor could be lower or higher and, if they were lower, the effect would be to benefit the Macro Harvester - Portfolio B Sponsor. The value of the Macro Harvester - Portfolio B from time to time is therefore reduced by these deductions. Except as described below in relation to these deductions, the Macro Harvester - Portfolio B Value will not be reduced to account for any additional transaction costs or other costs.

The value of any Macro Harvester - Portfolio B Constituent as published on the relevant Bloomberg page at the Closing Time may already be decreased by the deduction of an execution cost incorporated into the value and performance of that Macro Harvester - Portfolio B Constituent, as specified in the information concerning each Macro Harvester - Portfolio B Constituent posted on the “Macro Harvester” Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> as described in item 5 below. Furthermore, investment in any product linked to the Macro Harvester - Portfolio B may involve the deductions of fees or costs such that the return on any investment linked to the Macro Harvester - Portfolio B may be less than the return on the Macro Harvester - Portfolio B itself.

Macro Harvester - Portfolio B Constituent*	Exposure	Exposure Limit	Rebalancing Cost	Bloomberg Page for Publication	Additive or Proportional†	Closing Time	Constituent Business Days
EUR Curve II Strategy	1.45	5.00	0.0001	GSC1IRA1	Additive	8.30 A.M. London Time	Index Business Days as defined in the strategy disclosure
USD Curve II Strategy	0.84	5.00	0.0001	GSC1IRA2	Additive	9 A.M. New York Time	Index Business Days as defined in the strategy disclosure
Cross-Duration Curve II Strategy	1.08	5.00	0.0001	GSC1IRA3	Additive	1 P.M. London Time	Index Business Days as defined in the strategy disclosure
GS Macro Harvester Commodity Alpha Basket Strategy – Portfolio B	1.00	2.00	0.0020	GSMHCABB	Proportional	4 P.M. New York Time	Index Business Days as defined in the strategy disclosure
GS FX Carry Excess Return Index	0.27	1.30	0.0020	GSCUEMCA	Proportional	9.30 P.M. London Time	Index Business Days as defined in the strategy disclosure

\* The Macro Harvester - Portfolio B Constituents and exposures may differ substantially from those included in the Macro Harvester - Portfolio B at inception.

† Involved in the calculation of Constituent Performance as described immediately below.

The Macro Harvester - Portfolio B Value will be calculated as follows:

$$I_t = I_{t_o} * \left( 1 + \sum_i \text{Notional Exposure}_{i,t_o} * \text{Constituent Performance}_{i,t} - \text{Rebalancing Costs}_t \right)$$

Where:

$I_t$ :	Macro Harvester - Portfolio B Value
$I_{t_o}$ :	Macro Harvester - Portfolio B Value on the immediately preceding Rebalancing Day
Notional Exposure <sub>i,t<sub>o</sub></sub> :	For each respective Macro Harvester - Portfolio B Constituent, exposure (determined in the manner described in item 3 above) multiplied by the Volatility Scaling Factor (determined in the manner described in item 6 below), as of the immediately preceding Rebalancing Day
Constituent Performance <sub>i,t</sub>	<p>For Macro Harvester - Portfolio B Constituents that are additive, such Constituent Performance<sub>t</sub> will be calculated as:  Constituent Value<sub>t</sub> – Constituent Value<sub>t<sub>o</sub></sub></p> <p>For Macro Harvester - Portfolio B Constituents that are proportional, such Constituent Performance<sub>t</sub> will be calculated as:  (Constituent Value<sub>t</sub> / Constituent Value<sub>t<sub>o</sub></sub>) - 1</p> <p>Constituent Value<sub>t</sub> is the Macro Harvester - Portfolio B Constituent Value as of the relevant Closing Time on the applicable Index Valuation Day; Constituent Value<sub>t<sub>o</sub></sub> is the Macro Harvester - Portfolio B Constituent Value as of the relevant Closing Time on the immediately preceding Rebalancing Day.</p>
Constituent Value	The value of the Macro Harvester - Portfolio B Constituent as published on the relevant Bloomberg page as of the relevant Closing Time and date, or, in the case of a Market Disruption Event, the Replacement Value (as defined in item 7 below).
Rebalancing Costs <sub>t</sub> :	<p>If the Index Valuation Day is a Rebalancing Day, the Rebalancing Costs are calculated as the sum of the absolute changes in the Notional Exposures for the Macro Harvester - Portfolio B Constituents since the immediately preceding Rebalancing Day multiplied by the corresponding rebalancing costs as disclosed for each Macro Harvester - Portfolio B Constituent.</p> <p>If the Index Valuation Day is not a Rebalancing Day, the Rebalancing Costs will equal 0.</p>
Rebalancing Day	Either a Macro Harvester - Portfolio B Exposure Adjustment Day or a Volatility Scaling Factor Adjustment Day.

Where a Macro Harvester - Portfolio B Constituent is rebased or otherwise adjusted or a value provided to the Macro Harvester - Portfolio B Sponsor in relation to a Macro Harvester - Portfolio B Constituent is corrected, the Macro Harvester - Portfolio B Sponsor will take such steps as it considers appropriate for purposes of the Macro Harvester - Portfolio B in response to such rebasement, adjustment or incorrect value acting in its reasonable judgment. The Macro Harvester - Portfolio B Value for each Index Valuation Day will be calculated in US dollars and will be posted on Bloomberg page GSMHI <Index> before the final Closing Time of the Macro Harvester - Portfolio B Constituents on the following Macro Harvester - Portfolio B Business Day. Macro Harvester - Portfolio B values in denominations other than US dollars ("Macro Harvester - Portfolio B Currency Values") will be calculated according to the formula below.

$$I(\text{Currency})_t = I(\text{Currency})_{t_0} + I(\text{Currency})_{t_0} * (I_t / I_{t_0} - 1) / (FX \text{ Rate}_t / FX \text{ Rate}_{t_0})$$

Where:

$I(\text{Currency})_t$ :	Macro Harvester - Portfolio B Currency Value
$I(\text{Currency})_{t_0}$ :	Macro Harvester - Portfolio B Currency Value on the immediately preceding Rebalancing Day
$I_t$ :	Macro Harvester - Portfolio B Value
$I_{t_0}$ :	Macro Harvester - Portfolio B Value on the immediately preceding Rebalancing Day
$FX \text{ Rate}_t$ :	The price of one unit of Currency, expressed in USD as determined by reference to the Fixing Source
$FX \text{ Rate}_{t_0}$ :	The price of one unit of Currency, expressed in USD as determined by reference to the Fixing Source on the immediately preceding Rebalancing Day.

The Bloomberg page for each Macro Harvester - Portfolio B Currency Value published by the Macro Harvester - Portfolio B Sponsor and the fixing source for the exchange rate (each such source, a "**Fixing Source**") used for purposes of the calculation of such value will be identified on the "Macro Harvester" Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/>.

A day on which the above exchange rates are usually fixed and published by the Fixing Source or any successor company is referred to as a "**Fixing Day**". If for any Fixing Day, any of the applicable exchange rates is not available at the respective time indicated above, the Macro Harvester - Portfolio B Sponsor will use another spot fixing time as established and published by the Fixing Source (or any successor company) for such Fixing Day.

If an Index Valuation Day is not a Fixing Day or if an Exchange Rate Disruption Event (as described below) has occurred or is continuing on an Index Valuation Day, the Macro Harvester - Portfolio B Sponsor will determine the fair value of the relevant exchange rate in its sole discretion.

A Macro Harvester - Portfolio B Currency Value may diverge from the Macro Harvester - Portfolio B Value and other Macro Harvester - Portfolio B Currency Values due to exchange rate fluctuations.

### Exchange Rate Disruption Event

An "Exchange Rate Disruption Event" means the occurrence of any of the following events:

- a) *Dual Exchange Rate Event*: Any currency exchange rate splits into dual or multiple currency exchange rates.
- b) *Inconvertibility Event*: An event has occurred in or affecting any jurisdiction that generally makes it impossible to convert any reference currency into the settlement currency through customary legal channels.

- c) *Non-transferability Event*: An event has occurred in or affecting any reference country that generally makes it impossible to deliver (i) the settlement currency from accounts inside the reference country to accounts outside the reference country or (ii) the settlement currency between accounts inside the reference country for the reference currency or to a party that is a non-resident of the reference country.
- d) *Governmental Authority Default*: A default, event of default, or other similar condition or event (however described) with respect to any security or indebtedness for borrowed money of, or guaranteed by, any governmental authority (as defined below), including, but not limited to:
  - (a) the failure of timely payment in full of any principal, interest, or other amounts due (without giving effect to any applicable grace periods) in respect of any such security, indebtedness, or guarantee;
  - (b) a declared moratorium, standstill, waiver, deferral, repudiation, challenge of the validity, or rescheduling of any principal, interest, or other amounts due in respect of any such security, indebtedness, or guarantee; or
  - (c) the amendment or modification of the terms and conditions of payment of any principal amount, interest, or other amounts due in respect of any such security, indebtedness, or guarantee without the consent of all holders of such obligation.

For these purposes, the determination of the existence or occurrence of any default, event of default, or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of such governmental authority to issue or enter into such security, indebtedness, or guarantee.

"Governmental authority" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative, executive, legislative or other governmental authority, or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a relevant country (which with respect to the Euro shall include the European Union as well as any member state thereof from time to time whose currency is the Euro).

- e) *Exchange Rate Unavailability or Illiquidity Event*: It is or becomes impossible or not reasonably practicable for Goldman Sachs or any of its affiliates to obtain a foreign exchange rate from the source typically used for that rate, or to obtain a firm quote for any foreign exchange rate.
- f) *Nationalization Event*: Any expropriation, confiscation, requisition, nationalization or other action by a relevant governmental authority which deprives Goldman Sachs or any of its affiliates of all or substantially all of these assets in any relevant jurisdiction.
- g) *Inability to Hedge*: Any market participant is unable, after using commercially reasonable efforts, to acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any hedge position relating to any products linked to the relevant exchange rate, or to realize, recover or remit the proceeds of any such transactions.
- h) *Currency Merger*: A relevant currency ceases to exist and is replaced by a new currency.

## 5. **Reporting requirements of the Rebalancing Agent and the Macro Harvester - Portfolio B Sponsor**

The Rebalancing Agent shall provide to Macro Harvester - Portfolio B Sponsor: (i) if in connection with an Exceptional Rebalancing it does not propose that any of the exposures to the Macro Harvester - Portfolio B Constituents be increased or that any new constituent be added to the Macro Harvester - Portfolio B on the relevant Macro Harvester - Portfolio B Exposure Adjustment Day, the proposed exposures to Macro Harvester - Portfolio B Constituents one London Business Day prior to such Macro Harvester - Portfolio B Exposure Adjustment Day; (ii) the proposed Macro Harvester - Portfolio B Constituents and their respective exposures not less than six London Business Days prior to any other Macro Harvester - Portfolio B Exposure Adjustment Day; and (iii) the updated Volatility Scaling Factor not less than six London Business Days prior to any Volatility Scaling Factor Adjustment Day and any Macro Harvester - Portfolio B Exposure Adjustment Day relating to an Annual Rebalancing. The Rebalancing Agent may be required to provide to the Macro Harvester - Portfolio B Sponsor an explanatory statement under certain circumstances described in item 3 above. Except as required by applicable law or regulation or provided for in this paragraph, the Rebalancing

Agent has no obligation to provide any information to any person or entity, including investors in overlying products, except to the Macro Harvester - Portfolio B Sponsor.

The Macro Harvester - Portfolio B Sponsor shall post the Macro Harvester - Portfolio B Value and Macro Harvester - Portfolio B Currency Values on the corresponding Bloomberg pages, as specified in the "Macro Harvester" Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> before the final Closing Time of the Macro Harvester - Portfolio B Constituents on the Macro Harvester - Portfolio B Business Day following each Index Valuation Day. In connection with any Rebalancing Day the Macro Harvester - Portfolio B Sponsor shall post on the "Macro Harvester" Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> the information shown on the table under item 4 above, including the proposed Macro Harvester - Portfolio B Constituents, and for each such constituent the exposure, Rebalancing Cost, Exposure Limit, Closing Time, Bloomberg page for publication of the Constituent Value, and whether the Constituent Performance calculation under item 4 is additive or proportional at the following dates and/or times:

- (a) if in connection with an Exceptional Rebalancing, the Rebalancing Agent does not propose that any of the exposures to the Macro Harvester - Portfolio B Constituents is increased or that a new constituent is to be added to the Macro Harvester - Portfolio B on the relevant Macro Harvester - Portfolio B Exposure Adjustment Day, on such Macro Harvester - Portfolio B Exposure Adjustment Day; and
- (b) if in connection with any other Rebalancing Day, five London Business Days prior to such Rebalancing Day.

The Macro Harvester - Portfolio B Sponsor shall also post to this page the proposed Volatility Scaling Factor (whether updated or not), the date of the proposed rebalancing, and detailed information regarding each of the then current Macro Harvester - Portfolio B Constituents, including applicable execution costs, risk factors and business day and market disruption event definitions. If, in accordance with item 7, the Rebalancing Day is delayed or the proposed rebalancing is modified, the Macro Harvester - Portfolio B Sponsor shall update the information posted on the "Macro Harvester" Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> as appropriate, within two London Business Days of such information becoming known to the Macro Harvester - Portfolio B Sponsor. In addition, the Macro Harvester - Portfolio B Sponsor shall also post to this page an annual performance report concerning the Macro Harvester - Portfolio B in November of each year.

Any investor in a product linked to the Macro Harvester - Portfolio B who does not have access to the "Macro Harvester" Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> may obtain such information from the FICC Division of Goldman Sachs International by telephoning +44 20 777 41 000.

At any time that the Macro Harvester - Portfolio B Sponsor adds a strategy to the menu for potential inclusion in the Macro Harvester - Portfolio B by the Rebalancing Agent, the Macro Harvester - Portfolio B Sponsor shall provide to the Rebalancing Agent 12 months of daily performance history. Where the strategy has not been in existence for 12 months, the Macro Harvester - Portfolio B Sponsor shall calculate the simulated daily performance history as if the strategy had been in existence for a 12-month period. The use of this data by the Rebalancing Agent may include, but is not limited to, calculating the Volatility Scaling Factor in the manner described in item 6 below, estimating the projected volatility of potential exposures to Macro Harvester - Portfolio B Constituents, selection of Macro Harvester - Portfolio B Constituents from the strategies made available by the Macro Harvester - Portfolio B Sponsor, and allocating exposures in accordance with the Investment Objective. While prepared and provided in good faith, the Macro Harvester - Portfolio B Sponsor gives no warranty as to the correctness of the historical information provided (whether actual or simulated) and takes no responsibility for the impact of any inaccuracy of such data on the performance or volatility of a particular Macro Harvester - Portfolio B Constituent, the Macro Harvester, or any underlying investments referenced to the Macro Harvester. The Macro Harvester - Portfolio B Sponsor is under no obligation to provide the Rebalancing Agent with additional information beyond that described in this item 5.

## **6. Volatility constraints and Volatility Scaling Factor**

At any time the Rebalancing Agent rebalances the constituents of the Macro Harvester - Portfolio B and their respective exposures in accordance with item 5 above, the Rebalancing Agent shall select exposures to the Macro Harvester - Portfolio B Constituents which the Rebalancing Agent believes in good faith will yield a longer-term volatility of the Macro Harvester - Portfolio B of 2.5 percent, based solely on an analysis of (i) the historical performance of each of the Macro Harvester - Portfolio B Constituents and strategies available on

the menu, and (ii) information on Macro Harvester - Portfolio B Constituents and strategies made available by the Macro Harvester - Portfolio B Sponsor on the "Macro Harvester" Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/>. However, the Rebalancing Agent's independent control over the Macro Harvester - Portfolio B volatility is restricted by the exposure constraints described in item 6 above and the application of the Volatility Scaling Factor described below, and the Rebalancing Agent has no control over, and only limited information on, the volatility mechanisms of the Macro Harvester - Portfolio B Constituents and strategies. Therefore there cannot be any guarantee that the actual volatility of the Macro Harvester - Portfolio B will not be substantially more or less than 2.5 percent.

The 14th calendar day of each month, or the next Macro Harvester - Portfolio B Business Day thereafter, shall be a "Volatility Scaling Factor Adjustment Day". Six London Business Days prior to each Volatility Scaling Factor Adjustment Day or Macro Harvester - Portfolio B Exposure Adjustment Day relating to an Annual Rebalancing, the Rebalancing Agent shall calculate a Volatility Scaling Factor in the manner described below, and provide this factor to the Macro Harvester - Portfolio B Sponsor. The Volatility Scaling Factor adjusts the Macro Harvester's overall exposure to Macro Harvester - Portfolio B Constituents which has the effect of increasing or decreasing the implicit leverage and volatility accordingly, with a target of maintaining an average volatility of 2.5 percent over any 18-month period. If, for example, the actual Macro Harvester - Portfolio B volatility has exceeded 2.5 percent over the prior 12 months, the Volatility Scaling Factor may yield a target Macro Harvester - Portfolio B volatility of less than 2.5 percent in order to obtain an 18-month average of 2.5 percent.

The Volatility Scaling Factor is calculated as follows:

$$\text{Unadjusted Volatility Scaling Factor}_t = \sqrt{\frac{(1.5)(\text{Target Volatility})^2 - (1.0)(\text{Actual 12m Volatility})^2}{(0.5)(\text{Simulated 6m Volatility})^2}}$$

Where:

Target Volatility:

2.5 percent (0.025)

Actual 12m Volatility:

Annualized standard deviation of Actual Daily Returns over the preceding 12 calendar months. If the Volatility Scaling Factor is calculated less than 12 calendar months from the Macro Harvester - Portfolio B inception date, the calculation of the standard deviation shall assume an annualized standard deviation of Daily Returns equal to the Target Volatility for the period prior to such inception date.

Simulated 6m Volatility:

Annualized standard deviation of Simulated Daily Returns over the preceding 6 calendar months.

Actual Daily Returns:

The actual Daily Return of the Macro Harvester - Portfolio B over the preceding twelve months.

Simulated Daily Returns:

The simulated Daily Return of the Macro Harvester - Portfolio B over the preceding six months, calculated as if (i) the Volatility Scaling Factor were 1 and (ii) the existing (in the case of a Volatility Scaling Factor Day) or proposed (in the case of a Macro Harvester - Portfolio B Exposure Adjustment Day) exposures to Macro Harvester - Portfolio B Constituents had been in existence for the prior six months leading up to the present Volatility Scaling Factor calculation, applying the historical data provided by the Macro Harvester - Portfolio B Sponsor in accordance with item 5.

Daily Return

$(\text{Macro Harvester - Portfolio B Value}_t / \text{Macro Harvester - Portfolio B Value}_{t-1}) - 1$

Macro Harvester - Portfolio B Value<sub>t</sub> is the Macro Harvester - Portfolio B Value as of relevant Index Valuation Day; Macro Harvester - Portfolio B Value<sub>t-1</sub> is the Macro Harvester - Portfolio B Value as of closing on the previous Index Valuation Day.

To yield the final Volatility Scaling Factor, the Unadjusted Volatility Scaling Factor is adjusted as follows: (i) if the Unadjusted Volatility Scaling Factor is less than 0.25, the final Volatility Scaling Factor will be 0.25; (ii) if the Unadjusted Volatility Scaling Factor is greater than 1.25, the final Volatility Scaling Factor will be 1.25; (iii)

if the Volatility Scaling Factor is within 0.1 of the Volatility Scaling Factor previously calculated in conjunction with the most recent Rebalancing Day, then the Volatility Scaling Factor will remain unchanged.

Because any change to the Volatility Scaling Factor changes the Macro Harvester's exposure to Macro Harvester - Portfolio B Constituents, such change will incur Rebalancing Costs as described in item 4 above.

If the Unadjusted Volatility Scaling Factor is above 1.25 or below 0.75 for three consecutive Volatility Scaling Factor Adjustment Days, the Rebalancing Agent must rebalance the Macro Harvester - Portfolio B or provide a statement to the Macro Harvester - Portfolio B Sponsor; if the Unadjusted Volatility Scaling Factor is above 1.25 or below 0.75 for six consecutive Volatility Scaling Factor Adjustment Days, the Rebalancing Agent must rebalance the Macro Harvester - Portfolio B and provide a statement to the Macro Harvester - Portfolio B Sponsor, in each case as described under "Selection, exposure and volatility adjustment constraints" in item 3 above.

If, on any Volatility Scaling Factor Adjustment Day, no Rebalancing Agent is appointed, the Volatility Scaling Factor will be calculated and applied to the Macro Harvester - Portfolio B by the Macro Harvester - Portfolio B Sponsor using the procedure described above, with the exception of (i) the minimum 0.25 Volatility Scaling Factor value shall not apply: the Volatility Scaling Factor shall equal the Unadjusted Volatility Scaling Factor for all Unadjusted Volatility Scaling Factor values between 0 and 1.25; and (ii) the immediately preceding paragraph shall not apply: aside from application of the updated Volatility Scaling Factor, the Macro Harvester - Portfolio B Sponsor will not otherwise rebalance the Macro Harvester - Portfolio B nor provide statements concerning volatility.

## **7. Market Disruption Events and rebalancing delays**

If a Rebalancing Day is not an Index Valuation Day, the Macro Harvester - Portfolio B Sponsor may:

- (a) postpone the Rebalancing Day to the next Index Valuation Day in its sole discretion;  
*provided that* a rebalancing may be postponed a maximum of five Adjusted Business Days (as defined below) from the originally scheduled Rebalancing Day (the "Delayed Rebalancing Period"), at which time the delayed rebalancing shall occur and, if such date is not an Index Valuation Day, the Macro Harvester - Portfolio B Sponsor will determine a Constituent Value for each Macro Harvester - Portfolio B Constituent for which no value is published or which is subject to a Market Disruption Event based on its assessment made in its sole discretion as of such date (each, a "Replacement Value");
- (b) postpone the Volatility Scaling Factor Adjustment Day to the next Index Valuation Day;  
*provided that* the Rebalancing Agent explicitly agrees to not apply the Volatility Scaling Factor to the Macro Harvester - Portfolio B unless none of the Macro Harvester - Portfolio B Constituents is subject to a Market Disruption Event;
- (c) agree with the Rebalancing Agent, at any time during the Delayed Rebalancing Period, that (i) the rebalancing will take place only with respect to certain Macro Harvester - Portfolio B Constituents unaffected by a Market Disruption Event or (ii) the Rebalancing Agent will revise the proposed exposures to the Macro Harvester - Portfolio B Constituents including, without limitation, the cancellation of one or more proposed adjustments or the inclusion of Macro Harvester - Portfolio B Constituents which would not originally have been rebalanced on the Rebalancing Day or (iii) the Rebalancing Agent will decide to postpone a Volatility Scaling Factor Adjustment Day to the next Index Valuation Day on which none of the Macro Harvester - Portfolio B Constituents is affected by a Market Disruption Event; and
- (d) determine, at any time during the Delayed Rebalancing Period and in its sole discretion, not to postpone the rebalancing and establish Replacement Values as necessary based on its assessment made in its sole discretion as of such date.

Within two London Business Days of making any determination in accordance with this item 7, the Macro Harvester - Portfolio B Sponsor shall notify the Rebalancing Agent and update the information posted to the "Macro Harvester" Section of <https://360.gs.com/gs/portal/products/fixedincome/europe/euroirp/> in accordance with item 5.

An "Adjusted Business Day" means a day (i) which constitutes a business day for each of the Macro Harvester - Portfolio B Constituents (or any strategy to be included in the Macro Harvester - Portfolio B as of such date); (ii) on which commercial banks and foreign currency markets settle payments and are open for general business in London, Frankfurt, Zurich, New York; (iii) on which the TARGET system and the New York Stock Exchange are open, and (iv) which is not a Treasuries (SIFMA) holiday according to the SIFMA Holiday Recommendations.

### **Losses in respect of individual commodities**

The Management Company will monitor the losses incurred by the Portfolio due to individual commodities based on daily information provided by the Swap Counterparty. If the cumulative loss of any such commodity exceeds 20% of the Portfolio on a monthly basis, the Management Company will request the Investment Administrator to effect a decrease in the exposure to the Macro Harvester – Portfolio B by 50% through reducing the notional exposure to the Macro Harvester – Portfolio B. The Management Company will request the Investment Administrator to effect further decreases of exposure to the Macro Harvester – Portfolio B by 50% if subsequent losses of any single commodity exceeds 20% since the previous month.

Please note that for Macro Harvester – Portfolio B Constituents which are trading instruments in the commodities, market netting may be applied in accordance with the Regulatory Authority Circular 07/308. While net exposure to any single commodity will comply with the concentration limits given in the applicable UCITS regulations, gross exposure may exceed those limits.

## Publication of the Index

The daily value of the Index will be published on a Bloomberg ticker reference GSMH <Index> (or any official successor thereto), and will be updated on each London Business Day following the respective Macro Harvester – Portfolio B Business Day. On any day which is not an Index Valuation Day, the published value may not be tradable. The Index had a current value of 100 on 30 September 2009.

With a view to future optimisation of the investment administration of the Portfolio, the Investment Administrator reserves the right to use other instruments within the framework of current Luxembourg regulation to achieve the investment objective, including the use of other derivatives than the Swap Agreement.

## Use of Derivatives or Other Investment Techniques and Instruments

The Portfolio may use derivatives for hedging and investment purposes as described under the section “Special Investment and Hedging Techniques” of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under the section “Special Investment and Hedging Techniques” of the Prospectus.

## Principal Risks of investing in the Portfolio

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investors should also read the sections “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus.

**Goldman Sachs Roles:** Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs expects to perform its obligations in good faith and a commercially reasonable manner, it may face conflicts between these roles and its own interests.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

Goldman Sachs is a full service financial services group and, consequently, is engaged in a range of activities that could affect the value of the Macro Harvester – Portfolio B and the Macro Harvester – Portfolio B Constituents.

**Counterparty risk:** The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Goldman Sachs International under the Swap Agreement and the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although both the Swap Agreement and the Reverse Repurchase Agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are not collateralized.

**Investors in the Macro Harvester - Portfolio B could lose their investment:** The value of the Macro Harvester - Portfolio B depends on the performance of the underlying Macro Harvester - Portfolio B Constituents, each of which may increase or decrease in value. Neither the Macro Harvester - Portfolio B nor any underlying Macro Harvester - Portfolio B Constituent includes any element of capital protection or guaranteed return. Any Macro Harvester - Portfolio B Constituent, or the Macro Harvester - Portfolio B

overall, may fall below its initial value and may fall to or below zero. You may lose all or a portion of the amount originally invested and you may receive no interest on your investment.

***The value of any Macro Harvester - Portfolio B Constituent may change unpredictably, affecting the value of the Macro Harvester - Portfolio B in unforeseeable ways:*** Individual Macro Harvester - Portfolio B Constituents may involve exposure to speculative and extremely volatile underlying investments. These investments are affected by a variety of factors that are unpredictable, including, without limitation, weather, governmental programs and policies, national and international political, military, terrorist and economic events, changes in supply and demand relationships, changes in interest and exchange rates and changes, suspensions or disruptions of market trading activities in the underlying investments and related contracts. These factors may affect the value of the Macro Harvester - Portfolio B and the value of any product linked thereto, in varying ways, and different factors may cause the value and volatility of different Macro Harvester - Portfolio B Constituents to move in inconsistent directions and at inconsistent rates.

***It may be difficult to control the Macro Harvester - Portfolio B volatility, which may put any investment at risk:*** Some Macro Harvester - Portfolio B Constituents are highly volatile, which means that their value may change significantly, up or down, over a short period of time. It is impossible to predict the future performance of Macro Harvester - Portfolio B Constituents based on their historical performance, and in some cases Macro Harvester - Portfolio B Constituents may be new and historical performance may not be available. The return on the Macro Harvester - Portfolio B may vary substantially from time to time, and volatility in one or more Macro Harvester - Portfolio B Constituents increases the risk that the return on the Macro Harvester - Portfolio B may be adversely affected by a fluctuation in the value of one or more of its constituents. Although the Rebalancing Agent targets an overall 18-month average volatility of 2.5%, there is no guarantee that the volatility adjustment mechanisms will be effective, or that the Macro Harvester - Portfolio B volatility will not significantly exceed this target, particularly in the short term.

***Investment will be subject to leverage, which may increase risk:*** The Macro Harvester - Portfolio B will be leveraged, and it is possible that products providing exposure to the Macro Harvester - Portfolio B as well as underlying Macro Harvester - Portfolio B Constituents will also be leveraged. This means that an investment in products providing exposure to the Macro Harvester - Portfolio B might be subject to leverage at different levels (product, Macro Harvester - Portfolio B and Macro Harvester - Portfolio B Constituent level). Leverage means that the return or loss on an investment is subject to a multiplier increasing exposure to that investment and magnifying the volatility and risk of loss should the value of that investment decline.

***Suspensions or disruptions of market trading may adversely affect the value of the Macro Harvester:*** The Macro Harvester - Portfolio B Constituents and their underlying investments are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, the participation of speculators and government regulation and intervention. If, as a result of a Market Disruption Event, a Macro Harvester - Portfolio B Constituent or any of its underlying investments becomes unavailable or impossible to calculate in a normal manner, the Macro Harvester - Portfolio B Sponsor may require the Rebalancing Agent to postpone a rebalancing or volatility adjustment for up to two business days, or the Macro Harvester - Portfolio B Sponsor may provide a replacement value for the value of an affected Macro Harvester - Portfolio B Constituent. If the Macro Harvester - Portfolio B Sponsor provides a replacement value for a Macro Harvester - Portfolio B Constituent, the value of the Macro Harvester - Portfolio B, or the rate of return on it, may be lower than it otherwise would be. Furthermore, on any day where there is no Macro Harvester - Portfolio B value available or on which an alternate valuation is used, the manager of any overlying product linked to the Macro Harvester - Portfolio B may not be willing to issue or trade the product.

***Market Disruption Events may have a positive or negative impact on the Net Asset Value of the Portfolio:*** as more fully detailed in the section "Particularities of the Swap Agreement and of the Reverse Repurchase Agreement", if a Market Disruption Event occurs on a Valuation Day, the Calculation Agent, for the purpose of determining the amount payable under the Swap Agreement may determine the level of the Macro Harvester – Portfolio B based on procedures which are different to those set out below for determining the value of the Macro Harvester – Portfolio B on which the Disrupted Value of the Swap Agreement (as defined in the section "Particularities of the Swap Agreement and of the Reverse Repurchase Agreement") - and consequently, the Net Asset Value of the Portfolio - will be based. The differences between the procedures for determining the Macro Harvester – Portfolio B value for the purpose of calculating the amount payable under the Swap Agreement and those for determining the Macro Harvester – Portfolio B value, as calculated to determine the Disrupted Value of the Swap Agreement on which the Net Asset Value of the Portfolio is based, may result in the payments under the Swap Agreement not precisely matching the return the Portfolio shall pay or receive in respect of the shares in the Portfolio for the relevant Valuation Day. The Net Asset Value calculated on such a Valuation Day on which a Market Disruption Event is occurring will, however, be final (even if the Macro Harvester – Portfolio B value determined for such purpose may contain

values for the Macro Harvester – Portfolio B Constituents affected by such Market Disruption Event that have been estimated by the Calculation Agent), and will not be recalculated by the Calculation Agent in the event that the Macro Harvester – Portfolio B value, as calculated to determine the Disrupted Value of the Swap Agreement on which the Net Asset Value of the Portfolio will be based, does not (due to the different calculation procedures being applied to determine the Macro Harvester – Portfolio B value for the purpose of determining the Net Asset Value and the amount payable under the Swap Agreement) match the Macro Harvester – Portfolio B value determined under the Swap Agreement and on which the calculation of the net weekly payment will be based.

Subscribing and/or redeeming investors in the Portfolio are therefore made aware that they might be subscribing/redeeming on a Valuation Day affected by a Market Disruption Event, and that, if so, the Net Asset Value of the Portfolio that will be used to process such subscriptions and/or redemptions will be based on a Disrupted Value of the Swap Agreement, which contains estimates of values for any Affected Macro Harvester – Portfolio B Constituent, as determined by the Calculation Agent in its reasonable judgment. In addition, a mismatch may arise as a result of different procedures being applied for determining the value of the Macro Harvester – Portfolio B for the purpose of calculating the Disrupted Value of the Swap Agreement on which the Net Asset Value is based and for the purpose of calculating the amount payable under the Swap Agreement.

Investors are consequently made aware that, should the above mentioned mismatch arise upon the occurrence of a Market Disruption Event on a Valuation Day, the Portfolio will not be compensated, meaning that the latter may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio and in turn any investor who is still invested in the Portfolio following settlement of any such subscription and/or redemption on such Valuation Day. Such subscribing and/or redeeming investors may therefore be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event and in the case of any subscribing and/or redeeming investor is disadvantaged by any mismatch arising as a result of such Market Disruption Event, no compensation will be paid to it by the Portfolio.

***Investors will have no rights with respect to the Macro Harvester - Portfolio B Constituents or any underlying assets:*** The investment exposure provided by the Macro Harvester - Portfolio B is synthetic, reflecting the calculated result of hypothetical transactions involving the Macro Harvester - Portfolio B Constituents. An investment referenced to the Macro Harvester - Portfolio B will therefore not make an investor a holder of, or give an investor a direct investment position in, any underlying Macro Harvester - Portfolio B Constituent or any of the underlying assets or investments to which the Macro Harvester - Portfolio B Constituents refer.

***The return on the Macro Harvester - Portfolio B may be below the return from investments in similar underlying assets:*** The value of an investment referenced to any Macro Harvester - Portfolio B Constituent will not necessarily correlate with the value of the Macro Harvester - Portfolio B or any Macro Harvester - Portfolio B Constituent. The return on any Macro Harvester - Portfolio B Constituent, if any, will be linked to the performance of strategies that reflect the application of proprietary algorithms relating to underlying investments which may relate to specific time periods, excess or comparative rather than total returns, or other derivatives. As such, an investment in a Macro Harvester - Portfolio B Constituent linked to any underlying asset or investment is not comparable to and should not be benchmarked against an investment in those underlying assets directly.

***The Macro Harvester - Portfolio B Constituents may be, and any Macro Harvester - Portfolio B Currency Values are, subject to exchange rate risks:*** The investments underlying Macro Harvester - Portfolio B Constituents may be denominated in a variety of currencies. Fluctuations in currency exchange rates could adversely affect a Macro Harvester - Portfolio B Constituent whose value is linked to a foreign currency. Fluctuations in currency exchange rates may also cause any Macro Harvester - Portfolio B Currency Value to diverge from the Macro Harvester - Portfolio B Value or from any other Macro Harvester - Portfolio B Currency Value.

***Currency exchange rates are volatile and unpredictable, and changes in the spot exchange rates between currencies in a carry trade can significantly affect the results of the GS FX Carry Excess Return Index, one of the initial Macro Harvester - Portfolio B Constituents:*** Changes in the foreign exchange rates of the long currencies or short currencies at any time relative to the U.S. dollar can have a material impact on the GS FX Carry Excess Return Index value and, if adverse currency exchange rate changes outweigh the interest rate differential between the long currencies and the short currencies, will cause the GS FX Carry Excess Return Index value to decline. Rates of exchange between currencies are

volatile and unpredictable and can be affected by many known and unknown factors, in particular with regard to emerging market currencies. Spot exchange rates at the expiration of any notional forward contract may be higher, lower or equal to the forward exchange rates reflected in those contracts and this may adversely affect the value of the GS FX Carry Excess Return Index.

***Changes in interest rates can be unpredictable and the algorithm underlying the strategies may not accurately forecast interest rate movements:*** The Macro Harvester - Portfolio B Constituents involving interest rate strategies measure the performance of a relative value trading strategy and suggests a trading position designed to benefit from the anticipated movements. These forecasts are extrapolated from historical data applied to the current level of interest rates. Interest rates can be unpredictable and the algorithm used to forecast the interest rate may not yield a correct result. Past and current levels of the interest rate and fluctuations and trends in the interest rate that have occurred in the past are not necessarily indicative of future trends. If the anticipated direction in interest rates proves incorrect, the value of these Macro Harvester - Portfolio B Constituents will decline. Furthermore, even if historic trends in interest rate movements prove to be a reliable indicator of future trends, the algorithms underlying the Macro Harvester - Portfolio B Constituents may not effectively identify such trends or may not suggest trading strategies that succeed in benefiting from such trends. If this occurs, the Macro Harvester - Portfolio B Constituents, and the value of the Macro Harvester – Portfolio B, will decline.

***Market factors may affect the performance of Macro Harvester - Portfolio B Constituents:*** In addition to interest and exchange rates, other market forces affecting the price of investments underlying the Macro Harvester - Portfolio B Constituents may increase the risk involved in certain Macro Harvester - Portfolio B Constituents or cause the value of the Macro Harvester - Portfolio B to decline. For example, higher future prices of commodities underlying potential Macro Harvester - Portfolio B Constituents may have an adverse effect on strategies involving “rolling” of futures contracts in these commodities. Moreover, the prices of a number of commodities related to potential Macro Harvester - Portfolio B Constituents, particularly corn and wheat, have recently been at historically high levels, due to a variety of factors, including unprecedented global supply and demand features. There can be no assurance that these price levels will be sustained or that higher prices can be achieved. It is also possible that, having reached historic highs, the prices of these commodities will decline substantially in the future. In addition, the markets for futures contracts on agricultural and livestock commodities related to potential Macro Harvester - Portfolio B Constituents are generally less liquid than the markets for futures contracts on other categories of commodities. The limited liquidity of contracts on such commodities could adversely affect the prices of such commodities and, therefore, the returns on any Macro Harvester - Portfolio B Constituent which involves exposure to such commodities.

***The components of the Macro Harvester - Portfolio B Constituents may include contracts that are not traded on regulated exchanges:*** The Macro Harvester – Portfolio B Constituents may include exposure to over-the-counter contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. As a result, trading in such contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the same provisions of, and the protections afforded by, statutes and related regulations applicable to trading on regulated exchanges, including but not limited to the Commodity Exchange Act of 1922, as amended. As a result, the trading of contracts on such facilities may be subject to certain risks not presented by most exchange-traded contracts, including risks related to the liquidity and price histories of the relevant contracts.

***The individual Macro Harvester - Portfolio B Constituents are not actively managed:*** The Macro Harvester - Portfolio B Constituents are strategies designed by Goldman Sachs based on algorithms operating within pre-determined rules. There will be no active management of any investments underlying the Macro Harvester - Portfolio B Constituents so as to enhance returns beyond those embedded in the strategy. Market participants often adjust their investment promptly in view of market, political, financial or other factors. While the Macro Harvester - Portfolio B is subject to volatility constraints, these constraints are based on an assessment of historical volatility over a period of time and are rule-based. An actively managed investment may potentially respond more directly and appropriately to immediate market, political, financial or other factors than a non-actively managed Macro Harvester - Portfolio B Constituent.

***The scope for management of the Macro Harvester - Portfolio B is limited and may not be successful:*** The Rebalancing Agent is only able to allocate investment exposures, within defined constraints, to a menu of potential strategies made available by the Macro Harvester - Portfolio B Sponsor. The Rebalancing Agent has no control over volatilities of individual strategies. It will infer long-term volatilities of selected strategies using simulated returns and realized returns where available and as provided by Macro Harvester - Portfolio B Sponsor. The allocation selected by the Rebalancing Agent may not meet the Macro Harvester – Portfolio

B's stated investment objectives, and may result in greater risk or losses as compared to alternate allocations of exposure to the Macro Harvester - Portfolio B Constituents.

***The Rebalancing Agent could resign or be removed:*** The Rebalancing Agent could resign or be removed by the Macro Harvester - Portfolio B Sponsor. Unless a new Rebalancing Agent is appointed, the exposure to the Macro Harvester - Portfolio B Constituents will be left static and only the Volatility Scaling Factor will be adjusted, which could result in a loss of value of the Macro Harvester - Portfolio B should necessary rebalancing adjustments not be undertaken.

***The Macro Harvester - Portfolio B Value will be reduced by the deduction of fees and charges:*** In calculating the Macro Harvester - Portfolio B Value, the Macro Harvester - Portfolio B Value is reduced by a rebalancing cost incurred each time the exposure to any Macro Harvester - Portfolio B Constituent is adjusted. In addition, the value of any Macro Harvester - Portfolio B Constituent may reflect the prior deduction of fees and charges by that Macro Harvester - Portfolio B Constituent's sponsor.

The return you receive on any product linked to the Macro Harvester - Portfolio B may be further reduced by fees or charges as disclosed in the product documentation. Therefore, the return you receive from exposure to the Macro Harvester - Portfolio B will be lower than the return of the individual Macro Harvester - Portfolio B Constituents or the underlying investments to which they refer.

***The Rebalancing Agent relies on information over which it has no control or warranty:*** The Rebalancing Agent relies on information from the Macro Harvester - Portfolio B Sponsor and other sources to monitor the performance and volatility of the Macro Harvester - Portfolio B Constituents. The Macro Harvester - Portfolio B Sponsor gives no warranty as to the correctness of that information and takes no responsibility for the impact of any inaccuracy of such data on the return produced by a particular Macro Harvester - Portfolio B Constituent, on the value of the Macro Harvester - Portfolio B or on the value of an investment referenced to the Macro Harvester - Portfolio B.

***Information about the Macro Harvester - Portfolio B and its constituents may be limited:*** There is no obligation on the Rebalancing Agent to provide information to persons other than the Macro Harvester - Portfolio B Sponsor. The Macro Harvester - Portfolio B Sponsor may not provide investors with further information in relation to the Macro Harvester - Portfolio B or its Constituents beyond what is described herein, posted on Bloomberg, or otherwise specified by the Macro Harvester - Portfolio B terms. Some details of the methodology in relation to the Macro Harvester - Portfolio B Constituents are proprietary to Goldman Sachs, and are likely to remain confidential. Accordingly, such Macro Harvester - Portfolio B Constituent methodology and composition is unlikely to be disclosed. Neither the Macro Harvester - Portfolio B Sponsor nor the Rebalancing Agent will be obliged to disclose further information to any person.

***The Macro Harvester - Portfolio B has limited historical performance data:*** Because limited historical performance data exists with respect to the Macro Harvester - Portfolio B and many of the Macro Harvester - Portfolio B Constituents, your investment in the product may involve a greater risk than investing in a product linked to strategies with a proven track record. The absence of a track record with respect to Macro Harvester - Portfolio B Constituents is particularly significant because the algorithms underlying many Macro Harvester - Portfolio B Constituents are based on historical trends to date that may not be repeated in the future. A longer history of actual performance could provide more reliable information on which to assess the validity of the algorithm and base an investment decision with respect to the product.

The Macro Harvester - Portfolio B Sponsor may use back-testing or other statistical analysis to simulate how a Macro Harvester - Portfolio B Constituent may have performed prior to its actual existence, or to simulate the historical volatility of the Macro Harvester - Portfolio B as if the Macro Harvester's current allocation of Macro Harvester - Portfolio B Constituents had been in effect and unchanged throughout that historical period. The Macro Harvester - Portfolio B Sponsor provides no assurance or guarantee that the Macro Harvester - Portfolio B Constituents will operate or would have operated in the past in a manner consistent with such analysis. As such, any historical returns or volatility measures projected through such analysis, or any hypothetical simulations based on this analysis, may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, the Macro Harvester - Portfolio B.

***Trading and other transactions by Goldman Sachs may impair the value of Macro Harvester - Portfolio B Constituents:*** Goldman Sachs International and its affiliates expect to engage in trading activities related to the Macro Harvester - Portfolio B Constituents that are not for investors' account or on investors' behalf, including futures contracts and options linked to the investments underlying some Macro Harvester - Portfolio B Constituents. These trading activities may present a conflict between investors' interest in investors' product and the interests Goldman Sachs has in their proprietary accounts, in facilitating

transactions for their customers and in accounts under their management. These trading activities, by influencing the value of a Macro Harvester - Portfolio B Constituent or its underlying investments, could be adverse to investors' interests as investor in a product linked to the Macro Harvester – Portfolio B.

Goldman Sachs International, directly or through one or more of its other affiliates, expects to hedge its obligations under the Macro Harvester - Portfolio B by purchasing derivative contracts linked to Macro Harvester - Portfolio B Constituents or their underlying investments. Goldman Sachs also expects to adjust any such hedges by, among other things, purchasing or selling such contracts, at any time and from time to time and to unwind such hedges by purchasing or selling any such contracts at any time. Any of these hedging activities may affect the value of the Macro Harvester - Portfolio B Constituents – directly or indirectly by affecting their underlying investments – and, therefore, may adversely affect the value of the Macro Harvester - Portfolio B. It is possible that Goldman Sachs International, through its affiliates, could receive substantial returns with respect to such hedging activities while the value of the Macro Harvester - Portfolio B may decline.

Goldman Sachs International and its affiliates may also issue or underwrite other securities or financial or derivative instruments related to any Macro Harvester - Portfolio B Constituent. By introducing competing instruments into the marketplace in this manner, Goldman Sachs International and its affiliates could adversely affect the performance of the Macro Harvester – Portfolio B.

***As sponsor for the Macro Harvester - Portfolio B Constituents, Goldman Sachs International will have the authority to make determinations that could materially affect the Macro Harvester - Portfolio B and create conflicts of interest:*** The Macro Harvester - Portfolio B Constituents were developed, and are currently owned, calculated and maintained, by Goldman Sachs International. As sponsor of the Macro Harvester - Portfolio B Constituents, Goldman Sachs International is responsible for the creation, review, calculation and maintenance of the Macro Harvester - Portfolio B Constituents. The judgments that Goldman Sachs International makes in connection with the design, underlying algorithm, composition, calculation, maintenance, discontinuation, suspension and substitution of the Macro Harvester - Portfolio B Constituents, including all determinations regarding adjustments, rebasing and substitution, Market Disruption Events and any other factors or events relevant to the calculation of amounts dependent on the performance of the Macro Harvester - Portfolio B Constituent or underlying investments, could affect the value of the Macro Harvester – Portfolio B. As Macro Harvester - Portfolio B Sponsor, Goldman Sachs International has discretion in determining values of Macro Harvester - Portfolio B Constituents in situations where, among others, a Macro Harvester - Portfolio B Constituent is affected by Market Disruption Events.

Furthermore, Goldman Sachs International may withdraw Macro Harvester - Portfolio B Constituents or fail to offer alternative strategies, to the extent that there may be insufficient Macro Harvester - Portfolio B Constituents available to obtain diversification, manage volatility or achieve investment objectives. If Goldman Sachs International does not provide any strategies to the Rebalancing Agent, then the Macro Harvester - Portfolio B will not be exposed to any investment activity and its value will remain fixed. Goldman Sachs International, in its capacity as sponsor of the Macro Harvester - Portfolio B Constituents or Macro Harvester - Portfolio B, has no obligation to take your interests into consideration for any reason. The role played by Goldman Sachs International as Macro Harvester - Portfolio B sponsor or sponsor for the Macro Harvester - Portfolio B Constituents and its exercise of the kinds of discretion described above could present a conflict of interest which may not be resolved to your benefit.

***As Rebalancing Agent, the decisions made by GSAM may have a significant effect on the value of the Macro Harvester - Portfolio B:*** GSAM will only have the obligation to rebalance the Macro Harvester - Portfolio B once per year unless an exceptional rebalance is triggered. At the date of each rebalance, in making its determination of the rebalancing (if any) to be effected GSAM will take into account the relative frequency of its rebalancing of the Macro Harvester. As a result, its determinations in respect of the allocations within the Macro Harvester - Portfolio B may differ from its determinations in respect of other portfolios it manages, which may be subject to rebalancing at different intervals.

GSAM has no control over volatilities of individual strategies. GSAM will only be able to infer long-term volatilities of selected strategies using simulated returns and realized returns where available and as provided by GSI.

***The market in or liquidity of any product linked to the Macro Harvester - Portfolio B may be limited:*** a manager of any overlying product linked to the Macro Harvester - Portfolio B may not be willing to issue or trade such product, or to issue or trade such product on any day which is not an Index Valuation Day.

## Particularities of the Swap Agreement and of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund, for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Swap Agreement will be an excess return swap indexed to the return of the Index multiplied by a factor of 3. Under the terms of the Swap Agreement, the notional amount of the swap will be frequently adjusted to the Net Asset Value of the Portfolio. Goldman Sachs International will be obligated to make periodic payments to the Portfolio based on any increases in the Index level, and the Portfolio will be obligated to make payments to Goldman Sachs International in the amount of any decreases in the Index level, in each case multiplied by the notional amount of the swap. The terms provide that the Portfolio will not be required to make payments to Goldman Sachs International in excess of the Net Asset Value of the Portfolio. The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. In addition, the Swap Agreement will provide that, in the event of certain market disruption events with respect to the futures contracts included in the Index, payments due under the Swap Agreement may be delayed or determined in an alternative manner. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement Portfolio's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the Index and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved the valuation and pricing models that will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement Portfolio's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: LIBOR. The returns generated to the Portfolio under the Swap Agreement are an appreciation (if any) of the Index and those generated to the counterparty to such agreement are a reference rate linked to LIBOR.

The Swap Agreement sets out the consequences of certain events ("**Adjustment Events**") which may impact investors in the Portfolio:

### *Rebasing of the Index*

If the Calculation Agent under the Swap Agreement determines that the Index has been rebased or will be rebased at any time (the "Rebased Index") (a) the Calculation Agent shall as soon as reasonably practicable notify the Umbrella Fund and the Swap Counterparty of such occurrence and and (b) the Rebased Index will be used for purposes of determining the relevant Index from the date of such rebasing, provided, however, that the Calculation Agent under the Swap Agreement shall make adjustments to the past levels (including

for the avoidance of doubt, any relevant monthly estimates) of the Rebased Index so that the Rebased Index reflects the same historical performance as the Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Swap Agreement or to investors.

#### *Manifest Error in Publication*

If the Index level used for the making of any determination under the Swap Agreement is corrected to remedy a material error in its original publication the Calculation Agent will notify the Umbrella Fund and the Swap Counterparty of such correction; and (a) the Calculation Agent under the Swap Agreement will determine and notify the Umbrella Fund and the Swap Counterparty of the amount that is payable by the Umbrella Fund or the Swap Counterparty as a result of that correction as an adjustment payment to previous amounts paid under the Swap Agreement; and (b) the Calculation Agent under the Swap Agreement will adjust the terms of the Swap Agreement to account for such correction. Following any such adjustment the Board of Directors of the Umbrella Fund shall consider whether any adjustments are necessary to the terms of the Shares.

Where, as the result of a miscalculation of the net asset value per Share of any Class of any Portfolio, including as a result of an error in publication of the Index, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct net asset value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

#### *Index Substitution*

If at any time (i) the Index is not published for a period of 15 calendar days; or (ii) the Index Sponsor discontinues the calculation and publication of an Index; or (iii) the Index Sponsor materially changes the formula for or the method of calculating an Index or the nature of the assets underlying that Index or in any other way materially modifies that Index; then the Calculation Agent shall, by giving not less than 15 calendar days' notice, designate a date (the "**Substitution Date**"), by which date the Umbrella Fund and the Swap Counterparty shall agree on a substitute Index (any Index so identified by the parties, a "**Substitute Index**" in relation to such Index).

Following identification of a Substitute Index, the Calculation Agent shall, following consultation in good faith with the Umbrella Fund and the Swap Counterparty, as of the Substitution Date make adjustments to the past levels of the Substitute Index so that the Substitute Index reflects the same historical performance as the Index or otherwise make adjustments such that, as of the Substitution Date, the value of the closing level of the Index shall be reflected in the opening level of the Substitute Index.

Any such substitution shall not affect any prior payments made under the Swap Agreement or to investors. Shareholders will be notified of any Substitute Index and will be granted with a one month period free of charges to redeem their shares should they disagree with the contemplated change.

If Goldman Sachs International and the Umbrella Fund are unable to identify a suitable Substitute Index and suitable modifications to that index, the Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

#### *Market Disruption Events*

As of any Valuation Day on which a Market Disruption Event (see item 4 in the section entitled "The Index") occurred in respect of any Macro Harvester – Portfolio B Constituent (an "Affected Macro Harvester – Portfolio B Constituent") and for which an Index Valuation Day did not occur (an "Affected Valuation Day"), the Net Asset Value of the Portfolio may continue to be calculated and therefore the calculation of the Macro Harvester – Portfolio B value for the purposes of determining such Net Asset Value might not be postponed. Instead, should a Market Disruption Event occur on a Valuation Day in respect of any Macro Harvester – Portfolio B Constituent included in the Macro Harvester – Portfolio B, the Calculation Agent may calculate the Macro Harvester – Portfolio B value based on estimates of the values of the Affected Macro Harvester – Portfolio B Constituents which it shall determine in its reasonable judgment for such Affected Valuation Day. Such Macro Harvester - Portfolio B level, if calculated, will serve as a basis for determining a disrupted value for the Swap Agreement (the "Disrupted Value of the Swap Agreement"). Therefore, if a Market Disruption Event occurs on a Valuation Day and the Calculation Agent chooses to calculate a Macro Harvester -

Portfolio B level for such day, the Net Asset Value will be calculated on the basis of the Disrupted Value of the Swap Agreement, which itself will be based on the Macro Harvester – Portfolio B value which will contain estimates of the values of such Affected Macro Harvester – Portfolio B Constituents (and the procedure set out under the heading “Market Disruption Fallbacks” will not be followed). However, if the Calculation Agent, in its sole discretion, deems that it cannot reasonably determine a level for the Macro Harvester - Portfolio B for an Affected Valuation Day, then no Disrupted Value of the Swap Agreement will be calculated, and consequently, no Net Asset Value will be calculated or published for such Affected Valuation Day and no subscription or redemptions will be available to investors.

A different procedure will however be followed for determining the Macro Harvester – Portfolio B value under the Swap Agreement, and in turn the amount payable under the Swap Agreement, namely, the value of the Affected Macro Harvester - Portfolio B Constituent(s). Indeed, the Macro Harvester – Portfolio B value will be determined according to the procedure set out under the heading “Market Disruption Fallbacks” below. Accordingly, the Macro Harvester – Portfolio B value for the purpose of determining the amount payable under the Swap Agreement will not be calculated until a settlement price can be determined for any such Affected Macro Harvester - Portfolio B Constituent in accordance with such procedure. As a result of such procedure being followed for the purposes of determining the Macro Harvester – Portfolio B value under the Swap Agreement, and in turn the amount payable under the Swap Agreement, upon a Market Disruption Event occurring, the original valuation date (which, for the purposes of calculating the Net Asset Value, shall be the relevant Valuation Day) of the Affected Macro Harvester - Portfolio B Constituent is likely to be postponed but not by more than 5 Adjusted Business Days. If such Market Disruption Event occurs or continues to exist in respect of such Affected Macro Harvester - Portfolio B Constituents on each Macro Harvester - Portfolio B Business Day during such 5 Adjusted Business Days period, then the value of such Affected Macro Harvester - Portfolio B Constituent to be used in calculating the Macro Harvester – Portfolio B value for the purpose of determining the amount payable under the Swap Agreement shall be determined by the Calculation Agent, in a commercially reasonable manner, on the first Macro Harvester - Portfolio B Business Day following such 5 Adjusted Business Day period, notwithstanding that a Market Disruption Event may or may not exist on such day. For further details, see the section under the heading “Market Disruption Fallbacks” below.

As a result of: (i) the difference between the procedure for determining the applicable Macro Harvester – Portfolio B value on which the Disrupted Value of the Swap Agreement – and in turn the Net Asset Value – will be based and the procedure for determining the value of the Macro Harvester - Portfolio B under the Swap Agreement as described above should a Market Disruption Event occur; and (ii) the likely postponement of the original valuation date under the Swap Agreement, the Macro Harvester – Portfolio B value as calculated on the Valuation Day for the purposes of determining the Disrupted Value of the Swap Agreement on which the Net Asset Value of the Portfolio may be based may not precisely match the value of the Macro Harvester - Portfolio B finally determined for the purpose of calculating the amount payable under the Swap Agreement in accordance with the “Market Disruption Fallbacks” provisions below. The Net Asset Value calculated on any such Valuation Day on which a Market Disruption Event is occurring will, however, be final (even if the Macro Harvester - Portfolio B value determined for such purpose may contain values for the Affected Macro Harvester - Portfolio B Constituents estimated by the Calculation Agent), and will not be recalculated by the Calculation Agent in the event that the Macro Harvester - Portfolio B value, as calculated to determine the Disrupted Value of the Swap Agreement on which the Net Asset Value is based, does not match the Macro Harvester - Portfolio B value determined under the Swap Agreement and on which the payment under the Swap Agreement will be based. Therefore, investors are made aware that the aforementioned mismatch will not be compensated, meaning that the Portfolio may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio as well as on any investor who continues to be invested in the Portfolio.

Subscribing and/or redeeming investors may therefore be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event. Furthermore in the case of any subscribing and/or redeeming investor is disadvantaged by any mismatch arising as a result of such Market Disruption Event, no compensation will be paid to it by the Portfolio.

#### *Market Disruption Fallbacks*

If a Market Disruption Event has occurred on any day which is an Macro Harvester - Portfolio B Business Day (the “Unadjusted Valuation Date”), the Macro Harvester - Portfolio B level will not be determined with reference to the Bloomberg ticker reference GSMH <Index> (or any official successor thereto), but will instead be determined by the Calculation Agent as follows:

- 1) with respect to each Macro Harvester - Portfolio B Constituent which is not an Affected Macro Harvester - Portfolio B Constituent, the value of such Macro Harvester – Portfolio B Constituent as published on the relevant Bloomberg page for the Affected Valuation Day will be used in calculating Macro Harvester – Portfolio B value;
- 2) with respect to each Affected Macro Harvester - Portfolio B Constituent, the Macro Harvester – Portfolio B value will be based on the values of each such Affected Macro Harvester - Portfolio B Constituent as published on the relevant Bloomberg page on the first Macro Harvester - Portfolio B Business Day following the Affected Valuation Day on which no Market Disruption Event is occurring in respect of such Affected Macro Harvester - Portfolio B Constituent. If, however, on each Macro Harvester - Portfolio B Business Day during a 5 Adjusted Business Day period from the Affected Valuation Day, a Market Disruption Event continues to exist in respect of such Affected Macro Harvester - Portfolio B Constituent, then the price of such Affected Macro Harvester - Portfolio B Constituent to be used in calculating the relevant values shall be determined by the Calculation Agent, in a commercially reasonable manner, on the first Macro Harvester - Portfolio B Business Day after such 5 Adjusted Business Day period, notwithstanding that a Market Disruption Event may or may not exist on such Macro Harvester - Portfolio B Business Day; and
- 3) the Calculation Agent shall determine Macro Harvester - Portfolio B value for the Affected Valuation Day by reference to the values of the Macro Harvester - Portfolio B Constituents determined pursuant to subparagraphs (1) and (2).

As a result of such procedure being followed, the calculation of an amount payable under the Swap Agreement may be delayed by up to 6 Adjusted Business Days from the relevant Unadjusted Valuation Day.

The applicable Market Disruption Events are as described in item 4 in the section entitled “The Index” above.

#### *Termination of the Swap Agreement*

In the event of a prolonged Market Disruption Event which the Calculation Agent of the Swap Agreement (acting in conjunction with Umbrella Fund and the Swap Counterparty) believes materially affects its ability to issue, convert and/or redeem Shares of any Class, the Swap Agreement will be terminated. If no suitable Substitution Index can be determined in a reasonable time period the Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

### **Characteristics**

#### **Characteristics of the Shares classes available in the Portfolio**

Share Class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange	ISIN Codes
Class I	USD	Accumulation	None	LU0408194446
Class I (JPY Hedged)	JPY (Hedged)	Accumulation	None	LU0479708223
Class I (EUR Hedged)	EUR (Hedged)	Accumulation	None	LU0408194529

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Subsequent Investment	Minimum Holding and Initial Investment
Class I	5%	5%	1.5%	USD 1,000	USD 100,000
Class I (JPY Hedged)	5%	5%	1.5%	JPY 1,000	JPY 100,000
Class I (EUR Hedged)	5%	5%	1.5%	EUR 1,000	EUR 100,000

\*A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge

of 5.0% if redemption occurs within the first seven years.

**Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio Every Luxembourg and London business day before 4 p.m. CET - Luxembourg time prior to the relevant Valuation Day	Valuation Day + 3 Local Business Days**

Class I GSMCHIU LX

Class I (JPY Hedged) GSMHIJH LX

Class I (EUR Hedged) GSMHIEH LX

\* Business Day: Any day (1) on which banks are open for normal banking business in Luxembourg and London and (2) which is also an Index Valuation Day.

\*\* Day on which commercial banks are open for business in Luxembourg, London and in the principal financial centers of the currencies of payment for the relevant Share Class.

Investors are made aware that in case of occurrence of a Market Disruption Event which implies an Affected Valuation Day the Net Asset Value may not be calculated or published for such Affected Valuation Day (as detailed in the section "Particularities of the Swap Agreement and of the Reverse Repurchase Agreement") and, as a consequence, the processing of investors' subscription/conversion/redemption orders will be postponed accordingly.

A Net Asset Value may be calculated on days other than the Valuation Day. Any such Net Asset Value published on non-Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out above; and (ii) based on previously available net asset values with adjustments made for the expense accrual.

Further details on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to the Hedging Agent) are capped to 0,25% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemption proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within the three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemption proceeds.

**Subscriptions in Kind**

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in

particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to institutional and professional investors.

### ***Historical Performance***

In order to produce significant data, the historical performance analysis will only be available after one year's existence of the Umbrella Fund and of the Portfolio.

### ***Disclaimer***

**Trademarks:** "Macro Harvester" and "Managed Basket of Goldman Sachs Systematic Strategies" are trade marks of Goldman Sachs International.

**No advice or recommendation:** Goldman Sachs does not make any representation or warranty, express or implied, or accept any liability or responsibility (except in the case of fraud) to the owner of any products linked to the Macro Harvester - Portfolio B or any member of the public regarding (i) the advisability of investing in securities generally, in the Macro Harvester - Portfolio B or in the Macro Harvester - Portfolio B Constituents or (ii) the ability of the Macro Harvester - Portfolio B to generate positive results. If investors consider acquiring any product linked to the Macro Harvester – Portfolio B, they should consult their own accounting, tax, investment and legal advisors before doing so. Goldman Sachs does not act as an advisor or fiduciary.

The Macro Harvester - Portfolio B and Macro Harvester - Portfolio B Constituents are not designed by reference to individual needs: the Macro Harvester - Portfolio B and its constituents are designed, operated and calculated by Goldman Sachs without regard to any products linked to it. Goldman Sachs does not have any obligation to take the needs of any person into consideration in designing, operating or calculating the Macro Harvester - Portfolio B or any Macro Harvester - Portfolio B Constituent, or in deciding to make any Macro Harvester - Portfolio B constituent available to the Rebalancing Agent for inclusion in the Macro Harvester – Portfolio B.

**Disclaimer and exclusion of liability:** The Macro Harvester - Portfolio B Sponsor does not guarantee the quality, accuracy and/or the completeness of the Macro Harvester - Portfolio B or any data included therein or on which it is based. Without limiting the foregoing, the composition of the Macro Harvester - Portfolio B and the exposure to each Macro Harvester - Portfolio B Constituent are at the sole discretion of the Rebalancing Agent. Neither the Macro Harvester - Portfolio B Sponsor nor the Rebalancing Agent shall have any liability whatsoever to any other person for any decision or determination made by the Rebalancing Agent. Irrespective of the fact that they both belong to Goldman Sachs, the Rebalancing Agent expects to operate independently of the Macro Harvester - Portfolio B Sponsor with respect to the Macro Harvester – Portfolio B.

Goldman Sachs does not make any recommendation, representation or warranty, express or implied, as to results to be obtained by the Macro Harvester – Portfolio B, any Macro Harvester - Portfolio B Constituent or any underlying investments referenced to the Macro Harvester – Portfolio B, or by any other person or entity from the use of the Macro Harvester - Portfolio B or any data on which it is based for any use. Goldman Sachs does not act as an advisor or fiduciary.

Without limiting any of the foregoing, in no event shall the Macro Harvester - Portfolio B Sponsor or the Rebalancing Agent have any liability for any person's lost profits or for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

Nothing in this document excludes any liability for, or remedy in respect of, fraudulent misrepresentation.

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## **Supplement XIII to the Prospectus**

### **External Alpha Strategies**

# **Goldman Sachs Structured Investments SICAV – Alternative Alpha Tactical Trading Index Portfolio**

**a sub-fund of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Alternative Alpha Tactical Trading Index Portfolio (the “Portfolio”), one of the External Alpha Strategies Portfolios of the Umbrella Fund, which uses third party manager skills to generate returns.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

January 2010

# **Goldman Sachs Structured Investments SICAV – Alternative Alpha Tactical Trading Index Portfolio**

## **Investment Objective**

The investment objective of the Portfolio is to provide investors with exposure to the performance of an index reflecting the returns of a diversified portfolio of hedge funds with a strategy of Tactical Trading (as defined below).

The diversification of the portfolio is limited to hedge funds that: (i) have a Tactical Trading strategy; (ii) meet the Index Methodology criteria (as further described below); and (iii) are available, or are envisaged to be available, on the Goldman Sachs platform of hedge funds in managed account<sup>1</sup> form.

**The Portfolio's ability to achieve the investment objective is subject to various independent risk factors including changes to fiscal or commercial regulations. No assurance is given that the investment objective will be met.**

## **IMPORTANT INVESTOR DISCLOSURE**

### **Key Risks related to the Portfolio**

An investment in the Portfolio carries with it a degree of financial risk. The value of Shares, and the return generated from them may go up or down, and an investor in the Shares may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Potential investors in the Portfolio should pay particular attention to the following:

#### **(I) No principal protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any Index Constituents, as defined in this document, include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

#### **(II) Alternative Investments**

Investors in the Portfolio are exposed to the price risks of the Index Constituents. The Index Constituents (as defined below) are alternative investments, which are not subject to the same regulatory requirements or governmental oversight as mutual funds and which often engage in leverage and other investment practices that are extremely speculative and involve a high degree of risk. Such practices may increase the volatility of performance and the risk of investment loss in an Index Constituent, including the loss of the entire amount invested in such Index Constituent. Index Constituents may have a higher risk of financial irregularities and/or lack of appropriate risk monitoring and/or controls.

#### **(III) Investment managers**

The investment managers of the Index Constituents (the "Investment Managers") are independent entities and no Goldman Sachs entity makes any representation or warranty as to the conduct or performance of the Investment Managers and shall not be liable for any decisions and actions taken by any such Investment Managers. The Investment Managers are selected purely based on the Index Methodology applied for

<sup>1</sup> Managed account: a segregated fund managed by an investment manager for the benefit of one or more specific investors pursuing a specific investment strategy, which may be in line with that of a corresponding flagship fund. Investors should note that managed accounts can be leveraged versus the flagship fund. Although each managed account aims to reflect the investment objective of its corresponding flagship fund, there may be tracking error between the performance of the managed account versus its flagship fund as a result of which their performance may not be identical.

determining the Index Constituents (as described below).

#### **(IV) Index Constituents**

An investment in the Portfolio involves a risk of fluctuation because the Index Constituents underlying Portfolio will change over time. The composition of the AATT Index shall include at least 6 Index Constituents, but there is no limit on the maximum number of Index Constituents, whose respective weightings shall be reallocated in accordance with the Index Methodology.

#### **(V) Exposure**

The exposure of the Portfolio to the AATT Index may vary over time. The Portfolio may use leverage from time to time, as described further in this Supplement, as the exposure of the Portfolio to the AATT Index may differ from 100% of its asset value but shall not exceed 125% of the notional amount of the Swap Agreement. In addition, the Index Constituents, being Managed Accounts (as defined in the section headed “Overview of the AATT Index” below), are expected to use leverage in the course of their business.

#### **(VI) Tracking**

As the exposure of the Portfolio varies (as described in paragraph V above), investors in the Shares should not expect the Portfolio to track the performance of the AATT Index linearly.

<b>Investment Policy</b>
<p>To achieve its investment objective, the Portfolio will enter into (i) a swap agreement (the “Swap Agreement”) under which it will participate in the performance of the AATT Index and (ii) a reverse repurchase agreement (the “Reverse Repurchase Agreement”).</p> <p>The net returns received by the Portfolio under the Reverse Repurchase Agreement may be invested in the Swap Agreement to increase the Portfolio’s exposure to the AATT Index and thereby pay returns to investors in the Portfolio. If an amount received by the Portfolio under the Reverse Repurchase Agreement is greater than the corresponding amount due to be paid by the Portfolio under the Swap Agreement, the excess may be used to meet other commitments of the Portfolio. If an amount received by the Portfolio under the Reverse Repurchase Agreement is less than the corresponding amount due to be paid by the Portfolio under the Swap Agreement, the Portfolio may use its other assets to make payments under the Swap Agreement.</p> <p>Within the limits set forth in this Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of Shares Classes denominated in foreign currency.</p>
<p><b>Reverse Repurchase Agreement Eligible Securities</b></p> <p>Reverse Repurchase Agreement Collateral Requirement: under current market conditions, the Reverse Repurchase Agreement will be collateralised within a range of 100% to 110% of its notional amount. The level of collateralisation may vary within such range in consideration of the type of collateral posted at any time.</p> <p>Composition of collateral: any eligible collateral detailed in the section of the Prospectus headed “Repurchase Agreements and Reverse Repurchase Agreements”, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments.</p> <p>Currencies: collateral shall be delivered in each country’s respective currency.</p> <p><b><i>Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.</i></b></p>
<p><b>Swap Agreement</b></p> <p>Under the Swap Agreement, the Portfolio will pay a regular cash flow based on the 3 months USD LIBOR to the Swap Agreement counterparty and receive a return based on the performance of the AATT Index.</p>

For the avoidance of doubt, the floating rate payments under the Reverse Repurchase Agreement and under the Swap Agreement may not be the same.

The Swap Agreement shall provide a total investment exposure to the AATT Index in a variable proportion which may from time to time vary but shall not exceed 125% of the notional amount of the Swap Agreement at any time. Financing costs equal to one-month USD LIBOR plus a financing spread may apply to the Swap Agreement in relation to any investment exposure to the AATT Index in excess of 100%. The financing spread may be reviewed from time to time to reflect current market conditions but is not expected to exceed 2.0% per annum and may be significantly lower.

### **Exposure Level**

The exposure of the Portfolio to the AATT Index may, from time to time, be more or less than the notional value of the assets of the Portfolio. This exposure may vary due to, *inter alia*, the performance of the AATT Index, subscriptions and redemptions in the Shares of the Portfolio and discrepancies in liquidity and settlement cycles between the Index Constituents and the Portfolio. In compliance with UCITS funds regulations, under no circumstances shall the total investment exposure of the Portfolio to the AATT Index exceed 200% of the net asset value of the Portfolio.

The Portfolio may use leverage to the extent necessary to satisfy subscription and redemption orders.

### **Goldman Sachs Financial Products Europe Public Limited Company as possible operational counterparty for the Swap Agreement and the Reverse Repurchase Agreement**

The counterparty to the Swap Agreement and the Reverse Repurchase Agreement may be Goldman Sachs Financial Products Europe Public Limited Company, Ireland ("GSFPE") (as further described below) and may enter into the Swap Agreement and the Reverse Repurchase Agreement with Goldman Sachs International acting as its agent.

Otherwise the counterparty to the Swap Agreement and the Reverse Repurchase Agreement may be Goldman Sachs International acting as principal.

### **GSFPE**

GSFPE is a special purpose vehicle constituted as a public limited company in Ireland on 1 February 2008 under the Companies Acts 1963 to 2006. GSFPE has an authorised share capital of €40,000 and an issued share capital of €40,000.

The principal objects for GSFPE include the management of financial assets, including the purchase, transfer or acquisition of, or investment in, loans, bonds or other obligations, by any means including by extension of credit and receipt of any security therefore, raising and borrowing money and granting security over GSFPE's assets for such purposes.

The directors of GSFPE are Jennifer Coyne and Michael Whelan.

No director of GSFPE has any potential conflicts of interest between their duties to GSFPE and their private interests and/or their duties to third parties.

### **The Guarantee**

The Goldman Sachs Group, Inc. may issue an *ad hoc* guarantee for GSFPE in order for it to honour its obligations versus Goldman Sachs International.

The Goldman Sachs Group, Inc. is a Delaware corporation with registration number 2923466. The Goldman Sachs Group, Inc., together with its subsidiaries, is a bank holding company and a leading global investment banking, securities and investment management firm that provides a wide range of financial services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. The purpose of The Goldman Sachs Group, Inc. is to engage in any lawful act or activity for which corporations may be organised under the Delaware General Corporation Law.

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

## **Index Tracking**

The Investment Administrator will use a passive strategy to achieve the exposure to the AATT Index by entering into the Swap Agreement.

The exposure of the Portfolio to the AATT Index will vary over the course of time as described in this Supplement. Several factors, including subscriptions and redemptions for Shares of the Portfolio, may affect the exposure of the Portfolio to the AATT Index. This means that while the Net Asset Value of a Share Class within the Portfolio will be generally linked to the changes in level of AATT Index (whether flat, falling or rising), the performance of the Portfolio as a whole may differ from the performance of the AATT Index. It is highly likely that the value of the Shares in the Portfolio will be adversely affected by a decline in the value of the components of the AATT Index.

The Investment Administrator will not engage on behalf of the Portfolio in any activity designed to obtain profit from, or reduce losses caused by, changes in value of the components of the AATT Index.

## **Overview of the AATT Index**

The AATT Index reflects the daily performance of a diversified basket (the "Index Basket") of funds (the "Index Constituents" and each, an "Index Constituent"), representing a portfolio of Managed Accounts (as defined below) pursuing a Tactical Trading (as defined below) strategy.

The Index Basket, at any time, consists of a weighted combination of those funds, which have been selected from the Fund Universe (as defined below) by implementing the Index Methodology (as described below).

The Index Methodology operates in accordance with a set of predetermined rules, and Goldman Sachs International, as the index sponsor, is not acting as an investment adviser or performing a discretionary management role with respect to the AATT Index and has no fiduciary duty to any person in respect of the AATT Index.

Hedge fund related inputs into the Index Methodology include the net asset value (the "NAV") data available from the administrators or the Investment Managers of the Managed Accounts (as defined below) and/or related NAV providers as well as documentation related to the Managed Accounts available from the respective Investment Managers.

"Managed Accounts" means some or all of the managed accounts available, or envisaged to be made available, on the Goldman Sachs platform of managed accounts and each of which corresponds to a fund falling within the Fund Universe.

The index sponsor is Goldman Sachs International (the "Index Sponsor") which owns the AATT Index and determines the Index Methodology (as described below).

The index calculation agent (the "Index Calculation Agent") shall apply the Index Methodology (as described below). Its role shall be initially performed by Goldman Sachs International.

## **Fund Universe**

Funds are classified according to a specific hedge fund strategy (each, a "Hedge Fund Strategy" and together, the "Hedge Fund Strategies") which best represents its investment strategy and style.

The current Hedge Fund Strategies include the following:

**Equity Long-Short:** where the managers would usually be a long-biased, skill-based equity player and tend to be a bottom-up fundamental-driven stock-picker that would not manage to a benchmark.

**Event Driven:** where the managers would identify specific corporate events such as bankruptcies, restructurings, mergers or takeovers that have the potential to trigger a significant change in valuation and seek to exploit the resulting investment opportunity.

**Relative Value:** where the manager seeks to benefit from mis-pricing of related assets and/or convergence between the mis-pricing of related assets. The strategy would seek to exploit sources of return with low correlation to the general direction of traditional markets.

**Tactical Trading:** where the manager creates strategies, typically model-based, to express directional views on the four principal asset classes: equities, bonds, currencies and commodities.

The Hedge Fund Strategy classifications above may be revised from time to time to reflect any changes or trends in the hedge fund industry.

Goldman Sachs International, in its role as the Index Sponsor, monitors a universe of hedge funds (the "Fund Universe") that may be selected to be Index Constituents of the AATT Index.

Only the subset of funds falling within the Tactical Trading Hedge Fund Strategy and offering Managed Accounts shall be subject to the Index Methodology below.

### **Overview of the Index Methodology**

The Index Methodology is applied as of the Rebalancing Calculation Date, which shall be no earlier than 25 AATT Index Days before the last AATT Index Day of the month (the "Rebalancing Date"):

**1. Minimum Eligibility Criteria:** a set of qualitative criteria (the "Minimum Eligibility Criteria") will be applied to Managed Accounts to determine their eligibility as Index Constituents.

The Index Calculation Agent shall determine on a monthly basis which Managed Accounts qualify as eligible Index Constituents (the "Eligible Index Constituents") by checking that the funds meet the following Minimum Eligibility Criteria:

- Minimum assets under management per manager: 200m USD
- Minimum assets under management per flagship fund 100m USD
- Minimum track record of management company: 2 yrs
- Minimum track record of flagship fund or of the corresponding transportable investment strategy: 2 yrs (an Investment Manager may have used the strategy of a flagship fund in funds that it manages. In such a case the track record of the performance of the strategy will be considered irrespective of any change of the fund implementing such strategy)
- Minimum combined experience of manager: >10yrs
- Liquidity: No hard lock-ups and official calculation of NAV at least monthly

A fund must meet at least five of the Minimum Eligibility Criteria, including the Liquidity requirement, to qualify as an Eligible Index Constituent.

The number of the Eligible Index Constituents may be as low as 6, which corresponds to the minimum number of Index Constituents comprised in the Index Basket.

The Minimum Eligibility Criteria may be revised from time to time by the Index Sponsor. Any revision which may result in a material change to the current methodology will be recorded on the AATT Index page on Goldman 360 [www.GS-Structured-sicav.com](http://www.GS-Structured-sicav.com) (the "Index Portal Page").

**2. Index Scoring Methodology:** a set of quantitative criteria will be applied to the Eligible Index Constituents to select the Managed Accounts that will comprise the AATT Index as of the next Rebalancing Date.

Approximately on a monthly basis, Eligible Index Constituents are ranked according to a proprietary and predetermined scoring methodology (the "Index Scoring Methodology"), which will assign to each fund a score (the "Eligible Constituent Score") based on the following criteria. In calculating the Eligible Constituent Scores, the weighting applied to each of the below criteria may vary as disclosed on the Index Portal Page.

- Sharpe ratio: the (annualized) ratio of return in excess of the risk free rate and volatility; or other relevant indicator of the risk/return profile of the Eligible Index Constituent
- Sortino Ratio: the (annualized) ratio of average monthly return in excess of the risk free rate and downside risk
- Correlation with world equities (MSCI World Index)
- Correlation with global government bonds (JPM Global Government Bond Index)
- Correlation with other Eligible Index Constituents ("Eligible Peers")
- Length of track record of flagship fund
- Redemption policy of the flagship fund

The Eligible Constituent Scores are based on quantitative techniques such that Eligible Index Constituents showing, for example, a relatively higher Sharpe Ratio, lower Correlation with world equities, global government bonds or Eligible Peers, longer track record of flagship fund and shorter redemption notice shall be assigned a relatively higher score.

A minimum Eligible Constituent Score may be determined based on quantitative techniques related to the distribution of Eligible Index Constituents Scores to exclude Eligible Constituents with Eligible Constituent Scores falling below a minimum threshold, which shall be published on the Index Portal Page.

The Index Scoring Methodology may be revised from time to time by Goldman Sachs International. Any revision which may result in a material change to the current methodology will be recorded on the Index Portal Page.

**3. Index Weighting:** once the Index Constituents have been determined, a set of predetermined rules will be used to assign to each Index Constituent its respective target weight in the AATT Index (the “Target Index Weight”) as of the next Rebalancing Calculation Date.

Provided there are no Lagged Index Constituents (as defined below) outstanding, each Target Index Weight shall be calculated as the ratio between the Eligible Constituent Score and the total of the Eligible Constituents Scores of all the Index Constituents that will comprise the AATT Index on the next Rebalancing Date. The sum of the Target Index Weights shall be equal to 100%. The Index Calculation Agent shall calculate the score for each Eligible Constituent and then rank them accordingly. The higher the Eligible Index Constituent ranks, the more representative the Eligible Index Constituent will be in the AATT Index, subject to the minimum diversification of at least 6 Index Constituents.

While the actual index weights (the “Index Weights” and each, an “Index Weight”) shall be based on each respective Target Index Weight, such weights may differ due to restrictions applicable to the Index Constituents, including the existence of Lagged Index Constituents. Subject to such restrictions, the Index Sponsor shall determine the Index Weights applying, where necessary, rounding adjustments which may not exceed 5% in absolute value per Index Constituent.

The sum of the Index Weights of all the Index Constituents shall be equal to 100% and may include a residual allocation to cash.

The Index Methodology will be applied as of any Rebalancing Calculation Date, leading to the addition, removal, or reallocation of Index Constituents.

### **Lagging Index Constituents**

The addition to or removal from the AATT Index of Index Constituents is subject to certain conditions, such as the possibility of subscribing for or redeeming shares of the Managed Accounts and/or the ability otherwise to sell or acquire such shares.

If the aforementioned are not possible, the Index Constituent which has not been removed from or which has been added to the AATT Index will be deemed to be a “Lagging Index Constituent” and will be removed, *pro rata*, for the affected portion, from the AATT Index as soon as practicable or will not be added to the AATT Index, as applicable.

The Index Weights as of each Rebalancing Calculation Date shall be adjusted *pro rata* to account for any Lagging Index Constituents.

**Rebalancing Calculation Date:** the date as of which the Target Index Weights are calculated, which shall be no earlier than 25 AATT Index Days before the Rebalancing Date.

### **Subscriptions and Redemptions affecting the AATT Index**

Investors can subscribe for or redeem Shares in the Portfolio on each Valuation Day in accordance with the terms set out in the Prospectus and in the section headed “*Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement*” in this Supplement.

Subscriptions for and redemptions of Shares in the Portfolio may have an impact on the actual exposure to the AATT Index for shareholders in the long-term. While net subscriptions may dilute the exposure to the AATT Index, net redemptions may increase such exposure within the range indicated in this Supplement.

### **Timing of Rebalancing and Publication of Components**

The Index Basket is rebalanced monthly on the Rebalancing Date. At the close of business on the Rebalancing Date, the Index Weights will be adjusted in accordance with the rules set out above.

The composition and weightings of the Index Constituents will be available as soon as reasonably practicable after the respective Rebalancing Date on the Index Portal Page to current investors into Index-linked products, although proprietary aspects of the selection and re-weighting methodology are kept confidential.

In addition, the expected composition of the Index Basket on the next Rebalancing Date shall be available to current investors into Index-linked products as soon as practicable after each Rebalancing Calculation Date on the Index Portal.

### **Publication of Valuations**

The AATT Index daily value (expressed in USD) is published on behalf of the Index Sponsor on Bloomberg page AATTUSD Index and will generally be updated two AATT Index Days following a change in the Index value. The AATT Index had a starting value of 1000.0 on 30 June 2009.

In the event of any circumstances under which the AATT Index becomes no longer available, the Umbrella Fund and the calculation agent under the Swap Agreement (the "Calculation Agent") will identify an alternative index which closely approximates the investment characteristics of the AATT Index, in order to exchange the net returns on the Reverse Repurchase Agreement. Shareholders will be notified of such change and will be permitted to redeem their shares free of charge within one month of such notification.

With a view to future optimisation of the investment administration of the Portfolio, the Investment Administrator reserves the right to use other instruments within the framework of current Luxembourg regulation to achieve the investment objective, including the use of a total return swap and/or derivatives other than the Swap Agreement.

### **Possible Modifications to the Index Methodology**

The selection of the Index Constituents and monthly weightings are based on predefined qualitative and quantitative criteria as described above under the section "*Overview of the Index Methodology*". The Index Methodology may be modified in the future, if any such changes are approved by the Index Sponsor. Any material modifications will be disclosed on the Index Portal Page.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described in the section of the Prospectus headed "*Special Investment and Hedging Techniques*".

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described in the section of the Prospectus headed "*Special Investment and Hedging Techniques*".

## Principal Risks of Investing in the Portfolio

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors investors should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### Goldman Sachs Roles and Conflict of Interests

Goldman Sachs International performs several roles in respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty for the derivative transactions and the Reverse Repurchase Agreement with the Portfolio or as the agent of the counterparty to derivative transactions and the Reverse Repurchase Agreement with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International or with vehicles established by the latter as dedicated counterparty, they will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs will perform its obligations in a commercially reasonable manner, Goldman Sachs may face conflicts between these roles and its own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Index Constituents and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by Goldman Sachs International, may, in particular, create a conflict of interest since Goldman Sachs International may also invest in the underlying and act as arranger for products backed by the same hedge funds included in the platform.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection, underlying fund or investment manager selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

As Index Sponsor and Index Calculation Agent, Goldman Sachs International will have the authority to make determinations that could affect the level of the AATT Index in various ways and create conflicts of interest. Goldman Sachs International is responsible for the composition, calculation and maintenance of the AATT Index and has a determinative influence over its composition, calculation and maintenance. In its roles as Index Sponsor and as Index Calculation Agent, Goldman Sachs International is responsible for calculating and publishing the value of the AATT Index. While Goldman Sachs International does not exercise any material discretion in relation to the operation of the AATT Index and owes no fiduciary duties in respect of the AATT Index, Goldman Sachs International has discretion in responding to limited situations where, among others, the Index Constituents are affected by Market Disruption Events. The judgments that Goldman Sachs International, as Index Sponsor and Index Calculation Agent makes in connection with the composition, calculation and maintenance of the AATT Index, could affect the AATT Index level.

Goldman Sachs International, as Calculation Agent under the Swap Agreement, and the Umbrella Fund will also have the authority to identify any other suitable index which will closely approximate the investment characteristics of the AATT Index in the event of any circumstances under which the AATT Index is no longer available.

### Separate Roles

Whilst the roles of (i) counterparty, Index Sponsor, and Index Calculation Agent and (ii) Investment Administrator are both carried out by the legal entity Goldman Sachs International, these roles are functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

### No Active Management

The Index Methodology operates in accordance with a set of predetermined rules. There will be no active management of the AATT Index so as to enhance returns beyond those embedded in the AATT Index. In addition, hedge funds often may adjust their investments rapidly in view of market, political, financial or other factors, whereas the AATT Index only adjusts its composition monthly. As a result, investors in the AATT Index may be exposed to more or less risk than hedge funds themselves.

The AATT Index should not be expected to have the same performance as actively managed funds of hedge funds, which may produce differing amounts of alpha since the Investment Administrator shall not carry out any active management of the Portfolio and therefore is not providing an additional value to the management of the underlyiers.

#### **Counterparty risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the counterparty under the Swap Agreement and the Reverse Repurchase Agreement, respectively. As a result, the Portfolio will be exposed to the creditworthiness of the relevant counterparty. Although both the Swap Agreement and the Reverse Repurchase agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are not collateralized.

#### **Trading and other transactions by the Index Sponsor or its affiliates in related financial instruments may adversely affect the value of any product linked to the performance of the AATT Index**

The Index Sponsor may hedge obligations in respect of the AATT Index by purchasing or selling financial instruments linked to the components of the AATT Index, and may adjust or unwind such hedges by purchasing or selling the foregoing on or before the date of determinations of the AATT Index level. The Index Sponsor may also enter into, adjust or unwind hedging transactions relating to other instruments related to the AATT Index. Any of this hedging activity may adversely affect the value of the AATT Index and of any product linked to the performance of the AATT Index.

The Index Sponsor and/or its affiliates may also engage in trading in financial instruments whose returns are linked to or are similar to the AATT Index and/or any Index Constituents for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely affect the value of the AATT Index and accordingly the value of any product linked to the performance of the AATT Index. The Index Sponsor may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the AATT Index or one or more of the Index Constituents. By introducing such products to the marketplace the Index Sponsor could adversely affect the value of the AATT Index or the value at maturity of any product linked to the performance of the AATT Index.

#### **Leverage**

Investors' investment in the Portfolio may be subject to leverage, which may increase their risk. Leverage means that the return or loss on an investment is subject to a multiplier increasing exposure to that investment and magnifying the volatility and risk of loss should the value of that investment decline. The Portfolio may be leveraged within the limits disclosed in this Supplement (see the section headed "*Investment Policy*" under the paragraph "*Swap Agreement*") and the Index Constituents will typically engage in leverage in the course of their business activity. Variation of exposure at the Portfolio level might also cause from time to time dilution of the exposure, which in turn could diminish the returns of the investment in the event of a positive performance of the AATT Index.

#### **No Assurance of accuracy of tracking**

The performance of the Portfolio may not track and may diverge from that of the AATT Index. Moreover:

- 1) Hedge fund strategies can be dynamic and unpredictable. Past and current levels of the hedge fund returns are not necessarily indicative of future returns. If historic returns prove to be a reliable indicator of future returns in one or more periods during the term of the investment, the Index Methodology may not continue to track such returns;
- 2) The AATT Index's volatility is not fixed and may be lower or higher than a diversified hedge fund portfolio.
- 3) Subscription and redemption requests received by the Portfolio may affect the exposure of the Portfolio to the AATT Index and therefore affect its performance.

#### **Value of the AATT Index and of the Index Constituents**

The value of the AATT Index may rise or fall, including below its initial value, due to the risks to which it is subject. The value of the AATT Index may therefore significantly affect the performance of the Portfolio. Similarly, Index Constituents may involve exposure to speculative and extremely volatile underlying investments. Such investments may be affected by a variety of factors that are unpredictable, including, without limitation, weather governmental programs and policies, national and international political, military, terrorist and economic events, changes in supply and demand relationships, changes in interest and exchange rates and changes, suspensions or disruptions of market trading activities in the underlying

investments and related contracts. Such factors may have a differing effect on the value of the AATT Index and the value of any product linked thereto; and different factors may cause the value and volatility of different Index Constituents to move in inconsistent directions and at inconsistent rates.

#### **Volatility**

The Index Constituents can be highly volatile, which means that their value may increase or decrease significantly over a short period of time. In particular, Tactical Trading strategies are highly volatile in terms of performance because such strategies may combine long and/or short positions in liquid instruments across the market. It is impossible to predict the future performance of the Index Constituents based on their historical performance. The return on an investment linked to the AATT Index may vary substantially from time to time. Volatility in one or more Index Constituent will increase the risk of an adverse effect on such a return caused by a fluctuation in the value of one or more of its constituents.

#### **Suspensions or disruptions of market trading may adversely affect the value of the Net Asset Value**

The AATT Index and the Index Constituents are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity in the markets, participation of speculators and government regulation and intervention. If Goldman Sachs International provides a replacement value for the AATT Index, the value of the AATT Index, and/or the value of the Portfolio, may be lower than in the absence of a suspension or disruption.

In addition, if the value for the AATT Index may not be provided due to market disruptions, the settlement cycle for any subscription, conversion and redemption order may be postponed accordingly up to 15 calendar days and thereafter the Portfolio may be liquidated. In such circumstances, there may be a delay in distributing the redemption amounts due to the illiquidity of the underlying assets referenced by the AATT index.

#### **Foreign Exchange Hedging**

The AATT Index is denominated in USD while Share Classes might have different denominations. The Portfolio shall enter into foreign exchange transactions for hedging purposes. Investors in the Shares should be aware that currency exchange rates are volatile and unpredictable and can be affected by many factors, including unpredictable factors, which may have an effect on the Net Asset Value of the Portfolio.

#### **Investors will have no rights with respect to the Index Constituents or any underlying assets**

The investment exposure provided by the AATT Index is synthetic, reflecting the calculated result of hypothetical transactions involving the Index Constituents. An investment referenced to the AATT Index will therefore not make an investor a holder of, or give an investor a direct investment position in, any underlying Index Constituent or any of the underlying assets or investments to which the Index Constituents refer.

#### **The return on the AATT Index may be less than the return from investments in similar underlying assets**

The value of an investment referenced to any Index Constituent will not necessarily correlate with the value of the AATT Index or any Index Constituent. An investment in the Portfolio linked to any underlying asset or investment is not comparable to and should not be benchmarked against an investment in those underlying assets directly.

#### **Proprietary Methodology**

Some details of the Index Methodology are proprietary to Goldman Sachs and are likely to remain confidential. Investors in the Portfolio are thus unlikely to have complete disclosure of precisely how the Index Methodology varies over time.

#### **Use of Third Party Information**

The Index Methodology relies on information from external hedge funds. Goldman Sachs makes no warranty as to the correctness of that information and takes no responsibility for the impact of any inaccuracy of such data on the level of the AATT Index.

#### **Resignation, removal or other premature termination of the appointment of, or breach of duty by the Investment Manager of a Managed Accounts**

Any Investment Manager of the Managed Accounts is appointed under the terms of an investment management agreement negotiated *inter alia* between the Investment Manager, the respective fund and Goldman Sachs. This agreement will include provisions regulating the standards to which the portfolio manager is required to act, the conflicts of interest to which it may be subject and the circumstances in which it can be removed or can resign. Any such resignation or removal or any other premature termination of the appointment of the Investment Manager, as well as any breach of duty by the Investment Manager, will trigger the elimination of the relevant Index Constituent from the Index Basket

and may affect the value of the Shares.

#### **Market Disruption Events that may affect the Index Constituents**

Index Constituents may be subject to Market Disruption Events that could affect their business, as further described in the section headed “*Definitions, Market Disruption Events*” (i) to (vii) below. Upon the occurrence of a Market Disruption Event in respect to an Index Constituent, the Calculation Agent will have the authority to remove the affected Index Constituent from the Index Basket.

#### **Liquidity issues affecting the Index Constituents**

Index Constituents may have different liquidity and settlement cycles from those of the Portfolio. Although the Portfolio will not invest in the Index Constituents directly, any discrepancies in settlement cycles may cause the Portfolio, by virtue of the Swap Agreement, to have an increased or decreased exposure to the swap counterparty. Consequently, the value of the Shares and the liquidity of the Portfolio may be affected by the liquidity and settlement cycles of the Index Constituents.

#### **The Net Asset Value will be reduced by the deduction of fees and charges**

The Net Asset Value and the returns due to the investors, reflect the prior deduction of fees and charges applied by the Investment Managers at the level of the Index Constituents. In addition, the costs and expenses at the Portfolio level (as described above and in the section of the Prospectus headed “*Expenses, Fees and Costs*”). Such deductions, fees and expenses will affect the AATT Index value.

#### **Alternative investments**

Alternative investments are not subject to the same regulatory requirements or governmental oversight as mutual funds. Alternative investments often engage in leverage and other investment practices that are extremely speculative and involve a high degree of risk. Such practices may increase the volatility of performance and the risk of investment loss, including the loss of the entire amount that is invested. Alternative investments may purchase instruments that are traded on exchanges that are not “principal markets” and are subject to the risk that the counterparty will not perform with respect to contracts. Furthermore, since there is generally less government supervision and regulation of foreign exchanges, alternative investments are also subject to the risk of the failure of the exchanges and there may be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

Alternative investments may also invest in instruments that are highly illiquid and difficult to value. Alternative investments may involve complex tax and legal structures. Alternative investments generally, are only suitable for sophisticated investors for whom such an investment does not constitute a complete investment program and who fully understand and are willing to assume the risks involved in such Alternative investment.

Alternative investments may impose significant fees, including incentive fees that are based upon a percentage of the realized and unrealized gains, and such fees may offset all or a significant portion of such alternative investment’s trading profits.

#### **No Assurance of “Absolute” Returns:**

Alternative investments such as hedge funds should not be purchased on the basis of a potential to produce “absolute returns”, or returns independent of the overall direction of equity and fixed income markets. There can be no assurance that either hedge funds in general, or the AATT Index in particular, will actually be successful at producing consistently positive returns, nor does Goldman Sachs make any representation or warranty, express or implied, that either Index Constituents as an asset class or the AATT Index will do so in the future.

#### **Absence of Track Record**

As the AATT Index is relatively new and has limited historical performance data, an investment in the Shares may involve greater risk than securities linked to an index with a proven track record.

#### **Use of Simulated Returns**

Back-testing and other statistical analyses material that is provided in connection with explanations of the mechanics and/or potential returns of the AATT Index use simulated analysis and hypothetical circumstances to estimate how the product may have performed prior to its actual existence. Goldman Sachs provides no assurance or guarantee that the AATT Index will operate or would have operated in the past in a manner consistent with these materials. As such, any historical returns projected, or any hypothetical simulations based on analyses provided in relation to the AATT Index, may not reflect actual performance and is no guarantee or assurance in respect of the future performance, or returns of, an investment in the Portfolio.

**Past AATT Index performance is no guide to future performance**

The actual performance of the AATT Index may bear little relation to the historical levels of the AATT Index. The future performance of the AATT Index cannot be predicted.

**Particularities of the Swap Agreement and of the Reverse Repurchase Agreement**

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from Reverse Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. The Umbrella Fund Administrator and the Management Company must at all times verify that prices received from the Reverse Repurchase Agreement and Swap Agreement's counterparties are fair and reliable. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the underlying AATT Index and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the nominal amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are based on the effective Federal Funds rate. The returns generated to the Portfolio under the Swap Agreement are an appreciation (if any) of the AATT Index and those generated to the counterparty to such agreement are based on the effective Federal Funds rate plus 0.30% (as better described under section "Swap Agreement" above).

The Swap Agreement sets out the consequences of certain events which may impact investors in the Portfolio:

*Rebasing of the Index*

If the Calculation Agent rebases the AATT Index (the "Rebased Index") (a) it shall, as soon as reasonably practicable, notify the Umbrella Fund and the Swap Counterparty of such occurrence and (b) the Rebased Index will be used for purposes of determining the relevant AATT Index from the date of such rebasing, provided, however, that the Index Sponsor shall make adjustments to the past levels of the Rebased Index so that the Rebased Index reflects the same historical performance as the AATT Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Swap Agreement or to investors.

*Manifest Error in Publication*

If the AATT Index level used for the making of any determination under the Swap Agreement is corrected to remedy a material error in its original publication, the Calculation Agent will notify the Umbrella Fund and the Swap Counterparty of such correction; and (a) the Calculation Agent will determine and notify the Umbrella Fund and the Swap Counterparty of the amount that is payable by the Umbrella Fund or the Swap Counterparty as a result of that correction as an adjustment payment to previous amounts paid under the Swap Agreement; and (b) the Calculation Agent will adjust the terms of the Swap Agreement to account for such correction. Following any such adjustment the Board of Directors of the Umbrella Fund shall consider whether any adjustments are necessary to the terms of the Shares.

Where, as the result of a miscalculation of the net asset value per Share of any Class, including as a result of an error in publication of the AATT Index, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and

(b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

#### *Index Substitution and Potential Dissolving of the Portfolio*

If at any time (i) the AATT Index is not calculated or published for a period of 15 calendar days; or (ii) the calculation and publication of the AATT Index is discontinued; (iii) the Index Sponsor, in the opinion of the Calculation Agent, materially changes the formula for or the method of calculating the AATT Index or the nature of the assets underlying that AATT Index or in any other way materially modifies the AATT Index (iv) the minimum of 6 Eligible Index Constituents are not available; then the Calculation Agent shall, by giving not less than 15 calendar days' notice, designate a date (the "Substitution Date"), by which date the Umbrella Fund and the Swap Counterparty shall agree on a substitute Index (any Index so identified by the parties, a "Substitute Index" in relation to such Index).

Following identification of a Substitute Index, the Calculation Agent shall, following consultation in good faith with the Umbrella Fund and the Swap Counterparty, as of the Substitution Date make adjustments to the past levels of the Substitute Index so that the Substitute Index reflects the same historical performance as the AATT Index or otherwise make adjustments such that, commencing on the Substitution Date, the value of the closing level of the AATT Index shall be reflected in the opening level of the Substitute Index.

Any such substitution shall not affect any prior payments made under the Swap Agreement or to investors. Shareholders will be notified of any Substitute Index and will be granted with a one month period free of charges to redeem their shares should they disagree with the contemplated change. It should be noted that exposure to the Substitute Index will only be 100% and exposure to the AATT Index will cease once all the final NAVs of the Index Constituents are published in respect of a hypothetical redemption submitted on or after the Substitution Date.

If Goldman Sachs International and the Umbrella Fund are unable to identify a suitable Substitute Index and suitable modifications to that index, the Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus. If no suitable substitution index can be determined in a reasonable time period by the Calculation Agent using its discretion, the Portfolio will be liquidated and the investors will receive *pro-rata* redemption amounts following the realisation of such amounts. Investors should note that there may be a delay in realising redemption amounts due to illiquidity of the underlying assets referenced by the AATT index in the above circumstances.

## Characteristics

### Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
A	USD	Accumulation	LU0412022039	None
A (EUR Hedged)	EUR	Accumulation	LU0412020769	None
A (GBP Hedged)	GBP	Accumulation	LU0412021221	None
C	USD	Accumulation	LU0412027269	None
C (EUR Hedged)	EUR	Accumulation	LU0412025727	None
C (GBP Hedged)	GBP	Accumulation	LU0412026451	None
I	USD	Accumulation	LU0412023946	None
I (EUR Hedged)	EUR	Accumulation	LU0412023276	None
I (GBP Hedged)	GBP	Accumulation	LU0412023516	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
Class A	5.00%	5.00%	1.75% p.a.	USD 1,000	USD 1,000	USD 1,000
Class A (EUR Hedged)	5.00%	5.00%	1.75% p.a.	EUR 1,000	EUR 1,000	EUR 1,000
Class A (GBP Hedged)	5.00%	5.00%	1.75% p.a.	GBP 1,000	GBP 1,000	GBP 1,000
Class C	5.00%	5.00%	1.25% p.a.	USD 1,000, 000	USD 1,000,000	USD 1,000
Class C (EUR Hedged)	5.00%	5.00%	1.25% p.a.	EUR 1,000, 000	EUR 1,000,000	EUR 1,000
Class C (GBP Hedged)	5.00%	5.00%	1.25% p.a.	GBP 1,000, 000	GBP 1,000,000	GBP 1,000
Class I	5.00%	5.00%	1.50% p.a.	USD 100,000	USD 100,000	USD 1,000
I (EUR Hedged)	5.00%	5.00%	1.50% p.a.	EUR 100,000	EUR 100,000	EUR1,000
I (GBP Hedged)	5.00%	5.00%	1.50% p.a.	GBP 100,000	GBP 100,000	GBP 1,000

\*A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "*Expenses, Fees and Costs*" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to the Hedging Agent) are capped to 0.25% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

In addition, at the level of the Index Constituents, the Investment Managers shall receive a fee as a consideration for their management activities which will consist of two components, an annual management fee and a performance fee. Investors should finally be aware that upon removal of the Index Constituents from the Index Basket, the relevant Investment Managers may apply redemption fees.

More information on such fees is available upon request from the Investment Administrator and/or each respective Investment Managers.

Please refer to section "*Introduction*" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

**Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

<b>Valuation Day</b>	<b>Subscription/Conversion/ Redemption Date and Cut-Off Time (D)***</b>	<b>Settlement Date</b>
Every Wednesday (which is a Business Day* and which is also an AATT Index Day **)	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day+3 Local Business Days ****
	The second Business Day before each Valuation Day before 4 p.m. CET Luxembourg time	

\* Business Day is any day on which banks are open for normal banking business in Luxembourg and London.

\*\* AATT Index Day as defined under section “Definition” below on page 19.

Investors should be aware that the Net Asset Value calculated as of each Valuation Day will be published two Luxembourg business days after the relevant Valuation Day.

A Net Asset Value may be calculated on a daily basis on days different from the Valuation Day. Any such Net Asset Value published on non-Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available net asset values with adjustments made for the expense accrual. It is published on Bloomberg as follows:

Class A	GSAAUSH LX
Class A (EUR Hedged)	GSAATIA LX
Class A (GBP Hedged)	GSAAGBH LX
Class I	GSAIUSH LX
Class I ( EUR Hedged)	GSAATII LX
Class I (GBP Hedged)	GSAIGBH LX
Class C	GSACUSH LX
Class C (EUR Hedged)	GSAATIC LX
Class C (GBP Hedged)	GSACGBH LX

Investors are made aware that Valuation Days may be subject to adjustment in case of market disruption in which case the relevant Valuation Day may be postponed in accordance with the provisions set out in the underlying derivative agreements. As a consequence, the processing of investors' subscription/conversion/redemption orders and the Settlement Date will be postponed accordingly.

Nonetheless investors will be bound by any application so sent on any Luxembourg business day, notwithstanding the fact that the applicable Valuation Day may be postponed in accordance with the provisions set out in the in the underlying derivative agreements.

\*\*\* D= day on which the subscription, redemption and conversion applications are accepted by the Registrar and Transfer Agent.

\*\*\*\* Day on which commercial banks are open for business in Luxembourg, London and in the principal financial centres of the currencies of payment for the relevant Share Class.

Subscription Proceeds must be paid within three Luxembourg business days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Luxembourg business days from the relevant

Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within the three Luxembourg business days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Investment Administrator: Goldman Sachs International

### ***Targeted Investors***

The Portfolio will be initially dedicated to institutional investors and other approved investors wishing to approximate the exposure of a highly diversified and representative portfolio of hedge funds.

### ***Disclaimer***

***Exclusion of liability:*** None of Goldman Sachs International, in its role as the Calculation Agent, Index Sponsor and Index Calculation Agent, or the Umbrella Fund, or any of their officers, employees or agents, as applicable, has made or will make any representation or warranty, express or implied, or accept any responsibility or liability however so arising, in contract, statute or tort (including without limitation negligence or breach of duty), except in the case of fraud, in relation to any matter in connection with the AATT Index, its quality, accuracy and completeness as well as any data included therein or on which the AATT Index is based, nor the performance of the underlying Index Constituents or any Investment Manager.

In any event, the Goldman Sachs International in its role as Index Sponsor and Index Calculation Agent shall not, under any circumstances, be responsible for indirect or consequential losses, notwithstanding it having been advised of the possibility of such loss.

Goldman Sachs International does not make any recommendation, representation or warranty, express or implied, as to results to be obtained by the AATT Index, any Index Constituents, or any underlying investments referenced to the AATT Index. Goldman Sachs International does not act as an advisor or fiduciary.

This product is not sponsored, endorsed, sold or promoted by any Investment Manager. No Investment Manager shall make any representation or warranty, express or implied, regarding the advisability of investing in this product. Except as specified herein neither Goldman Sachs International nor any of its affiliates has any affiliation with or control over any Investment Manager or any control over the computation, composition or dissemination of any Index Constituents. Although Goldman Sachs International will obtain information concerning the Index Constituents from sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by Goldman Sachs International or its affiliates as to the accuracy, completeness and timeliness of information concerning the Index Constituents.

***No advice or recommendation:*** Goldman Sachs International and the Umbrella Fund do not make any representation or warranty, express or implied, or accept any liability or responsibility (except in the case of fraud) to the owner of any products linked to the AATT Index or any member of the public regarding (i) the advisability of investing in securities generally, in the AATT Index or in the Index Constituents or (ii) the ability of the AATT Index to generate positive results. If investors consider acquiring any product linked to the AATT

Index, they should consult their own accounting, tax, investment and legal advisors before doing so. Goldman Sachs International does not act as an advisor or fiduciary.

***AATT Index and Index Constituents not designed by reference to individual needs:*** AATT Index and Index Constituents are designed, operated and calculated by Goldman Sachs International without regard to any products linked to it. Goldman Sachs International does not have any obligation to take the needs of any person into consideration in designing, operating or calculating the AATT Index and Index Constituents.

Without limiting any of the foregoing, in no event shall Goldman Sachs International have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

This disclaimer will not exclude any liability for, or remedy in respect of, fraudulent misrepresentation.

ANY PURCHASE OF THIS PRODUCT, SHALL BE DEEMED TO BE, AND SHALL BE EXPRESSEDLY CONDITIONAL ON, ACKNOWLEDGEMENT OF THE DISCLOSURES AND ACCEPTANCE OF THE DISCLAIMERS AND EXCLUSIONS CONTAINED HEREIN.

## **Definitions**

### **“AATT Index Day”**

Any day on which the level of the AATT Index is scheduled to be provided and which is not a Disrupted Day. If a day on which the level of the AATT Index is scheduled to be provided is a Disrupted Day, the Index Sponsor can determine in its sole discretion to provide the level of the AATT Index and this day will be deemed to be an AATT Index Day.

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Any day on which the level of the AATT Index is scheduled to be provided should be a New York, London and Cayman Islands Business Day.

### **“Disrupted Day”**

Any AATT Index Day on which: (i) a failure to provide the level of the AATT Index or (ii) a Market Disruption Event has occurred.

### **“Market Disruption Event”**

The occurrence or existence of any of the following events that the Index Calculation Agent determines is material:

- (i) suspension of (a) liquidity in the Index Constituents, (b) publication of NAV of Index Constituents;
- (ii) failure to receive timely NAV valuations for any Index Constituent;
- (iii) decrease in the frequency of dealing in the Index Constituents or failure by the Index Constituents to accept subscriptions or execute redemptions;
- (iv) material change to the investment guidelines of the Index Constituents;
- (v) breach of the investment management agreement by the Investment Managers;
- (vi) regulatory action against the Index Constituents which the Calculation Agent considers may have a materially adverse impact on its reputation as a result of its association with the Index Constituent.
- (vii) change in tax law or interpretation of tax law which would materially affect payments to investors in the Index Constituents.
- (viii) existence of abnormal market conditions, all as determined by the Index Calculation Agent in good faith.

## **Supplement XIV to the Prospectus**

### **Internal Alpha Strategies**

#### **Goldman Sachs Structured Investments SICAV – Goldman Sachs Commodity Alpha Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable  
organized under the laws of the Grand Duchy of Luxembourg***

The purpose of this Supplement is to describe in more detail the Goldman Sachs Commodity Alpha Portfolio (the “Portfolio”), one of the Internal Alpha Strategies Portfolios of the Umbrella Fund, which provides investors with access to our proprietary algorithmic strategies and research driven alpha strategies.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

# **Goldman Sachs Structured Investments SICAV – Goldman Sachs Commodity Alpha Portfolio**

The launching date of the Portfolio will be on or about 18 January 2010 at the initial price per Share of USD 10, GBP 10 and EUR 10 respectively.

Depending on the level of subscriptions and/or market movements, the proposed launch of the Portfolio may be delayed or may not go ahead at all, such decision to be made at the sole discretion of Goldman Sachs International as the Promoter of the Umbrella Fund.

Investment Objective
<p>The Portfolio's investment objective is to participate in the returns of S&amp;P GSCI™ Alpha Basket B162 Excess Return Strategy (the “<b>Commodity Alpha Strategy</b>” and as further described in section A below) together with interest earned at Effective Federal Funds rate. The value of the Portfolio on any Commodity Alpha Strategy Calculation Day (d) is represented by the value of the Reverse Repurchase Agreement (such value expressed as amount in US Dollars and as further described below under the heading “<i>The Reverse Repurchase Agreement</i>”) together with the value of the Swap Agreement (such value expressed as amount in US Dollars and as further described below under the heading “<i>The Swap Agreement</i>”); for the avoidance of doubt, the value of the Portfolio is exclusive of the interest earned on the Reverse Repurchase Agreement.</p> <p>On each Commodity Alpha Strategy Calculation Day (d), the Strategy Sponsor will publish the Commodity Alpha Strategy Closing Value on the Relevant Screen Page based on the Closing Levels for each Component included in the Commodity Alpha Strategy even if a Market Disruption Event (as defined in section D entitled “<i>Consequences of Market Disruption Events</i>” below) has occurred or is existing on such Commodity Alpha Strategy Calculation Day (d). Such value published on such Relevant Screen Page is intended as an indicative value only and therefore may not reflect the actual value of the Portfolio on any given Commodity Alpha Strategy Calculation Day (d) or values at which the Investment Administrator would use for the purposes of effecting any subscription, redemption and/or conversion application in respect of the Portfolio.</p> <p>All capitalized terms used in this section which are not defined shall have the meanings set forth in the section entitled “Description of the Commodity Alpha Strategy”.</p>

## **IMPORTANT INVESTOR DISCLOSURE**

### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section “*Principal Risks of Investing in the Portfolio*” in this Supplement as well as under sections “*Investment Risks*”, “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus.

Investors should pay particular attention to the following risks:

### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

### **Risks associated with securities linked to commodity-based underlyers**

A number of factors, which are unpredictable and interrelated in complex ways, will influence the Net Asset Value of the Shares in the Portfolio. These factors can include (i) the Commodity Alpha Strategy Closing

Value; (ii) various economic, financial, regulatory and political, military or other events that affect commodity markets as further described under the section “*Principal Risks of Investing in the Portfolio*”; and (iii) interest rates and yield rates in the market.

These factors may affect the value of the Commodity Alpha Strategy and the value of the Shares in varying ways. They may also cause the value of different commodities included in the Commodity Alpha Strategy, and the volatilities of their prices, to move in inconsistent directions and at inconsistent rates. An investment linked to an underlying based on different commodities (as is the Commodity Alpha Strategy) may be impacted by volatile commodities prices.

#### **“Long” strategies not outperforming the “short” sub-indices**

The Commodity Alpha Strategy is an “out-performance” strategy that seeks to generate overall positive returns through the following hypothetical investments: (i) a synthetic “long” investment in each Strategy, and (ii) a synthetic “short” investment in each Sub-Index, all as set forth in the column entitled “Component” in the Commodity Alpha Strategy Table in the section entitled “Description of the Commodity Alpha Strategy”. Due to the manner in which the overall return on the Commodity Alpha Strategy is calculated, where the Strategies do not outperform the Sub-Indices and the overall returns on the Sub-Indices are greater than the overall returns on the Strategies, the returns on the Commodity Alpha Strategy could be negative. Where returns on the Commodity Alpha Strategy are negative, this will adversely affect the value of your Shares in the Portfolio.

#### **Market Disruption Events may have a positive or negative impact on the Trading Net Asset Value of the Portfolio**

As more fully detailed under the heading “Market Disruption Events in the section “Particularities of the Swap Agreement and of the Reverse Repurchase Agreement” below, if a Market Disruption Event occurs, the Calculation Agent, for the purpose of determining the amount payable for the swap transaction under the Swap Agreement will determine the level of the Commodity Alpha Strategy based on procedures which are different to those set out below for determining the level of the Commodity Alpha Strategy on which the Disrupted Value of the Swap Agreement (as defined below) - and consequently, the Net Asset Value of the Portfolio for the purposes of subscriptions and/or redemptions (the “Trading Net Asset Value”) will be based. The differences between the procedures for determining the Commodity Alpha Strategy Tradable Value for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement upon the occurrence of a Market Disruption Event and those for determining the Commodity Alpha Strategy Tradable Value, as calculated to determine the Disrupted Value of the Swap Agreement on which the Trading Net Asset Value of the Portfolio is based may result in the net weekly payment for the swap transaction under the Swap Agreement not precisely matching the return the Portfolio shall pay or receive in respect of the shares in the Portfolio for the relevant Valuation Day. The Trading Net Asset Value calculated on such a Valuation Day will however be final, and will not be recalculated by the Calculation Agent in the event that the Commodity Alpha Strategy Tradable Value, as calculated to determine the Disrupted Value of the Swap Agreement on which the Trading Net Asset Value of the Portfolio will be based, does not (due to the different calculation procedures applied to determine the Commodity Alpha Strategy Tradable Value for each of the Trading Net Asset Value and for the purpose of determining the amount payable for the swap transaction under the Swap Agreement) match the Commodity Alpha Strategy Tradable Value determined for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement and on which the net weekly payment will be based.

Subscribing and/or redeeming investors in the Portfolio are therefore made aware that they might be subscribing/redeeming on a Valuation Day affected by a Market Disruption Event, and that the Trading Net Asset Value of the Portfolio (that will be used to process such subscriptions and/or redemptions) will be based on a Disrupted Value of the Swap Agreement, which contains estimates of settlement prices for any Affected Component as determined by the Calculation Agent in its reasonable judgment. Such subscribing and/or redeeming investors may therefore be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event.

Investors are consequently made aware that should the above mentioned mismatch arise at any time following the occurrence of a Market Disruption Event on a Valuation Day, the Portfolio will not be compensated, meaning that the latter may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio and in turn any investor who at such time is invested in the Portfolio.

## **Termination of the Swap Agreement**

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

## Investment Policy

The Portfolio seeks to achieve its investment objective by entering into (i) a reverse repurchase agreement (the “**Reverse Repurchase Agreement**”) and (ii) an excess return swap agreement (the “**Swap Agreement**”) on the Commodity Alpha Strategy, each with the same financial institution, Goldman Sachs International. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under “*The Reverse Repurchase Agreement*” below. Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents.

### The Reverse Repurchase Agreement

The key characteristics of the Reverse Repurchase Agreement are summarised below:

**Reverse Repurchase Agreement Eligible Securities include bonds issued or guaranteed by a Member State of the OECD.**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Composition of collateral: bonds issued or guaranteed by a Member State of the OECD.

Currencies: collateral shall be delivered in each country's respective currency.

**Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.**

### The Swap Agreement

The Portfolio will enter into the Swap Agreement with Goldman Sachs International which is also the counterparty to the Reverse Repurchase Agreement. The notional amount for the purposes of the Swap Agreement will be an amount in US Dollars. The Swap Agreement will be reset on a weekly basis. On such weekly reset date, the Portfolio will be able to increase or decrease the notional amount of the Swap Agreement. In addition, the Portfolio will be able to enter into additional swaps, having all the same characteristics as the Swap Agreement with either positive or negative notional amounts in order to increase or decrease its exposure to the Commodity Alpha Strategy relative to the then current notional value of the Swap Agreement. The basis for entering into those additional swaps is to reflect any additional subscriptions and/or redemptions and/or conversions which may be processed in the period between weekly reset dates.

Under the Swap Agreement and all such additional swaps, if on periodic payments dates the performance of the Commodity Alpha Strategy is positive, Goldman Sachs International will pay the Portfolio such positive amount and if the performance of the Commodity Alpha Strategy is negative, the Portfolio will pay Goldman Sachs International the absolute value of such negative amount.

The value of the Shares and the return generated from them may therefore go up and down, however, the Swap Agreement will be structured such that the Portfolio will not lose more than the amounts initially invested in the Portfolio. This will be achieved by including in the Swap Agreement a stop/loss mechanism which will operate such that the Swap Agreement will terminate automatically prior to the scheduled termination date as set out in the Swap Agreement (the “**Scheduled Termination Date**”) should the Commodity Alpha Strategy Closing Value on any given Commodity Alpha Strategy Calculation Day (the “**Stop Loss Date**”) be equal to or below 20% of the Commodity Alpha Strategy Closing Value as of the initial subscription day of the Portfolio. In such case, the Swap Agreement will terminate on the Stop Loss Date rather than the Scheduled Termination Date and the settlement amount under the Swap Agreement will be determined on the basis of the Commodity Alpha Strategy Closing Value for the next

Commodity Alpha Strategy Calculation Day following such Stop Loss Date subject to any adjustment for Market Disruption Events in respect of the Commodity Alpha Strategy or for any schedule closure of a trading facility on which any contract underlying a Component included in the Commodity Alpha Strategy is traded. As the settlement amount under the Swap Agreement is determined on the basis of the amount of the Commodity Alpha Strategy Closing Value for the next Commodity Alpha Strategy Calculation Day following the Stop Loss Date (and not the Stop Loss Date itself), the settlement amount may be lower than an amount determined at the Commodity Alpha Strategy Closing Value on the Stop Loss Date. Following a Stop Loss Date, the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

In addition, a fee of 140 basis points per annum is built into the calculation of Commodity Alpha Strategy – see definition of “F(d)” under the heading “B.1 Calculation of the Commodity Alpha Strategy Closing Value” - and is payable by the Portfolio to Goldman Sachs International for any swaps with positive notional amounts. No additional fee will be paid by the Portfolio to Goldman Sachs International under the Swap Agreement or any additional swaps entered into in the period between weekly reset dates.

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **Description of the Commodity Alpha Strategy**

#### **A The Commodity Alpha Strategy**

The Commodity Alpha Strategy is an "out-performance" strategy that seeks to generate overall positive returns through the following hypothetical investments: (i) a synthetic "long" investment in each Strategy, and (ii) a synthetic "short" investment in each Sub-Index, all as set forth in the column entitled "Component" in the Commodity Alpha Strategy Table below. Each of the Strategies and Sub-Indices (each a "Component") is assigned a Class Category by the Commodity Alpha Strategy Sponsor. The Class Category of such Component will determine the Component Class (as defined in section B.2 (*General Definitions*) in which the Component belongs. If a Market Disruption Event (as defined in section D entitled "*Consequences of Market Disruption Events*") exists in respect of one or more such Components included in a Component Class, the Market Disruption Event shall be deemed to exist in respect of all other Components in such Component Class. A summary description of the Strategies and Sub-indices included in the Commodity Alpha Strategy is included in Appendix A (*Descriptions of Underlying Strategies and Sub-Indices included in the Commodity Alpha Strategy*) below.

As of the Commodity Alpha Strategy Inception Date, the Commodity Alpha Strategy Closing Value was the Commodity Alpha Strategy Initial Closing Value. The Commodity Alpha Strategy Closing Value is used as the basis for determining the notional amount of U.S. dollars to be invested in each Component in order to replicate a daily investment in the Commodity Alpha Strategy over time.

In calculating the overall return on the Commodity Alpha Strategy, the returns on the Sub-Indices are subtracted from the returns on the Strategies. This is accomplished by assigning a positive value to the Target Component Weight assigned to each of the Strategies and a negative value to the Target Component Weight assigned to each of the Sub-Indices.

The Commodity Alpha Strategy is rebalanced on each Rebalancing Date, subject to the adjustments as described in further detail in section B.1 (*Calculation of the Commodity Alpha Strategy Closing Value*) and as described in further detail in section C (*Rebalancing of the Commodity Alpha Strategy*) below.

Any determinations required to be made in connection with the composition of, calculation methodology of, or adjustments to, the Commodity Alpha Strategy, or any of its Components, will be made by the Commodity Alpha Strategy Sponsor. All calculations, announcements and publications

in relation to any Component that is a Strategy shall be made by the Strategy Sponsor. All calculations, announcements and publications in relation to any Component that is a Sub-Index shall be made by the Sub-Index Sponsor.

Unless otherwise specified, all capitalised terms in this section A shall have the meanings as set forth in section B (*Determination of the Commodity Alpha Strategy Closing Value and the Commodity Alpha Strategy Tradable Value*) below.

## **B. Determination of the Commodity Alpha Strategy Closing Value and the Commodity Alpha Strategy Tradable Value**

The following section describes the calculation methodology for the Commodity Alpha Strategy Closing Value and the Commodity Alpha Strategy Tradable Value. As described above, the Commodity Alpha Strategy Sponsor will calculate and publish a value for the Commodity Alpha Strategy (otherwise referred to as the Commodity Alpha Strategy Closing Value, the calculation methodology for which is further described in section B.1 (*Calculation of the Commodity Alpha Strategy Closing Value*) below), based on the Closing Levels for each Component, and published on the Relevant Screen Page on each Commodity Alpha Strategy Calculation Day even if a Market Disruption Event (as defined in section D entitled "*Consequences of Market Disruption Events*") has occurred or is existing on such Commodity Alpha Strategy Calculation Day.

For the purposes of any subscription, redemption and/or conversion, the Investment Administrator may use the Commodity Alpha Strategy Tradable Value, the calculation methodology for which operates to make any necessary adjustments for Market Disruption Events, and to the extent such event is occurring on a Commodity Alpha Strategy Calculation Day. These adjustments are made as provided for in Market Disruption Event in section B.2 "General Definitions", and the impact of Market Disruption Events on any subscription, redemption and/or conversion is further described below under the heading "Characteristics". However, in case of Market Disruption Events, the Net Asset Value may still be calculated by the Calculation Agent, as more fully detailed under the heading "Market Disruption Event" below, and will then be based on the Commodity Alpha Strategy Closing Value the calculation methodology for which is further described in section B.1 "Calculation of the Commodity Alpha Strategy Closing Value, as based on the Closing Level for each Component on the Relevant Screen Page on each Commodity Alpha Strategy Calculation Day.

For the purposes of determining the amount payable under the Swap Agreement however, the Calculation Agent will use the Commodity Alpha Strategy Tradable Value (instead of the Commodity Alpha Strategy Closing Value) based on the Tradable Levels for each Component as set out in the Commodity Alpha Strategy Table for such (and only such) Valuation Day.

The effect of this is that the Commodity Alpha Strategy Tradable Value for such Valuation Day will be adjusted for Market Disruption Events in accordance with section D entitled "*Consequences of Market Disruption Events*" and the impact of Market Disruption Events on any subscription, redemption and/or conversion is further described below under the heading "Characteristics".

The "**Commodity Alpha Strategy Closing Value**" (also expressed as "**A(d)**") for each Commodity Alpha Strategy Calculation Day (d) shall be published on the Relevant Screen Page. The Commodity Alpha Strategy Closing Value (A(d)) in respect of the Commodity Alpha Strategy Inception Date shall be the Commodity Alpha Strategy Initial Closing Value.

### **B.1 Calculation of the Commodity Alpha Strategy Closing Value**

The Commodity Alpha Strategy Closing Value for any Commodity Alpha Strategy Calculation Day (d) falling after the Commodity Alpha Strategy Inception Date is calculated by the Calculation Agent by multiplying (i) the Commodity Alpha Strategy Closing Value (**A(d')**) for the Preceding Commodity Alpha Strategy Calculation Day (d'), by (ii) the sum of one (1) and the Commodity Alpha Strategy Return measured from such Preceding Commodity Alpha Strategy Calculation Day (d') to such Commodity Alpha Strategy Calculation Day (d) in accordance with the following formula:

$$A(d) = (1 + B(d, d')) \times (1 - F(d'))^{T(d, d')} \times A(d')$$

Where:

**"Commodity Alpha Strategy Return (d, d')"** (also expressed as **"B(d,d')"**) means, in respect of a Commodity Alpha Strategy Calculation Day (d), the Commodity Alpha Strategy Return measured from the Preceding Commodity Alpha Strategy Calculation Day (d') to such Commodity Alpha Strategy Calculation Day (d), calculated by the Calculation Agent in accordance with the following formula::

$$B(d,d') = \sum_{n=i}^N [W_n^{\alpha}(d') \times (P_n(d,d') - 1)]$$

Where for the purposes of determining Commodity Alpha Strategy Return (d, d'):

**"Σ"** or sigma, means the sum of, such that, for example,  $\sum_{n=i}^N x_n \times y_n$  is defined by:

$$(x_i \times y_i) + (x_{i+1} \times y_{i+1}) + \dots + (x_N \times y_N)$$

**"Component Performance (n)"** (also expressed as **"P<sub>n</sub>(d,(d'))"**) means in respect a Commodity Alpha Strategy Calculation Day (d) and the Preceding Commodity Alpha Strategy Calculation Day (d'), the Closing Level of Component (n) measured from the Preceding Commodity Alpha Strategy Calculation Day (d') to such Commodity Alpha Strategy Calculation Day (d) and shall be calculated by the Calculation Agent in accordance with the definition of **P<sub>n</sub>(d<sub>end</sub>,d<sub>begin</sub>)** (as set out in paragraph 2 below), where "d<sub>end</sub>" shall be the Commodity Alpha Strategy Calculation Day (d) and "d<sub>begin</sub>" shall be Preceding Commodity Alpha Strategy Calculation Day (d').

**"Adjusted Component Weight (n)"** (also expressed as **"W<sub>n</sub><sup>α</sup>(d')"**) means for any Preceding Commodity Alpha Strategy Calculation Day (d'), the Target Component Weight for such Component (n) adjusted according to the Component Performance for such relevant Component (n) (**"P<sub>n</sub>(d',d<sub>r,n</sub>(d'))"** as defined below) from the Relevant Clean Rebalancing Date (**"d<sub>r,n</sub>(d')"** as defined below) to such Commodity Alpha Strategy Calculation Day (d') relative to the Commodity Alpha Strategy Performance (**"Q(d',d<sub>r,n</sub>(d'))"** as defined below) as determined by the Calculation Agent for such Component (n) in accordance with the following formula:

$$W_n^{\alpha}(d') = W_n(d_{r,n}(d')) \times \frac{P_n(d',d_{r,n}(d'))}{Q(d',d_{r,n}(d'))}$$

Where for the purposes of determining Adjusted Component Weight (n):

**"Target Component Weight (n)"** (also expressed as **"W<sub>n</sub>(d<sub>r,n</sub>(d'))"**) means, in respect of each Component (n), the Preceding Commodity Alpha Strategy Calculation Day (d') and the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) for such Component (n) and such Preceding Commodity Alpha Strategy Calculation Day (d'), the Target Component Weight corresponding to such Component (n).

**"P<sub>n</sub>(d',d<sub>r,n</sub>(d'))"** being the Component Performance of Component (n) measured from the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) to the Preceding Commodity Alpha Strategy Calculation Day (d') shall be calculated in accordance with the definition of **"P<sub>n</sub>(d<sub>end</sub>,d<sub>begin</sub>)"** (as set out in paragraph 2 below), where "d<sub>end</sub>" shall be the Preceding Commodity Alpha Strategy Calculation Day (d') and "d<sub>begin</sub>" shall be the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) for such Component (n).

**"Q(d',d<sub>r,n</sub>(d'))"** being the Commodity Alpha Strategy Performance measured from the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) to the Preceding Commodity Alpha Strategy Calculation Day (d') shall be calculated in accordance with the definition of **"Q(d<sub>end</sub>,d<sub>begin</sub>)"** (as set out in paragraph 2 below), where "d<sub>end</sub>" shall be Preceding Commodity Alpha Strategy Calculation Day (d') and "d<sub>begin</sub>" shall be the Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d')) for such Component (n).

**"Relevant Clean Rebalancing Date (d<sub>r,n</sub>(d'))"** means for a Component (n) and the Preceding

Commodity Alpha Strategy Calculation Day ( $d'$ ), the Rebalancing Date falling on or prior to the Relevant Clean Trading Date ( $d_{t,n}(d')$ ). For the avoidance of doubt, the Relevant Clean Rebalancing Date ( $d_{r,n}(d')$ ) for such Preceding Commodity Alpha Strategy Calculation Day ( $d'$ ) can be such Relevant Clean Trading Date ( $d_{t,n}(d')$ )

**"Relevant Clean Trading Date ( $d_{t,n}(d')$ )"** means for a Component ( $n$ ) and the Preceding Commodity Alpha Strategy Calculation Day ( $d'$ ), the most recent Trading Day on which no Market Disruption Event has occurred for such Component ( $n$ ), falling on or prior to the Preceding Commodity Alpha Strategy Calculation Day ( $d'$ ). For the avoidance of doubt, the Relevant Clean Trading Date ( $d_{t,n}(d')$ ) can be such Preceding Commodity Alpha Strategy Calculation Day ( $d'$ ) for such Commodity Alpha Strategy Calculation Day ( $d$ ).

**" $(1-F(d'))^{T(d, d')}$ "** means, in respect of any Preceding Commodity Commodity Alpha Strategy Calculation Date ( $d'$ ), one minus  $F(d')$  and that quantity raised to the power of  $T(d, d')$ .

**" $F(d')$ "** means 140 basis points.

## B.2 General Definitions

The following definitions and variables are relevant for the purpose of determining the Commodity Alpha Strategy Closing Value and the Commodity Alpha Strategy Tradable Value for any relevant day:

**"Commodity Alpha Strategy"** means Alpha Basket B162 Excess Return Strategy which comprises a basket of Components, all as set forth in the column entitled "Component" in the Commodity Alpha Strategy Table (as set out in paragraph 3 below). The Commodity Alpha Strategy is more particularly described in section A above.

**"Commodity Alpha Strategy Calculation Day"** means any day on which the offices of the Commodity Alpha Strategy Sponsor in New York are open for business.

**"Commodity Alpha Strategy Closing Value"** means, in respect of the Commodity Alpha Strategy and each Commodity Alpha Strategy Calculation Day, the value of the Commodity Alpha Strategy for such Commodity Alpha Strategy Calculation Day as determined by the Commodity Alpha Strategy Sponsor in accordance with the calculation methodology as set forth above in section B (*Determination of the Commodity Alpha Strategy Closing Value and the Commodity Alpha Strategy Tradable Value*) using the Closing Levels for such Commodity Alpha Strategy Calculation Day.

**"Commodity Alpha Strategy Inception Date"** means 19<sup>th</sup> April 1999.

**"Commodity Alpha Strategy Initial Closing Value"** means 100.

**"Commodity Alpha Strategy Sponsor"** means Goldman, Sachs & Co. (or successor thereto).

**"Commodity Alpha Strategy Table"** means the following table:

n	Target Component Weight	Component (n)  Strategy	Bloomberg Ticker for Component (n)
1	10%	S&P GSCI™ Corn Excess Return A61 Strategy	AGGSCN61 <Index>
2	5%	S&P GSCI™ Cotton Excess Return A31 Strategy	AGGSCT31 <Index>
3	10%	S&P GSCI™ Wheat Excess Return A51 Strategy	GSWHA51P <Index>
4	5%	S&P GSCI™ Cocoa Excess Return A29 Strategy	AGGSCC29 <Index>
5	10%	S&P GSCI™ Lean Hogs Excess Return A52 Strategy	AGGSLH52 <Index>
6	10%	S&P GSCI™ Live Cattle Excess Return A20 Strategy	AGGSLC20 <Index>
7	5%	S&P GSCI™ Gas Oil Excess Return A7 Strategy	AGGSGO7 <Index>
8	15%	S&P GSCI™ Natural Gas Excess Return A114 Strategy	AGGS114P <Index>
9	5%	S&P GSCI™ Copper Excess Return A40 Strategy	AGGSIC40 <Index>
10	5%	S&P GSCI™ Aluminum Excess Return A21 Strategy	AGGSIA21 <Index>
11	5%	S&P GSCI™ Sugar Excess Return A141 Strategy	AGGS141P <Index>
12	15%	S&P GSCI™ Crude Oil Relative Curvature Excess Return Strategy	GSCORC2 <Index>
<b>Sub-Index</b>			
13	-10%	S&P GSCI™ Corn Excess Return Index*	SPGCCNP <Index>
14	-5%	S&P GSCI™ Cotton Excess Return Index*	SPGCCTP <Index>
15	-10%	S&P GSCI™ Wheat Excess Return Index*	SPGCWHP <Index>
16	-5%	S&P GSCI™ Cocoa Excess Return Index*	SPGSCCP <Index>
17	-10%	S&P GSCI™ Lean Hogs Excess Return Index*	SPGCLHP <Index>
18	-10%	S&P GSCI™ Live Cattle Excess Return Index*	SPGCLCP <Index>
19	-5%	S&P GSCI™ Gas Oil Excess Return Index*	SPGCGOP <Index>
20	-15%	S&P GSCI™ Natural Gas Excess Return Index*	SPGCNGP <Index>
21	-5%	S&P GSCI™ Copper Excess Return Index*	SPGCICP <Index>
22	-5%	S&P GSCI™ Aluminum Excess Return Index*	SPGCIAP <Index>
23	-5%	S&P GSCI™ Sugar Excess Return Index*	SPGCSBP <Index>

This Sub-Index represents one single contract with hypothetical participation in one single component of the S&P GSCI™ Index and, therefore, it shall not be considered as a financial index within the meaning of article 9 of the Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.

**"Commodity Alpha Strategy Tradable Value"** means, in respect of a Trading Day (and for the purposes of the determining the Commodity Alpha Strategy Tradable Value for that Trading Day only), the Commodity Alpha Strategy Closing Value for such Trading Day as determined by the Calculation Agent using the Tradable Levels for such (and only such) Trading Day. For the avoidance of doubt, for any other purpose, including, without limitation, the determination of the Adjusted Component Weight for any Component (n), the Commodity Alpha Strategy Tradable Value will be

determined on the basis of Closing Levels and Commodity Alpha Strategy Closing Value.

**"Calculation Agent"** means for the purpose of all calculations and determinations relating to the Commodity Alpha Strategy,, Goldman Sachs International (or successor thereto);

**"Closing Level"** means in respect of each Component and any Commodity Alpha Strategy Calculation Day, the official closing price of each such Component on such Commodity Alpha Strategy Calculation Day as announced and published on the Component Ticker, provided that if on any Commodity Alpha Strategy Calculation Day, the Closing Level is not published on the Component Ticker, then in the case of the relevant trading facility for the relevant contract(s) underlying a Component not being open for trading as a result of a scheduled holiday for such trading facility, the Closing Level will be the most recent Closing Level for such Component, otherwise the Closing Level will be determined by the Calculation Agent, in its sole discretion, in a commercially reasonable manner in accordance with section E (*Adjustment Events*) below.

**"Components"** means each Strategy and Sub-Index (and **"Component"** means any Strategy or Sub-Index), each such Component as more fully described in Appendix A (*Descriptions of the Underlying Strategies and Sub-Indices*).

**"Component (n)"** means for each number assigned to "n" in the column entitled "n" of the Commodity Alpha Strategy Table, the Component corresponding to such number as set out in the column entitled "Component" of the same table.

**"Component Classes"** shall mean each class of Components as set out in the Commodity Alpha Strategy Table (where all such Components in such class shall be identified by reference to its corresponding alphabetical reference as specified in the column "Class Category" of the Commodity Alpha Strategy Table, and all Components with the same alphabetical reference specified in the column "Class Category" of the Commodity Alpha Strategy Table shall constitute a separate **"Component Class"**).

**"Corresponding Component"** shall mean, in respect of a Component in a Component Class, all other Components in such Component Class.

**"Component Ticker"** means the Bloomberg ticker reference specified in the column entitled "Bloomberg Ticker for Component" of the Commodity Alpha Strategy Table corresponding to the Component as set out in the column entitled "Component" of the same table (or any official successor thereto).

**"I"** means Strategy First.

**"N"** means Sub-Index Last.

**" $P_n(d_{end}, d_{begin})$ ", or Component Performance (n) ( $d_{end}$ ,  $d_{begin}$ )"** means in respect of each Component (n) and any Commodity Alpha Strategy Calculation Day (" $d_{end}$ "), the performance of the Component measured from the Commodity Alpha Strategy Calculation Day (" $d_{begin}$ ") (falling on or before the Commodity Alpha Strategy Calculation Day ( $d_{end}$ )) to the Commodity Alpha Strategy Calculation Day ( $d_{end}$ ), being a value determined by the Calculation Agent as being equal to the quotient of: (i) the Closing Level of such Component (n) on such Commodity Alpha Strategy Calculation Day ( $d_{end}$ ) (being " $I_n(d_{end})$ ") and (ii) the Closing Level of such Component (n) on the preceding Commodity Alpha Strategy Calculation Day ( $d_{begin}$ ) (being " $I_n(d_{begin})$ "), represented formulaically as follows:

$$P_n(d_{\text{end}}, d_{\text{begin}}) = \frac{I_n(d_{\text{end}})}{I_n(d_{\text{begin}})}$$

**"Preceding Commodity Alpha Strategy Calculation Day (d)"** means in respect of a Commodity Alpha Strategy Calculation Day (d), the Commodity Alpha Strategy Calculation Day immediately preceding such Commodity Alpha Strategy Calculation Day (d), as determined by the Calculation Agent.

**"Q(d<sub>end</sub>, d<sub>begin</sub>)", or Commodity Alpha Strategy Performance (d<sub>end</sub>, d<sub>begin</sub>)"** means the performance of the Commodity Alpha Strategy measured from such Commodity Alpha Strategy Calculation Day (d<sub>begin</sub>) (falling on or before the Commodity Alpha Strategy Calculation Day (d<sub>end</sub>)) to the Commodity Alpha Strategy Calculation Day (d<sub>end</sub>), being a value determined by the Calculation Agent as being equal to the quotient of: (i) the Commodity Alpha Strategy Closing Value on such Commodity Alpha Strategy Calculation Day (d<sub>end</sub>) (being **"A(d<sub>end</sub>)"**) and (ii) the Commodity Alpha Strategy Closing Value on the preceding Commodity Alpha Strategy Calculation Day (d<sub>begin</sub>) (being **"A(d<sub>begin</sub>)"**), represented formulaically as follows:

$$Q(d_{\text{end}}, d_{\text{begin}}) = \frac{A(d_{\text{end}})}{A(d_{\text{begin}})}$$

**"Rebalancing Date"** means the last Trading Day of each month, or if such day is not a Trading Day, the immediately following Trading Day.

**"Relevant Screen Page"** means Bloomberg Ticker "ABGSB162 <Index>" (or any official successor thereto) with respect to the Commodity Alpha Strategy Closing Value.

**"Strategies"** means the strategies as specified in the column entitled "Component" in the Commodity Alpha Strategy Table (n=Strategy First to Strategy Last).

**"Strategy First"** means the Component as set out in the column entitled "Component" in the Commodity Alpha Strategy Table corresponding to the number 1 as specified in the column entitled "n" of the same table.

**"Strategy Last"** means the Component as set out in the column entitled "Component" in the Commodity Alpha Strategy Table corresponding to the number 12 as specified in the column entitled "n" of the same table.

**Sub-Index First"** means the Component as set out in the column entitled "Component" in the Commodity Alpha Strategy Table corresponding to the number 13 as specified in the column entitled "n" of the same table.

**"Sub-Index Last"** means the Component as set out in the column entitled "Component" in the Commodity Alpha Strategy Table corresponding to the number 23 as specified in the column entitled "n" of the same table.

**"Sub-Index Sponsor"** means Standard & Poor's, a division of The McGraw Hill Companies, Inc (or successor thereto).

**"Sub-Indices"** means the sub-indices as specified in the column entitled "Component" in the Commodity Alpha Strategy Table (n=Sub-Index First to Sub-Index Last).

**"Target Component Weight"** means in respect of each Component (n), the value specified in the

column entitled "Target Component Weight" of the Commodity Alpha Strategy Table corresponding to such Component (n).

**"Tradable Level"** means, in respect of each Component (n) and any Commodity Alpha Strategy Calculation Day, the Closing Level of each such Component on such Commodity Alpha Strategy Calculation Day, provided that if a Market Disruption Event has occurred or is existing on such Commodity Alpha Strategy Calculation Day in respect of such Component, the Tradable Level for such Component shall be determined in accordance with section D entitled "*Consequences of Market Disruption Events*".

**"Trading Day"** means any day (i) which is a Commodity Alpha Strategy Calculation Day; and (ii) on which all of the trading facilities (the "**Relevant Exchanges**") on which the relevant contracts ("**Relevant Contracts**") underlying each Component are traded, are scheduled to be open for trading, and all Relevant Contracts are trading.

Certain of the provisions set out in this Section B are expressed in formulaic as well as descriptive terms. In the event of any conflict between the descriptions of these provisions and the corresponding formulae, the formula will govern.

### C. Rebalancing of the Commodity Alpha Strategy

The Commodity Alpha Strategy is rebalanced on each Rebalancing Date. The Commodity Alpha Strategy is rebalanced because the Component Performance of each Component (n) relative to the Commodity Alpha Strategy Performance may vary from one Rebalancing Date to the next, with the result that the Adjusted Component Weight of each Component (n) may no longer be equal to its Target Component Weight for that period.

Therefore, on each Rebalancing Date, the Adjusted Component Weight of each Component will be reset to its Target Component Weight, the objective (the "**Rebalancing Objective**") being to rebalance each Component (n) as closely as possible to its Target Component Weight as soon as market conditions allow, taking into account the performance of Component (n) relative to the performance of the Commodity Alpha Strategy since the most recent Rebalancing Date, in accordance with the Adjusted Weight Component formula as set out in section B.1 (*Calculation of Commodity Alpha Strategy Closing Value*) above.

If a Market Disruption Event is affecting a Component (n) on a Rebalancing Date, while the Market Disruption Event is continuing with respect to such Component (n), the Calculation Agent will continue to calculate the Adjusted Component Weight for such Component (n), and for the purposes of such calculation, the Relevant Clean Rebalancing Date applied will precede the most recent Rebalancing Date. While such Market Disruption Event is continuing, any such affected Component (n) may temporarily be over-or-under invested with respect to the other unaffected Components included in the Commodity Alpha Strategy. Further, due to the occurrence of a Market Disruption Event with respect to any Component (n) on a Rebalancing Date and the performance of each such Component relative to the Commodity Alpha Strategy performance, the Rebalancing Objective may not be achieved for such Rebalancing Date.

If a Market Disruption Event exists in respect of a Component (n), market conditions will allow the rebalancing of such Component (n) (in accordance with the Rebalancing Objective as described above) on the first Trading Day on which no Market Disruption Event is occurring for such Component (n).

### D. Consequences of Market Disruption Events

- (i) If a Market Disruption Event (as defined below) has occurred in respect of a Component (such being the "**Affected Component**") on any Trading Day (the "**Relevant Day**"):

- (a) the Tradable Level in respect of the Relevant Day for each Component which is not an Affected Component ("**Unaffected Component**") shall be determined by reference to the Closing Level in respect of each such Unaffected Component on the Relevant Day;
- (b) the Tradable Level in respect of the Relevant Day for such Affected Component shall not be determined by reference to the Closing Level in respect of such Affected Component for such Relevant Day but shall be determined by the Calculation Agent based on the settlement prices of the contracts underlying such Affected Component as published by the relevant trading facility on the first Exchange Business Day immediately following the Relevant Day on which no Market Disruption Event is occurring with respect to such Affected Component (such date being, in respect of the Affected Component, the "**Determination Date**" of such Affected Component), provided that if a Market Disruption Event in respect of such Affected Component continues to exist for five (5) consecutive Exchange Business Days immediately following the Relevant Day, the Tradable Level for such Affected Component in respect of the Relevant Day shall be deemed to be such level as determined by the Calculation Agent in a commercially reasonable manner on the sixth (6<sup>th</sup>) Exchange Business Day immediately following such Relevant Day in accordance with the formula for and method of calculating such Affected Component last in effect immediately prior to the occurrence of the Market Disruption Event on the Relevant Day; and

(ii) If a Market Disruption Event has occurred in respect of one or more Components on any Relevant Day, the Commodity Alpha Strategy Tradable Value in respect of such Relevant Day shall not be determined by reference to the Relevant Screen Page for the Commodity Alpha Strategy, but shall instead be calculated by the Calculation Agent on the Determination Date for the Affected Component that falls latest in time (the "**Latest Determination Date**") following adjustment pursuant to paragraph (i)(b) above, by reference to the Tradable Levels determined pursuant to paragraph (i) above using the then-current method for calculating the Commodity Alpha Strategy.

(iii) If the offices of the Calculation Agent are not open for business on the Latest Determination Date, such calculation will be made by Goldman, Sachs & Co or another affiliate of the Calculation Agent.

The following terms shall have the following meanings for the purpose of paragraphs (i), (ii) and (iii):

**"Exchange Business Day"** means any day (i) on which all of the Relevant Exchanges are scheduled to be open for trading for their respective regular trading session; and (ii) that is a Commodity Alpha Strategy Calculation Day.

**"Market Disruption Event"** means, in respect of each Component and a Trading Day (and a Market Disruption Event shall be deemed to exist on such Trading Day) if, in the opinion of the Calculation Agent (as determined in good faith), any one of the following occurs:

- (i) the settlement price for any contract underlying such Component is a "limit price" which means that the settlement price for such contract for a day has increased or decreased from the previous day's settlement price by the maximum amount permitted under applicable rules of the relevant trading facility; or
- (ii) there is a failure by the applicable trading facility or other price source to announce or publish the settlement price for any contract underlying a Component; or
- (iii) all trading in any contract underlying such Component on the relevant trading facility is suspended or interrupted subsequent to the opening of trading and trading in such contract does not recommence at least ten (10) minutes prior to, and continues until, the regularly scheduled close of trading in such contract on the relevant trading facility;
- (iv) regulatory action against any contract underlying such Component which may have a materially adverse impact on its reputation as a result of its association with the Component; or

- (v) a change in tax law or interpretation of tax law which would materially affect payments to investors in the Components; or
- (vi) existence of abnormal market conditions,

provided that the occurrence or existence of a Market Disruption Event as contemplated in (i), (ii), (iii), (iv), (v) or (vi) above in respect of any Component in a Component Class (as defined in section B.2 (*General Definitions*)) shall be deemed a Market Disruption Event in respect of all Corresponding Components in such Component Class, in which case, a Market Disruption Event shall be deemed to have occurred in respect of all of the Components in the Component Class and their respective Tradable Levels shall be determined pursuant to paragraph 4(i)(b) above.

## **E. Adjustment Events**

### **E.1 Replacement of any Component or the Commodity Alpha Strategy.**

If any Component or the Commodity Alpha Strategy, as applicable, is:

- (i) not calculated and announced by the Strategy Sponsor in the case of a Component that is a Strategy or Sub-Index Sponsor in the case of a Component that is a Sub-Index, as applicable, or the Commodity Alpha Strategy Sponsor in the case of the Commodity Alpha Strategy but is calculated and announced by a successor sponsor acceptable to the Calculation Agent; or
- (ii) replaced by a successor strategy, sub-index or basket using, in the good faith determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Component or the Commodity Alpha Strategy, as applicable,

then the relevant Component or Commodity Alpha Strategy, as applicable, will be deemed to be that strategy, sub-index and/or Commodity Alpha Strategy, as applicable, so calculated and announced by that successor sponsor or that successor strategy, sub-index or basket, as the case may be.

### **E.2 Discontinuance of calculation or publication of the Commodity Alpha Strategy or any Component.**

If, in respect of any Component or the Commodity Alpha Strategy, as applicable:

- (i) the Strategy Sponsor or Sub-Index Sponsor, as applicable, makes, in the reasonable judgment of the Calculation Agent, a material change in the formula for or the method of calculating, or determining the composition of any Component, as the case may be or in any other way materially modifies any such Component (other than a modification prescribed in that formula or method relating to the composition or weighting of such Component or such other routine events or modifications which do not in any other way materially modify such Component); or
- (ii) in the absence of a Market Disruption Event: (a) the Commodity Alpha Strategy Sponsor fails to calculate and announce the Commodity Alpha Strategy Closing Value or the Strategy Sponsor fails to calculate the Closing Level for any Component that is a Strategy, or the Commodity Alpha Strategy or a Component that is a Strategy has ceased to be calculated by the Commodity Alpha Strategy Sponsor or Strategy Sponsor, as the case may be and has not been replaced by a successor basket or strategy; or (b) the Sub-Index Sponsor fails to calculate and announce, the Closing Level for any Component that is a Sub-Index, or a Component that is a Sub-Index has ceased to be calculated by the Sub-Index Sponsor, as the case may be and has not been replaced by a successor sub-index (in either case, no such failure or cessation by the Commodity Alpha Strategy Sponsor, Strategy Sponsor or the Sub-Index Sponsor, as the case may be, shall constitute a Market Disruption Event);

then the Calculation Agent shall calculate the level of the Commodity Alpha Strategy or the relevant impacted Component (the "**Impacted Component**"), in lieu of a published level for the Commodity Alpha Strategy Closing Value or the Closing Level of any such Impacted Component, as the case may be, in a commercially reasonable manner and using the same formula for and method of calculating such Commodity Alpha Strategy Closing Value or Closing Level for such Impacted Component last in effect prior to such change, failure to calculate or cessation.

### E.3 Removal of Contract from the S&P GSCI™.

If, in respect of any Component and any given Commodity Alpha Strategy Calculation Day, a contract underlying such Component is removed or modified from the S&P GSCI™, the Calculation Agent shall, for the purposes of the relevant impacted Component(s) (an “**Impacted Component**”), generally follow the decision of the S&P GSCI™ Committee and make the corresponding change for the purposes of the relevant Impacted Component. However, in the event that Calculation Agent determines, in its reasonable judgment, that the removal of such contract and/or the introduction of an alternative contract by the S&P GSCI™ Committee (as the case may be) and any such corresponding change to the Impacted Component could adversely affect the subsequent performance of such Impacted Component and/or materially alter the nature of the Commodity Alpha Strategy, it may elect to: (1) remove the relevant Impacted Component(s) from the Commodity Alpha Strategy on the next Relevant Clean Rebalancing Date or such other day as the Calculation Agent determines, in its reasonable judgment, to be relevant in the circumstances then existing; (2) retain the contract removed from the S&P GSCI™ and the corresponding Impacted Component(s) in the Commodity Alpha Strategy, notwithstanding its removal from the S&P GSCI™ on the grounds of ineligibility or otherwise; or (3) subject to approval of the Luxembourg supervisory authority, use an alternative contract for the relevant Impacted Component whether or not a replacement contract was introduced to the S&P GSCI™ by the S&P GSCI™ Committee. Any such alternative contract must:

- be in respect of a physical commodity (rather than a financial commodity), in respect of any Component included in the Commodity Alpha Strategy;
- have a specified expiration or term, or provide in some other manner for delivery or settlement at a specified time, or within a specified period, in the future;
- at any given point in time, be available for trading at least five months prior to its expiration or such other date or time period specified for delivery or settlement;
- be traded on or through an exchange, trading facility or other platform (referred to as a “**trading facility**”) that has its principal place of business or operations in a country that is a member of the Organization for Economic Cooperation and Development and:
  - makes price quotations generally available to its members or participants (and, if the Commodity Alpha Strategy Sponsor is not such a member or participant, to the Commodity Alpha Strategy Sponsor) in a manner and with a frequency that is sufficient to provide reasonably reliable indications of the level of the relevant market at any given point in time;
  - makes reliable trading volume information available to the Commodity Alpha Strategy Sponsor with at least the frequency required by the Commodity Alpha Strategy Sponsor to make the monthly determinations;
  - accepts bids and offers from multiple participants or price providers; and
  - is accessible by the Commodity Alpha Strategy Sponsor;
- have an official settlement price published between 10:00 a.m. and 4:00 p.m., New York City time, on each day on which the relevant trading facility is open for business;
- make published prices available to the Commodity Alpha Strategy Sponsor. Such publication must include, at all times, daily contract reference prices for at least one expiration or settlement date that is five months or more from the date the determination is made, as well as for all expiration or settlement dates during such five-month period; and

have a Total Dollar Value Traded (as defined in the S&P GSCI™ Index Methodology as defined in

Appendix A) over the preceding year of greater than U.S. \$5 billion, in respect of any Component included in the Commodity Alpha Strategy.

**E.4 Correction of Closing Levels.** If a Closing Level published on the relevant Component Ticker on any Commodity Alpha Strategy Calculation Day is subsequently corrected and the correction is published by the Commodity Alpha Strategy Sponsor or Sub-Index Sponsor with respect to a Component, as applicable, no later than 12 noon New York time on the Exchange Business Day immediately following that relevant Commodity Alpha Strategy Calculation Day, then the corrected Closing Level for such Commodity Alpha Strategy Calculation Day shall be deemed the Closing Level for such day and the Calculation Agent shall use the corrected Closing Level in its determination of the Commodity Alpha Strategy Closing Value for such Commodity Alpha Strategy Calculation Day.

**E.5 Responsibility of Calculation Agent.** Any calculation or determination made by the Calculation Agent in respect of the Commodity Alpha Strategy or any relevant Component in any such circumstances described above shall (in the absence of manifest error) be final and binding on all parties, and the Calculation Agent shall have no responsibility to any person for any good faith errors or omissions in any determination or calculation.

## Principal Risks of Investing in the Portfolio

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus.

### Goldman Sachs roles and no active management of the Portfolio

Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs expects to perform its obligations in good faith and commercially reasonable manner, it may face conflicts between these roles and its own interest.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

As described below in the risk factor entitled “Trading and other transactions by Goldman, Sachs & Co. and its affiliates relating to the Commodity Alpha Strategy and their respective underlying commodity contracts and commodities may adversely affect the Net Asset Value of the Shares in the Portfolio”, Goldman, Sachs & Co. and its affiliates may engage in trading on a proprietary basis, for other accounts under their management or to facilitate customer transactions relating to one or more commodities underlying the Commodity Alpha Strategy; they may also issue or underwrite other securities or financial or derivative instruments indexed to the Commodity Alpha Strategy as well as any of their respective Components.

Any of these activities of Goldman, Sachs & Co. or its affiliates may be adverse to your interests as a holder of Shares in the Portfolio.

### Counterparty risk

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by Goldman Sachs International under the Swap Agreement and the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although both the Swap Agreement and the Reverse Repurchase agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are not collateralized.

### As Calculation Agent, Goldman Sachs International will have the authority to make determinations that could affect the Net Asset Value of the Shares in the Portfolio

In its capacity as Calculation Agent as described in this Supplement, Goldman Sachs International will have discretion in making various determinations that may affect the value of your Shares in the Portfolio and the calculation of the amount due with respect to a subscription, conversion, redemption or termination of the Portfolio, such as those determinations described in section D entitled “*Consequences of Market Disruption Events*”, and section E (*Adjustment Events*) of this Supplement. The exercise of such discretion by Goldman Sachs International could adversely affect the value of the Shares in the Portfolio and may present Goldman Sachs International with a conflict of interest of the kind described under in “*Goldman Sachs Roles and no active management of the Portfolio*”.

**Trading and other transactions by Goldman, Sachs & Co. and its affiliates relating to the Commodity Alpha Strategy and their respective underlying commodity contracts and commodities may adversely affect the Net Asset Value of the Shares in the Portfolio**

Goldman, Sachs & Co., and its affiliates actively trade futures contracts and options on futures contracts on the commodities that underlie the Commodity Alpha Strategy, over-the-counter (“OTC”) contracts on these commodities, the underlying commodities included in the Commodity Alpha Strategy and other instruments and derivative products based on numerous other commodities. Goldman, Sachs & Co., and its affiliates also trade instruments and derivative products based on the S&P GSCI™ and its sub-indices on which the Commodity Alpha Strategy is based. Trading in the futures contracts on commodities included in the S&P GSCI™ or its sub-indices, the underlying commodities and related OTC products by Goldman, Sachs & Co., and its affiliates and unaffiliated third parties could adversely affect the value of the Commodity Alpha Strategy which could in turn affect the Net Asset Value of the Shares in the Portfolio.

Goldman, Sachs & Co. and its affiliates and other parties may also issue or underwrite additional securities or trade other products the return on which is linked to the value of the Commodity Alpha Strategy or other similar strategies. In addition, Standard & Poor's (as Sub-Index Sponsor and sponsor of the S&P GSCI™) has licensed and may continue to license the S&P GSCI™ or any of its sub-indices for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in, or other similar strategies linked to, the S&P GSCI™ and/or any of its sub-indices which may negatively affect the value of the Commodity Alpha Strategy.

Although we are not obligated to do so, we have elected to hedge our obligations with respect to the Portfolio with an affiliate of Goldman, Sachs & Co. That affiliate, in turn, will most likely directly or indirectly hedge any of its obligations through transactions in the futures and options markets. Goldman, Sachs & Co. and its affiliates may also issue or underwrite financial instruments with returns indexed to the Commodity Alpha Strategy.

**The Net Asset Value of the Shares of the Portfolio may be influenced by many factors that are unpredictable and interrelated in complex ways**

A number of factors, many of which are beyond the control of the Umbrella Fund or Goldman Sachs International or any its affiliates, will influence the Net Asset Value of the Shares in the Portfolio, including:

- the Commodity Alpha Strategy Closing Value;
- various economic, financial, regulatory and political, military or other events that affect commodity markets generally and the market segments of which the commodities underlying the Commodity Alpha Strategy are a part, and which may in turn affect the level of the Commodity Alpha Strategy as further described in the risk factor entitled “Prices of commodity contracts may change unpredictably, affecting the value of your Shares in unforeseeable ways”; and
- interest rates and yield rates in the market.

**If the “long” strategies do not outperform the “short” sub-indices the Commodity Alpha Strategy and the value of your Shares could be adversely affected**

The Commodity Alpha Strategy is an “out-performance” strategy that seeks to generate overall positive returns through the following hypothetical investments: (i) a synthetic “long” investment in each Strategy, and (ii) a synthetic “short” investment in each Sub-Index, all as set forth in the column entitled “Component” in the Commodity Alpha Strategy Table in the section entitled “Description of the Commodity Alpha Strategy” above. In calculating the overall return on the Commodity Alpha Strategy, the returns on the Sub-Indices will be subtracted from the returns on the corresponding Strategies. Therefore to the extent that the returns on the Sub-Indices are greater than the returns on the Strategies, the return on the Commodity Alpha Strategy will be negative. Accordingly, depending on the extent of the returns on those Strategies and Sub-Indices, it is possible that the overall return on the Commodity Alpha Strategy will be negative even when the returns on such Strategies or Sub-Indices taken alone are positive. To the extent that the Strategies do not outperform the Sub-Indices and the returns on the Commodity Alpha Strategy are negative, this will

adversely affect the value of your Shares in the Portfolio.

**The past performance of the Commodity Alpha Strategy is no guide to future performance**

The actual performance of the Commodity Alpha Strategy may bear little relation to the historical levels of the Commodity Alpha Strategy or any of its Components. We cannot predict the future performance of the Commodity Alpha Strategy.

**Prices of commodity contracts may change unpredictably, affecting the value of your Shares in unforeseeable ways**

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

These factors may cause the value of different commodities included in the Commodity Alpha Strategy to move in directions which could result in a drop in the Commodity Alpha Strategy Closing Value for any given day and hence a decline in the value of your Shares.

**Suspensions or disruptions of market trading in the commodity and related contracts or in the relevant contracts included in the Components included in the Commodity Alpha Strategy may adversely affect the Net Asset Value of the Shares in the Portfolio**

The commodity markets are subject to temporary distortions or other disruptions due to various factors, including activities of market participants and such factors as set out in the risk factor entitled "Prices of commodity contracts may change unpredictably, affecting the value of your Shares in unforeseeable ways". In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices which may occur during a single business day. These limits are generally referred to as "daily price fluctuation limits" and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a "limit price". Once the limit price has been reached in a particular contract, trading in the contract will follow the regulations set forth by the trading facility on which the contract is listed. Limit prices may have the effect of precluding trading in a particular contract underlying any of the Components included in the Commodity Alpha Strategy, which may impact on the value of such Component and, therefore, the value of the Commodity Alpha Strategy.

If a Market Disruption Event occurs with respect to any Component included in the Commodity Alpha Strategy on a Commodity Alpha Strategy Calculation Day (as such terms are defined above under section B.2. "General Definitions"), the value of such Component will be determined by the Calculation Agent in its reasonable judgment on such valuation date on which the Disrupted Value of the Swap Agreement – and in turn the Trading Net Asset Value of the Portfolio - shall be based. Accordingly, the calculation of the Commodity Alpha Strategy Tradable Value may be subject to the judgment of the Calculation Agent. In addition, if a Market Disruption Event occurs on a Commodity Alpha Strategy Calculation Day, the Trading Net Asset Value of the Portfolio shall be based on the Disrupted Value of the Swap Agreement, as determined on the basis of a level of the Commodity Alpha Strategy containing estimates for the disrupted contracts included in such Commodity Alpha Strategy which may not precisely match the level of the Commodity Alpha Strategy as finally determined for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement.

This is because the methods for calculating the amount payable for the swap transaction under the Swap Agreement and for calculating the Disrupted Value of the Swap Agreement, on which the Trading Net Asset Value of the Portfolio will be based, contain different procedures for determining the level of the Commodity Alpha Strategy following a Market Disruption Event affecting a contract included in the Commodity Alpha Strategy for the relevant Valuation Day. The Trading Net Asset Value calculated on such a Valuation Day will however be final, and will not be recalculated by the Calculation Agent in the event that Commodity Alpha Strategy Tradable Value, as calculated to determine the Disrupted Value of the Swap Agreement on

which the Tradable Net Asset Value of the Portfolio will be based, does not (due to the different calculation procedures applied to determine the Commodity Alpha Strategy Tradable Value for each of the Disrupted Value of the Swap Agreement on which the Tradable Net Asset Value is based, and the amount payable for the swap transaction under the Swap Agreement) match the Commodity Alpha Strategy Tradable Value determined for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement and on which the net weekly payment thereof will be based.

Subscribing and/or redeeming investors in the Portfolio are therefore made aware that they might be subscribing/redeeming on a Valuation Day affected by a Market Disruption Event, and that the Trading Net Asset Value of the Portfolio that will be used to process such subscriptions and/or redemptions will be based on a Disrupted Value of the Swap Agreement, which contains estimates of the settlement prices for any Component, as determined by the Calculation Agent in its reasonable judgment. Investors subscribing and/or redeeming on such a Valuation Day may then be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event.

Investors are consequently made aware that, should the above mentioned mismatch arise at any time following the occurrence of a Market Disruption Event on a Valuation Day, the Portfolio will not be compensated, meaning that the latter may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio and in turn any investor who at such time is invested in the Portfolio.

If on a Trading Day a Market Disruption Event has occurred with respect to any contract underlying a Component included in the Commodity Alpha Strategy, then the same Market Disruption Event will be deemed to be in existence for any Corresponding Component and the Calculation Agent will determine the levels for such Components, as well as the Commodity Alpha Strategy Tradable Value, in accordance with the provisions set out in section D (*Consequences of Market Disruption Events*) above. Therefore, even if only one of the Components is affected by the Market Disruption Event, the Corresponding Components will be deemed disrupted notwithstanding that it is unaffected by such Market Disruption Event.

Further, if a Market Disruption Event occurs with respect to any Component specific to the Commodity Alpha Strategy on any Trading Day on which the Commodity Alpha Strategy Tradable Value is due to be determined, the calculation of Commodity Alpha Strategy Tradable Value (and the settlement of any subscription, redemption and/or conversion based on the Commodity Alpha Strategy Tradable Value) will be delayed until the settlement prices for the contracts underlying the relevant affected Components can be determined by the Calculation Agent. Therefore, the Tradable Levels for such affected Components and the Commodity Alpha Strategy Tradable Value may be subject to the judgment of the Calculation Agent and may be different from the Commodity Alpha Strategy Closing Value published by the Commodity Alpha Strategy Sponsor on the applicable Relevant Screen Page for such relevant day as a result of adjustments made by the Calculation Agent due to the occurrence of the Market Disruption Event.

If a Market Disruption Event occurs with respect to any Component included in the Commodity Alpha Strategy on a Rebalancing Date, while such Market Disruption Event is continuing, such affected Component may temporarily be over- or under-invested with respect to the other unaffected Components included in the Commodity Alpha Strategy. Further, due to the occurrence of a Market Disruption Event on a Rebalancing Date with respect to any Component, and to the performance of each such Component relative to the performance of the Commodity Alpha Strategy, the Rebalancing Objective may not be achieved. Notwithstanding the fact that a Market Disruption Event has ceased to affect a Component on any Commodity Alpha Strategy Calculation Day, if such day is not a Trading Day, the Calculation Agent will not be able to reference the most recent Rebalancing Date on such Commodity Alpha Strategy Calculation Day when calculating the Adjusted Component Weight of such Component and therefore the execution by the Calculation Agent of the Rebalancing Objective for such Component (as defined in section C (*Rebalancing of the Commodity Alpha Strategy*) above) will be further delayed.

**The Components included in the Commodity Alpha Strategy may in the future include contracts that are not traded on regulated futures exchanges**

The S&P GSCI™ was originally based solely on contracts traded on regulated futures exchanges (referred to in the United States as “designated contract markets”). At present, the S&P GSCI™, and therefore, the Components, continue to be comprised exclusively of regulated futures contracts. As described below,

however, the Index may in the future include OTC contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. In that event, the contracts underlying the Components included in the Commodity Alpha Strategy will change as well. Trading in contracts that are not listed futures contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the same provisions of, and the protections afforded by, the U.S. Commodity Exchange Act of 1936, as amended, or other applicable statutes and related regulations, that govern trading on regulated futures exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities and the possible inclusion in the future of such contracts in the Components included in the Commodity Alpha Strategy following any change to the composition of the S&P GSCI™ (as more fully described in section E (*Adjustment Events*) above) may be subject to certain risks not presented by most exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

**Higher future prices of commodities underlying the Components included in the Commodity Alpha Strategy relative to their current prices may decrease the amount payable on your Shares in the Portfolio**

As the contracts that underlie the Components included in the Commodity Alpha Strategy come to expiration, they are replaced by contracts that have a later expiration. Thus, for example, a contract purchased and held in May may specify a July expiration. As time passes, the contract expiring in July is replaced by a contract for delivery in a later month, for example, August. This is accomplished by selling the July contract and purchasing the August contract. This process is referred to as “rolling”. If the market for these contracts is (putting aside other considerations) in “backwardation”, where the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the July contract would take place at a price that is higher than the price of the August contract, thereby creating a “roll yield”, if spot prices for such contracts remain unchanged. Some commodity contracts have historically traded in “contango” markets. Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. The absence of backwardation in the market for a commodities contract could result in negative “roll yields,” which could adversely affect the value of an index tied to that contract if rolled to nearer rather than more distant delivery months. These risks with respect to roll yields will be applicable to the “long” investments in the Strategies included in the Commodity Alpha Strategy if such negative roll yield with respect to the contracts underlying each such Strategy is more negative or less positive than the negative roll yield on the contracts underlying each such Strategy’s corresponding Sub-Index.

**You have no rights with respect to commodities or commodities contracts or rights to receive any commodities**

Investing in an instrument linked to the Commodity Alpha Strategy will not make you a holder of any of the commodities underlying any Component included in the Commodity Alpha Strategy or any contracts with respect thereto. You will not have any rights to receive delivery of any commodity reflected in any Component included in the Commodity Alpha Strategy.

**The Commodity Alpha Strategy does not track the return of the S&P GSCI™ and the returns on the Strategy will therefore differ from those of the S&P GSCI™**

The Commodity Alpha Strategy is based on a sub-set only of the commodities contracts included in the S&P GSCI™ as set forth in the Commodity Alpha Strategy Table above and each Component that is a Strategy, has different rules from the S&P GSCI™ governing the roll periods and the procedure by which expiring positions in certain of the constituent contracts are rolled forward into more distant contract expirations. In addition, while the S&P GSCI™ represents a measure of commodity market return over time, the Commodity Alpha Strategy represents the measure of the relative return of certain investment strategies on sub-indices of the S&P GSCI™ against returns on those S&P GSCI™ sub-indices, all as set out in the Commodity Alpha Strategy Table (as set forth in section B entitled “*Determination of the Commodity Alpha Strategy Closing Value and the Commodity Alpha Strategy Tradable Value*” above). As such, an investment in an instrument linked to the value of the Commodity Alpha Strategy is not comparable to and should not be benchmarked against an investment in an instrument linked to the value of the S&P GSCI™. You should understand that your Shares in the Portfolio are linked to the returns on the Commodity Alpha Strategy and not linked to the S&P GSCI™ and that these differences in the roll periods and the rules governing the rolling of contracts as between the S&P GSCI™ on the one hand and the Commodity Alpha Strategy on the

other, are likely to produce different values for the S&P GSCI™ as opposed to the Commodity Alpha Strategy at any given time and, therefore, may produce differing returns.

### **Changes in the composition of the S&P GSCI™**

The Commodity Alpha Strategy and the Components underlying each of them use contracts currently included in the S&P GSCI™. The composition of the S&P GSCI™ may change over time, as additional contracts satisfy the eligibility criteria of the S&P GSCI™ or contracts currently included in the S&P GSCI™ fail to satisfy such criteria or cease trading. Any such change could impact the composition of the Components included in the Commodity Alpha Strategy. A number of modifications to the methodology for determining the contracts to be included in the S&P GSCI™, and for valuing the S&P GSCI™, have been made in the past several years and further modifications may be made in the future. It is likely that any such change to the composition or methodology of the S&P GSCI™ will be reflected by the Calculation Agent in the Commodity Alpha Strategy (to the extent applicable) however if the Calculation Agent determines that making such change or modification would materially alter the nature of the Commodity Alpha Strategy, it may exercise certain discretions with respect to the Commodity Alpha Strategy relating to such change to the S&P GSCI™ (as more fully described in section E (Adjustment Events) above. In the event that the Calculation Agent exercises such discretion in accordance with the provisions as set forth herein and does not implement the change made to the S&P GSCI™ with respect to the Commodity Alpha Strategy, the returns on the Commodity Alpha Strategy may deviate, and may deviate significantly, from the returns that would have been obtained had the Calculation Agent implemented such change with respect to the Components included in the Commodity Alpha Strategy and accordingly, the performance of the Commodity Alpha Strategy may be adversely affected as a result of the exercise by the Calculation of its discretion in this regard.

### **The Components included in the Commodity Alpha Strategy reflect excess returns, not total returns**

The Components included in the Commodity Alpha Strategy reflect the returns that are potentially available through an unleveraged investment in contracts underlying those Components. The Components included in the Commodity Alpha Strategy are not, however, linked to a “total return” index or strategy which, in addition to reflecting those excess returns, would also reflect interest that could be earned on funds committed to the trading of the contracts underlying each such Component. The return on the Commodity Alpha Strategy will therefore not include such a total return feature or interest component however through the Reverse Repurchase Agreement an interest component shall be generated.

### **Particularities of the Swap Agreement and of the Reverse Repurchase Agreement**

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Swap Agreement will be an excess return swap on the Commodity Alpha Strategy. The notional amount for the purposes of the Swap Agreement will be an amount in US Dollars. In addition, the Swap Agreement will be reset on a weekly basis. On each such weekly reset date, the Portfolio will be able to increase or decrease the notional amount of the Swap Agreement. Under the terms of the Swap Agreement, the Portfolio will be required to make periodic payments to Goldman Sachs International, as swap counterparty, if the performance of the Commodity Alpha Strategy is negative and Goldman Sachs International will be obligated to make periodic payments to the Portfolio if the performance of the Commodity Alpha Strategy is positive, in each case multiplied by the notional amount of the Swap Agreement. The performance of the Commodity Alpha Strategy will be determined by reference to the Commodity Alpha Strategy Tradable Value mechanism as determined for the relevant valuation date.

The Swap Agreement will include a stop/loss mechanism which will operate such that the Swap Agreement will terminate prior to the scheduled termination date (the "**Scheduled Termination Date**") should the Commodity Alpha Strategy Closing Value on any Commodity Alpha Strategy Calculation Day (the "**Stop Loss Date**"), be equal to or below 20% of the Commodity Alpha Strategy Closing Value as of the initial subscription day of the Portfolio. In such case, the Swap Agreement will terminate on the Stop Loss Date rather than the Scheduled Termination Date and the settlement amount will be referenced to the Commodity Alpha Strategy Tradable Value for such Stop Loss Date.

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. In addition, the Swap Agreement will provide that, in the event of certain Market Disruption Events as described above in section D (*Consequences of Market Disruption Events*) with respect to the contracts underlying the Components included in the Commodity Alpha Strategy, payments due under the Swap Agreement may be delayed and/or the settlement price of a Component affected by a Market Disruption Event may be determined in an alternative manner by the Calculation Agent. In any event, the Market Disruption Events and their consequences as contained in the Swap Agreement will mirror those set out in this Supplement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the Commodity Alpha Strategy Tradable Value and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the notional amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: Effective Federal Funds rate plus/minus spread.

The Swap Agreement sets out the consequences of certain events which may impact investors in the Portfolio:

#### *Manifest Error in Publication*

If the Commodity Alpha Strategy Tradable Value used for the making of any determination under the Swap Agreement is corrected to remedy a material error in its original publication whether following a correction as contemplated by E.4 above or otherwise, the Calculation Agent under the Swap Agreement will notify the Umbrella Fund and the Swap Counterparty of such correction; and (a) the Calculation Agent under the Swap

Agreement will determine and notify the Umbrella Fund and the Swap Counterparty of the amount that is payable by the Umbrella Fund or the Swap Counterparty as a result of that correction as an adjustment payment to previous amounts paid under the Swap Agreement; and (b) the Calculation Agent under the Swap Agreement will adjust the terms of the Swap Agreement to account for such correction. Following any such adjustment the Board of Directors of the Umbrella Fund shall consider whether any adjustments are necessary to the terms of the Shares.

Where, as the result of a miscalculation of the Net Asset Value per Share of any Class, including as a result of an error in publication of the Commodity Alpha Strategy or the levels of any of its Components, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

### *Strategy Substitution*

If at any time notwithstanding the section E (*Adjustment Events*) provisions set out under the heading "Description of the Commodity Alpha Strategy" any of the following events occur and the Calculation Agent of the Swap Agreement determines that such events have a material effect on the Portfolio and the ability to issue, convert and/or redeem Shares in the Portfolio: (i) the level of Commodity Alpha Strategy is not published for a period of 15 Commodity Alpha Strategy Calculation Days; or (ii) the Commodity Alpha Strategy Sponsor discontinues the calculation and publication of the Commodity Alpha Strategy; or (iii) the Commodity Alpha Strategy Sponsor materially changes the formula for or the method of calculating the Commodity Alpha Strategy or the nature of the Components underlying the Commodity Alpha Strategy or in any other way materially modifies the Commodity Alpha Strategy, then the Calculation Agent under the Swap Agreement may decide, by giving not less than 15 calendar days' notice, designate a date (the "Substitution Date"), by which date the Umbrella Fund and the Swap Counterparty shall agree on a substitute strategy (any strategy so identified by the parties, a "Substitute Strategy" in relation to such Commodity Alpha Strategy).

Following identification of a Substitute Strategy, the Calculation Agent under the Swap Agreement shall, following consultation in good faith with the Umbrella Fund and the Swap Counterparty, as of the Substitution Date make adjustments to the past levels of the Substitute Strategy so that the Substitute Strategy reflects the same historical performance as the Commodity Alpha Strategy or otherwise make adjustments such that, as of the Substitution Date, the value of the closing level of the Commodity Alpha Strategy shall be reflected in the opening level of the Substitute Strategy.

Any such substitution shall not affect any prior payments made under the Swap Agreement or to investors. Shareholders will be notified of any Substitute Strategy and so to redeem their shares should they disagree with the contemplated change.

If the Calculation Agent under the Swap Agreement and the Umbrella Fund are unable to identify a suitable Substitute Strategy and suitable modifications to that strategy, the Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

### *Market Disruption Events*

As of any Valuation Day on which a Market Disruption Event (see section D entitled "*Consequences of Market Disruption Events*") occurred in respect of any Component (an "Affected Component") (such Valuation Day being an "Affected Valuation Day"), the Net Asset Value of the Portfolio may continue to be calculated and therefore the calculation of the Commodity Alpha Strategy Tradable Value for the purposes of determining such Net Asset Value might not be postponed.

Instead, should a Market Disruption Event occur on a Valuation Day in respect of any Component included in the Commodity Alpha Strategy, the Swap Calculation Agent may calculate the Commodity Alpha Strategy Tradable Value based on estimates of the Tradable Level of the Affected Components which it shall determine in its reasonable judgment for such Affected Valuation Day. Such Commodity Alpha Strategy Tradable Value, if calculated, will serve as a basis for determining a disrupted value for the Swap Agreement (the "Disrupted Value of the Swap Agreement"). Therefore, if a Market Disruption Event occurs on a Valuation Day and the Swap Calculation Agent chooses to calculate a Commodity Alpha Strategy Tradable Value for such day, the value of the Commodity Alpha Strategy will be calculated on the basis of the Disrupted Value of the Swap Agreement, which itself will be based on the Commodity Alpha Strategy Closing

Value which will contain estimates of the Tradable Level of such Affected Component (and the procedure set out under the heading “Market Disruption Fallbacks” will be followed). However, if the Swap Calculation Agent, in its sole discretion, deems that it cannot reasonably determine a value for the Commodity Alpha Strategy for an Affected Valuation Day, then no Disrupted Value of the Swap Agreement will be calculated, and consequently, no Net Asset Value will be calculated or published for such Affected Valuation Day and no subscription or redemptions will be available to investors.

A different procedure will however be followed for determining the Commodity Alpha Strategy Tradable Value under the Swap Agreement, and in turn the amount payable under the Swap Agreement, namely, the value of the Affected Component(s). Indeed, the Commodity Alpha Strategy Tradable Value will be determined according to the procedure set out under the heading “Market Disruption Fallbacks” below. Accordingly, the Commodity Alpha Strategy Tradable Value for the purpose of determining the amount payable under the Swap Agreement will not be calculated until a value can be determined for any such Affected Component in accordance with such procedure. As a result of such procedure being followed for the purposes of determining the Commodity Alpha Strategy Tradable Value under the Swap Agreement, and in turn the amount payable under the Swap Agreement, upon a Market Disruption Event occurring, the original valuation date (which, for the purposes of calculating the Net Asset Value, shall be the relevant Valuation Day) of the Affected Component is likely to be postponed but not by more than six (6) Trading Days. If such Market Disruption Event occurs or continues to exist in respect of such Affected Component on each Commodity Alpha Strategy Calculation Day during such six (6) Trading Day period, then the value of such Affected Component to be used in calculating the Commodity Alpha Strategy Tradable Value for the purpose of determining the amount payable under the Swap Agreement shall be determined by the Swap Calculation Agent, in a commercially reasonable manner, on the first Commodity Alpha Strategy Calculation Day following such six (6) Trading Day period, notwithstanding that a Market Disruption Event may or may not exist on such day. For further detail, see the section under the heading “Market Disruption Fallbacks” below.

As a result of (i) the difference between the procedure for determining the applicable Commodity Alpha Strategy Tradable Value on which the Disrupted Value of the Swap Agreement – and in turn the Net Asset Value – will be based and the procedure for determining the value of the Commodity Alpha Strategy under the Swap Agreement as described above should a Market Disruption Event occur, and (ii) the likely postponement of the original valuation date under the Swap Agreement, the Commodity Alpha Strategy Tradable Value as calculated on the Valuation Day for the purposes of determining the Disrupted Value of the Swap Agreement on which the Net Asset Value of the Portfolio may be based may not precisely match the value of the Commodity Alpha Strategy finally determined for the purpose of calculating the amount payable under the Swap Agreement in accordance with the “Market Disruption Fallbacks” provisions below.

The Net Asset Value calculated on any such Valuation Day on which a Market Disruption Event is occurring will, however, be final (even if the Commodity Alpha Strategy Tradable Value determined for such purpose may contain values for the Affected Components estimated by the Swap Calculation Agent), and will not be recalculated by the Swap Calculation Agent in the event that the Commodity Alpha Strategy Tradable Value, as calculated to determine the Disrupted Value of the Swap Agreement on which the Net Asset Value is based, does not match the Commodity Alpha Strategy Tradable Value determined under the Swap Agreement and on which the payment under the Swap Agreement will be based.

Therefore, investors are made aware that the aforementioned mismatch will not be compensated, meaning that the Portfolio may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio as well as on any investor who continues to be invested in the Portfolio. Subscribing and/or redeeming investors may therefore be disadvantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event. Furthermore in the case of any subscribing and/or redeeming investor is disadvantaged by any mismatch arising as a result of such Market Disruption Event, no compensation will be paid to it by the Portfolio.

#### *Market Disruption Fallbacks*

If a Market Disruption Event has occurred on any day which is a Commodity Alpha Strategy Calculation Day (the “Unadjusted Valuation Date”), the Commodity Alpha Strategy Tradable Level will not be determined with reference to the Relevant Screen Page, but will instead be determined by the Swap Calculation Agent as follows:

- 1) with respect to each Component which is not an Affected Component, the value as published for the Affected Valuation Day will be used in calculating the Commodity Alpha Strategy Tradable Level;
- 2) with respect to each Affected Component, the Commodity Alpha Strategy Tradable Level will be based on the value of each such Affected Component as published on the first Commodity Alpha Strategy Calculation Day following the Affected Valuation Day on which no Market Disruption Event is occurring in respect of such Affected Index Constituent. If, however, on each Commodity Alpha Strategy Calculation

Day during a six (6) Trading Day period from the Affected Valuation Day, a Market Disruption Event continues to exist in respect of such Affected Component, then the value of such Affected Component to be used in calculating the Commodity Alpha Strategy Tradable Value shall be determined by the Swap Calculation Agent, in a commercially reasonable manner, on the first Commodity Alpha Strategy Calculation Day after such six (6) Trading Day period, notwithstanding that a Market Disruption Event may or may not exist on such Commodity Alpha Strategy Calculation Day; and

- 3) the Swap Calculation Agent shall determine Commodity Alpha Tradable Value for the Affected Valuation Day by reference to the value of the Components determined pursuant to sub-paragraphs (1) and (2).

As a result of such procedure being followed, the calculation of an amount payable under the Swap Agreement may be delayed by up to seven (7) Trading Days from the relevant Unadjusted Valuation Day. The applicable Market Disruption Events are as described in section D entitled “*Consequences of Market Disruption Events*”

#### *Termination of the Swap Agreement*

In the event of a prolonged Market Disruption Event which the Calculation Agent of the Swap Agreement (acting in conjunction with Umbrella Fund and the Swap Counterparty) believes materially affects its ability to issue, convert and/or redeem Shares of any Class, the Swap Agreement will be terminated. If no suitable substitution strategy can be determined in a reasonable time period by the Calculation Agent using its discretion, the Portfolio will be liquidated and the investors will receive *pro-rata* redemption amounts.

### **Characteristics**

#### **Characteristics of the Shares classes available in the Portfolio**

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
A	USD	Accumulation	LU0474439543	None
A (GBP Hedged)	GBP	Accumulation	LU0474439626	None
A (EUR Hedged)	EUR	Accumulation	LU0474439972	None
I	USD	Accumulation	LU0474440129	None
I (GBP Hedged)	GBP	Accumulation	LU0474440392	None
I (EUR Hedged)	EUR	Accumulation	LU0474440475	None
C	USD	Accumulation	LU0474440558	None
C (GBP Hedged)	GBP	Accumulation	LU0474440632	None
C (EUR Hedged)	EUR	Accumulation	LU0474440715	None

Share Class	Maximum Sales Charge	Deferred Sales Charge*	Investment Administrator Fee	Minimum Subsequent Investment	Minimum Holding and Initial Investment
A	5%	5%	1.00% p.a.	USD 1,000	USD 1,000
A (GBP Hedged)	5%	5%	1.00% p.a.	GBP 1,000	GBP 1,000
A (EUR Hedged)	5%	5%	1.00% p.a.	EUR 1,000	EUR 1,000
I	5%	5%	1.00% p.a.	USD 1,000	USD 100,000
I (GBP Hedged)	5%	5%	1.00% p.a.	GBP 1,000	GBP 100,000
I (EUR Hedged)	5%	5%	1.00% p.a.	EUR 1,000	EUR 100,000

Share Class	Maximum Sales Charge	Deferred Sales Charge*	Investment Administrator Fee	Minimum Subsequent Investment	Minimum Holding and Initial Investment
C	5%	5%	0.30% p.a.	USD 1,000	USD 1,000,000
C (GBP Hedged)	5%	5%	0.30% p.a.	GBP 1,000	GBP 1,000,000
C (EUR Hedged)	5%	5%	0.30% p.a.	EUR 1, 000	EUR 1, 000, 000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio will be subject to a deferred sales charge equal to 5% if redemptions occur within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to Hedging Agent) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "Introduction" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days **
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to the Valuation Day	

\* Any day (1) on which banks are open for normal banking business in Luxembourg and London, (2) which is a Trading Day for the purposes of the Commodity Alpha Strategy Closing Value (each such capitalised term in these subsections shall have the meaning given to it in the section B entitled "*Determination of Commodity Alpha Strategy Closing Value and Commodity Alpha Strategy Tradable Value*"), and (3) on which no Market Disruption Events occurs, save in the circumstances described under section D entitled "*Consequences of Market Disruption Events*" above. Investors may request from the Registrar and Transfer Agent a calendar summarizing on a yearly basis the applicable Valuation Days.

\*\* Day on which commercial banks are open for business in Luxembourg, London and in the principal financial centres of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

Investors in the Portfolio are made aware that they will be bound by any subscription, conversion and/or redemption order sent on any Luxembourg and London business day, notwithstanding the fact that the next available Valuation Day may be later than would otherwise be expected due to the occurrence of a Market Disruption Event in respect of the Commodity Alpha Strategy (for further information on Market Disruption

Events and procedures in relation thereto refer to section D entitled “*Consequences of Market Disruption Events*” above).

A Net Asset Value may be calculated on days different from the Valuation Day with the exception of any Luxembourg banking holidays. Any such Net Asset Value published on non-Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available net asset values with adjustments made for the expense accrual. Accordingly, Net Asset Values for the Portfolio calculated and published on non-Valuation Days will not be used by the Investment Administrator to effect any such subscription, redemption and/or conversion.

Class A	GSCAAAU LX
Class A (GBP Hedged)	GSCAHAG LX
Class A (EUR Hedged)	GSCAHAE LX
Class I	GSCAAIU LX
Class I (GBP Hedged)	GSCAHIG LX
Class I (EUR Hedged)	GSCAHIE LX
Class C	GSCAACU LX
Class C (GBP Hedged)	GSCAHCG LX
Class C (EUR Hedged)	GSCAHCE LX

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular, the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to Institutional Investors wishing to participate in the returns of the Commodity Alpha Strategy.

### ***S&P GSCI™ License Disclaimer***

THE UMBRELLA FUND AND THE PORTFOLIO IS NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY STANDARD & POOR'S AND ITS AFFILIATES ("**S&P**"). S&P MAKES NO REPRESENTATION, CONDITION OR WARRANTY, EXPRESS OR IMPLIED, TO THE OWNERS OF THE PORTFOLIO OR ANY MEMBER OF THE PUBLIC REGARDING THE ADVISABILITY OF INVESTING IN

SECURITIES GENERALLY OR IN THE PORTFOLIO PARTICULARLY OR THE ABILITY OF THE S&P GSCI™ OR ANY DATA INCLUDED THEREIN TO TRACK GENERAL COMMODITY MARKET PERFORMANCE. S&P'S ONLY RELATIONSHIP TO THE UMBRELLA FUND AND THE PORTFOLIO IS THE LICENSING OF CERTAIN TRADEMARKS AND TRADE NAMES AND OF THE S&P GSCI™ WHICH IS DETERMINED, COMPOSED AND CALCULATED BY S&P WITHOUT REGARD TO THE UMBRELLA FUND OR THE PORTFOLIO. S&P HAS NO OBLIGATION TO TAKE THE NEEDS OF THE UMBRELLA FUND OR THE HOLDERS OF SHARES IN THE PORTFOLIO INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE S&P GSCI™. S&P IS NOT RESPONSIBLE FOR AND HAS NOT PARTICIPATED IN THE DETERMINATION OF THE PRICES OF THE SHARES IN THE PORTFOLIO AND THE VALUE OF THE PORTFOLIO OR THE TIMING OF THE ISSUANCE OR SALE OF SHARES IN THE PORTFOLIO OR IN THE DETERMINATION OR CALCULATION OF THE EQUATION BY WHICH SHARES IN THE PORTFOLIO ARE TO BE CONVERTED INTO CASH. S&P HAS NO OBLIGATION OR LIABILITY IN CONNECTION WITH THE ADMINISTRATION, MARKETING, OR TRADING OF THE PORTFOLIO OR THE UMBRELLA FUND.

S&P DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE S&P GSCI™ OR ANY OF ITS SUB-INDICES OR ANY DATA INCLUDED THEREIN AND S&P SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. S&P MAKES NO WARRANTY, CONDITION OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE PORTFOLIO OR THE UMBRELLA FUND, OWNERS OF SHARES IN THE PORTFOLIO, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE S&P INDICES OR ANY DATA INCLUDED THEREIN. S&P MAKES NO EXPRESS OR IMPLIED WARRANTIES, REPRESENTATIONS OR CONDITIONS, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE AND ANY OTHER EXPRESS OR IMPLIED WARRANTY OR CONDITION WITH RESPECT TO THE S&P GSCI™ OR ANY OF ITS SUB-INDICES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL S&P HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) RESULTING FROM THE USE OF THE S&P GSCI™ OR ANY OF ITS SUB-INDICES OR ANY DATA INCLUDED THEREIN, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Information about the past and further performance of the S&P GSCI™ and its volatility can be obtained from Bloomberg ticker reference SPGCAGP <Index> (or its successor thereto). Goldman Sachs has not independently verified any such information, and does not accept any responsibility for errors or omissions contained in such information. For the avoidance of doubt, such information is not incorporated by reference in, and does not form part of, this Supplement or the Prospectus. Prospective investors may acquire such further information as they deem necessary in relation to the S&P GSCI™ from such publicly available information as they deem appropriate.

## Appendix A

### Descriptions of the Underlying Strategy and Sub-Index

The following are the descriptions of the Strategies and Sub-Indices included in the Commodity Alpha Strategy.

The term "S&P GSCI™ Manual" means The S&P GSCI™ Index Methodology, January 2008 edition, available at [http://www2.standardandpoors.com/spf/pdf/index/SP\\_GSCI\\_Index\\_Methodology\\_Web.pdf](http://www2.standardandpoors.com/spf/pdf/index/SP_GSCI_Index_Methodology_Web.pdf) (or any successor thereto).

#### The Strategies

##### Component 1: The S&P GSCI™ Corn Excess Return A61 Strategy

The S&P GSCI™ Corn Excess Return A61 Strategy ("A61 Strategy") is calculated in the manner set forth in the S&P GSCI™ Manual except that for purposes of this A61 Strategy only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term "Roll Contract Expiration" in the S&P GSCI™ Manual so that it reads in its entirety as follows:

"Roll Contract Expiration" – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A61 (below) with respect to the relevant contract for the specified Roll Period."

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI™ Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Corn

(B) amending the definition of "Roll Period" set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

"Roll Period" - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the fifth S&P GSCI™ Business Day in the relevant calendar month and ending on the ninth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B). The parties hereto acknowledge and agree that, due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Corn Excess Return A61 Strategy, on which this Transaction is based differs from the S&P GSCI™ Corn Excess Return Index and that the value of the S&P GSCI™ Corn Excess Return A61 Strategy may differ from the value of the S&P GSCI™ Corn Excess Return Index as published on Bloomberg

#### Schedule A61

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup> (* Denotes Expiration in the following year)
CBT	Corn	C	Z Z Z Z Z Z Z* Z* Z* Z* Z* Z*

(#) This table indicates the contract expirations out of which the A61 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in table below.

Month	Letter Code
January	F
February	G

March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

## Component 2: The S&P GSCI™ Cotton Excess Return A31 Strategy

The S&P GSCI™ Cotton Excess Return A31 Strategy ("A31 Strategy") is calculated in the manner set forth in the S&P GSCI™ Manual except that for purposes of this A31 Strategy only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term "Roll Contract Expiration" in the S&P GSCI™ Manual so that it reads in its entirety as follows:

"Roll Contract Expiration" – with respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A31 (below) with respect to the relevant contract for the specified Roll Period."

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI™ Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Cotton

(B) amending the definition of "Roll Period" set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

"Roll Period" - With respect to any Designated Contract, the period of five S&P GSCI Business Days beginning on the first S&P GSCI™ Business Day in the relevant calendar month and ending on the fifth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI Business Day;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B). The parties hereto acknowledge and agree that, due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Cotton Excess Return A31 Strategy, on which this Transaction is based differs from the S&P GSCI™ Cotton Excess Return Index and that the value of the S&P GSCI™ Cotton Excess Return A31 Strategy may differ from the value of the S&P GSCI™ Cotton Excess Return Index as published on Bloomberg.

### Schedule A31

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup> (*) Denotes Expiration in the following year
ICE - US	Cotton #2	CT	H H H* H* H* H* H* H* H* H* H* H* H*

(#) This table indicates the contract expirations out of which the A31 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
January	F

February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

### Component 3: The S&P GSCI™ Wheat Excess Return A51 Strategy

The S&P GSCI™ Wheat Excess Return A51 Strategy ("A51 Strategy") is calculated in the manner set forth in the S&P GSCI™ Manual except that for purposes of this A51 Strategy only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term "Roll Contract Expiration" in the S&P GSCI™ Manual so that it reads in its entirety as follows:

"Roll Contract Expiration" – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A51 (below) with respect to the relevant contract for the specified Roll Period."

(B) amending the definition of "Roll Period" set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

"Roll Period" - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the fifth S&P GSCI™ Business Day in the relevant calendar month and ending on the ninth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B). The parties hereto acknowledge and agree that, due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Wheat Excess Return A51 Strategy, on which this Transaction is based differs from the S&P GSCI™ Wheat Excess Return Index and that the value of the S&P GSCI™ Wheat Excess Return A51 Strategy may differ from the value of the S&P GSCI™ Wheat Excess Return Index as published on Bloomberg.

### Schedule A51

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup> (* Denotes Expiration in the following year)
CBT	Wheat (Chicago)	W	Z Z Z Z Z N* N* N* N* N* Z*

(#) This table indicates the contract expirations out of which the A51 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
January	F
February	G
March	H

April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

#### Component 4: The S&P GSCI™ Cocoa Excess Return A29 Strategy

The S&P GSCI Cocoa Excess Return A29 Strategy ("A29 Strategy") is calculated in the manner set forth in the S&P GSCI™ Manual except that for purposes of this A29 Strategy only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term "Roll Contract Expiration" in the S&P GSCI Manual so that it reads in its entirety as follows:

"Roll Contract Expiration" – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A29 (below) with respect to the relevant contract for the specified Roll Period."

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI™ Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Cocoa

(B) amending the definition of "Roll Period" set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

"Roll Period" - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the first S&P GSCI™ Business Day in the relevant calendar month and ending on the fifth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B). The parties hereto acknowledge and agree that, due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Cocoa Excess Return A29 Strategy, on which this Transaction is based differs from the S&P GSCI™ Cocoa Excess Return Index and that the value of the S&P GSCI™ Cocoa Excess Return A29 Strategy may differ from the value of the S&P GSCI™ Cocoa Excess Return Index as published on Bloomberg.

#### Schedule A29

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup> (*) Denotes Expiration in the following year
ICE – US	Cocoa	CC	H H H* H* H* H* H* H* H* H* H* H*

(#) This table indicates the contract expirations out of which the A29 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
January	F

February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

### Component 5: The S&P GSCI™ Lean Hogs Excess Return A52 Strategy

The S&P GSCI™ Lean Hogs Excess Return A52 Strategy ("A52 Strategy") is calculated in the manner set forth in the S&P GSCI™ Manual except that for purposes of this A52 Strategy only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term "Roll Contract Expiration" in the S&P GSCI Manual so that it reads in its entirety as follows:

"Roll Contract Expiration" – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A52 (below) with respect to the relevant contract for the specified Roll Period."

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Lean Hogs

(B) amending the definition of "Roll Period" set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

"Roll Period" - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the fifth S&P GSCI™ Business Day in the relevant calendar month and ending on the ninth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B). The parties hereto acknowledge and agree that, due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Lean Hogs Excess Return A52 Strategy, on which this Transaction is based differs from the S&P GSCI™ Lean Hogs Excess Return Index and that the value of the S&P GSCI™ Lean Hogs Excess Return A52 Strategy may differ from the value of the S&P GSCI™ Lean Hogs Excess Return Index as published on Bloomberg.

### Schedule A52

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup> (* Denotes Expiration in the following year)											
CME	Lean Hogs	LH	M	N	N	Q	Q	V	Z	G*	G*	J*	J*	M*

(#) This table indicates the contract expirations out of which the A52 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
January	F
February	G

March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

### Component 6: The S&P GSCI Live Cattle Excess Return A20 Strategy

The S&P GSCI™ Live Cattle Excess Return A20 Strategy ("A20 Strategy") is calculated in the manner set forth in the S&P GSCI Manual except that for purposes of this A20 Strategy only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term "Roll Contract Expiration" in the S&P GSCI™ Manual so that it reads in its entirety as follows:

"Roll Contract Expiration" – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A20 (below) with respect to the relevant contract for the specified Roll Period."

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Live Cattle

(B) amending the definition of "Roll Period" set out in such S&P GSCI Manual, so that it reads in its entirety as follows:

"Roll Period" - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the first S&P GSCI™ Business Day in the relevant calendar month and ending on the fifth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B). The parties hereto acknowledge and agree that, due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Live Cattle Excess Return A20 Strategy, on which this Transaction is based differs from the S&P GSCI™ Live Cattle Excess Return Index and that the value of the S&P GSCI™ Live Cattle Excess Return A20 Strategy may differ from the value of the S&P GSCI™ Live Cattle Excess Return Index as published on Bloomberg.

### Schedule A20

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup> (* Denotes Expiration in the following year)
CME	Cattle (Live Cattle)	LC	J M M Q Q V V Z Z G* G* J*

(#) This table indicates the contract expirations out of which the A20 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
January	F
February	G
March	H

April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

#### Component 7: The S&P GSCI™ Gas Oil Excess Return A7 Strategy

The S&P GSCI™ Gas Oil Excess Return A7 Strategy (“A7 Strategy”) is calculated in the manner set forth in the S&P GSCI™ Manual except that for purposes of this Transaction only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term “Roll Contract Expiration” in the S&P GSCI™ Manual so that it reads in its entirety as follows:

“Roll Contract Expiration” – with respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A7 (below) with respect to the relevant contract for the specified Roll Period.”

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI™ Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Gas Oil;

(B) amending the definition of “Roll Period” set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

“Roll Period” - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the first S&P GSCI™ Business Day in the relevant calendar month and ending on the fifth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day”;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B).

Due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Gas Oil Excess Return A7 Strategy differs from the S&P GSCI™ Gas Oil Excess Return Index and the value of S&P GSCI Gas Oil Excess Return A7 Strategy may differ from the value of the S&P GSCI™ Gas Oil Excess Return Index as published on Bloomberg.

#### Schedule A7

Trading Facility	Commodity (Contract)	Ticke r	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup>											
			(*) Denotes Expiration in the following year											
ICE - UK	Oil (Gasoil)	GO	J	J	J	V	V	V	V	V	V	J*	J*	J*

(#) This table indicates the contract expirations out of which the A7 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
-------	-------------

January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

#### **Component 8: The S&P GSCI™ Natural Gas Excess Return A114 Strategy**

The S&P GSCI™ Natural Gas Excess Return A114 Strategy (“A114 Strategy”) is calculated in the manner set forth in the S&P GSCI™ Manual except that for purposes of this Transaction only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term “Roll Contract Expiration” in the S&P GSCI™ Manual so that it reads in its entirety as follows:

“Roll Contract Expiration” – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A114 (below) with respect to the relevant contract for the specified Roll Period.”

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI™ Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Natural Gas;

(B) amending the definition of “Roll Period” set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

“Roll Period” - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the first S&P GSCI™ Business Day in the relevant calendar month and ending on the fifth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day”;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B).

Due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Natural Gas Excess Return A114 Strategy differs from the S&P GSCI™ Natural Gas Excess Return Index and the value of S&P GSCI™ Natural Gas Excess Return A114 Strategy may differ from the value of the S&P GSCI™ Natural Gas Excess Return Index as published on Bloomberg.

#### **Schedule A114**

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup>											
			(*) Denotes Expiration in the following year											
NYM	Natural Gas	NG	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z*

(#) This table indicates the contract expirations out of which the A114 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

#### **Component 9: The S&P GSCI™ Copper Excess Return A40 Strategy**

The S&P GSCI™ Copper Excess Return A40 Strategy is calculated in the manner set forth in the S&P GSCI™ Manual except that for purposes of this Transaction only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term “Roll Contract Expiration” in the S&P GSCI™ Manual so that it reads in its entirety as follows:

“Roll Contract Expiration’ – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A40 (below) with respect to the relevant contract for the specified Roll Period.”

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Copper;

(B) amending the definition of “Roll Period” set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

“Roll Period’ - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the first S&P GSCI™ Business Day in the relevant calendar month and ending on the fifth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day”;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B).

Due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Copper Excess Return A40 Strategy differs from the S&P GSCI Copper Excess Return Index and the value of S&P GSCI™ Copper Excess Return A40 Strategy may differ from the value of the S&P GSCI™ Copper Excess Return Index as published on Bloomberg.

#### **Schedule A40**

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup> (*) Denotes Expiration in the following year
LME	Copper – Grade A	IC	N Q U V X Z F* G* H* J* K* M*

(#) This table indicates the contract expirations out of which the A40 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

#### Component 10: The S&P GSCI™ Aluminum Excess Return A21 Strategy

The S&P GSCI™ Aluminum Excess Return A21 Strategy is calculated in the manner set forth in the S&P GSCI Manual except that for purposes of this Transaction only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term “Roll Contract Expiration” in the S&P GSCI Manual so that it reads in its entirety as follows:

“‘Roll Contract Expiration’ – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A21 (below) with respect to the relevant contract for the specified Roll Period.”

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Aluminum;

(B) amending the definition of “Roll Period” set out in such S&P GSCI Manual, so that it reads in its entirety as follows:

“‘Roll Period’ - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the first S&P GSCI™ Business Day in the relevant calendar month and ending on the fifth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day”;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A) and (B).

Due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Aluminum Excess Return A21 Strategy differs from the S&P GSCI™ Aluminum Excess Return Index and the value of S&P GSCI™ Aluminum Excess Return A21 Strategy may differ from the value of the S&P GSCI™ Aluminum Excess Return Index as published on Bloomberg.

### Schedule A21

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup> (*) Denotes Expiration in the following year
LME	High Grade Primary Aluminum	IA	N Q U V X Z F* G* H* J* K* M*

(#) This table indicates the contract expirations out of which the A21 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

### **Component 11: The S&P GSCI™ Sugar Excess Return A141 Strategy**

The S&P GSCI™ Sugar Excess Return A141 Strategy is calculated in the manner set forth in the S&P GSCI Manual except that for purposes of this Transaction only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term “Roll Contract Expiration” in the S&P GSCI Manual so that it reads in its entirety as follows:

“Roll Contract Expiration” – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A141 (below) with respect to the relevant contract for the specified Roll Period.”

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI™ Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Sugar;

(B) amending the definition of “Roll Period” set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

"Roll Period" - With respect to any Designated Contract, the period of five S&P GSCI Business Days beginning on the fifth to last S&P GSCI™ Business Day in the month preceding the relevant calendar month and ending on the last S&P GSCI™ Business Day of such preceding month (for example, the Roll Period with respect to March occurs on the last five S&P GSCI™ Business Days in February), provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the

discretion of the Calculation Agent to effectuate the change described in (A) and (B).

Due to these amendments to the S&P GSCI™ Manual, the S&P GSCI™ Sugar Excess Return A141 Strategy differs from the S&P GSCI™ Sugar Excess Return Index and the value of S&P GSCI™ Sugar Excess Return A141 Strategy may differ from the value of the S&P GSCI™ Sugar Excess Return Index as published on Bloomberg.

### **Schedule A141**

Trading Facility	Commodity (Contract)	Ticker	Designated Contract Expirations at Roll Period Begin <sup>(#)</sup> (*) Denotes Expiration in the following year
ICE – US	Sugar #11	SB	H H H* H* H* H* H* H* H* H* H* H*

(#) This table indicates the contract expirations out of which the A141 Strategy rolls during the roll period related to the indicated month starting with January. Month letter codes are shown in the table below.

Month	Letter Code
January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

### **Component 12: The S&P GSCI™ Crude Oil Relative Curvature Excess Return Strategy (Version 2)**

(A) *Description of the S&P GSCI™ Crude Oil Relative Curvature Excess Return Strategy (Version 2) (the “CORC2”).*

The CORC2 is a proprietary, dynamic strategy designed to generate returns from going long the Components and short the Components as set forth in the column entitled “Component” in the CORC2 Commodity Alpha Strategy Table below. A summary description of each of the Components is set out above.

On each Rebalancing Date ( $d_r$ ) the CORC2 algorithm will use the Alternative Roll Trigger (as set out below) to determine which of the Components the CORC2 strategy is to go long and which of the Components it is to go short.

(B) *Determination of the Target Component Weight of each Component using the Alternative Roll Trigger*

On each Rebalancing Date ( $d_r$ ) the Target Component Weight of each Component, will be calculated as follows:

The “**Target Component Weight**” (otherwise expressed as “ $W(d_r)$ ”) on the Rebalancing Date ( $d_r$ ) as used in the CORC2 Commodity Alpha Strategy Table will be set to:

- 1 if the Backwardation Difference (D) is equal to or less than -0.50% for each of the Observation Dates for such Rebalancing Date ( $d_r$ );
- +1 if the Backwardation Difference (D) is equal to or more than 0.50% for each of the Observation Dates for such Rebalancing Date ( $d_r$ );
- otherwise zero.

Where:

**“Rebalancing Date (d<sub>r</sub>)”** means the Friday of each week, or if such day is not a Trading Day, the immediately following Trading Day.

**“Component (n)”** means for each number assigned to “n” in the column entitled “n” of the CORC2 Commodity Alpha Strategy Table, the Component corresponding to such number as set out in the column entitled “Component” of the same table.

**“Backwardation Difference (D)”** for a Observation Date (d<sub>o</sub>) is calculated by subtracting Backwardation (2) from Backwardation (1), calculated according to

$$D(d_o) = K_1(d_o) - K_2(d_o)$$

**“Observation Dates (d<sub>o</sub>)”** for a Rebalancing Date (d<sub>r</sub>) shall mean 3 consecutive Business Days immediately prior to such Rebalancing Date (d<sub>r</sub>).

**“Eligible Contract Expiration (m)”** for a Observation Date (d<sub>o</sub>) shall mean the m<sup>th</sup> Contract Expiration expiring strictly after Observation Date (d<sub>o</sub>).

**“Backwardation (n)”** for a Component (n) on a Observation Date (d<sub>o</sub>) shall be one minus the ratio of the Daily Contract Reference Price C<sub>m+1</sub>(d<sub>o</sub>), as defined in the S&P GSCI™ Manual, of the Eligible Contract Expiration (m+1) on such Observation Date (d<sub>o</sub>) for the Designated Contract, as defined in the S&P GSCI™ Manual, underlying Component (n) and the Daily Contract Reference Price C<sub>m</sub>(d<sub>o</sub>) of Eligible Contract Expiration (m) on such Observation Date (d<sub>o</sub>) for such Designated Contract, calculated according to:

$$K_n(d_o) = 1 - \frac{C_{m+1}(d_o)}{C_m(d_o)}$$

Where “m” for Component (n) is the number assigned to “Nearby Number” in the column entitled “Nearby Number” of the CORC2 Commodity Alpha Strategy Table for such Component (n).

The following table (**“CORC2 Commodity Alpha Strategy Table”**) sets out each Component that the strategy may make hypothetical investments in as determined by the Alternative Roll Trigger

N	Target Component Weight	Component	Bloomberg Ticker for Component	Nearby Number (m)	Class Category
		<b>Sub-Index</b>			
1	W(dr)	S&P GSCI™ Crude Oil Excess Return Index	SPGCCLP <Index>	1	L
		<b>Strategy</b>			
2	-W(dr)	S&P GSCI™ Crude Oil Excess Return A121 Strategy	AGGS121P <Index>	4	L

### (C) Definitions

1. The terms set out in section B.1 *Commodity Alpha Strategy Closing Value* and all of the definitions and variables set out in section B.2 (*General Definitions*) shall also be relevant for and apply towards determining the CORC2 Commodity Alpha Strategy Closing Value of the CORC2 for any relevant day, save for the following terms which shall have the meanings given to them below for purposes of the CORC2:

**“F(d’)”** means 0 basis points.

**“CORC2 Commodity Alpha Strategy”** means the S&P GSCI™ Crude Oil Relative Curvature Excess Return Strategy (Version 2) (the “CORC2”) which comprises a basket of Components, as set forth in the CORC2 Commodity Alpha Strategy Table. The Components are more particularly described in CORC2 SUB-ANNEX.

**"CORC2 Commodity Alpha Strategy Inception Date"** means 17 February 1995.

**"Relevant Screen Page"** means Bloomberg Ticker "GSCORC2 <Index>" (or any official successor thereto) with respect to the CORC2 Commodity Alpha Strategy Closing Value.

All other terms, definitions and variables in the abovementioned paragraphs (B) and (C) not expressly set out in this paragraph will have the meanings given them in such paragraphs (B) and (C), with logical amendments to be read into them for purposes of applying them to the CORC2.

## **CORC2 SUB-ANNEX**

### **Description of the Components in the S&P GSCI™ Crude Oil Relative Curvature Excess Return Strategy (Version 2) Commodity Alpha Strategy**

As used in this CORC2 SUB-ANNEX, the term "S&P GSCI™ Manual" means The S&P GSCI™ Index Methodology, January 2008 edition, available at [http://www2.standardandpoors.com/spf/pdf/index/SP\\_GSCI\\_Index\\_Methodology\\_Web.pdf](http://www2.standardandpoors.com/spf/pdf/index/SP_GSCI_Index_Methodology_Web.pdf) (or any successor thereto).

### **The S&P GSCI™ Crude Oil Excess Return A121 Strategy**

The S&P GSCI™ Crude Oil Excess Return A121 Strategy (the **"A121 Strategy"**) is calculated in the manner set forth in the S&P GSCI™ Manual as amended from time to time, except that, for purposes of this Transaction only such S&P GSCI™ Manual shall be amended by:

(A) modifying the definition of the term "Roll Contract Expiration" in the S&P GSCI™ Manual so that it reads in its entirety as follows:

"Roll Contract Expiration" – With respect to any Designated Contract Expiration to be rolled in order to calculate the S&P GSCI™ on any S&P GSCI™ Business Day, the Roll Contract Expiration shall be the Designated Contract Expiration following the Contract Expiration identified in Schedule A121 (below) with respect to the relevant contract for the specified Roll Period."

It is understood, acknowledged, and agreed that this modified definition of the term Roll Contract Expiration will result in Contract Expirations on the following S&P GSCI™ Commodities being rolled in a manner other than as set out in the S&P GSCI™ Manual: Crude Oil

(B) amending the definition of "Roll Period" set out in such S&P GSCI™ Manual, so that it reads in its entirety as follows:

"Roll Period" - With respect to any Designated Contract, the period of five S&P GSCI™ Business Days beginning on the first S&P GSCI™ Business Day in the relevant calendar month and ending on the fifth S&P GSCI™ Business Day of such month, provided that the Roll Period with respect to any Designated Contract will be adjusted in accordance with the procedure set forth in section VI.2(d) if any of the circumstances identified in such section exist on any such S&P GSCI™ Business Day;

(C) making such other changes to such S&P GSCI™ Manual as may be necessary, in the discretion of the Calculation Agent to effectuate the change described in (A).

Due to these amendments to the S&P GSCI™ Manual, the A121 Strategy differs from the S&P GSCI™ Crude Oil Excess Return Index and the value of the A121 Strategy may differ from the value of the S&P GSCI™ Crude Oil Excess Return Index as published on Bloomberg.

### **Schedule A121**

<b>Trading Facility</b>	<b>Commodity (Contract)</b>	<b>Ticker</b>	<b>Designated Contract Expirations at Roll Period Begin<sup>(#)</sup></b> <small>(*) Denotes Expiration in the following year</small>
NYM	Oil (WTI Crude)	WTI	K M N Q U V X Z F* G* H* J*

(#)This table indicates the contract expirations out of which the Component 1 rolls during the roll period related to the indicated month starting with January.

Month	Letter Code
January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

**“CORC2  
Commodity Alpha  
Strategy Table”  
Sub-Index N 1**

The S&P GSCI™ Crude Oil Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker "SPGCCLP <Index>" (or any successor thereto, otherwise referred to as the Component Ticker (as defined in section (B) (*Determination of the Target Component Weight of each Component using the Alternative Roll Trigger*) above).

**The S&P GSCI™ Sub-Indices\***

\* Each of the Sub-Indices below (*i.e.* Component 13, Component 14, Component 15, Component 16, Component 17, Component 18, Component 19, Component 20, Component 21, Component 22 and Component 23) represents one single contract with hypothetical participation in one single component of the S&P GSCI™ Index and, therefore, it shall not be considered as a financial index within the meaning of article 9 of the Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.

Component 13: The S&P GSCI™ Corn Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker "SPGCCNP <Index>" (or any successor thereto, otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).

Component 14: The S&P GSCI™ Cotton Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker "SPGCCTP <Index>" (or any successor thereto, otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).

Component 15: The S&P GSCI™ Wheat Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker "SPGCWHP <Index>" (or any successor thereto otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).

Component 16: The S&P GSCI™ Cocoa Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker "SPGSCCP <Index>" (or any successor thereto otherwise referred to as the Component Ticker

(as defined in section B.2 (*General Definitions*) above)).

- Component 17: The S&P GSCI™ Lean Hogs Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker “SPGCLHP <Index>” (or any successor thereto otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).
- Component 18: The S&P GSCI™ Live Cattle Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker “SPGCLCP <Index>” (or any successor thereto otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).
- Component 19: The S&P GSCI™ Gas Oil Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker “SPGCGOP <Index>”, (or any successor thereto, otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).
- Component 20: The S&P GSCI™ Natural Gas Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker “SPGCNGP <Index>” (or any successor thereto otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).
- Component 21: The S&P GSCI™ Copper Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker “SPGCICP <Index>” (or any successor thereto otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).
- Component 22: The S&P GSCI™ Aluminum Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker “SPGCIAP <Index>” (or any successor thereto otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).
- Component 23: The S&P GSCI™ Sugar Excess Return Index as calculated by the by the Sub-Index Sponsor and published under Bloomberg Ticker “SPGCSBP <Index>” (or any successor thereto otherwise referred to as the Component Ticker (as defined in section B.2 (*General Definitions*) above)).

Each of the Sub-Indices is calculated in the same manner as the S&P GSCI™ Excess Return Index except that various modifications are made to the calculation methodology to take account of the fact that the Sub-Indices comprise only one of the S&P GSCI™ Commodities. The provisions governing the methodology for determining the composition and calculation of the S&P GSCI™ and its sub-indices (including the Sub-Indices) are reflected in the annually revised Standard & Poor’s S&P GSCI™ Index Methodology (otherwise referred to in this Appendix A as the “S&P GSCI™ Manual”).

Further information about the S&P GSCI™ Index methodology and the calculation of the Sub-Indices is available on the following website: <http://standardandpoors.com> (or any successor page thereto). Goldman Sachs is not incorporating by reference the S&P GSCI™ Manual or the website or any material it includes into this document, has not independently verified any such information, and does not accept any responsibility for errors or omissions contained in such information.

## **SUPPLEMENT XV**

### **Internal Alpha Strategies**

#### **Goldman Sachs Structured Investments SICAV – Goldman Sachs Commodity ALPHA-BETA Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Goldman Sachs Commodity ALPHA-BETA Portfolio (the “Portfolio”), one of the Internal Alpha Strategies Portfolios of the Umbrella Fund, which provides investors with access to our proprietary algorithmic strategies and research driven alpha strategies.

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

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

## Notice for Australian Investors

The Umbrella Fund is not registered as a foreign company in Australia.

The provision of this Supplement and the Prospectus to any person does not constitute an offer of Shares of the Portfolio to that person or an invitation to that person to apply for Shares of the Portfolio. Any such offer or invitation will only be extended to a person if that person is:

- (a) a Sophisticated or Professional Investor for the purposes of section 708 of the Corporations Act of Australia; and
- (b) a wholesale client for the purpose of section 761G of the Corporations Act of Australia.

No persons referred to in this Supplement and the Prospectus hold an Australian financial services licence.

This Supplement and the Prospectus are issued by the Umbrella Fund. The Umbrella Fund is not authorised to provide financial product advice in relation to the Shares of the Portfolio in Australia. An investor in the Umbrella Fund will not have cooling off rights.

This Supplement and the Prospectus are not a prospectus or product disclosure statement under Australian law. They are not required to, and do not, contain all the information which would be required in an Australian prospectus or product disclosure statement. They have not been lodged with the Australian Securities and Investments Commission.

As a prospectus or product disclosure statement is not required to be prepared or lodged with the Australian Securities and Investments Commission in respect of the Shares, any person to whom a Share of the Portfolio is issued or sold must not, within 12 months after the issue, offer, transfer, assign or otherwise alienate that Share of the Portfolio to investors in Australia except in circumstances where disclosure to investors is not required under the Corporations Act of Australia.

This Supplement and the Prospectus are not intended to be distributed or passed on, directly or indirectly, to any other class of persons. They are being supplied to you solely for your information and may not be reproduced, forwarded to any other person or published, in whole or in part, for any purpose.

Nothing contained on this Supplement and the Prospectus constitutes investment, legal, business, tax or other advice. In particular, the information in this Supplement and the Prospectus does not take into account your investment objectives, financial situation or particular needs. In making an investment decision, you must rely on your own examination of the Portfolio and the terms of the offering, including the merits and risks involved. If, after reading this Supplement and the Prospectus, you have any questions about the offer of the Shares of the Portfolio set out in the Supplement and the Prospectus, you should contact your stockbroker, solicitor, accountant or other professional advisor.

This Supplement and the Prospectus do not constitute an offer or invitation in any jurisdiction in which, or to any person to whom, it would not be lawful to make the offer or invitation.

### The Offering

Goldman Sachs International as Global Distributor is offering Shares in the Umbrella Fund in an offering to certain Australian wholesale clients (the "Offering") on a private placement basis.

No offer is made to any person in Australia other than an offer by Goldman Sachs International as Global Distributor.

Neither the Umbrella Fund nor any Goldman Sachs affiliate holds an Australian financial services licence. Goldman Sachs International is exempt from the requirement to hold an Australian financial services licence under the Corporations Act in respect of the financial services it provides. Goldman Sachs International is regulated by the UK Financial Services Authority under UK laws, which differ from Australian laws.

The Shares have not been nor will they be qualified by prospectus for sale to the public under applicable Australian securities laws and, accordingly, any offer and sale of the Shares in Australia will be made on a basis that is exempt from the prospectus requirements of the applicable securities laws

# **Goldman Sachs Structured Investments SICAV – Goldman Sachs Commodity ALPHA-BETA Portfolio**

## **Investment Objective**

The Portfolio's investment objective is to participate in the returns of the DJ-UBS ALPHA-BETA Excess Return Strategy (the "**ALPHA-BETA Strategy**") as further described in section A below) together with interest earned at Effective Federal Funds rate.

## **Investment Policy**

To achieve its investment objective, the Portfolio will enter into (i) a swap transaction pursuant to a swap agreement (the "Swap Agreement") under which it will receive participation in the performance of the ALPHA-BETA Strategy, and (ii) a repurchase transaction pursuant to a repurchase agreement (the "Repurchase Agreement").

The net returns received by the Portfolio for the repurchase transaction under the Repurchase Agreement may be invested in the swap transaction under the Swap Agreement to increase the Portfolio's exposure to the ALPHA-BETA Strategy and thereby pay returns to investors in the Portfolio. If an amount received by the Portfolio under the Repurchase Agreement is greater than the corresponding amount due to be paid by the Portfolio under the Swap Agreement, the excess may be used to meet other commitments of the Portfolio. If an amount received by the Portfolio under the Repurchase Agreement is less than the corresponding amount due to be paid by the Portfolio under the Swap Agreement, the Portfolio may use its other assets to make payments under the Swap Agreement.

## **The Repurchase Agreement**

The key characteristics of the Repurchase Agreement are summarised below:

The Portfolio will enter into a Repurchase Agreement with Goldman Sachs International. Under the Repurchase Agreement, the Portfolio will pay Goldman Sachs International in exchange for certain eligible securities and cash, if any (as referred to below).

Eligible securities received by the Portfolio for repurchase transaction under the Repurchase Agreement must fulfil the criteria detailed under "Repurchase Agreement Eligible Securities" below. Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of Shares classes denominated in foreign currency.

## **Repurchase Agreement Eligible Securities**

Repurchase Agreement Collateral Requirement: under the current market conditions, the Repurchase Agreement will be collateralized within a range from 100% and 110% of its notional amount. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time.

Composition of the Collateral: the repurchase agreement will be collateralized by eligible securities and cash, if any.

Currencies: collateral shall be delivered in each country's respective currency.

**Investors may obtain free of charge, on request, a copy of the report detailing the composition of the eligible securities and cash, if any, at any time.**

## **The Swap Agreement**

The Portfolio will enter into the Swap Agreement with Goldman Sachs International which is also the counterparty to the Repurchase Agreement. The notional amounts for the purposes of the swap transaction under the Swap Agreement will be amounts in US Dollars. The Swap Agreement will be reset on a weekly basis. On such weekly reset date, the Portfolio will be able to increase or decrease the notional amounts of the swap transaction under the Swap Agreement. In addition, the Portfolio will be able to enter into additional swap agreements, having all the same characteristics as the Swap Agreement with either positive or negative notional amounts in order to increase or decrease its exposure to the ALPHA-BETA Strategy relative to the then current notional values of the swap transaction under the Swap Agreement. The basis for entering into those additional swap agreements is to reflect any additional subscriptions and/or redemptions and/or conversions which may be processed in the period between weekly reset dates. The Swap

Agreement and any additional swap agreement will be collateralized to comply, at least, with the requirements set forth under the heading “Derivatives Instruments” in the “Investment Restrictions” section of the Prospectus.

Under the Swap Agreement and all such additional swap agreements, if on periodic payment dates the performance of the ALPHA-BETA Strategy is positive, Goldman Sachs International will pay the Portfolio such positive amount and if the performance of the ALPHA-BETA Strategy is negative, the Portfolio will pay Goldman Sachs International the absolute value of such negative amount.

The value of the Shares and the return generated from them may therefore go up and down, however, the Swap Agreement will be structured such that the Portfolio will not lose more than the amounts initially invested in the Portfolio. This will be achieved by including in the Swap Agreement a stop/loss mechanism which will operate such that the Swap Agreement will terminate automatically prior to the scheduled termination date as set out in the Swap Agreement (the “**Scheduled Termination Date**”) should the ALPHA-BETA Strategy Closing Value on any given Basket Calculation Day (as such term is defined under section B.2. “General Definitions” below) (the “**Stop Loss Date**”) be equal to or below 50% of the ALPHA-BETA Strategy Closing Value as of the initial subscription day in respect of the Portfolio. In such case, the Swap Agreement will terminate on the Stop Loss Date rather than the Scheduled Termination Date and the settlement amount under the Swap Agreement will be determined on the basis of the ALPHA-BETA Strategy Tradable Value for the next Basket Calculation Day following such Stop Loss Date subject to any adjustment for any Non-Tradable Event in respect of the ALPHA-BETA Strategy or for any schedule closure of a trading facility on which any contract underlying a Component included in the ALPHA-BETA Strategy is traded. As the settlement amount under the Swap Agreement is determined on the basis of the amount of the ALPHA-BETA Strategy Tradable Value on the next Basket Calculation Day following the Stop Loss Date (and not the Stop Loss Date itself), the settlement amount may be lower than an amount determined at the ALPHA-BETA Strategy Tradable Value on the Stop Loss Date. Following a Stop Loss Date, the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

The value of the Portfolio on any Basket Calculation Day (d) is represented by the value of the Repurchase Agreement (such value expressed as amount in US Dollars and as further described above under the heading “The Repurchase Agreement” above) together with the value of the Swap Agreement (such value expressed as amount in US Dollars and as further described above under the heading “The Swap Agreement” above); for the avoidance of doubt, the value of the Portfolio is exclusive of the interest earned on the repurchase transaction under the Repurchase Agreement.

On each Basket Calculation Day (d), the Strategy Sponsor will publish the ALPHA-BETA Strategy Closing Value on the Relevant Screen Page based on the Closing Levels for each Component included in the ALPHA-BETA Strategy even if a Non-Tradable Event (as defined in section B.2 “General Definitions” below) has occurred or is existing on such Basket Calculation Day. Such value published on such Relevant Screen Page is intended as an indicative value only and therefore may not reflect the actual value of the Portfolio on any given Basket Calculation Day or values at which the Investment Administrator would use for the purposes of effecting any subscription, redemption and/or conversion application in respect of the Portfolio.

All capitalized terms used in the two above mentioned paragraphs which are not defined shall have the meanings set forth in the section entitled “Description of the ALPHA-BETA Strategy” below.

The Swap Agreement will incorporate a fee payable by the Portfolio to Goldman Sachs International of 90 basis points per annum paid on the outstanding notional amounts of the swap transaction under the Swap Agreement. Such fee may include hedging costs and a profit component payable to Goldman Sachs International.

If a Market Disruption Event occurs in respect of any Contract Expiration on a Basket Calculation Day (as such terms are defined under section B.2 “General Definitions” below), the Net Asset Value of the Portfolio for the purposes of subscriptions and/or redemptions (the “**Trading Net Asset Value**”) will continue to be calculated by the Calculation Agent. However, if a Market Disruption Event occurs on a Valuation Day in respect of any Contract Expiration, the Calculation Agent shall calculate the ALPHA-BETA Strategy Tradable Value based on estimates of those Contract Expirations which it shall determine in its reasonable judgment on such Basket Calculation Day. Such ALPHA-BETA Strategy Tradable Value will serve as a basis for determining a disrupted value for the Swap Agreement (the “**Disrupted Value of the Swap Agreement**”). Therefore the Trading Net Asset Value will be calculated, should a Market Disruption Event occur on a Basket Calculation Day, on the basis of the Disrupted Value of the Swap Agreement, which itself will be based on the ALPHA-BETA Strategy Closing Value which will contain estimates of the Contract Expirations (and the procedure set out below in section B.2 “General Definitions” under “Basket Closing Value” will be followed).

A different procedure will be followed for the purposes of determining the ALPHA-BETA Strategy Tradable Value for the purpose of determining the amount payable for the swap transaction under the Swap Agreement, namely, the value of the Contract Expirations affected by a Market Disruption Event, and therefore the level of the ALPHA-BETA Strategy will be calculated following the procedure set out below in section B.2. "General Definitions" under "Basket Tradable Value". In this case, the ALPHA-BETA Strategy Tradable Value for the purpose of determining the amount payable for the swap transaction under the Swap Agreement will not be calculated until a settlement price can be determined for any such Contract Expirations in accordance with such procedure. As a result of such a procedure being followed, this is likely to result in a postponement of the original valuation date (which, for the purposes of calculating the Trading Net Asset Value, shall be the relevant Valuation Day) of the Contract Expirations, for the purpose of determining the amount payable for the swap transaction under the Swap Agreement, but not by more than five Basket Calculation Days. If such Market Disruption Event occurs or continues to exist in respect of such Contract Expirations for five consecutive Basket Calculation Days, then the price of such Contract Expirations to be used in calculating the ALPHA-BETA Strategy Tradable Value for the purpose of determining the amount payable for the swap transaction under the Swap Agreement shall be determined by the Calculation Agent, in a commercially reasonable manner, on the sixth Basket Calculation Days, notwithstanding that a Market Disruption Event may or may not exist on such sixth Basket Calculation Days.

As a result of the difference between the aforementioned procedure for the calculation of the applicable ALPHA-BETA Strategy Tradable Value for the purpose of determining the Trading Net Asset Value and the procedure regarding the calculation of the level of the ALPHA-BETA Strategy for the purpose of determining the amount payable for the swap transaction under the Swap Agreement as described below in section B.2. "General Definitions" under "Basket Tradable Value" and the likely postponement of the original valuation date under the Swap Agreement, the ALPHA-BETA Strategy Tradable Value for determining the Disrupted Value of the Swap Agreement on which the Trading Net Asset Value will be based may not precisely match the level of the ALPHA-BETA Strategy as determined for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement. The Trading Net Asset Value calculated on such a Valuation Day will however be final, and will not be recalculated by the Calculation Agent in case that the ALPHA-BETA Strategy Tradable Value, as calculated to determine the Disrupted Value of the Swap Agreement on which the Trading Net Asset Value will be based, does not match the ALPHA-BETA Strategy Tradable Value determined for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement. Therefore, investors are made aware that the aforementioned mismatch will not be compensated, meaning that the Portfolio may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio and the investors who continue to be invested in the Portfolio.

#### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An Investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "Principal Risks of Investing in the Portfolio" in this Supplement as well as under sections "Investment Risks", "What to Know Before You invest in a Portfolio" and "Additional Overriding Risks" of the Prospectus.

Investors should pay particular attention to the following risks:

#### **No Principal Protection**

The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

## **Risks associated with securities linked to commodity-based underlyers**

A number of factors, which are unpredictable and interrelated in complex ways, will influence the Net Asset Value of the Shares in the Portfolio. These factors can include (i) the ALPHA-BETA Strategy Trading Value; (ii) various economic, financial, regulatory and political, military or other events that affect commodity markets as further described under the section "Principal Risks of Investing in the Portfolio"; and (iii) interest rates and yield rates in the market.

These factors may affect the value of the ALPHA-BETA Strategy and the value of the Shares in varying ways. They may also cause the value of different commodities included in the ALPHA-BETA Strategy, and the volatilities of their prices, to move in inconsistent directions and at inconsistent rates. An investment linked to an underlyer based on different commodities (as is the ALPHA-BETA Strategy) may be impacted by volatile commodities prices.

### **"Long" strategies not outperforming the "short" indices**

The alpha in the ALPHA-BETA Strategy is an "outperformance" strategy that seeks to generate overall positive returns through synthetic "long" investments in certain strategies and corresponding synthetic "short" investments in certain indices as set forth in section B below. Due to the manner in which the overall return on the ALPHA-BETA Strategy is calculated, where the strategies do not outperform the indices and the overall returns on the indices are greater than the overall returns on the strategies, the returns on the ALPHA-BETA Strategy could be negative. Where returns on the ALPHA-BETA Strategy are negative, this will adversely affect the value of Shares in the Portfolio.

### **No entitlement to the underlying commodities**

Investing in the Portfolio will not make a Shareholder entitled to physical delivery of any of the commodities included in the ALPHA-BETA Strategy or any contracts with respect thereto.

### **Unpredictable changes in commodity contract prices**

Prices of commodity futures contracts and other commodity contracts included in the ALPHA-BETA Strategy are affected by a variety of factors, including weather, governmental programs and policies, national and international political and economic events and trading activities in commodities and related contracts. These factors are unpredictable and beyond the control of Goldman Sachs and the Investment Administrator.

### **No assurance of source of value**

Although the ALPHA-BETA Strategy is designed to capture certain fundamental commodity relationships, the relationships may or may not exist.

### **No active management**

There will be no active management of the ALPHA-BETA Strategy so as to enhance returns beyond those embedded in the modifications to the underlyer.

### **Potentially different returns from those of the underlying Strategies**

Although the ALPHA-BETA Strategy includes the same futures contracts that comprise the underlying Strategies, its value and returns will likely differ from those of the underlying Strategies. In addition, the shares in the Portfolio may fluctuate in value in a manner that is significantly different from the performance of the underlyer.

### **Limit prices could impact liquidity in the ALPHA-BETA Strategy**

The commodity markets can be subject to market disruptions or temporary distortions due to, amongst other things, regulations that limit the amount of fluctuation in contract prices which may occur during a single trading day. "Limit" prices may have the effect of precluding trading in a particular contract or forcing liquidation of contracts underlying the Strategies at disadvantageous times or prices. These circumstances could result in the Calculation Agent having to determine in its reasonable judgment the settlement price of a contract affected by a Market Disruption Event for the purposes of determining the ALPHA-BETA Strategy Tradable Value and the Disrupted Value of the Swap Agreement on which the Trading Net Asset Value of the Portfolio is based, should such Market Disruption Event occur on a day on which the Trading Net Asset Value of the Portfolio is scheduled to be calculated. Therefore if a Market Disruption Event occurs in respect

of a contract included in the ALPHA-BETA Strategy, the Calculation Agent for the ALPHA-BETA Strategy may in certain circumstances have discretion in determining the settlement price of such contract. This exercise of discretion could adversely affect the value of the ALPHA-BETA Strategy and in turn adversely affect the return on Shares in the Portfolio for potential or existing investors.

**Market Disruption Events may have a positive or negative impact on the Trading Net Asset Value of the Portfolio**

As more fully detailed in the section “Investment Policy” above, if a Market Disruption Event occurs, the Calculation Agent, for the purpose of determining the amount payable for the swap transaction under the Swap Agreement will determine the level of the ALPHA-BETA Strategy based on procedures which are different to those set out below for determining the level of the ALPHA-BETA Strategy on which the Disrupted Value of the Swap Agreement - and consequently, the Trading Net Asset Value of the Portfolio will be based. The differences between the procedures for determining the ALPHA-BETA Strategy Tradable Value for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement upon the occurrence of a Market Disruption Event and those for determining the ALPHA-BETA Strategy Tradable Value, as calculated to determine the Disrupted Value of the Swap Agreement on which the Trading Net Asset Value of the Portfolio is based may result in the net weekly payment for the swap transaction under the Swap Agreement not precisely matching the return the Portfolio shall pay or receive in respect of the shares in the Portfolio for the relevant Valuation Day. The Trading Net Asset Value calculated on such a Valuation Day will however be final, and will not be recalculated by the Calculation Agent in the event that the ALPHA-BETA Strategy Tradable Value, as calculated to determine the Disrupted Value of the Swap Agreement on which the Trading Net Asset Value of the Portfolio will be based, does not (due to the different calculation procedures applied to determine the ALPHA-BETA Strategy Tradable Value for each of the Trading Net Asset Value and for the purpose of determining the amount payable for the swap transaction under the Swap Agreement) match the ALPHA-BETA Strategy Tradable Value determined for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement and on which the net weekly payment will be based.

Subscribing and/or redeeming investors in the Portfolio are therefore made aware that they might be subscribing/redeeming on a Valuation Day affected by a Market Disruption Event, and that the Trading Net Asset Value of the Portfolio (that will be used to process such subscriptions and/or redemptions) will be based on a Disrupted Value of the Swap Agreement, which contains estimates of settlement prices for any Affected Contract as determined by the Calculation Agent in its reasonable judgment. Such subscribing and/or redeeming investors may therefore be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event.

Investors are consequently made aware that should the above mentioned mismatch arise at any time following the occurrence of a Market Disruption Event on a Valuation Day, the Portfolio will not be compensated, meaning that the latter may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio and in turn any investor who at such time is invested in the Portfolio.

**Conflicts of interest**

Goldman Sachs International (which is counterparty to the Swap Agreement with the Portfolio) and their affiliates actively trade in physical commodities and derivatives on a wide variety of commodities included those that underlie the Strategies. Such trading activity could adversely affect the value of the ALPHA-BETA Strategy and therefore the return on the shares in the Portfolio.

**Description of the ALPHA-BETA Strategy**

**A The ALPHA-BETA Strategy**

All defined terms used in this section A shall have the meanings given to them in section B.2 “General definitions” below.

The Basket is a strategy that seeks to replicate the performance of an investment in the Components according to their Target Component Weights as determined on each Rebalancing Date, all such Components as set forth in the column entitled “Component Strategy” in the Basket Table below. A summary description of the Components included in the Basket is set forth in Appendices A and B below.

As of the Basket Inception Date, the Basket Closing Value was the Basket Initial Closing Value. The Basket Closing Value is used as the basis for determining the notional amount of the relevant currency to be invested in each Component in order to replicate a daily investment in the Basket over time. In

calculating the overall return on the Basket, the returns on the Components with a negative Target Component Weight are subtracted from the returns on the Components assigned a positive Target Component Weight.

The Basket is rebalanced on each Rebalancing Date, subject to the adjustments as described in further detail below in section B “Determination of the ALPHA-BETA Strategy Closing Value and the ALPHA-BETA Strategy Tradable Value” and section C “Rebalancing of the Commodity Basket”.

Any determinations required to be made in connection with the composition of, calculation methodology of, or adjustments to, the Basket will be made by the Basket Sponsor. All calculations, announcements and publications in relation to any Component that is a Strategy shall be made by each relevant Strategy Sponsor. All calculations, announcements and publications in relation to any Component that is an Index shall be made by each relevant Index Sponsor.

The Basket Sponsor will calculate and publish a value for the Basket (otherwise referred to as the Basket Closing Value, the calculation methodology for which is set forth in section B “Determination of the ALPHA-BETA Strategy Closing Value and the ALPHA-BETA Strategy Tradable Value” based on the Closing Levels for each Component, and published on the Relevant Screen Page on each Basket Calculation Day even if a Non-Tradable Event (as defined in section B.2 “General definitions” occurs on such day. For the purposes of entering into, amending or terminating any obligation based on or linked to the Basket including, without limitation, a valuation designated as a “reset”, “strike”, “unwind”, or “settlement price”, Goldman Sachs International (the “**Calculation Agent**”) will use the Basket Tradable Value (and not the Basket Closing Value). The effective difference between the Basket Tradable Value and the Basket Closing Value, is that the Basket Tradable Value is based on Tradable Levels (and will therefore be adjusted for Non-Tradable Events using an alternative methodology set out under the definition of “Basket Tradable Value” in section B.2 “General Definitions” below).

## **B. Determination of the ALPHA-BETA Strategy Closing Value and the ALPHA-BETA Strategy Tradable Value**

The following section describes the calculation methodology for the ALPHA-BETA Strategy Closing Value and the ALPHA-BETA Strategy Tradable Value. As described above, the Strategy Sponsor will calculate and publish a value for the ALPHA-BETA Strategy (referred to as the ALPHA-BETA Strategy Closing Value), the calculation methodology for which is further described in section B.1 “Calculation of the ALPHA-BETA Strategy Closing Value” below, based on the Closing Level for each Component on the Relevant Screen Page on each Basket Calculation Day even if a Non Tradable Event is occurring in respect of a Component on such Basket Calculation Day.

For the purposes of determining the Trading Net Asset Value, the Investment Administrator will use the ALPHA-BETA Strategy Tradable Value, the calculation methodology which operates to make any necessary adjustments for Non-Tradable Events, and to the extent such event is occurring on a Basket Calculation Day. These adjustments are made as provided for in Non-Tradable Event in section B.2 “General Definitions” and the impact of Non Tradable Events on any subscription, redemption and/or conversion is further described below under the heading “Characteristics”. However, in case of Market Disruption Events, the Trading Net Asset Value will still be calculated, and will then be based on the ALPHA-BETA Strategy Closing Value the calculation methodology for which is further described in section B.1 “Calculation of the ALPHA-BETA Strategy Closing Value”, as based on the Closing Level for each Component on the Relevant Screen Page on each Basket Calculation Day.

For the purposes of determining the amount payable for the swap transaction under the Swap Agreement, the ALPHA-BETA Strategy Sponsor will use the ALPHA-BETA Strategy Tradable Value, the calculation methodology for which operates to make any necessary adjustments for Non-Tradable Events, to the extent such event is occurring on a Basket Calculation Day. These adjustments are made as provided for in Non-Tradable Event in section B.2 “General Definitions” and the impact of Non Tradable Events on any subscription, redemption and/or conversion is further described below under the heading “Characteristics”.

### **B.1 Calculation of the ALPHA-BETA Strategy Closing Value**

The “**Basket Closing Value**” (also expressed as “V(d)”) for each Basket Calculation Day (d) shall be published on the Relevant Screen Page. The Basket Closing Value (V(d)) in respect of the Basket Inception Date shall be the Basket Initial Closing Value.

The Basket Closing Value ( $V(d)$ ) for any Basket Calculation Day ( $d$ ) falling after the Basket Inception Date is calculated by the Calculation Agent by multiplying (i) the Basket Closing Value ( $V(d')$ ) for the Preceding Basket Calculation Day ( $d'$ ), by (ii) the sum of one (1) and the Basket Return measured from such Preceding Basket Calculation Day ( $d'$ ) to such Basket Calculation Day ( $d$ ) in accordance with the following formula:

$$V(d) = (1 + R(d, d')) \times V(d')$$

Where:

**“Basket Return ( $d, d'$ )”** (also expressed as  $R(d, d')$ ) means, in respect of a Basket Calculation Day ( $d$ ), the Basket Return measured from the Preceding Basket Calculation Day ( $d'$ ) to such Basket Calculation Day ( $d$ ), calculated by the Calculation Agent in accordance with the following formula:

$$R(d, d') = \sum_n W_n^a(d') \times (P(I_n, d, d') - 1) + \sum_e S_e(d') \times (P(C_e, d, d') - 1)$$

Where for the purpose of determining Basket Return ( $d, d'$ ) i.e.  $R(d, d')$ :

**“Adjusted Component Weight ( $n$ )”** (also expressed as  $W_n^a(d')$ ) means for any Preceding Basket Calculation Day ( $d'$ ), the Target Component Weight for such Component ( $n$ ) (expressed as  $W_n(d_r^*(d'))$ , as defined below) adjusted according to the Component Performance for such relevant Component ( $n$ ) from the Relevant Augmented Rebalancing Date (expressed as  $d_r^*(d')$  as defined below) to such Preceding Basket Calculation Day ( $d'$ ), relative to the Basket Performance for the same period, as determined by the Calculation Agent for such Component ( $n$ ) in accordance with the following formula:

$$W_n^a(d') = W_n(d_r^*(d')) \times \frac{P(I_n, d', d_r^*(d'))}{P(V, d', d_r^*(d'))}$$

Where for the purpose of determining Adjusted Component Weight ( $n$ ) i.e.  $W_n^a(d')$ :

**“Target Component Weight ( $n$ )”** (also expressed as  $W_n(d_r^*(d'))$ ) means, in respect of each Component ( $n$ ) and any Relevant Augmented Rebalancing Date ( $d_r^*(d')$ ), a value determined by the Calculation Agent for such Component ( $n$ ) in accordance with the following formula:

$$W_n(d_r^*) = \frac{Z_n(d_r(d_r^*)) - Z_n(d_r'(d_r^*))}{K(d_r(d_r^*))} \times [j(d_r^*) + 1] + Z_n(d_r'(d_r^*))$$

Where  $d_r^*$  is used as a short-hand notion for  $d_r^*(d')$ .

Where for determining the Target Component Weight ( $d_r^*$ ), i.e.  $W_n(d_r^*)$ :

**“Single-day Component Weight ( $n$ )”** (also expressed as  $Z_n(d_r)$ ) means in respect of each Component ( $n$ ) and each Rebalancing Date ( $d_r$ ), the Single-day Component Weight as determined in the manner described below, “Basket Table” (see *Determination of the Single-day Component Weight ( $Z_n(d_r)$ )*).

**“Roll Period Length”** (also expressed as  $K(d_r)$ ) means the number of Trading Days required to reset the Adjusted Component Weight of each Component ( $n$ ) to its Single-day Component Weight. The Roll Period Length is determined as follows: On each Rebalancing Date ( $d_r$ ), if the Single-day Weight ( $Z_n(d_r)$ ) for any Component ( $n$ ) changes its sign compared to the sign of the Single-day Weight ( $Z_n(d_r'(d_r^*))$ ) of the Preceding Rebalancing Date  $d_r'(d_r^*)$  for such Component ( $n$ ), i.e. the Single-day Component Weight for such Component ( $n$ ) changes from positive to zero or vice-versa, from positive to negative or vice-versa or from negative to zero or vice-versa,

the Roll Period Length ( $K(d_r)$ ) is set to Maximum Roll Period Length. Otherwise the Roll Period Length ( $K(d_r)$ ) is set to one (1). The Roll Period Length ( $K(d_r)$ ) on the Basket Inception Date shall be set to one (1).

**“Augmented Rebalancing Dates”** are determined from each Rebalancing Date by augmenting such Rebalancing Date with the quantity Roll Period Length for such Rebalancing Date less one consecutive Trading Days immediately following such Rebalancing Date.

**“ $j(d_r^*)$ ”** is the number of Trading Days between the Relevant Augmented Rebalancing Date ( $d_r^*$ ) and the Relevant Rebalancing Date ( $d_r(d_r^*)$ ).

**“Relevant Rebalancing Date”** (also expressed as “ $d_r(d_r^*)$ ”) means for the Relevant Augmented Rebalancing Date ( $d_r^*$ ), the Rebalancing Date falling on or prior to such Relevant Augmented Rebalancing Date ( $d_r^*$ ). For the avoidance of doubt, the Relevant Rebalancing Date ( $d_r(d_r^*)$ ) for such Relevant Augmented Rebalancing Date ( $d_r^*$ ) can be such Relevant Augmented Rebalancing Date ( $d_r^*$ ).

**“Relevant Augmented Rebalancing Date”** (also expressed as “ $d_r^*(d')$ ”) means for the Preceding Basket Calculation Day ( $d'$ ), the Augmented Rebalancing Date ( $d_r^*(d')$ ) falling on or prior to the Preceding Basket Calculation Day ( $d'$ ). For the avoidance of doubt, the Relevant Augmented Rebalancing Date ( $d_r^*(d')$ ) can be such Preceding Basket Calculation Day ( $d'$ ).

**“Preceding Rebalancing Date”** (also expressed as “ $d_r'(d_r^*)$ ”) means for the Relevant Augmented Rebalancing Date ( $d_r^*$ ), the Rebalancing Date immediately preceding the Relevant Rebalancing Date ( $d_r(d_r^*)$ ) for such Relevant Augmented Rebalancing Date ( $d_r^*$ ).

On the Basket Inception Date shall be set to the Single-day Component Weight on such Basket Inception Date.

**“ $P(I_n, d', d_r^*(d'))$ ”** means the Component Performance of Component (n) from the Relevant Augmented Rebalancing Date ( $d_r^*(d')$ ) to the Preceding Basket Calculation day ( $d'$ ) (as further detailed in Section B.2 below).

**“ $P(V, d', d_r^*(d'))$ ”** means the Basket Performance from the Relevant Augmented Rebalancing Date ( $d_r^*(d')$ ) to the Preceding Basket Calculation day ( $d'$ ) (as further detailed in Section B.2 below).

**“ $P(I_n, d, d')$ ”** means the Component Performance of Component (n) from the Preceding Basket Calculation Day ( $d'$ ) to the Basket Calculation day ( $d$ ) (as further detailed in Section B.2 “General Definitions” below).

**“ $P(C_e, d, d')$ ”** means the Contract Expiration Performance of Contract Expiration (e) from the Preceding Basket Calculation Day ( $d'$ ) to the Basket Calculation day ( $d$ ) (as further detailed in Section B.2 “General Definitions” below).

**“Surplus Contract Expiration”** (also expressed as “ $S_e(d')$ ”) means the surplus Contract Expiration (e) on the Preceding Basket Calculation Day ( $d'$ ) that arises due to a Non-Tradable Event on such Preceding Basket Calculation Day ( $d'$ ). It is calculated by firstly subtracting the sum over all Components (n) of the Adjusted Component Weight on the Preceding Basket Calculation Day ( $d'$ ) for such Component (n) multiplied by the Contract Expiration Dollar Weight of such Contract Expiration (e) in such Component (n) on such Preceding Basket Calculation Day ( $d'$ ) from the Basket Contract Expiration Dollar Weight of such Contract Expiration (e) on the Immediately Prior Basket Calculation Day ( $d''$ ) adjusted by the Performance of such Contract Expiration (e) relative to the Performance of the Basket, in each case from the Immediately Prior Basket Calculation Day ( $d''$ ) to the Preceding Basket Calculation Day ( $d'$ ).

The above is determined by the Calculation Agent for such Contract Expiration (e) in accordance

with the following formula:

$$S_e(d') = D_e(d'') \times \frac{P(C_e, d', d'')}{P(V, d', d'')} - \sum_n W_n^\alpha(d') \times D_{n,e}(d')$$

Where for the purpose of determining Surplus Contract Expiration i.e.  **$S_e(d')$** :

**$D_e(d'')$**  means the Contract Expiration Dollar Weight (as defined below in Section B.2 “General Definitions”) for such Contract Expiration (e) in the Basket on such Immediately Prior Basket Calculation Day (d’’).

**$D_{n,e}(d')$**  means the Contract Expiration Dollar Weight (as defined below in Section B.2 “General Definitions”) for such Contract Expiration (e) in Component (n) on such Preceding Basket Calculation Day (d’).

**$P(C_e, d', d'')$**  means the Contract Expiration Performance of Contract Expiration (e) from the Immediately Prior Basket Calculation Day (d’’) to the Preceding Basket Calculation Day (d’) (as further detailed in Section B.2 “General Definitions” below).

**$P(V, d', d'')$**  means the Basket Performance from the Immediately Prior Basket Calculation Day (d’’) to the Preceding Basket Calculation Day (d’) (as further detailed in Section B.2 “General Definitions” below).

On any Basket Calculation Day on or prior to the Basket Inception Date or if a Non-Tradable Event does not arise, then the Surplus Contract Expiration shall be zero.

## B.2 General Definitions

The following definitions and variables are relevant for the purpose of determining the ALPHA-BETA Strategy Closing Value and the ALPHA-BETA Trading Value for any relevant day:

**“Basket”** means the strategy that seeks to replicate the performance of an investment in the Components according to their Target Component Weights as determined on each Rebalancing Date.

**“Basket Calculation Day”** means any day on which the offices of the Basket Sponsor in New York are open for business.

**“Basket Closing Value”** means, in respect of the Basket, and a Basket Calculation Day (d), the value of the Basket for such Basket Calculation Day as determined by the Calculation Agent in accordance with the calculation methodology as set forth above in section B “Calculation of the ALPHA-BETA Strategy Closing Value and the ALPHA BETA Tradable Value” above using the Closing Levels for such Basket Calculation Day.

**“Basket Contract Expiration Dollar Weight”** (also expressed as  **$D_e(d)$** ) means the dollar weight of Contract Expiration (e) in the Basket on Basket Calculation Day (d), determined in the same manner as (iii) of Contract Expiration Dollar Weight, but dropping the subscript “n” and where “m” is summed over all Components of the Basket.

**“Basket Sponsor”** means Goldman, Sachs & Co. (or successor thereto).

**“Basket Table”** means the table as set forth below in this section.

**“Basket Tradable Value”** means the value at which the Basket may be traded and it is determined by the Calculation Agent on a Basket Calculation Day in the same manner as the Basket Closing Value but using the Tradable Levels and Tradable Contract Prices, instead of Closing Levels and Daily Contract Reference Prices respectively, for each Component and each Contract Expiration respectively for such (and only such) Basket Calculation Day.

**“Closing Level”** means, in respect of each Component and any Basket Calculation Day, the official closing

price of each such Component on such Basket Calculation Day as determined by the relevant Strategy Sponsor or relevant Index Sponsor, as applicable, using the Daily Contract Reference Prices for the Contract Expiration(s) underlying such Component, as is announced and published on the Component Ticker for such Component, provided however that in respect of any Basket Calculation Day that is not an Exchange Business Day for such Contract Expiration(s) underlying such Component, the Closing Level for such Component will be determined using the Daily Contract Reference Price for such Contract Expiration(s) on the most recent Exchange Business Day for such Contract Expiration(s), or if the relevant Strategy Sponsor or relevant Index Sponsor fails to publish an official closing price for the relevant Component, the Closing Level will be determined by the Calculation Agent, in its sole discretion, in a commercially reasonable manner in accordance with section D “Adjustment Events” below.

“**Component (n)**” means each individual Strategy or Index set out in the column entitled “Component” in the Basket Table.

“**Components**” means all the Strategies in each Component (n), each such Component as more fully described in Appendices A and B.

“**Component Ticker**” means the Bloomberg ticker reference (or any official successor thereto) specified in the column entitled “Bloomberg Ticker for Component” in the Basket Table corresponding to the Component as set out in the column entitled “Component” in the Basket Table.

“**Contract Expiration**” is as referred to as a ‘futures contract’ in the DJ-UBS Handbook and “**Contract Expirations**” shall mean all such Contract Expirations in respect of each of the Components.

“**Contract Expiration Dollar Weight**” (also expressed as “ **$D_{n,e}(d)$** ”) means the dollar weight of Contract Expiration (e) in Component (n) on Basket Calculation Day (d), determined in accordance with the following formula:

$$D_{n,e}(d) = \frac{TCDW_e(d)}{\sum_{e'} TCDW_{e'}(d)}$$

Where the sum runs over all Contract Expirations (e') underlying Component (n) and

$$TCDW_e(d) = (CIM1_e \times ARP_{e,d+1} + CIM2_e \times (1 - ARP_{e,d+1})) \times C_e(d)$$

Where “ $CIM1_e$ ” and “ $CIM2_e$ ” are Commodity Index Multipliers for the Roll Out Contract Expiration and Roll In Contract Expiration respectively (as defined in the DJ-UBS Handbook), provided that if such Contract Expiration (e) is not equal to the Roll Out Contract Expiration or the Roll In Contract Expiration respectively,  $CIM1_e$  or  $CIM2_e$  shall be set to zero respectively.  $ARP_{e,d+1}$  represents the Actual Roll Percentage applied to the Index Commodity underlying such Contract Expiration (e) on the Business Day (as defined in the DJ-UBS Handbook) following such Basket Calculation Day (d).

(iii) If Component (n) is calculated in accordance with the relevant Strategy, the Contract Expiration Dollar Weight is calculated as follows:

$$D_{n,e}(d) = \sum_m W_m^\alpha(d) \times D_{m,e}(d) + S_{n,e}(d)$$

Where the summation runs over all Components (m) included in such Component (n) and  $S_{n,e}(d)$  is the Surplus Contract Expiration (as defined in section B.1 “Calculation of the ALPHA-BETA Strategy Closing Value” above) of such Contract Expiration (e) on such Basket Calculation Day (d) in such Component (n).

“**Daily Contract Reference Price**” (otherwise expressed as “ **$C_e(d)$** ”) is defined as “Settlement Price” in the DJ-UBS Handbook, and either case as applicable as of the Basket Calculation Day (d).

“**Designated Contract**” is as defined in the DJ-UBS Handbook.

“**DJ-UBS Handbook**” shall mean the Dow Jones-UBS Commodity Index<sup>SM</sup> Handbook available on website <http://www.djindexes.com/ubs/index.cfm?go=handbook> (or successor thereto and as amended by any

announcement published by the Index Sponsor relating to revisions to the Dow Jones-UBS Commodity Index, including but not limited to, changes to the composition of or rules relating to such index).

**“Exchange Business Day”** means, in respect of any Contract Expiration (e), any day on which the Trading Facility on which such Contract Expiration (e) trades and is scheduled to be open for trading for its regular trading session.

**“First Tradable Date”** means, in respect of a Basket Calculation Day (d) (the **“Relevant Day”**) and in respect of any given Contract Expiration underlying a Component, the first Relevant Day (measured from and including the Relevant Day) for which a Non-Tradable Event has ceased to exist with respect to such Contract Expiration, unless each of the five (5) Exchange Business Days immediately following such Relevant Day continues to have the occurrence of a Non-Tradable Event relating to that Contract Expiration. In that case, the sixth (6<sup>th</sup>) Exchange Business Day shall be deemed to be the First Tradable Date for the relevant Contract Expiration, notwithstanding the fact that on such day there may be a Non-Tradable Event.

**“Immediately Prior Basket Calculation Day (d'”)** means in respect of a Preceding Basket Calculation Day (d'), the Basket Calculation Day (d) immediately preceding such Preceding Basket Calculation Day (d'), as determined by the Calculation Agent.

**“Market Disruption Event”** means, in respect of each Contract Expiration and a Basket Calculation Day if, in the sole opinion of the Calculation Agent, any one of the following occurs:

- (i) the price for such Contract Expiration on such Basket Calculation Day remains at a “limit price” which means that the price for such Contract Expiration on such Basket Calculation Day has increased or decreased from the previous Exchange Business Day’s settlement price for such Contract Expiration by the maximum amount permitted under applicable rules of the relevant Trading Facility, during the entire closing range, irrespective of whether that Contract Expiration is settled by the applicable Trading Facility at the “limit” price or another price;
- (ii) there is a failure by the applicable Trading Facility or other price source to announce or publish the settlement price for such Contract Expiration on such Basket Calculation Day (if such Basket Calculation Day is an Exchange Business Day for such Contract Expiration); or
- (iii) trading in such Contract Expiration on the relevant Trading Facility is suspended or interrupted subsequent to the opening of trading and trading in such Contract Expiration does not recommence at least ten (10) minutes prior to the regular scheduled close of trading in such Contract Expiration, or in the event trading in such Contract Expiration does recommence at least ten (10) minutes prior to the regular scheduled close of trading, trading does not continue for that entire period.

**“Non-Tradable Event”** means in respect of each Contract Expiration, (i) a Basket Calculation Day (d) that is not an Exchange Business Day in respect of such Contract Expiration, (ii) or on which a Market Disruption Event (as defined above) has occurred in respect of such Contract Expiration or (iii) if on each Basket Calculation Day (d) when the Calculation Agent views each Contract Expiration that is affected by a Market Disruption Event and assesses if there is a Surplus Contract Expiration in respect thereof, if the Surplus Contract Expiration is any number other than zero, on such Basket Calculation Day (d), then all Contract Expirations in respect of the same Designated Contract of the Contract Expiration in relation to such Surplus Contract Expiration shall be deemed to be affected by a Non-Tradable Event and the Surplus Contract Expirations shall be recalculated on such Basket Calculation Day (d).

**“Performance (X, d<sub>end</sub>, d<sub>begin</sub>)”** (also expressed as **“P( X, d<sub>end</sub>, d<sub>begin</sub>)”**), means the performance of the Basket (where X can be Q), the Contract Expiration (where X can be C<sub>e</sub>) and Component (where X can be I<sub>n</sub>) measured from such Basket Calculation Day (d<sub>begin</sub>) (falling on or before the Basket Calculation Day (d<sub>end</sub>)) to the Basket Calculation Day (d<sub>end</sub>), being a value determined by the Calculation Agent as being equal to the quotient of: (i) the Basket Closing Value, Daily Contract Reference Price, Tradable Contract Price, Component Closing Level or Component Tradable Level on such Basket Calculation Day (d<sub>end</sub>) (being **“X (d<sub>end</sub>)”**) and (ii) the Basket Closing Value, Daily Contract Reference Price, Component Closing Level on the Basket Calculation Day (d<sub>begin</sub>) (being **“X (d<sub>begin</sub>)”**), represented formulaically as follows:

$$P(X, d_{end}, d_{begin}) = \frac{X(d_{end})}{X(d_{begin})}$$

**“Preceding Basket Calculation Day (d)”** means in respect of a Basket Calculation Day (d), the Basket Calculation Day (d) immediately preceding such Basket Calculation Day (d), as determined by the Calculation Agent.

**“Rebalancing Date”** means the first Basket Calculation Day (d) of each month, or if such day is not a Trading Day, the immediately following Trading Day where **“Trading Day”** means any day (i) which is a Basket Calculation Day (d); and (ii) the Relevant Exchanges on which the Relevant Contract Expirations are traded, are scheduled to be open for trading, and all Relevant Contract Expirations are trading.

**“Relevant Screen Page”** means Bloomberg ticker ABGSB143 <index> (or any official successor thereto) with respect to the Basket Closing Value.

**“Relevant Exchanges”** mean the relevant Trading Facilities on which Relevant Contract Expirations are traded.

**“Roll In Contract Expiration”** has the same meaning as “Next Future” in the DJ-UBS Handbook.

**“Roll Out Contract Expiration”** has the same meaning as “Lead Future” in the DJ-UBS Handbook.

**“Strategies”** means the strategies as specified in the column entitled “Component” in the Basket Table.

**“Strategy Sponsor”** means Goldman, Sachs & Co.

**“Tradable Contract Price”** means, in respect of a Contract Expiration underlying a Component and any Basket Calculation Day (d), the official closing price of such Contract Expiration determined by the Calculation Agent on the First Tradable Date for such Contract Expiration and Basket Calculation Day (d).

**“Tradable Level”** means, in respect of each Component and any Basket Calculation Day (d), the value determined by the Calculation Agent with respect to each Contract Expiration underlying such Component and based on the Tradable Contract Price instead of the Daily Contract Reference Price, in respect of each such Contract Expiration for such (and only such) Contract Expiration and Basket Calculation Day (d).

**“Trading Facility”** means the exchange, facility or platform on or through which a Contract Expiration is traded.

#### **Basket Table**

The following table (**“Basket Table”**) sets out the Strategies comprising the Basket:

<b>N</b>	<b>Component Strategy</b>	<b>Bloomberg Ticker for Component</b>	<b>Strategy Sponsor</b>
0	GS Excess Return E95 Alpha Strategy on the DJ-UBS Commodity Index	ABGSB142 <index>	GS & Co.
1	GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index	ENHGD95P <index>	GS & Co.

Where the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index is as documented in Appendix A to this Supplement and the GS Excess Return E95 Alpha Strategy on the DJ-UBS Commodity Index is as documented in Appendix B to this Supplement.

**“Basket Inception Date”** means 2 January 1996

**“Basket Initial Closing Value”** means 100.

**“Maximum Roll Period Length”** means the number 5.

Determination of the Single-day Component Weight ( $Z_n(d_r)$ ) for Basket Table Components:

The Single-day Component Weights, (also expressed as “ $Z_0(d_r)$ ” and “ $Z_1(d_r)$ ” respectively) correspond to Components 0 and 1 respectively in the Basket Table above. They shall be valued at 0 and 1, respectively, on the Basket Inception Date. Thereafter, the Single-day Component Weights for any Rebalancing Date ( $d_r$ ) will be set to 0 and 1 respectively if the Lookback Average Performance ( $L_{avg}(d_d)$ ) on the Relevant Decision Date ( $d_d(d_r)$ ) for such Rebalancing Date ( $d_r$ ) is greater than one (1). Otherwise they will be set to 1 and 0 respectively (reversed).

“**Lookback Average Performance**” (also expressed as “ $L_{avg}(d_d)$ ”) means the average of the value of the Performance of Component 1 from the Basket Calculation Day  $d_{d-a}^{6m}$  to Basket Calculation Day  $d_{d-a}$  over the 5 consecutive Basket Calculation Days up to, and including, the Relevant Decision Date ( $d_d(d_r)$ ) and shall be determined in accordance with the following formula:

$$L_{avg}(d_d) = \frac{1}{5} \times \sum_{a=0}^4 P(I_1, d_{d-a}, d_{d-a}^{6m})$$

“**Relevant Decision Date ( $d_d(d_r)$ )**” means the Basket Calculation Day immediately preceding such Rebalancing Date ( $d_r$ ).

“ $d_{d-a}$ ” means in respect of any Relevant Decision Date ( $d_d$ ), the  $a^{\text{th}}$  Basket Calculation Day immediately preceding such Relevant Decision Date. For the avoidance of doubt if the “ $a$ ” is zero, then  $d_{d-a}$  shall be such Relevant Decision Date.

“ $d_{d-a}^{6m}$ ” means in respect of any Basket Calculation Day ( $d_{d-a}$ ), the day six months before such Basket Calculation Day ( $d_{d-a}$ ) and if such day is not a Basket Calculation Day, the immediately following Basket Calculation Day.

“ $P(I_1, d_{d-a}, d_{d-a}^{6m})$ ” means the Performance of Component 1 from the Basket Calculation Day ( $d_{d-a}$ ) to the Basket Calculation Day ( $d_{d-a}^{6m}$ ) (as further detailed in section B.2 “General Definitions” above).

### C. Rebalancing of the Commodity Basket

The Basket is rebalanced on each Rebalancing Date. The Basket is rebalanced because the Component Performance of each Component relative to the Basket Performance may vary from one Rebalancing Date to the next, with the result that the Adjusted Component Weight of each Component may no longer be equal to its Target Component Weight for that period.

Therefore, on each Rebalancing Date, the Adjusted Component Weight of each Component will be reset to its Target Component Weight, the objective (the “**Rebalancing Objective**”) being to rebalance each Component as closely as possible to its Target Component Weight. However, if a Non-Tradable Event occurs in respect of a Contract Expiration, there may be a surplus of such Contract Expiration that may affect the Basket Return for as long as the Non-Tradable Event is continuing.

### D. Adjustment Events

- (i) If any Component or the Basket, as applicable, is:
  - (a) not calculated and announced by the Strategy Sponsor in the case of a Component that is a Strategy, or Index Sponsor in the case of a Component that is an Index, as applicable, or the Basket Sponsor in the case of the Basket, but is calculated and announced by a successor sponsor acceptable to the Calculation Agent; or
  - (b) replaced by a successor strategy, index or basket using as applicable, in the good faith determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Component or the Basket, as applicable,

then the relevant Component or the Basket, as applicable, will be deemed to be that strategy/index or basket, as applicable, so calculated and announced by that successor sponsor for that successor strategy/index or basket, as the case may be.

- (ii) If, in respect of any Component or the Basket, as applicable, the Calculation Agent determines that:
- (a) the Strategy Sponsor or Index Sponsor, as applicable, makes, in the reasonable judgment of the Calculation Agent, a material change in the formula for or the method of calculating, or determining the composition of any Component, as the case may be or in any other way materially modifies any such Component (other than a modification prescribed in that formula or method relating to the composition or weighting of such Component or such other routine events or modifications which do not in any other way materially modify such Component); or
  - (b) in the absence of a Non-Tradable Event: (a) the Basket Sponsor fails to calculate and announce the Basket Closing Value or the Strategy Sponsor fails to calculate the Closing Level for any Component that is a Strategy, or the Basket or a Component that is a Strategy has ceased to be calculated by the Basket Sponsor or Strategy Sponsor, as the case may be and has not been replaced by a successor strategy (in either case, any such discontinuance shall not constitute a Market Disruption Event); or (b) the Index Sponsor fails to calculate and announce, the Closing Level for any Component that is an Index, or a Component that is an Index has ceased to be calculated by the Index Sponsor, as the case may be and has not been replaced by a successor index (in either case, no such failure or cessation by the Basket Sponsor or the Index Sponsor, as the case may be, shall constitute a Market Disruption Event),
- then the Calculation Agent shall calculate the level of the Basket or the relevant Component, in lieu of a published level for the Basket Closing Value or the Closing Level of any such Component, as the case may be, in a commercially reasonable manner and using the same formula for and method of calculating such Basket Closing Value or Closing Level for such Component last in effect prior to such change, failure to calculate or cessation.
- (iii) If in respect of any Component and any given Basket Calculation Day, a contract underlying such Component is removed or modified from the Dow Jones-UBS Commodity Index<sup>SM</sup>, the Calculation Agent shall, for the purposes of the relevant Component(s) (a "**Modified Component**"), generally follow the decision of the Dow Jones-UBS Commodity Index<sup>SM</sup> Supervisory Committee (as defined in the DJ-UBS Handbook) and make the corresponding change for the purposes of the relevant Modified Component. However, in the event that the Calculation Agent determines, in its reasonable judgment, that the removal of such contract and/or the introduction of an alternative contract by the DJ-UBS Commodity Index<sup>SM</sup> Supervisory Committee (as the case may be) and any such corresponding change to the Modified Component could adversely affect the subsequent performance of such Modified Component and/or materially alter the nature of the Basket, it may elect to: (1) remove the relevant Modified Component(s) from the Basket on the next Relevant Rebalancing Date or such other day as mutually determined, to be relevant in the circumstances then existing; (2) retain the contract removed from the Dow Jones-UBS Commodity Index<sup>SM</sup> and the corresponding Modified Component(s) in the Basket, notwithstanding its removal from the Dow Jones-UBS Commodity Index<sup>SM</sup> on the grounds of ineligibility or otherwise; or (3) use an alternative contract for the relevant Modified Component whether or not a replacement contract was introduced to the Dow Jones-UBS Commodity Index<sup>SM</sup> by the Dow Jones-UBS Commodity Index<sup>SM</sup> Supervisory Committee.
- (iv) If a Closing Level published on the relevant Component Ticker on any Basket Calculation Day is subsequently corrected and the correction is published by the Strategy Sponsor or Index Sponsor with respect to a Component, as applicable, no later than 12 noon New York time on the Basket Calculation Day immediately following that relevant Basket Calculation Day, then the corrected Closing Level for such Basket Calculation Day shall be deemed the Closing Level for such day and the Calculation Agent shall use the corrected Closing Level in its determination of the Basket Closing Value for such Basket Calculation Day.
- (v) Any calculation or determination made by the Calculation Agent in respect of the Basket or any relevant Component in any such circumstances described above shall be subject to the provisions of section E "Calculation Agent" below.
- (vi) The Calculation Agent shall, to the extent practicable, notify the Portfolio of any determination made by it pursuant to sub-paragraphs (i) to (iv) above, giving details thereof and the action proposed to be taken in relation thereto.

**E. Calculation Agent**

All determinations and calculations made by the Calculation Agent shall (in the absence of manifest error) be final and binding on all parties, and the Calculation Agent shall have no responsibility to any person for any good faith errors or omissions in any determination or calculation.

## Principal Risks of Investing in the Portfolio

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "What to Know Before You invest in a Portfolio" and "Additional Overriding Risks" of the Prospectus.

### Goldman Sachs roles and no active management of the Portfolio

Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs expects to perform its obligations in good faith and commercially reasonable manner, it may face conflicts between these roles and its own interest.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

As described below in the risk factor entitled "Trading and other transactions by Goldman, Sachs & Co. and its affiliates relating to the ALPHA-BETA Strategy and their respective underlying commodity contracts and commodities may adversely affect the Net Asset Value of the Shares in the Portfolio", Goldman, Sachs & Co. and its affiliates may engage in trading on a proprietary basis, for other accounts under their management or to facilitate customer transactions relating to one or more commodities underlying the ALPHA-BETA Strategy; they may also issue or underwrite other securities or financial or derivative instruments indexed to the ALPHA-BETA Strategy as well as any of their respective Components.

Any of these activities of Goldman, Sachs & Co. or its affiliates may be adverse to the interests of a holder of Shares in the Portfolio.

### Counterparty risk

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by Goldman Sachs International for the swap transaction under the Swap Agreement and the repurchase transaction under the Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although both the Swap Agreement and the Repurchase Agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns for the repurchase transaction on the Repurchase Agreement and for the swap transaction under the Swap Agreement are not collateralized.

### Termination of the Swap Agreement

The Swap Agreement (as defined above) will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

**As Calculation Agent, Goldman Sachs International will have the authority to make determinations that could affect the Net Asset Value of the Shares in the Portfolio**

In its capacity as Calculation Agent as described in this Supplement, Goldman Sachs International will have discretion in making various determinations that may affect the value of the Shares in the Portfolio and the calculation of the amount due with respect to a subscription, conversion, redemption or termination of the Portfolio, such as those determinations described in section D “Adjustment Events” of this Supplement. The exercise of such discretion by Goldman Sachs International could adversely affect the value of the Shares in the Portfolio and may present Goldman Sachs International with a conflict of interest of the kind described under the risk factor entitled “Goldman Sachs Roles and no active management of the Portfolio” above.

**Trading and other transactions by Goldman, Sachs & Co. and its affiliates relating to the ALPHA-BETA Strategy and their respective underlying commodity contracts and commodities may adversely affect the Net Asset Value of the Shares in the Portfolio**

Goldman, Sachs & Co., and its affiliates actively trade futures contracts and options on futures contracts on the commodities that underlie the ALPHA-BETA Strategy, over-the-counter (“OTC”) contracts on these commodities, the underlying commodities included in the ALPHA-BETA Strategy and other instruments and derivative products based on numerous other commodities. Goldman, Sachs & Co., and its affiliates also trade instruments and derivative products based on the Dow Jones – UBS Commodity Index<sup>SM</sup> (the “DJ-UBSCI<sup>SM</sup>”) and the indices on which the ALPHA-BETA Strategy is based. Trading in the futures contracts on commodities included in the DJ-UBSCI<sup>SM</sup>, the underlying commodities and related OTC products by Goldman, Sachs & Co., and its affiliates and unaffiliated third parties could adversely affect the value of the ALPHA-BETA Strategy which could in turn affect the Net Asset Value of the Shares in the Portfolio.

Goldman, Sachs & Co. and its affiliates and other parties may also issue or underwrite additional securities or trade other products the return on which is linked to the value of the ALPHA-BETA Strategy or other similar strategies. In addition, Dow Jones (as Index Sponsor of the DJ-USCI<sup>SM</sup>) has licensed and may continue to license the DJ-UBSCI<sup>SM</sup> for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in, or other similar strategies linked to, the DJ-UBSCI<sup>SM</sup> which may negatively affect the value of the ALPHA-BETA Strategy.

Although Goldman, Sachs & Co. is not obligated to do so, we have elected to hedge our obligations with respect to the Portfolio with an affiliate of Goldman, Sachs & Co. That affiliate, in turn, will most likely directly or indirectly hedge any of its obligations through transactions in the futures and options markets. Goldman, Sachs & Co. and its affiliates may also issue or underwrite financial instruments with returns indexed to the ALPHA-BETA Strategy.

**The Net Asset Value of the Shares of the Portfolio may be influenced by many factors that are unpredictable and interrelated in complex ways**

A number of factors, many of which are beyond the control of the Umbrella Fund or Goldman Sachs International or any its affiliates, will influence the Net Asset Value of the Shares in the Portfolio, including:

- the ALPHA-BETA Strategy Trading Value;
- various economic, financial, regulatory and political, military or other events that affect commodity markets generally and the market segments of which the commodities underlying the ALPHA-BETA Strategy are a part, and which may in turn affect the level of the ALPHA-BETA Strategy as further described in the risk factor entitled “Prices of commodity contracts may change unpredictably, affecting the value of your Shares in unforeseeable ways”; and
- interest rates and yield rates in the market.

**Algorithmic based Strategy**

The Basket methodology determines the participation of the Basket in certain alpha or beta strategies by reference to historical performance of the beta strategy (this historical performance is also called the “lookback signal” as described above) included in the Basket and will according to the lookback signal, switch between the two strategies. As a result of this reliance on historical data and many factors that are

unpredictable including future commodity contract prices, there can be no assurance that the lookback signal will result in the Basket optimally allocating between the alpha or beta strategy, as applicable. Accordingly, there is the risk that the Basket methodology (by reference to the lookback signal) will generate sub-optimal participation in the alpha and beta strategies which we expect would adversely affect the value of the Basket. As a consequence, there could be a substantial loss of income on an investment linked to the Basket and/or loss of the principal invested.

**The past performance of the ALPHA-BETA Strategy is no guide to future performance**

The actual performance of the ALPHA-BETA Strategy may bear little relation to the historical levels of the ALPHA-BETA Strategy or any of its Components. The future performance of the ALPHA-BETA Strategy cannot be predicted.

**Prices of commodity contracts may change unpredictably, affecting the value of the investor's Shares in unforeseeable ways.**

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

These factors may cause the value of different commodities included in the ALPHA-BETA Strategy to move in directions which could result in a drop in the ALPHA-BETA Strategy Closing Value for any given day and hence a decline in the value of the Shares.

**Suspensions or disruptions of market trading in the commodity and related contracts or in the relevant contracts included in the Components included in the ALPHA-BETA Strategy may adversely affect the Net Asset Value of the Shares in the Portfolio**

The commodity markets are subject to temporary distortions or other disruptions due to various factors, including activities of market participants and such factors as set out in the risk factor entitled "Prices of commodity contracts may change unpredictably, affecting the value of the investor's Shares in unforeseeable ways" below. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices which may occur during a single business day. These limits are generally referred to as "daily price fluctuation limits" and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a "limit price". Once the limit price has been reached in a particular contract, trading in the contract will follow the regulations set forth by the trading facility on which the contract is listed. Limit prices may have the effect of precluding trading in a particular contract underlying any of the Components included in the ALPHA-BETA Strategy, which may impact on the value of such Component and, therefore, the value of the ALPHA-BETA Strategy.

If a Market Disruption Event occurs with respect to any Contract Expiration included in the ALPHA-BETA Strategy on a Basket Calculation Day (as such terms are defined above under section B.2. "General Definitions"), the value of such Contract Expiration will be determined by the Calculation Agent in its reasonable judgment on such valuation date on which the Disrupted Value of the Swap Agreement – and in turn the Trading Net Asset Value of the Portfolio - shall be based. Accordingly, the calculation of the ALPHA-BETA Strategy Tradable Value may be subject to the judgment of the Calculation Agent. In addition, if a Market Disruption Event occurs on a Basket Calculation Day, the Trading Net Asset Value of the Portfolio shall be based on the Disrupted Value of the Swap Agreement, as determined on the basis of a level of the ALPHA-BETA Strategy containing estimates for the disrupted contracts included in such ALPHA-BETA Strategy which may not precisely match the level of the ALPHA-BETA Strategy as finally determined for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement.

This is because the methods for calculating the amount payable for the swap transaction under the Swap Agreement and for calculating the Disrupted Value of the Swap Agreement, on which the Trading Net Asset Value of the Portfolio will be based, contain different procedures for determining the level of the ALPHA-BETA Strategy following a Market Disruption Event affecting a contract included in the ALPHA-BETA Strategy for the relevant Valuation Day. The Trading Net Asset Value calculated on such a Valuation Day will however be final, and will not be recalculated by the Calculation Agent in the event that the ALPHA-BETA Strategy Tradable Value, as calculated to determine the Disrupted Value of the Swap Agreement on which

the Tradable Net Asset Value of the Portfolio will be based, does not (due to the different calculation procedures applied to determine the ALPHA-BETA Strategy Tradable Value for each of the Disrupted Value of the Swap Agreement on which the Tradable Net Asset Value is based, and the amount payable for the swap transaction under the Swap Agreement) match the ALPHA-BETA Strategy Tradable Value determined for the purpose of calculating the amount payable for the swap transaction under the Swap Agreement and on which the net weekly payment thereof will be based.

Subscribing and/or redeeming investors in the Portfolio are therefore made aware that they might be subscribing/redeeming on a Valuation Day affected by a Market Disruption Event, and that the Trading Net Asset Value of the Portfolio that will be used to process such subscriptions and/or redemptions will be based on a Disrupted Value of the Swap Agreement, which contains estimates of the settlement prices for any Contract Expirations, as determined by the Calculation Agent in its reasonable judgment. Investors subscribing and/or redeeming on such a Valuation Day may then be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event.

Investors are consequently made aware that, should the above mentioned mismatch arise at any time following the occurrence of a Market Disruption Event on a Valuation Day, the Portfolio will not be compensated, meaning that the latter may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio and in turn any investor who at such time is invested in the Portfolio.

If on a Trading Day a Non-Tradable Event has occurred with respect to any contract underlying a Component in a Strategy Pair included in the ALPHA-BETA Strategy, then the same Non-Tradable Event will be deemed to be in existence for the Corresponding Component in the same Strategy Pair and the Calculation Agent will determine the levels for both Components included in such Strategy Pair, as well as the ALPHA-BETA Strategy Tradable Value, as provided for under Non-Tradable Event as defined in section B.2 "General Definitions". Therefore, even if only one of the Components in the Strategy Pair is affected by the Non-Tradable Event, the other Component will be deemed disrupted notwithstanding that it is unaffected by such Non-Tradable Event.

Further, if a Non-Tradable Event occurs with respect to any Component specific to the ALPHA-BETA Strategy on any Trading Day on which the ALPHA-BETA Strategy Tradable Value is due to be determined, the calculation of ALPHA-BETA Strategy Tradable Value (and the settlement of any subscription, redemption and/or conversion based on the ALPHA-BETA Strategy Tradable Value) will be delayed until the settlement prices for the contracts underlying the relevant affected Components can be determined by the Calculation Agent, except if the Non-Tradable Event is a Market Disruption Event, in which case the Trading Net Asset Value will still be calculated on the basis of the ALPHA-BETA Strategy Closing Value. Therefore, the Tradable Levels for such affected Components and the ALPHA-BETA Strategy Tradable Value may be subject to the judgment of the Calculation Agent and may be different from the ALPHA-BETA Strategy Closing Value published by the Strategy Sponsor on the applicable Relevant Screen Page for such relevant day as a result of adjustments made by the Calculation Agent due to the occurrence of the Non-Tradable Event.

If a Non-Tradable Event occurs with respect to any Component included in the ALPHA-BETA Strategy on a Rebalancing Date, while such Non-Tradable Event is continuing, such affected Component may temporarily be over- or under-invested with respect to the other unaffected Components included in the Commodity Basket. Further, due to the occurrence of a Non-Tradable Event on a Rebalancing Date with respect to any Component, and to the performance of each such Component relative to the performance of the ALPHA-BETA Strategy, the Rebalancing Objective may not be achieved. Notwithstanding the fact that a Non-Tradable Event has ceased to affect a Component on any Basket Calculation Day, if such day is not a Trading Day, the Calculation Agent will not be able to reference the most recent Rebalancing Date on such Basket Calculation Day when calculating the Adjusted Component Weight of such Component and therefore the execution by the Calculation Agent of the Rebalancing Objective for such Component (as defined in section C "Rebalancing of the Commodity Basket" above) will be further delayed.

**The Components included in the ALPHA-BETA Strategy may in the future include contracts that are not traded on regulated futures exchanges**

The DJ-UBSCI<sup>SM</sup> was originally based solely on contracts traded on regulated futures exchanges (referred to in the United States as "designated contract markets"). At present, the DJ-UBSCI<sup>SM</sup> and therefore, the Components, continue to be comprised exclusively of regulated futures contracts. As described below, however, the Index may in the future include OTC contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive

regulation. In that event, the contracts underlying the Components included in the ALPHA-BETA Strategy will change as well. Trading in contracts that are not listed futures contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the same provisions of, and the protections afforded by, the U.S. Commodity Exchange Act of 1936, as amended, or other applicable statutes and related regulations, that govern trading on regulated futures exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities and the possible inclusion in the future of such contracts in the Components included in the ALPHA-BETA Strategy following any change to the composition of the DJ-UBSCI<sup>SM</sup> (as more fully described in section D “Adjustment Events” above) may be subject to certain risks not presented by most exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

**Higher future prices of commodities underlying the Components included in the ALPHA-BETA Strategy relative to their current prices may decrease the amount payable on the investor’s Shares in the Portfolio**

The Components are composed of various commodity strategies and indices which replicate actual investments in the underlying Contract Expiration(s) and therefore are affected by the need to “roll” such Contract Expirations due to such contracts having a pre-determined expiration date on which trading in such Contract Expiration ceases. “Rolling” (that is selling contracts that are nearing expiration before they expire and buying contracts that have an expiration date further in the future), while allowing an investor to maintain an investment position in the Contract Expirations underlying any such commodity strategy or index included in a Component without receiving physical delivery of commodities or making or receiving a cash settlement, can potentially have a large impact on the value of any commodity index or strategy included in a Component. In particular, for a Component with a positive weight, if the price of the Contract Expirations being sold is higher than that of the Contract Expirations being purchased (a situation known as “contango”) and spot prices remain unchanged, this could result in negative performance of such commodity strategy and/or index which could in turn affect the return on the Component and therefore the Basket to which the Notes are linked. Conversely, for a Component with a negative weight, if the price of the Contract Expirations being sold is lower than that of the Contract Expirations being purchased (a situation known as “backwardation”) and spot prices remain unchanged, this could also result in negative performance of such Component and therefore the Basket to which the Shares are linked.

**Investors have no rights with respect to commodities or commodities contracts or rights to receive any commodities**

Investing in an instrument linked to the Commodity Basket will not make the investor a holder of any of the commodities underlying any Component included in the ALPHA-BETA Strategy or any contracts with respect thereto. The investor will not have any rights to receive delivery of any commodity reflected in any Component included in the ALPHA-BETA Strategy.

**The ALPHA-BETA Strategy does not track the return of the DJ-UBSCI<sup>SM</sup> and the returns on the Strategy will therefore differ from those of the DJ-UBSCI<sup>SM</sup>**

The ALPHA-BETA Strategy is based on a sub-set only of the commodities contracts included in the DJ-UBSCI<sup>SM</sup> as set forth in the Basket Table above and each Component that is a Strategy, has different rules from the DJ-UBSCI<sup>SM</sup> governing the roll periods and the procedure by which expiring positions in certain of the constituent contracts are rolled forward into more distant contract expirations. In addition, while the DJ-UBSCI<sup>SM</sup> represents a measure of commodity market return over time, the ALPHA-BETA Strategy represents the measure of the relative return of certain investment strategies on the DJ-UBSCI<sup>SM</sup> against returns on the DJ-UBSCI<sup>SM</sup> (as set forth in section B “Determination of the ALPHA-BETA Strategy Closing Value and the ALPHA-BETA Strategy Tradable Value” above). As such, an investment in an instrument linked to the value of the ALPHA-BETA Strategy is not comparable to and should not be benchmarked against an investment in an instrument linked to the value of the DJ-UBSCI<sup>SM</sup>. The investor should understand that his/her/its Shares in the Portfolio are linked to the returns on the ALPHA-BETA Strategy and not linked to the DJ-UBSCI<sup>SM</sup> and that these differences in the roll periods and the rules governing the rolling of contracts as between the DJ-UBSCI<sup>SM</sup> on the one hand and the ALPHA-BETA Strategy on the other hand, are likely to produce different values for the DJ-UBSCI<sup>SM</sup> as opposed to the ALPHA-BETA Strategy at any given time and, therefore, may produce differing returns.

### **Changes in the composition of the DJ-UBSCI<sup>SM</sup>**

The ALPHA-BETA Strategy and the Components underlying each of them use contracts currently included in the DJ-UBSCI<sup>SM</sup>. The composition of the DJ-UBSCI<sup>SM</sup> may change over time, as additional contracts satisfy the eligibility criteria of the DJ-UBSCI<sup>SM</sup> or contracts currently included in the DJ-UBSCI<sup>SM</sup> fail to satisfy such criteria or cease trading. Any such change could impact the composition of the Components included in the ALPHA-BETA Strategy. A number of modifications to the methodology for determining the contracts to be included in the DJ-UBSCI<sup>SM</sup> and for valuing the DJ-UBSCI<sup>SM</sup>, have been made in the past several years and further modifications may be made in the future. It is likely that any such change to the composition or methodology of the DJ-UBSCI<sup>SM</sup> will be reflected by the Calculation Agent in the ALPHA-BETA Strategy (to the extent applicable) however if the Calculation Agent determines that making such change or modification would materially alter the nature of the ALPHA-BETA Strategy, it may exercise certain discretions with respect to the ALPHA-BETA Strategy relating to such change to the DJ-UBSCI<sup>SM</sup> (as more fully described in section D “Adjustment Events” above). In the event that the Calculation Agent exercises such discretion in accordance with the provisions as set forth herein and does not implement the change made to the DJ-UBSCI<sup>SM</sup> with respect to the ALPHA-BETA Strategy, the returns on the ALPHA-BETA Strategy may deviate, and may deviate significantly, from the returns that would have been obtained had the Calculation Agent implemented such change with respect to the Components included in the ALPHA-BETA Strategy and accordingly, the performance of the ALPHA-BETA Strategy may be adversely affected as a result of the exercise by the Calculation of its discretion in this regard.

### **The Components included in the ALPHA-BETA Strategy reflect excess returns, not total returns**

The Components included in the ALPHA-BETA Strategy reflect the returns that are potentially available through an unleveraged investment in contracts underlying those Components. The Components included in the ALPHA-BETA Strategy are not, however, linked to a “total return” index or strategy which, in addition to reflecting those excess returns, would also reflect interest that could be earned on funds committed to the trading of the contracts underlying each such Component. The return on the ALPHA-BETA Strategy will therefore not include such a total return feature or interest component however through the repurchase transaction under the Repurchase Agreement an interest component shall be generated.

### **Particularities of the Swap Agreement and of the Repurchase Agreement**

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Repurchase Agreement. The notional amounts of the swap transaction under the Swap Agreement and the repurchase transaction under the Repurchase Agreement will be adjusted to reflect new subscriptions, conversions and redemptions.

Dividends earned on the eligible securities and cash (if any) held under the Repurchase Agreement will be paid by the Portfolio to the counterparty to the Repurchase Agreement. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio will at all times remain the legal and beneficial owner of the collateralized eligible securities and cash (if any) kept by the Custodian.

The portion of the collateral relating to the Repurchase Agreement will be adjusted daily in order to reflect current market values.

The swap transaction under the Swap Agreement will be an excess return swap on the ALPHA-BETA Strategy. The notional amounts of the swap transaction under the Swap Agreement will be an amount in US Dollars which will be approximately equivalent to the value of the Portfolio in Euros. In addition, the Swap Agreement will be reset on a weekly basis. On each such weekly reset date, the Portfolio will be able to increase or decrease the notional amounts of the swap transaction under the Swap Agreement. Under the terms of the Swap Agreement, the Portfolio will be required to make periodic payments to Goldman Sachs International, as swap counterparty, if the performance of the ALPHA-BETA Strategy is negative and Goldman Sachs International will be obligated to make periodic payments to the Portfolio if the performance of the ALPHA-BETA Strategy is positive, in each case multiplied by the notional amounts of the swap transaction under the Swap Agreement. The performance of the ALPHA-BETA Strategy will be determined by

reference to the ALPHA-BETA Strategy Tradable Value Mechanism as determined for the relevant valuation date.

The Swap Agreement will include a stop/loss mechanism which will operate such that the Swap Agreement will terminate prior to the scheduled termination date (the "**Scheduled Termination Date**") should the ALPHA-BETA Strategy Tradable Value on any Basket Calculation Day (the "**Stop Loss Date**"), be equal to or below 50% of the ALPHA-BETA Strategy Tradable Value as of the initial subscription day in respect of the Portfolio. In such case, the Swap Agreement will terminate on the Stop Loss Date rather than the Scheduled Termination Date and the settlement amount will be referenced to the ALPHA-BETA Strategy Tradable Value for such Stop Loss Date.

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. In addition, the Swap Agreement will provide that, in the event of certain Non-Tradable Events as defined above in section B.2 "General definitions" with respect to the contracts underlying the Components included in the ALPHA-BETA Strategy, payments due to the swap transaction under the Swap Agreement may be delayed and/or the settlement price of a Component affected by a Non-Tradable Event may be determined in an alternative manner by the Calculation Agent. In any event, Non-Tradable Event and its consequences as contained in the Swap Agreement will mirror those set out in this Supplement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

The Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the ALPHA-BETA Strategy Tradable Value and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the notional amounts of the swap transaction under the Swap Agreement and the repurchase transaction under the Repurchase Agreement will be adjusted by the Repurchase Agreement and Swap Agreement's counterparties. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Repurchase Agreement are at the following rate: Effective Federal Funds rate plus/minus spread.

The Swap Agreement sets out the consequences of certain events which may impact investors in the Portfolio:

#### *Manifest Error in Publication*

If the ALPHA-BETA Strategy Tradable Value used for the making of any determination under the Swap Agreement is corrected to remedy a material error in its original publication whether following a correction as contemplated by section D "Adjustment Events" (iv) above or otherwise, the Calculation Agent under the Swap Agreement will notify the Umbrella Fund and the Swap Counterparty of such correction; and (a) the Calculation Agent under the Swap Agreement will determine and notify the Umbrella Fund and the Swap Counterparty of the amount that is payable by the Umbrella Fund or the Swap Counterparty as a result of that correction as an adjustment payment to previous amounts paid for the swap transaction under the Swap Agreement; and (b) the Calculation Agent under the Swap Agreement will adjust the terms of the Swap Agreement to account for such correction. Following any such adjustment the Board of Directors of the Umbrella Fund shall consider whether any adjustments are necessary to the terms of the Shares.

Where, as the result of a miscalculation of the Net Asset Value per Share of any Class, including as a result of an error in publication of the ALPHA-BETA Strategy or the levels of any of its Components, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

### *Strategy Substitution*

If at any time notwithstanding the section D “Adjustment Events” provisions any of the following events occur and the Calculation Agent of the Swap Agreement determines that such events have a material effect on the Portfolio and the ability to issue, convert and/or redeem Shares in the Portfolio: (i) the level of ALPHA-BETA Strategy is not published for a period of 15 Basket Calculation Days; or (ii) the Strategy Sponsor discontinues the calculation and publication of the ALPHA-BETA Strategy; or (iii) the Strategy Sponsor materially changes the formula for or the method of calculating the ALPHA-BETA Strategy or the nature of the Components underlying the ALPHA-BETA Strategy or in any other way materially modifies the ALPHA-BETA Strategy, then the Calculation Agent under the Swap Agreement may decide, by giving not less than 15 calendar days’ notice, to designate a date (the “Substitution Date”), by which date the Umbrella Fund and the Swap Counterparty shall agree on a substitute strategy (any strategy so identified by the parties, a “Substitute Strategy” in relation to such ALPHA-BETA Strategy).

Following identification of a Substitute Strategy, the Calculation Agent under the Swap Agreement shall, following consultation in good faith with the Umbrella Fund and the Swap Counterparty, as of the Substitution Date make adjustments to the past levels of the Substitute Strategy so that the Substitute Strategy reflects the same historical performance as the ALPHA-BETA Strategy or otherwise make adjustments such that, as of the Substitution Date, the value of the closing level of the ALPHA-BETA Strategy shall be reflected in the opening level of the Substitute Strategy.

Any such substitution shall not affect any prior payments made under the Swap Agreement or to investors. Shareholders will be notified of any Substitute Strategy and so to redeem their shares should they disagree with the contemplated change.

If the Calculation Agent under the Swap Agreement and the Umbrella Fund are unable to identify a suitable Substitute Strategy and suitable modifications to that strategy, the Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

### *Termination of the Swap Agreement in the event of a prolonged Non-Tradable Event*

In the event of a prolonged Non-Tradable Event which the Calculation Agent of the Swap Agreement (acting in conjunction with Umbrella Fund and the Swap Counterparty) believes materially affects its ability to issue, convert and/or redeem Shares of any Class, the Swap Agreement will be terminated. If no suitable Substitute Strategy can be determined in a reasonable time period by the Calculation Agent using its discretion, the Portfolio will be liquidated and the investors will receive *pro-rata* redemption amounts.

## **Characteristics**

### **Characteristics of the Shares classes available in the Portfolio**

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
C	USD	Accumulation	LU0436058019	None
C (EUR Hedged)	EUR	Accumulation	LU0436058100	None
C (AUD Hedged)**	AUD	Accumulation	LU0436058282	None
C (CHF Hedged)	CHF	Accumulation	LU0459238357	None

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
C (GBP Hedged)	GBP	Accumulation	LU0479334046	None
I	USD	Accumulation	LU0436058365	None
I (EUR Hedged)	EUR	Accumulation	LU0436058449	None
I (AUD Hedged)***	AUD	Accumulation	LU0436058522	None
I (CHF Hedged)	CHF	Accumulation	LU0459238274	None
I (GBP Hedged)	GBP	Accumulation	LU0479331885	None

Share Class	Maximum Sales Charge	Deferred Sales Charge*	Investment Administrator Fee	Minimum Subsequent Investment	Minimum Holding and Initial Investment
C	5%	5%	0.30% p.a.	USD 1,000	USD 1,000,000
C (EUR Hedged)	5%	5%	0.30% p.a.	EUR 1,000	EUR 1,000,000
C (AUD Hedged)**	5%	5%	0.30% p.a.	AUD 1,000	AUD 1,000,000
C (CHF Hedged)	5%	5%	0.30% p.a.	CHF 1,000	CHF 1,000,000
C (GBP Hedged)	5%	5%	0.30% p.a.	GBP 1,000	GBP 1,000,000
I	5%	5%	1.00% p.a.	USD 1,000	USD 150,000
I (EUR Hedged)	5%	5%	1.00% p.a.	EUR 1,000	EUR 150,000
I (AUD Hedged)***	5%	5%	1.00% p.a.	AUD 1,000	AUD 150,000
I (CHF Hedged)	5%	5%	1.00% p.a.	CHF 1,000	CHF 150,000
I (GBP Hedged)	5%	5%	1.00% p.a.	GBP 1,000	GBP 150,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio will be subject to a deferred sales charge equal to 5% if redemptions occur within the first seven years.

\*\* Class "C (AUD Hedged)" Shares: class of Shares dedicated to Institutional Investors.

\*\*\* Class "I (AUD Hedged)" Shares: class of Shares dedicated to Institutional Investors.

On any Business Day the Directors may determine to apply an alternative valuation methodology (to include such reasonable factors as they see fit) to the net asset value per Share. This method of valuation is intended to pass the estimated costs of underlying investment activity of the Umbrella Fund to the active Shareholders by adjusting the net asset value of the relevant Share and thus to protect the Umbrella Fund's long-term Shareholders from costs associated with ongoing subscription and redemption activity.

This alternative valuation methodology may take account of trading spreads on the Umbrella Fund's investments, the value of any duties and charges incurred as a result of trading and includes an allowance for market impact. It is envisaged that in the ordinary course any valuation adjustment will not exceed 5% of the net asset value of the Shares being redeemed or subscribed.

Where the Directors, based on the prevailing market conditions and the level of subscriptions or redemptions requested by Shareholders or potential Shareholders in relation to the size of the relevant Portfolio, have determined for a particular Portfolio to apply an alternative valuation methodology, the Portfolio may be valued either on at bid or offer basis (which would include the factors referenced in the preceding paragraph).

Because the determination of whether to value the Umbrella Fund's net asset value on an offer or bid basis is based on the net transaction activity of the relevant day, Shareholders transacting in the opposite direction of the Umbrella Fund's net transaction activity may benefit at the expense of the other Shareholders in the Fund. In addition, the Umbrella Fund's net asset value and short-term performance may experience greater volatility as a result of this valuation methodology.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to Hedging Agent) are capped to 0,15% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

### **Initial Subscription**

The initial subscription day of the Portfolio is expected to be on or around 15 March 2010 at the initial price of USD 10.

### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day *	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local business days**
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to the Valuation Day	

\* Any day (1) on which banks are open for normal banking business in Luxembourg and London, (2) which is a Basket Calculation Day for the purposes of the ALPHA-BETA Strategy Tradable Value, and (3) on which a Non-Tradable Event other than a Market Disruption Event does not arise (each such capitalised term in these subsections (2) and (3) shall have the meaning given to it in the section B "Determination of ALPHA-BETA Strategy Closing Value and ALPHA-BETA Strategy Tradable Value" above).

\*\* Day on which commercial banks are open for business in Luxembourg, London and in the principal financial centers of the currencies of payment for the relevant Share Class.

Subscription proceeds must be paid within three Local business days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local business days from the relevant Valuation Day. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local business days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

Investors in the Portfolio are made aware that they will be bound by any subscription, conversion and/or redemption order sent on any day on which commercial banks are open for business in Luxembourg, London and in the principal financial centers of the currencies of payment for the relevant Share Class, notwithstanding the fact that the next available Valuation Day may be later than would otherwise be expected due to the occurrence of a Non-Tradable Event other than a Market Disruption Event in respect of the ALPHA-BETA Strategy (for the definition of Non-Tradable Events refer to section B.2 "General Definitions" above).

If the Calculation Agent determines that a Non-Tradable Event other than a Market Disruption Event has occurred on any scheduled Valuation Day, the Umbrella Fund, in consultation with the Investment Administrator, will postpone the actual Valuation Day, until the first possible Valuation Day when a Non-Tradable Event other than a Market Disruption Event is not occurring, provided that, in the event that such Non-Tradable Event continue for five Exchange Business Days (for the definition of Exchange Business Days refer to section B.2 "General Definitions" above) from the originally scheduled Valuation Day, such fifth

Exchange Business Day shall be deemed to be the Valuation Day, notwithstanding the fact that a Non-Tradable Event other than a Market Disruption Event is still occurring.

A Net Asset Value may be calculated on days different from the Valuation Days. Any such Net Asset Value published on non-Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available net asset values with adjustments made for the expense accrual. Accordingly, Net Asset Values for the Portfolio calculated and published on non-Valuation Days will not be used by the Investment Administrator to effect any such subscription, redemption and/or conversion.

### **Bloomberg Tickers**

Class C	GSBETAC LX
Class C (EUR Hedged)	GSBECUR LX
Class C (AUD Hedged)	GSBECAU LX
Class C (CHF Hedged)	GSBECSF LX
Class C (GBP Hedged)	GSBECGB LX
Class I	GSBETAI LX
Class I (EUR Hedged)	GSBEIUR LX
Class I (AUD Hedged)	GSBIAUD LX
Class I (CHF Hedged)	GSBEISF LX
Class I (GBP Hedged)	GSBEIGB LX

### **Subscriptions in Kind**

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular, the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### **Base Currency of the Portfolio**

USD

### **Investment Administrator of the Portfolio**

Goldman Sachs International

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This Supplement relates only to the Portfolio and does not relate to the exchange-traded physical commodities underlying any of the Dow Jones-UBS Commodity Index<sup>SM</sup> components. Purchasers of the Portfolio should not conclude that the inclusion of a futures contract in the Dow Jones-UBS Commodity Index<sup>SM</sup> is any form of investment recommendation of the futures contract or the underlying exchange-traded physical commodity by Dow Jones, UBS, UBS Securities or any of their subsidiaries or affiliates. The information in this Supplement regarding the Dow Jones-UBS Commodity Index<sup>SM</sup> components has been derived solely from publicly available documents. None of Dow Jones, UBS, UBS Securities or any of their subsidiaries or affiliates has made any due diligence inquiries with respect to the Dow Jones-UBS Commodity Index<sup>SM</sup> components in connection with the Portfolio. None of Dow Jones, UBS, UBS Securities or any of their subsidiaries or affiliates makes any representation that these publicly available documents or any other publicly available information regarding the Dow Jones-UBS Commodity Index<sup>SM</sup> components, including without limitation a description of factors that affect the prices of such components, are accurate or complete.

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## Appendix A

### Description of the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index

The method of calculation for the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index is based primarily on the procedures set forth in the DJ-UBS Handbook (as defined under the section B.2 “General Definitions” above) for calculating the Benchmark Index, but modified in the manner described below. This Appendix A describes the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index and the modifications that are made to the Benchmark Index methodology to calculate the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index.

The GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index varies the procedure for rolling the contracts included in the Benchmark Index in a number of respects.

First, the contracts included in the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index are rolled over a different period than the Benchmark Index. Specifically under the methodology for the Benchmark Index, the contracts are rolled over a period of five (5) DJ-UBS business days (as defined below) beginning with and including the fifth (5<sup>th</sup>) DJ-UBS business day of each month and ending on the ninth (9<sup>th</sup>) DJ-UBS business day of each month (the “**Benchmark Index Roll Period**”) otherwise referred to in the DJ-UBS Handbook as the “**Hedge Roll Period**”). In contrast, the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index rolls (the “**GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period**”) over a period of four (4) DJ-UBS business days, beginning with the fifth (5<sup>th</sup>) DJ-UBS business day prior to the end of the immediately preceding month (such that, following such day, four (4) DJ-UBS business days will remain in the month) through and including the second (2<sup>nd</sup>) DJ-UBS business day prior to the end of the immediately preceding month (following which one (1) DJ-UBS business day will remain in the month). As a result, while we still refer to the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period as being in the month of the Benchmark Index Roll Period, the actual rolling of the futures contracts included in the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index occurs in the month preceding the month in which the Benchmark Index Roll Period occurs. In addition, because the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index rolls over four (4) DJ-UBS business days instead of five (5), 25% rather than 20%, of the portion of the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index attributable to each contract is rolled each day during a roll period.

Second, in order to gain exposure to the longer end of the futures curve when the front end is in contango (meaning that the price of the Second Nearby Contract Month is greater than the price of the First Nearby Contract Month as defined below), the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index changes the standard rolling rules for the New York Mercantile Exchange West Texas Intermediate light sweet crude oil futures contract (the “**WTI Contract**”). Specifically, three (3) DJ-UBS business days before the first day of the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period (the “**Determination Date**”), the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index applies the following dynamic rolling rule in order to confirm whether the First Nearby Contract Month and Second Nearby Contract in respect of the WTI Contract are in contango for the purpose of determining the new contract expiration into which the WTI Contract will be rolled:

- (i) if the official settlement price of the Second Nearby Contract Month minus the official settlement price of the First Nearby Contract Month (the “**Percentage Contango**”) is equal to or less than a value (the “**Threshold Amount**”) equal to the product of 0.50% and the official settlement price of the First Nearby Contract Month, then the WTI Contract rolls into the Next Future (as defined in the DJ-UBS Handbook) which, in accordance with the standard Benchmark Index procedure for rolling the WTI Contract as set forth in the DJ-UBS Handbook, will generally be the Second Nearby Contract Month as specified in Table G below,

however,

- (ii) if the Percentage Contango is a positive number and is greater than the Threshold Amount, the WTI Contract rolls according to a dynamic rolling procedure as follows: in the February GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period, the WTI Contract is rolled into the December contract expiration; and in the August GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period, it is rolled into the June contract expiration in the following calendar year as specified in the table below:

Trading Facility	Commodity	Designated Contract	Next Future(#) (*) Indicates contract month for the following year
NYMEX	Crude Oil	Light, Sweet Crude Oil	M Z Z Z Z Z Z M* M* M* M* M*

(#) This table lists the Next Futures for WTI when the Alternative Roll is triggered

The determination as to whether the Percentage Contango exceeds the Threshold Amount will be made each month with respect to that month only.

For the purpose of this section, the following terms shall have the following meanings:

**"First Nearby Contract Month"** means the month of expiration of the first contract for the future delivery of the WTI light sweet crude oil following the Determination Date. For example, the October contract will be the "First Nearby Contract Month" for the "September Roll Period", which will take place at the end of August; and

**"Second Nearby Contract Month"** means the month of expiration of the second contract for the future delivery of WTI light sweet crude oil to expire following the Determination Date. For example, the November contract will be the "Second Nearby Contract Month" for the "September Roll Period", which will take place at the end of August.

In the event that the dynamic rolling procedure set forth in the paragraph (i) above occurs and the contract expiration that the WTI Contract would have rolled into is no longer listed for trading or is otherwise unavailable for trading, the procedure for rolling the WTI Contract shall revert to the standard Benchmark Index procedure for rolling for such WTI Contract (as set forth in the Dow Jones-UBS Handbook) and shall not be rolled in accordance with the dynamic rolling procedure, as set forth in paragraph (ii) above. However, if in the reasonable judgment of the Calculation Agent, it is not practicable to revert to the standard Benchmark Index procedure, or as a result of reverting to such procedure the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Sponsor determines the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index could be adversely affected, the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Sponsor may utilize another methodology for effecting the rolling of the WTI Contract that, in the reasonable judgment of the Calculation Agent is designed to preserve the nature of the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index.

In addition to the WTI Contract, the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index modifies the rules for the rolling of certain other futures contracts included in the Benchmark Index to reflect the seasonal supply of or demand for the underlying commodity. Accordingly, the contracts listed below are rolled only into the months as indicated by Table G below, which differ from the rules applied to rolling of the same contracts included in the Benchmark Index:

- The New York Mercantile Exchange Heating Oil contract is rolled only into the December contract (such that the Heating Oil contract will roll annually only);
- The New York Mercantile Exchange Natural Gas contract is rolled only into the December contract (such that the Natural Gas contract will roll annually only);
- The Chicago Board of Trade Wheat contract is rolled only into the December contracts;
- The Chicago Mercantile Exchange Lean Hogs contract is rolled only into the April and August contracts;
- The Chicago Mercantile Exchange Live Cattle contract is rolled only into the April and October contracts;
- The Chicago Board of Trade Corn contract is rolled only into the July and December contracts (such that the Corn contract will roll annually only in June and November GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period each year);
- The Chicago Board of Trade Soybeans contract is rolled only into the July and January contracts (such that the Soybeans contract will roll annually only in June and December GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period each year);
- The ICE Futures US (formerly New York Board of Trade) Sugar contract is rolled only into the March contract (such that the Sugar contract will roll annually only);

- The ICE Futures IS Cotton contract is rolled only into the July contract (such that the Cotton contract will roll annually only);
- The ICE Futures US Coffee contract is rolled only into the May contract (such that the Coffee contract will roll annually only);
- To the extent that the Benchmark Index Sponsor decides to include the ICE Futures US Cocoa contract in the Benchmark Index in the future, such contract will also be included in the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index according to the rules governing the Benchmark Index with the exception that the following roll schedule shall be applied by the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Sponsor instead of that applied by the Benchmark Index: the ICE Futures US Cocoa contract is to be rolled only into the March contract expiration (such that the Cocoa contract will roll annually only);
- In addition to the modifications made to the rolling of the contracts noted above to apply certain seasonal rolling rules, the London Metal Exchange Aluminium, Zinc and Nickel contracts included in the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index are rolled every month (in contrast to the Benchmark Index, which rolls these contracts every other month), rolling into the August contract during the January GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period and into each succeeding month during each following monthly GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period.

**Table G**

Trading Facility	Commodity	Designated Contract	Contract Months Included(#) (*) Indicates contract month for the following year											
NYMEX	Natural Gas	Henry Hub Natural Gas	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z*
NYMEX	Crude Oil	Light, Sweet Crude Oil	H	H	K	K	N	N	U	U	X	X	F*	F*
NYMEX	Unleaded Gas	Reformulated Blendstock for Oxygen Blending	H	H	K	K	N	N	U	U	X	X	F*	F*
NYMEX	Heating Oil	Heating Oil	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z*
CME	Live Cattle	Live Cattle	J	J	J	V	V	V	V	V	V	J*	J*	J*
CME	Lean Hogs	Lean Hogs	J	J	J	Q	Q	Q	Q	J*	J*	J*	J*	J*
CBOT	Wheat	Wheat	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z*
CBOT	Corn	Corn	Z	Z	Z	Z	Z	Z	N*	N*	N*	N*	N*	Z*
CBOT	Soybeans	Soybeans	N	N	N	N	N	N	F*	F*	F*	F*	F*	F*
CBOT	Soybean Oil	Soybean Oil	H	H	K	K	N	N	Z	Z	Z	Z	F*	F*
LME	Aluminium	High Grade Primary Aluminium	N	Q	U	V	X	Z	F*	G*	H*	J*	K*	M*
COMEX	Copper	Copper	H	H	K	K	N	N	U	U	Z	Z	Z	H*
LME	Zinc	Special High Grade Zinc	N	Q	U	V	X	Z	F*	G*	H*	J*	K*	M*
LME	Nickel	Primary Nickel	N	Q	U	V	X	Z	F*	G*	H*	J*	K*	M*
COMEX	Gold	Gold	G	J	J	M	M	Q	Q	Z	Z	Z	Z	G*
COMEX	Silver	Silver	H	H	K	K	N	N	U	U	Z	Z	Z	H*
NYBOT	Sugar	World Sugar No. 11	H	H	H*	H*	H*	H*	H*	H*	H*	H*	H*	H*
NYCE	Cotton	Cotton	N	N	N	N	N	N	N*	N*	N*	N*	N*	N*
NYBOT	Coffee	Coffee "C"	K	K	K	K	K*	K*	K*	K*	K*	K*	K*	K*

(#) Inclusion of a contract in the table does not necessarily mean the contract is included in the Index or Strategy. The determination as to the content of the index or Strategy is pursuant to the Dow Jones-UBS Handbook. Month letter codes are shown in Table 1 below:

Table 1:

Month	Letter Code
January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

Finally, the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index modifies the procedure related to the determination of the Commodity Index Multipliers, or "**CIMs**" as defined in the DJ-UBS Handbook. The CIM of each commodity included in the Benchmark Index represents that commodity future's percentage weight in the Benchmark Index, in dollar terms. Under the DJ-UBS Handbook, the CIM is calculated by multiplying the Commodity Index Percentage (as defined in the DJ-UBS Handbook) of the commodity (which is based on the liquidity of the relevant futures contract and the production of the underlying commodity) by the applicable contract settlement price for such contract on the fourth (4<sup>th</sup>) DJ-UBS business day of January. In addition, the CIMs, in respect of the Benchmark Index are calculated in January of each year and remain fixed throughout the year. Because the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index is rolled at the end of the month preceding the month in which the Benchmark Index Roll Period occurs, it is possible that the new CIMs for the Benchmark Index computed by the Benchmark Index Sponsor (and as applied to the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index) for a given year will not be available for the January GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period. Therefore, in such circumstances, the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index will be calculated on the basis of those CIMs in effect in the immediately preceding year until such time as the new CIMs are made available by the Benchmark Index Sponsor. For example, if the new CIMs are not available at the time of the January GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period, the prior year's CIMs will be used to calculate the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index which could mean the weights determined for the individual commodities included in the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index are different to the weights determined for commodities included in the Benchmark Index as the new CIM's for the current year will be applied to the Benchmark Index only. If the new CIMs become available prior to the February GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period, then they will be used in calculating the weights of the individual commodities included in the GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index for the February GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period and for each GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index Roll Period thereafter.

## Appendix B

### Description of GS Excess Return E95 Alpha Strategy on the DJ-UBS Commodity Index

The GS Excess Return E95 Alpha Strategy on the DJ-UBS Commodity Index shall be calculated in accordance with methodology defined in Appendix A, however, with the following modifications for the purposes of calculating this particular GS Excess Return E95 Alpha Strategy on the DJ-UBS Commodity Index:

1. The "**Basket Table**" defined in section B of the Supplement shall be composed of the following components:

N	Single-day Component Weight ( $Z_n(d_r)$ )	Component	Bloomberg Ticker for Component	Strategy Sponsor
		<b>Strategy</b>		
0	100%	GS Excess Return E95 Beta Strategy on the DJ-UBS Commodity Index	ENHGD95P <index>	GS & Co.
1	-100%	DJ-UBS Commodity Index	DJAIG <index>	DJ - UBS

Additionally, the Single-day Component Weight ( $Z_n(d_r)$ ) for Basket Table Components shall be defined as in this Basket Table in this Appendix B.

2. "**Maximum Roll Period Length**" shall mean the number 1.

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## DEFINITIONS

Benchmark Index	Dow Jones-UBS Commodity Index <sup>SM</sup> .
Benchmark Index Sponsor	Dow Jones & Company Inc., jointly with UBS Securities or such other corporation or entity that, in the determination of the Calculation Agent: (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Benchmark Index; and (b) announces (directly or through an agent) the level of such Benchmark Index.
Calculation Agent	Goldman Sachs International. All determinations and calculations made by the Calculation Agent shall (in the absence of manifest error) be final and binding on all parties, and the Calculation Agent shall have no responsibility to any person for any good faith errors or omissions in any determine or calculation.
DJ UBS business day	has the same meaning given to "Business Day" as set forth in the DJ-UBS Handbook.
DJ UBS Handbook	The Dow Jones - UBS Commodity Index <sup>SM</sup> Handbook as of January 2008 compiled and published by Dow Jones & Company, Inc. (as revised annually).
ALPHA-BETA Strategy	DJ-UBS ALPHA-BETA Excess Return Strategy as calculated by the ALPHA-BETA Strategy Sponsor and published on the Bloomberg ticker reference ABGSB143 <Index> (or any official successor thereto).
ALPHA-BETA Strategy Sponsor	Goldman Sachs & Co. or such other corporation or entity that, in the determination of the Calculation Agent (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the ALPHA-BETA Strategy; and (b) announces (directly or through an agent) the level of such ALPHA-BETA Strategy on a regular basis.

## **Addendum dated May 2010 to the Prospectus and its fourteen Supplements dated January 2010**

### **Shareholders are informed that:**

I. As of 12 May 2010, the registered office of the Umbrella Fund has moved to: Vertigo Building Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Grand-Duchy of Luxembourg.

II. As of 15 May 2010, The Bank of New York Mellon (Luxembourg) S.A. changed its address and telephone number to the following:

The Bank of New York Mellon (Luxembourg) S.A.

Vertigo Building – Polaris  
2-4 rue Eugène Ruppert  
L-2453 Luxembourg

Tel: (352) 24 524 1  
Fax: (352) 24 524 200

III. Further to the annual general meeting of shareholders held on 25 March 2010, the Board of Directors of the Umbrella Fund is composed as follows:

Claude Kremer  
Partner  
Arendt & Medernach Luxembourg  
14, Rue Erasme  
L-2082 Luxembourg

Patrick Zurstrassen  
Associate  
The Director's Office  
21<sup>st</sup> Century Building  
19, rue de Bitbourg  
L-1273 Luxembourg

Andreas Koernlein  
Managing Director of Goldman, Sachs & Co oHG  
Messeturm  
Friedrich-Ebert-Anlage, 49  
60308 Frankfurt-am-Main  
Germany

Philip Holzer  
Managing Director, Goldman Sachs International - Deputy Head of the Germany Region  
Messeturm  
Friedrich-Ebert-Anlage, 49  
60308 Frankfurt-am-Main  
Germany

Richard Taylor  
Managing Director, Goldman Sachs International – European Product Control  
Peterborough Court  
133 Fleet Street  
London, EC4A2BB  
United Kingdom

**IV.** The following share classes have been created within the Goldman Sachs Dow Jones – UBS Enhanced Strategy Portfolio of the Sicav:

- Class “M” shares dedicated to private wealth management clients only;
- Class “M (EUR Hedged)” shares dedicated to private wealth management clients only;
- Class “N” shares dedicated to private wealth management clients only;
- Class “N (EUR Hedged)” shares dedicated to private wealth management clients only.

The details of the above mentioned share classes are as follows:

Share Class	Pricing currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
Class M	USD	Accumulation	LU0495737156	None
Class M (EUR Hedged)	EUR (Hedged)	Accumulation	LU0495739442	None
Class N	USD	Accumulation	LU0495738121	None
Class N (EUR Hedged)	EUR (Hedged)	Accumulation	LU0495740457	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Subsequent Investment	Minimum Holding and Initial Investment
Class M	5%	5%	1.00%	USD 1,000	USD 99,000
Class M (EUR Hedged)	5%	5%	1.00%	EUR 1,000	EUR 99,000
Class N	5%	5%	0.70%	USD 1,000	USD 25,000,000
Class N (EUR Hedged)	5%	5%	0.70%	EUR 1,000	EUR 25,000,000

**V.** Two new Portfolios have been created within the Umbrella Fund with the characteristics described in the Supplements XVI and XVII below.

## **Supplement XVI to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – BRICs Nifty 50 Emerging Markets Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***

**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the BRICs Nifty 50 Emerging Markets Portfolio (the "Portfolio") in more detail.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Umbrella Fund: the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares; the determination of the Net Asset Value; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

May 2010

## **Goldman Sachs Structured Investments SICAV – BRICs Nifty 50 Emerging Markets Portfolio**

Unless the context requires otherwise, “Goldman Sachs” refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries.

The launching date of the Portfolio will be on or around 12 May 2010 at the initial price per Share of USD 10 for the Shares denominated in the Base Currency of the Portfolio. For the Shares denominated in currencies other than the Base Currency of the Portfolio please refer to the Global Distributor or to the Registrar and Transfer Agent of the Umbrella Fund to obtain the details of their respective initial price.

Goldman Sachs International as the Promoter of the Umbrella Fund may in its sole discretion delay or cancel the proposed launch of the Portfolio, in view of the level of subscriptions and/or market movements.

<b>Investment Objective</b>
<p>The investment objective of the Portfolio is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the BRICs Nifty 50 Emerging Markets TR Index (the “Index”).</p> <p><b>The Portfolio’s ability to achieve the investment objective is subject to various independent risk factors as further described in this Supplement and the Prospectus. No assurance is given that the investment objective will be met.</b></p>

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An investment in the Portfolio carries with it a significant degree of financial risk. The value of Shares, and the return generated from them may go up or down, and an investor in the Shares may not recover the amount initially invested.

**These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, Investors should read carefully the sections entitled “*Principal Risks of Investing in the Portfolio*” in this Supplement as well as under sections “*Investment Risks*”, “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus in order to understand the risks related to an investment in the Shares issued by the Portfolio and to determine the suitability of the investment for them.**

Potential investors in the Portfolio should pay particular attention to the following:

#### **(I) No principal protection**

The performance of the Portfolio depends primarily on the performance of the securities in the Portfolio. The Portfolio does not include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

#### **(II) Investments in emerging markets are subject to special risks**

The Portfolio is comprised exclusively of securities of companies in the emerging markets of Brazil, Russia, India and China. 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 or inflation. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with

neighboring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognize private property rights and have at times nationalized or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalization or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of 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 an investment in those countries illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment in one of these securities.

### **(III) Market and exchange rate volatility**

Trading in securities of companies in Brazil, Russia, India and China (together, “BRICs”) can be extremely volatile, which means that their value may increase or decrease significantly over a short period of time, often unpredictably. Rates of exchange between currencies are volatile and unpredictable and can be affected by many known and unknown factors, in particular with regard to emerging market currencies. Because the Portfolio level is determined on the basis of the US dollar, investors may lose money if the local currency of a Portfolio security depreciates against the US dollar, even if the local currency value of that security increases. Adverse fluctuations in either individual exchange rates or the value of individual securities in the Portfolio may adversely affect the Portfolio level and the performance of any investment product linked to it.

### **(IV) Conflicts of Interest**

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect of the Index and the Portfolio. Although Goldman Sachs will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs’ own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Portfolio, the Portfolio securities, the Index, the Underlier (as defined below under “2.1 Overview”), and products or investments linked thereto and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by Goldman Sachs International (“GSI”), may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier, any underlying investment referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier. These activities could adversely affect the value of the Portfolio, which could in turn affect the return on, and the value of, any product or investment linked to the Portfolio.

### **(V) Investors in the Portfolio may be at a disadvantage compared with recipients of Goldman Sachs Global Investment Research research reports**

Clients of Goldman Sachs Global Investment Research (“GSGIR”), a division of Goldman Sachs, and other recipients of the GSGIR research reports will receive changes to the Underlier before those changes are reflected in the Index or the Portfolio. This means that GSGIR clients or others may trade on the basis of the GSGIR research reports or updated Underlier before it is reflected in the Portfolio, which could work to the disadvantage of investors in the Portfolio. In addition, the GSGIR research reports may contain information or opinions in addition to the Underlier, which may not be made available to investors in the Portfolio. Such information may also cause movements in the prices of the securities constituting the Portfolio to the disadvantage of investors in the Portfolio, or lead to investment decisions by the recipients of such information not available to investors in the Portfolio.

### **(VI) No active management; Separation of GSGIR and GSI Securities Division Roles**

The Portfolio methodology operates in accordance with a set of predetermined rules. There will be no active management of the Portfolio or the Index so as to generate, enhance or protect returns. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may provide higher returns than the Portfolio and may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Portfolio or the Index, which are not actively managed. The Portfolio only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Index; the Index in turn only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Underlier, which GSGIR operates independently of GSI and may cease to update at any time. Operation of the Portfolio methodology may result in negative performance including returns that deviate materially from historical performance, both

actual and pro-forma, and in such circumstances there will not be any form of active management to amend the algorithm or otherwise attempt to mitigate loss. The aforementioned potential consequences of the absence of active management within the Portfolio methodology could be further exacerbated during abnormal market conditions that may not have been taken into account in the construction of the algorithm.

The selection of companies and weightings to be included in the Underlier is maintained at the discretion of GSGIR as a provider of research, and GSGIR does not act as an investment advisor, investment manager or fiduciary to any party and does not guarantee any result in relation to the share performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI Securities Division, the Portfolio or any investor with exposure to the Portfolio in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Portfolio.

The roles of GSGIR in producing the Underlier, and of the Securities trading division of GSI as Index Sponsor, Investment Administrator and Execution Agent, are each functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

## **(VII) Tracking**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the securities and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation between the Portfolio's securities and those in the Index. In addition, the performance of the Index is not expected to match that of the Underlier: (i) the Index (and consequently, the Portfolio) may not include all companies included in, or represent all the countries represented by, the Underlier, and only includes one security for each company; (ii) the Index weightings are adjusted as compared against those specified in the Underlier; and (iii) there may be a significant delay before the Index incorporates changes to the Underlier. For all of these reasons, the performance of the Index (and consequently, the Portfolio) will differ from the hypothetical performance of the Underlier. Finally, the performance of the Underlier is not a BRICs sector index, and is not designed to track any particular BRICs sector index. Therefore the performance of the Portfolio may not match, and should not be benchmarked against, an investment in any particular BRICs sector index.

## **(VIII) Counterparty risk**

The Index Calculation Agent (as defined below under "2.1 Overview") and the Execution Agent (as defined below under "1 Investment Policy") of the Portfolio rely on third party information and administrative services over which it has no control or warranty. The Index and Portfolio methodologies rely on information and administrative services from external providers. Neither the Portfolio Execution Agent nor the Index Calculation Agent make any warranty as to the correctness of the information or administrative services and takes no responsibility for the impact of any inaccuracy of such data or administrative services on the return produced by a particular Portfolio security or on the level of the Portfolio.

## **1 Investment Policy**

The Portfolio will seek to achieve its objective by investing in a basket of shares of companies domiciled in Brazil, Russia, India and China which replicates, to the extent practicable, the constituents and weightings of the Index. GSI (the "Execution Agent"), pursuant to an Execution Agency Agreement with the Umbrella Fund will execute Portfolio share trades in order to reflect the Index, subject to the tracking risks highlighted, in accordance with the procedures described below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of any Shares Classes denominated in a currency other than the base currency of the Portfolio.

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest in any UCITS or UCIs at any time.

## **Exposure to the Index**

Several factors, including subscriptions and redemptions for Shares of the Portfolio, may affect the exposure of the Portfolio to the Index. As described under “Tracking” above, while the Net Asset Value of a Share Class within the Portfolio will be generally linked to the changes in the level of the Index (whether flat, falling or rising), subject to the applicable costs, the performance of the Portfolio as a whole may differ from the performance of the Index. It is highly likely that the value of the Shares in the Portfolio will be adversely affected by a decline in the value of the securities of the Index.

The Execution Agent will not engage on behalf of the Portfolio in any activity designed to obtain profit from, or reduce losses caused by, changes in value of the components of the Index.

## **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

From time to time, the Portfolio may also enter into OTC Derivative transactions for the purpose of enhancing returns on the constituents of the Index by attempting to reduce transaction costs or taxes, within the limits permitted by the laws and regulations applicable to UCITS.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

## **2 The Index**

### **2.1 Overview**

The BRICs Nifty 50 Emerging Markets Index is designed to provide a synthetic exposure to shares of companies domiciled in Brazil, Russia, India or China based on, subject to certain exceptions, the composition of the Emerging Markets BRICs Nifty 50 (the “Underlier”), a table of companies and weightings providing exposure to BRICs countries independently produced by GSGIR, a division of Goldman Sachs.

GSI is the Index Sponsor and has the sole commercial rights in the Index. GSI has entered into an index calculation and administration agreement with Standard & Poor's (“S&P”) to administer the Index (the “Index Calculation Agent”) in accordance with the criteria set out below and its standard procedures with respect to international indices. Should the index calculation and administration agreement with S&P be terminated, GSI will appoint a replacement Index Calculation Agent of comparable reputation, and if a transition period between Index Calculation Agents cannot be avoided, GSI will perform the index calculation and administration functions itself during such transition period.

### **2.2 Composition of the Underlier**

The Emerging Markets BRICs Nifty 50 Underlier is a table of 50 listed companies and weightings produced by GSGIR in conjunction with certain research reports GSGIR produces for its clients. The Underlier is comprised of companies with market capitalization greater than US\$1 billion which GSGIR believes are positioned to benefit from the demand growth expected in the BRICs economies. The Underlier includes companies from all four BRIC countries, the number of companies from each country being roughly proportional to the country's economic size, and encompasses a broad spread of sectors, with a bias toward infrastructure and consumer-oriented sectors. The companies are ranked according to a number of screening measures, including returns on capital, industry positioning, management quality, estimated earnings per share compound annual growth rate, price/earnings, and enterprise multiple. These rankings are considered by GSGIR along with input from GS regional strategists in order to select 50 companies to include in the Underlier. The weighting of each company is adjusted to reflect its free float market capitalization and daily liquidity, but only within a narrow range to ensure that each company in the Underlier remains close to an equal weighting of 2%. The table of 50 companies constituting the Underlier and their weightings is posted by GSGIR to Bloomberg page GSSTEM50, and is also available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

The initial November 2009 research report introducing GSGIR's rationale and methodology behind the Underlier, entitled “The BRICs Nifty 50: The EM and DM Winners” is available from <http://www.gs.com/ideas/brics>. Non-GSGIR clients may alternatively, at the option of the Index Sponsor, be provided with a summary form of the initial research report at

<http://www.standardandpoors.com/indices/custom-indices-client-data/en/us>. GSGIR, entirely in its discretion and acting independently from the Securities trading division of GSI, may update the companies and weightings constituting the Underlier at any time, either in conjunction with a new research report or separately. Any changes to the Underlier will be posted to Bloomberg page GSSTEM50; however, any future GSGIR research reports may be available only to GSGIR clients. Non-GSGIR clients may alternatively, at the option of the Index Sponsor, be provided with a summary form of the initial research report at <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us>. It is currently expected that the Underlier may be updated every 6 to 12 months, as well as in response to major corporate or economic events, but any update to the Underlier is entirely at the discretion of GSGIR.

GSGIR operates independently from the Securities trading division of GSI with respect to the Underlier, which GSGIR maintains in conjunction with the research reports it produces for its clients. In maintaining the Underlier, GSGIR exercises considerable discretion, and may change its selection or weighting criteria or discontinue maintenance of the Underlier at any time. However, GSGIR does not act as an investment advisor to any party and does not guarantee any result in relation to the performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI, the Index or any investor with exposure to the Index in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Index.

### 2.3 Initial Composition of the Index

The composition of the BRICs Nifty 50 Emerging Markets Index is based on, but may differ from, the composition of the Underlier. No additional companies beyond those identified in the Underlier will be included in the Index; however, certain Underlier companies will be re-weighted or excluded from the Index entirely, resulting in the Index containing less than 50 securities (compared against 50 companies in the Underlier), and all four BRICs countries may not always be represented in the Index. Further, the Index Calculation Agent will only review the company names and weightings from the Underlier, and where an eligible company has issued more than one listed security, the Index Calculation Agent will apply the criteria described below to select one security for each eligible company to be included in the Index. The filters and adjustments by which the Underlier is modified to form the Index consist of the following, and unless otherwise indicated will be applied by the Index Calculation Agent acting in its sole discretion:

1. Ineligible Securities: The following securities are not eligible for inclusion in the Index: (a) bonds, convertible bonds, warrants, rights and preferred shares providing a fixed minimum return; (b) securities without at least 6 months of price history; (c) securities with an Average Daily Turnover Value over the prior 6 months ("6 Month ADTV") of less than US\$5 million (or, in the case of American Depositary Receipts and Global Depositary Receipts of companies with a primary listing on a stock exchange in India, US\$1 million); (d) securities subject to any of the Exclusion Criteria described in section 2.4.4 below. Note that a company with one ineligible security may have other securities which are eligible for inclusion in the Index.
2. Multiple Securities: If a company has more than one eligible security, then the security with the highest 6 Month ADTV will be selected for inclusion in the Index.
3. Weighting of Index Securities: the weightings for each security in the Index will be based on the weightings assigned by the Underlier, but adjusted as follows:

First, to ensure the total weighting of all securities in the Index adds up to 1.00, where Underlier companies have been excluded from the Index, the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings specified by the Underlier.

Second, no security in the Index may have a weighting above the lesser of (a) 16% and (b) the 6 Month ADTV divided by the Investment Support Level (as defined below). If a security's weighting is greater than 16%, it will be reduced to 12%, with the weightings for all remaining Index securities increased *pro rata* to maintain the proportionate weightings prior to the increase. Similarly, if a security's weighting is greater than the 6 Month ADTV divided by the Investment Support Level, it will be reduced to 80% of the 6 Month ADTV divided by the Investment Support Level, with the weightings for all remaining Index securities increased *pro rata*. Either of the adjustments referred to in this paragraph shall be termed a "Weighting Adjustment."

Throughout this section, a security's weighting refers to its dollar value as a fraction of the entire Index value. If the initial weighting of a security was 0.03, the value of that security would be 3% of the entire Index: for every \$100 of Index holdings, \$3 would be held in that security, the number of such securities to be initially

purchased equal to \$3 divided by its share price. All such calculations are made in US dollar terms converted using Reuter's spot exchange rates as of the time of such calculation and using adjusted market values for the Index securities calculated in accordance with S&P's standard procedures with respect to international indices.

The Income Support Level reflects the amount of investment linked to the Index, and will be initially set at US\$100 million, updated as described in Section 2.4.3 below.

## **2.4 Maintenance of the Index**

The Index Calculation Agent will monitor and maintain the Index on an ongoing basis in accordance with the largely non-discretionary criteria described below. Any adjustments required as a result of the criteria described below will be calculated as of 5:15pm New York Time, and the changes implemented at or near the close of regular trading for each security on the following Index Trading Day, subject to the Daily Trade Limit (each as defined in Section 2.4.1 below). The Index Calculation Agent will post changes to the Index to the BRICs Nifty 50 Emerging Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> before they become effective.

### **2.4.1 Changes to the Underlier**

On the first Index Business Day (as defined below) of each week, the Index Calculation Agent will check Bloomberg page GSSTEM50 for any changes to the Underlier companies or weightings. If there have been any changes, the Index Calculation Agent will calculate the corresponding new Index according to the filters and adjustments described in Section 2.3 above (including the Exclusion Criteria described in Section 2.4.4 below), *provided that* after application of such filters and adjustments, 10 or more securities are eligible for inclusion in the Index. If fewer than 10 securities are to be included in the Index, then no change will be made to the Index composition or weightings pursuant to this Section 2.4.1. For the avoidance of doubt, upon any change to the Underlier, a new Index will be calculated in accordance with Section 2.3, but without regard to any previous exclusions or adjustments to the existing Index: securities which had been previously excluded may be added to the Index should the reasons for their exclusion no longer apply, and the entire Index will be re-weighted to match, subject to any adjustments described in Section 2.3, the weightings assigned by the new Underlier.

On the next Index Trading Day (as defined below) after a change to the Underlier has been detected, the Index Calculation Agent will transition the constituents and weightings of the existing Index to the new Index. However, if the increase or decrease in weighting of any Index security times the Income Support Level is greater than 25% of the 6 Month ADTV (the "Daily Trade Limit"), then the sale or purchase for all securities in the Index will be divided equally over as many Index Trading Days as necessary to ensure that no single trade in a security exceeds the Daily Trade Limit for that security.

A Index Business Day is any day on which every securities exchange on which both (i) commercial banks and foreign currency markets settle payments and are open for general business in London and New York; and (ii) any security in or about to be added to the Index is listed is normally open for trading. A Index Trading Day is a Index Business Day, except as delayed or modified as a result of a market disruption event in accordance with S&P's standard procedures with respect to international indices.

### **2.4.2 Daily Monitoring of the Index**

If on any Index Business Day the weighting of any Index security becomes above the lesser of (a) 16% and (b) the 6 Month ADTV divided by the Investment Support Level, on the next Index Trading Day the Index Calculation Agent will conduct a Weighting Adjustment (as described in Section 2.3(3) above), subject to the Daily Trade Limit (as described in Section 2.4.1 above).

### **2.4.3 Quarterly Monitoring of the Index**

On the first Index Business Day of each quarter, the Index Calculation Agent will identify any securities in the Index for which the 6 Month ADTV is less than US\$5 million (or, in the case of ADRs and GDRs of companies with a primary listing on a stock exchange in India, US\$1 million). On the next Index Trading Day, the Index Calculation Agent will remove that security, and increase the weightings for all remaining Index securities *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

On the first Index Business Day of each Quarter, GSI, acting in its sole discretion, will review the Income Support Level, and decide whether it is necessary to adjust the level in proportion to the amount of passive

investment known to GSI to be linked to the Index. Any change to the Income Support Level will be notified to the Index Calculation Agent and available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

#### **2.4.4 Exclusion Criteria**

Limitations on Exchanges: In order to ensure acceptable standards of liquidity, trading costs and information access, only securities listed on certain exchanges specified by GSI are eligible for inclusion in the Index. As of the date hereof, no exchanges which trade Chinese A-shares or are located in India are eligible. However, this exclusion does not extend to Indian or Chinese companies with American Depositary Receipts or Global Depositary Receipts which trade on an eligible exchange. The list of eligible exchanges is available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

On any Index Business Day, should any Index security be trading on an exchange not included on the eligible exchange list, where possible the Index Calculation Agent will substitute the security for an alternate security of the same company which is otherwise eligible according to the criteria described in Section 2.3 above. However, if there is no such alternate security, then the Index Calculation Agent shall remove the security from the Index on the following Index Trading Day. The weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

Limitations on Securities: No security shall be included in the Index where such inclusion would be impractical or not economically viable due to liquidity, cost, information access or regulatory restrictions, or which GSI is restricted from trading due to regulatory reasons, or the trading of which would cause GSI or its affiliates to incur significant negative legal, regulatory, taxation or economic detriment. Exclusion determinations shall be made by GSI in its sole discretion on an ongoing basis based on the information known to it, and communicated the same day to the Index Calculation Agent.

Such exclusion determinations will prevent a security from being added to the Index in accordance with Section 2.3(1)(d) above. In addition, should any exclusion criteria described in this Section 2.4.4 apply to a Index security, the Index Calculation Agent shall remove it from the Index on the Index Trading Day after receiving notice from GSI, and the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

## **2.5 Market Disruption Events and Index Adjustments**

In case of market disruption events affecting a security included in the Index, the Index Calculation Agent will delay or modify Index calculations and adjustments in accordance with S&P's standard procedures with respect to international indices, provided that if a market disruption continues for more than five Index Business Days, then on the sixth Index Business Day the value of the affected security shall be marked down to zero for all calculation purposes until that security is no longer affected by a market disruption event or a market value for the security can be obtained.

### **2.5.1 Cessation of GSGIR Coverage**

Until and unless GSGIR posts a new or modified Underlier to Bloomberg page GSSTEM50, the Index will continue to be maintained in accordance with Section 2.4 above, even in the event that GSGIR advises GSI that GSGIR will cease to maintain the Underlier at all, or in substantially similar form to that described in Section 2.2 above. However, in the event that GSI receives such advice from GSGIR, GSI will advise the Index Calculation Agent which will post this information to the BRICs Nifty 50 Emerging Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> within one Index Business Day.

### **2.5.2 Error Correction Policy**

The Index Calculation Agent will immediately correct any calculation errors relating to security prices, adjustments for corporate events, exchange rates, Index value, weightings and constituents. However, published Index levels will not be corrected retroactively.

### 2.5.3 Changes in Methodology

GSI reserves the right to make any changes to methodology used by the Index Calculation Agent to compose or calculate the Index as GSI may, in its sole discretion, determine to be necessary as a result of market, regulatory, tax, judicial, financial, fiscal or other circumstances.

In the event that ambiguities arise in the composition or calculation of the Index, the Index Calculation Agent will resolve such ambiguities and, if necessary for resolution, make changes to the methodology used to compose or calculate the Index.

Details of any of the above actions will be posted by the Index Calculation Agent to the BRICs Nifty 50 Emerging Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> within one Index Business Day.

## 3 **Operation of the Portfolio**

### 3.1 **Changes to the Index**

On the Portfolio Trading Day following the date on which any Index change posted by the Index Calculation Agent becomes effective, subject to the Minimum Trade Size described in Section 3.4 below, the Execution Agent will instruct its program trading desk to make the trades necessary for the Portfolio to replicate, to the extent practicable, the constituents and weightings of the Index. In the event that the Index has removed a security entirely but the aggregate changes do not meet the Minimum Trade Size, the Execution Agent will nonetheless sell all of its holdings in that individual security (a “**Single Share Sale**”).

Throughout this document, a security's weighting refers to its dollar value as a fraction of the value of all securities in the Portfolio. The value of securities to be sold or purchased by the Execution Agent to replicate, to the extent practicable, the constituents and weightings of the Index will be calculated in US dollar terms based on the most recent price and currency exchange rate available for each security.

A Portfolio Trading Day is any day on which both (i) commercial banks and foreign currency markets settle payments and are open for general business in London and New York; and (ii) every securities exchange on which any security in or about to be added to the Portfolio is listed is normally open for trading, except as delayed or modified as a result of a Market Disruption Event, as described in Section 3.6 below.

### 3.2 **Subscriptions & Redemptions**

On the Portfolio Trading Day following any subscription or redemption request, subject to the Minimum Trade Size described in Section 3.4 below, the Execution Agent will instruct its program trading desk to buy or sell (as the case may be) a sufficient number of Portfolio securities *pro rata* according to their weightings.

### 3.3 **Timing of Portfolio Trading**

All trades in relation to the Portfolio shall be executed at or near the close of regular trading for each security.

### 3.4 **Minimum Trade Size**

In order to minimize trading costs, the Execution Agent will only instruct its program trading desk to buy or sell securities when the aggregate value of securities to be sold and purchased is greater than US\$1 million. Portfolio trades below an aggregate US\$1 million trading value will be deferred until additional trades are contemplated pursuant to this Section 3 which, combined with the deferred trading value, reach an aggregate value of US\$1 million. The Minimum Trade Size will not apply, however, to a Single Share Sale where a security has been removed from the Index entirely.

### 3.5 **Cash and Cash Equivalents**

In order to provide liquidity for subscriptions and redemptions, the Investment Administrator will seek to maintain a balance of cash, credit lines and notes linked to the Index, issued by GSI and traded on the Frankfurt and Stuttgart Stock Exchanges, to meet short-term cashflow requirements and within the limits permitted by the laws and regulations applicable to UCITS. The exchange between cash, credit lines and notes will be determined by the Investment Administrator in order to balance the Portfolio's liquidity needs against closer tracking of the Index.

### **3.6 Adjustments to the Portfolio**

#### **3.6.1 Brokerage Costs**

Brokerage costs incurred by the Execution Agent shall be deducted from the Portfolio's cash balance, and are currently anticipated to be approximately 5 basis points of the aggregate value of executed trades. Whilst such costs may vary over time, the basis of such costs shall be approved by the trading committee appointed by the Board of Directors of the Umbrella Fund, which, in relation to the Portfolio, performs such function notwithstanding any other role of the trading committee described in the Prospectus.

#### **3.6.2 Corporate Events**

In the event a rights issue is held with respect to securities held by the Portfolio, and the rights issue subscription price (plus the applicable dividend amount where (i) such dividend is announced by the day before the ex-date of the rights, (ii) the dividend amount has been confirmed, and (iii) and the newly created shares are not entitled to the dividend) is less than the securities closing price on the day before the ex-date of the rights, then to the extent practicable, the Execution Agent will fully subscribe to the rights issue, and if necessary, subject to the Minimum Trade Size described in Section 3.4 above, will instruct its program trading desk to sell a sufficient number of Portfolio securities *pro rata* according to their weightings in order to raise the rights issue subscription price.

In the event a security held by the Portfolio offers its holders the option of dividend in cash or shares, the Execution Agent will select a cash dividend.

#### **3.6.3 Market Disruption Events**

Any of the following will constitute a Market Disruption Event: (i) any event or circumstance (including without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance) that is beyond the reasonable control of the Execution Agent or its affiliates, and that the Execution Agent determines is likely to have a material adverse effect on, or on the trading of, the Portfolio or any security in (or about to be added to) the Portfolio; (ii) the declaration of a general moratorium in respect of banking activities in London or New York; (iii) the occurrence or existence of a lack of, or a material decline in, the liquidity in the market for trading of any security in (or about to be added to) the Portfolio or a decline in the liquidity of the security itself; or (iv) the failure of a source from which any party obtains information necessary to make adjustments to or calculations related to the Portfolio.

If a Market Disruption Event occurs or is continuing on any Portfolio Trading Day that, in the sole discretion of the Execution Agent affects the Portfolio or any securities in (or about to be added to) the Portfolio, the Umbrella Fund Administrator or Execution Agent, will:

- (i) Delay subscriptions, redemptions and calculation of Net Asset Value for the Portfolio, for up to five Portfolio Trading Days;
- (ii) Delay the trading of any securities in (or about to be added to) the Portfolio which are affected by a Market Disruption Event, for up to five Portfolio Trading Days. Securities not affected by a Market Disruption Event will continue to be traded, the resultant under- or over-exposure to the non-traded security being reflected in the Portfolio's balance of cash and cash equivalents;
- (iii) If a Market Disruption Event in relation to any Portfolio security continues beyond the fifth Portfolio Trading Day, the value of the security will be immediately removed from the then current Portfolio NAV and the Security will be disposed of by the Execution Agent as soon as practicable; and
- (iv) On first Trading Day when no Market Disruption Event occurs or is continuing, the Umbrella Fund Administrator will resume subscriptions, redemptions and calculation of the Net Asset Value for the Portfolio. In the event that such resumption was pursuant to the removal of a security from the Portfolio pursuant to clause (iii) above, for the purposes of all calculations such security shall be valued at zero or the amount (if any) the Execution Agent receives from its disposal.

### **3.7 Tracking Errors**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and

currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the securities and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation between the Portfolio's securities and those in the Index including as a result of a deferred trade arising from the application by the Execution Agent of the Minimum Trade Size procedure detailed under section 3.4 above.

In addition, as described more fully in the Section 2 above, the Index itself is based on, but different from, the Underlier: certain Underlier companies will be re-weighted or excluded from the Index entirely, resulting in the Index containing less than 50 securities (compared against 50 companies in the Underlier); further, the timing of Index updates differs to that of the Underlier.

### **3.8 Consequences at the Portfolio level of the cessation of GSGIR Coverage**

In the event that, as provided under Section 2.5.1 above, GSGIR advises GSI that GSGIR will cease to maintain the Underlier at all, or in substantially similar form to that described in Section 2.2 above, the Board of Directors of the Umbrella Fund shall consider whether: (i) to keep replicating, to the extent practicable, the constituents and weightings of the Index, the latter being no longer considered as an index for the purposes of the laws and regulations applicable to UCITS, but instead as a static equity basket which shall comply with the laws and regulations applicable to UCITS; (ii) to replace the Index with another index that has a similar objective and is eligible under the laws and regulations applicable to UCITS or (iii) if it is impossible or impracticable to follow options (i) or (ii), to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

## **4 Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors investors should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **Goldman Sachs Roles and Conflict of Interests**

#### **Overview of Roles**

GSI, GSGIR and GSI's affiliates (collectively, "Goldman Sachs") perform several roles in respect to the Portfolio.

GSGIR produces the Underlier in conjunction with certain research reports GSGIR produces for its clients.

GSI, as sponsor of the Index (the "Index Sponsor"), sets the parameters within which the Index operates, and liaises with Standard & Poor's (the "Index Calculation Agent"), which has been retained by GSI to administer the composition, maintenance and calculation of the Index. In certain circumstances, GSI may perform the Index Calculation Agent functions. GSI is also the Investment Administrator and the Execution Agent for the Portfolio.

While GSI generally does not exercise any material discretion in relation to the operation of the Index or the Portfolio and owes no fiduciary duties in respect of the Index or the Portfolio, GSI has discretion in responding to limited situations, including, among others, the determination of eligibility criteria with respect to Index securities and exchanges, the value of the Investment Support Level and the existence of and response to a Market Disruption Event. The exercise by GSI of this discretion may adversely affect the value of the Portfolio and the value of products or investments linked to the Portfolio.

Goldman Sachs is a full service financial services group and, consequently, is engaged in a range of activities that could affect the value of the Portfolio and any of the Portfolio securities as further described below.

#### **Potential Conflicts of Interest**

As Index Sponsor, Investment Administrator and Execution Agent, GSI has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection or other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, GSI is limiting its fiduciary duties owed to the Umbrella Fund

to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement and the Execution Agency Agreement.

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect of the Index and the Portfolio. Although Goldman Sachs will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs' own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Portfolio, the Portfolio securities, the Index, the Underlier, and products or investments linked thereto and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by GSI, may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier, any underlying investment referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier. These activities could adversely affect the value of the Portfolio, which could in turn affect the return on, and the value of, any product or investment linked to the Portfolio.

Goldman Sachs does and seeks to do business with companies included in the Portfolio, the Index and the Underlier. Goldman Sachs has implemented policies to manage the various conflicts of interest in connection with investment research, including, but not limited to, the segregation of research functions and dissemination of the research. The research reports on which the Underlier is based will have been published to clients of GSGIR before it is taken into account for the purposes of the Index or the Portfolio. This means that GSGIR clients or others may have traded on the basis of the GSGIR research reports before it is reflected in the Portfolio. It is likely that this will sometimes work to the disadvantage of investors in the Portfolio since it could result in the price of securities for companies included in the Underlier increasing prior to their inclusion in the Portfolio.

Although Goldman Sachs is not obliged to do so, it may elect to hedge its exposure to the Portfolio, any Portfolio securities, or any products or instruments linked thereto with an affiliate or a third party. That affiliate or third party, in turn, is likely, directly or indirectly, to hedge any of its exposure, including through transactions taking place on the futures and options markets. Where Goldman Sachs chooses to hedge its exposure, it may adjust or unwind such hedges by purchasing or selling products linked to the Portfolio or any Portfolio securities or any other product or instrument linked thereto. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments linked to the Portfolio or any Portfolio security. Any of this hedging activity may adversely affect the value of the Portfolio and of any products or instruments linked thereto.

Goldman Sachs may also engage in trading for its proprietary accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more products or instruments linked to or similar to the Portfolio or any Portfolio security. In the course of these transactions, Goldman Sachs' customers may receive information about the Portfolio before it is made available to other investors. Any of these activities could also adversely affect the value of the Portfolio, directly or indirectly, by affecting the value of the Portfolio securities and, therefore, the market value of any products or instruments linked to the Portfolio and the amount paid on any such product or instrument at maturity.

It is possible that Goldman Sachs could receive substantial returns with respect to the above activities while the value of any underlying investments or instruments referenced to the Portfolio may decline. Any of this activity may adversely affect the value of the Portfolio and the performance of any product linked to it.

#### *Separate Roles*

The roles of GSGIR in producing the Underlier, and of GSI as Index Sponsor, Investment Administrator and Execution Agent, are functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

#### **No principal protection**

The performance of the Portfolio depends primarily on the performance of the securities in the Portfolio. The Portfolio does not include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

## **No assurance of returns**

The performance of the Portfolio will not be consistently positive, and Goldman Sachs does not make any representation or warranty, express or implied, that they will be in the future. Furthermore, as there will be no short positions taken with respect to any securities in the Portfolio, the Portfolio has no built-in hedge or offset for broad movements of the market as a whole.

## **Investments in emerging markets are subject to special risks**

The Portfolio is comprised exclusively of securities of companies in the emerging markets of Brazil, Russia, India and China. 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 or inflation. 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 recognize private property rights and have at times nationalized or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalization or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of 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 an investment in those countries illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment in one of these securities.

## **Market and exchange rate volatility**

The value of the securities in the Portfolio, and the level of the Portfolio, may change unpredictably due to market or foreign exchange volatility. Trading in securities of BRICs companies can be extremely volatile, which means that their value may increase or decrease significantly over a short period of time, often unpredictably. Rates of exchange between currencies are volatile and unpredictable and can be affected by many known and unknown factors, in particular with regard to emerging market currencies. Because the Portfolio level is determined on the basis of the US dollar, investors may lose money if the local currency of a Portfolio security depreciates against the US dollar, even if the local currency value of that security increases. Adverse fluctuations in either individual exchange rates or the value of individual securities in the Portfolio may adversely affect the Portfolio level and the performance of any investment product linked to it.

## **Investors in the Portfolio may be at a disadvantage compared with recipients of GSGIR research reports**

GSGIR clients and other recipients of the GSGIR research reports will receive changes to the Underlier before those changes are reflected in the Index or the Portfolio. This means that GSGIR clients or others may trade on the basis of the GSGIR research reports or updated Underlier before it is reflected in the Portfolio, which could work to the disadvantage of investors in the Portfolio. In addition, the GSGIR research reports may contain information or opinions in addition to the Underlier, which may not be made available to investors in the Portfolio. Such information may also cause movements in the prices of the securities constituting the Portfolio to the disadvantage of investors in the Portfolio, or lead to investment decisions by the recipients of such information not available to investors in the Portfolio.

## **Trading by Goldman Sachs**

Trading and other transactions by Goldman Sachs in related financial instruments may adversely affect the value of the Portfolio. Goldman Sachs may hedge obligations in respect of the Portfolio by purchasing or selling financial instruments linked to securities in the Portfolio, and may adjust or unwind such hedges by purchasing or selling the foregoing on or before the date of changes to the Portfolio. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments related to the Portfolio. Any of this hedging activity may adversely affect the value of the Portfolio.

Goldman Sachs may also engage in trading in financial instruments whose returns are linked to or are similar to the Portfolio or any securities in the Portfolio for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely

affect the value of the Portfolio. Goldman Sachs may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the Portfolio or one or more securities in the Portfolio. By introducing such products to the marketplace, Goldman Sachs could adversely affect the value of the Portfolio.

### **No active management**

The Portfolio methodology operates in accordance with a set of predetermined rules. There will be no active management of the Portfolio or the Index so as to generate, enhance or protect returns. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Portfolio or the Index, which are not actively managed. The Portfolio only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Index; the Index in turn only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Underlier, which GSGIR manages independently of GSI and may cease to update at any time. As a result, investors in the Portfolio may be exposed to more risk than an actively managed funds, and the performance of an actively managed fund may exceed the performance of the Portfolio.

The selection of companies and weightings to be included in the Underlier is maintained at the discretion of GSGIR as a provider of research, and GSGIR does not act as an investment advisor to any party and does not guarantee any result in relation to the share performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI, the Portfolio or any investor with exposure to the Portfolio in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Portfolio.

### **Tracking**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the securities and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation between the Portfolio's securities and those in the Index. In addition, the performance of the Index is not expected to match that of the Underlier: (i) the Index (and consequently, the Portfolio) may not include all companies included in, or represent all the countries represented by, the Underlier, and only includes one security for each company; (ii) the Index weightings are adjusted differently as compared against those specified in the Underlier; (iii) the Index will cease to track the Underlier should the result be that fewer than 10 securities are included in the Index; and (iv) there may be a significant delay before the Index incorporates changes to the Underlier. For all of these reasons, the performance of the Index (and consequently, the Portfolio) will differ from the hypothetical performance of the Underlier. Finally, the performance of the Underlier is not a BRICs sector index, and is not designed to track any particular BRICs sector index. Therefore the performance of the Portfolio may not match, and should not be benchmarked against, an investment in any particular BRICs sector index.

### **Investors will have no rights with respect to the securities in the Portfolio**

An investment referenced to the Portfolio will not make an investor a holder of, or give an investor a direct investment position in, any securities in the Portfolio.

### **Past performance, if any, is no guide to future performance**

The actual performance of the Portfolio, the Index, the Underlier, or any Portfolio security may bear little relation to its historical performance, if any. The future performance of the Portfolio, the Index, the Underlier or any Portfolio security cannot be predicted.

### **Information about the Portfolio is no guarantee of its performance**

Certain presentations and backtesting or other statistical analysis materials in respect of the operation and/or potential returns of the Portfolio, the Index or the Underlier that may be provided are based on simulated analyses and hypothetical circumstances to estimate how the Portfolio, the Index or the Underlier may have

performed prior to its inception. Goldman Sachs does not provide any assurance or guarantee that the Portfolio, the Index or the Underlier will operate or would have operated in the past in a manner consistent with those materials. As such, any historical returns projected in such materials or any hypothetical simulations based on these analyses that are provided in relation to the Portfolio, the Index or the Underlier may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, the Portfolio, the Index or the Underlier.

#### **The Portfolio has limited historical performance data, if any**

As limited historical performance data, if any, exist with respect to the Portfolio, any investment in the Portfolio may involve greater risk than an exposure linked to indices or strategies with a proven track record.

#### **Market Disruption Events may adversely affect securities in the Portfolio and the Net Asset Value of the Portfolio**

The securities in the Portfolio are subject to temporary distortions or other disruptions due to various factors, including, without limitation, the lack of liquidity in the markets, and government regulation and intervention. If a Market Disruption Event affects any of the securities in the Portfolio, the Execution Agent may delay or modify intended trades. Further, if a market disruption event affects a security beyond five Portfolio Trading Days, the security may be removed from the Portfolio and its value reduced to zero. You may suffer a loss if you redeem your investment while any of the securities in the Portfolio is affected by a Market Disruption Event, or as a result of a security being removed from the Portfolio at a reduced or zero value following an extended Market Disruption Event affecting that security.

#### **Counterparty risk**

The Calculation Agent of the Index and the Execution Agent of the Portfolio rely on third party information and administrative services over which it has no control or warranty. The Index and Portfolio methodologies rely on information and administrative services from external providers. Neither the Execution Agent nor the Index Calculation Agent make any warranty as to the correctness of the information or administrative services and takes no responsibility for the impact of any inaccuracy of such data or administrative services on the return produced by a particular Portfolio security or on the level of the Portfolio.

#### **The Index Sponsor, the Index Calculation Agent and the Execution Agent of the Portfolio have the authority to make determinations that could materially affect the Portfolio**

Determinations that the Index Sponsor, the Index Calculation Agent and the Execution Agent of the Portfolio may make in connection with the composition, calculation, maintenance and modification of the Index or the Portfolio may materially affect the level of the Portfolio and its performance. The Index Sponsor, the Index Calculation Agent and the Execution Agent have no obligation to take the interests of investors in the Portfolio into consideration for any reason in carrying out their functions and have generally disclaimed all liability to the extent permitted by law.

#### **Fair Market Price**

The Umbrella Fund is required to ensure that transactions entered into by the Portfolio are priced on an arm's length basis as required by Luxembourg law. Accordingly, procedures have been put in place with the Execution Agent designed to ensure that, subject to any specific instructions, transactions executed by the Execution Agent on behalf of the Portfolio are also priced on a reasonable arm's length basis in accordance with Luxembourg law. These arrangements are subject to the oversight of the trading committee appointed by the Board of Directors of the Umbrella Fund, which, in relation to the Portfolio, performs such role notwithstanding any other role of the trading committee described in the Prospectus.

## **5 Disclaimers**

**No advice or recommendation:** Goldman Sachs International and the Umbrella Fund do not make any representation or warranty, express or implied, or accept any liability or responsibility (except in the case of fraud) to the owner of any products linked to the Index or any member of the public regarding (i) the advisability of investing in securities generally, in the Portfolio, the Portfolio securities, the Index or the Underlier (ii) the ability of the Portfolio, the Portfolio securities, the Index or the Underlier to generate positive results. If investors consider acquiring any product linked to the Index or the Underlier, they should consult their own accounting, tax, investment and legal advisors before doing so. Goldman Sachs International does not act as an advisor or fiduciary.

**Exclusion of liability:** None of Goldman Sachs International, in its role as the Investment Administrator, Execution Agent and Index Sponsor, or the Umbrella Fund, or any officers, employees or agents of Goldman Sachs, as applicable, has made or will make any representation or warranty, express or implied, or accept any responsibility or liability however so arising, in contract, statute or tort (including without limitation negligence or breach of duty), except in the case of fraud, in relation to any matter in connection with the Underlier or the Index, their quality, accuracy and completeness as well as any data included therein or on which the Index or Underlier is based, or the performance of the Underlier

In any event, Goldman Sachs International in its role as Index Sponsor shall not, under any circumstances, be responsible for any person's lost profits or for any special, punitive, indirect or consequential damages (including lost profits), even if it has been advised of the possibility of such damage or loss.

**The Index and the Underlier are not designed by reference to individual needs:** The Index and the Underlier are not designed by reference to individual needs and are designed, operated and calculated by Goldman Sachs without regard to any products linked to it. Goldman Sachs does not have any obligation to, and does not, take the needs of any person into consideration in designing, operating or calculating the Portfolio, the Index or the Underlier.

This disclaimer will not exclude any liability for, or remedy in respect of, fraud or fraudulent misrepresentation.

*The BRICs Nifty 50 Emerging Markets Index (the "Index") is the exclusive property of Goldman Sachs International ("GSI"), which has contracted with Standard & Poor's Financial Services LLC ("S&P") to calculate and maintain the Index. S&P's sole relationship to GSI in relation to the Index is providing such calculation services. The Index is in no way related to, based upon or in any other way derived from the S&P BRIC 40 index or the S&P CNX Nifty index. The Index is not owned, endorsed, or approved by or associated with S&P, its affiliates or their third party licensors and neither S&P, its affiliates nor their third party licensors shall have any liability in connection to the Index.*

## 6 Characteristics

### 6.1 Characteristics of the Shares classes available in the Portfolio

#### Available Shares classes

Class "A (USD)" Shares: class of Shares dedicated to retail investors;  
Class "A (EUR Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (CHF Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (GBP Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (JPY Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "I (USD)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (CHF Hedged)" Shares: class of Shares dedicated to Institutional investors;  
Class "I (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (USD)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (CHF Hedged)" Shares: class of Shares dedicated to Institutional investors;  
Class "C (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "M (USD)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (EUR Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (CHF Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (GBP Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (JPY Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (USD)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (EUR Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (CHF Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (GBP Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (JPY Hedged)" Shares: class of Shares dedicated to private wealth management clients only.

<b>Share Class</b>	<b>Pricing Currency</b>	<b>Dividend Policy</b>	<b>ISIN Codes</b>	<b>Listing on the Luxembourg stock exchange</b>
A (USD)	USD	Accumulation	LU0503687344	None
A (EUR Hedged)	EUR	Accumulation	LU0503687427	None
A (CHF Hedged)	CHF	Accumulation	LU0503687773	None
A (GBP Hedged)	GBP	Distributing	LU0503687930	None
A (JPY Hedged)	JPY	Accumulation	LU0503688235	None
I (USD)	USD	Accumulation	LU0503688581	None
I (EUR Hedged)	EUR	Accumulation	LU0503688748	None
I (CHF Hedged)	CHF	Accumulation	LU0503688821	None
I (GBP Hedged)	GBP	Distributing	LU0503689126	None
I (JPY Hedged)	JPY	Accumulation	LU0503689555	None
C (USD)	USD	Accumulation	LU0503689803	None
C (EUR Hedged)	EUR	Accumulation	LU0503690058	None
C (CHF Hedged)	CHF	Accumulation	LU0503690215	None
C (GBP Hedged)	GBP	Distributing	LU0503690488	None
C (JPY Hedged)	JPY	Accumulation	LU0503690645	None
M (USD)	USD	Accumulation	LU0503690991	None
M (EUR Hedged)	EUR	Accumulation	LU0503691379	None
M (CHF Hedged)	CHF	Accumulation	LU0503691536	None
M (GBP Hedged)	GBP	Distributing	LU0503691700	None
M (JPY Hedged)	JPY	Accumulation	LU0503691965	None
N (USD)	USD	Accumulation	LU0503692187	None
N (EUR Hedged)	EUR	Accumulation	LU0503692344	None
N (CHF Hedged)	CHF	Accumulation	LU0503692690	None
N (GBP Hedged)	GBP	Distributing	LU0503692856	None
N (JPY Hedged)	JPY	Accumulation	LU0503693078	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
A (USD)	5.00%	5.00%	1.40% p.a.	USD 1,000	USD 1,000	USD 1,000
A (EUR Hedged)	5.00%	5.00%	1.40% p.a.	EUR 1,000	EUR 1,000	EUR 1,000
A (CHF Hedged)	5.00%	5.00%	1.40% p.a.	CHF 1,000	CHF 1,000	CHF 1,000
A (GBP Hedged)	5.00%	5.00%	1.40% p.a.	GBP 1,000	GBP 1,000	GBP 1,000
A (JPY Hedged)	5.00%	5.00%	1.40% p.a.	JPY 100,000	JPY 100,000	JPY 100,000
I (USD)	5.00%	5.00%	1.00% p.a.	USD 100,000	USD 100,000	USD 1,000
I (EUR Hedged)	5.00%	5.00%	1.00% p.a.	EUR 100,000	EUR 100,000	EUR 1,000
I (CHF Hedged)	5.00%	5.00%	1.00% p.a.	CHF 100,000	CHF 100,000	CHF 1,000
I (GBP Hedged)	5.00%	5.00%	1.00% p.a.	GBP 100,000	GBP 100,000	GBP 1,000
I (JPY Hedged)	5.00%	5.00%	1.00% p.a.	JPY 10,000,000	JPY 10,000,000	JPY 100,000
C (USD)	5.00%	5.00%	0.70% p.a.	USD 1,000,000	USD 1,000,000	USD 1,000
C (EUR Hedged)	5.00%	5.00%	0.70% p.a.	EUR 1,000,000	EUR 1,000,000	EUR 1,000
C (CHF Hedged)	5.00%	5.00%	0.70% p.a.	CHF 1,000,000	CHF 1,000,000	CHF 1,000
C (GBP Hedged)	5.00%	5.00%	0.70% p.a.	GBP 1,000,000	GBP 1,000,000	GBP 1,000
C (JPY Hedged)	5.00%	5.00%	0.70% p.a.	JPY 10,000,000	JPY 10,000,000	JPY 100,000
M (USD)	5.00%	5.00%	1.00% p.a.	USD 99,000	USD 99,000	USD 1,000
M (EUR Hedged)	5.00%	5.00%	1.00% p.a.	EUR 99,000	EUR 99,000	EUR 1,000
M (CHF Hedged)	5.00%	5.00%	1.00% p.a.	CHF 99,000	CHF 99,000	CHF 1,000
M (GBP Hedged)	5.00%	5.00%	1.00% p.a.	GBP 99,000	GBP 99,000	GBP 1,000
M (JPY Hedged)	5.00%	5.00%	1.00% p.a.	JPY 9,900,000	JPY 9,900,000	JPY 100,000
N (USD)	5.00%	5.00%	0.70% p.a.	USD 25,000,000	USD 25,000,000	USD 1,000
N (EUR Hedged)	5.00%	5.00%	0.70% p.a.	EUR 25,000,000	EUR 25,000,000	EUR 1,000
N (CHF Hedged)	5.00%	5.00%	0.70% p.a.	CHF 25,000,000	CHF 25,000,000	CHF 1,000
N (GBP Hedged)	5.00%	5.00%	0.70% p.a.	GBP 25,000,000	GBP 25,000,000	GBP 1,000
N (JPY Hedged)	5.00%	5.00%	0.70% p.a.	JPY 2,500,000,000	JPY 2,500,000,000	JPY 100,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items “I. Expenses” and “II. Fees” of the section “*Expenses, Fees and Costs*” of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0.25% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

## **6.2 Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

<b>Valuation Day</b>	<b>Subscription/Conversion/ Redemption Date and Cut-Off Time</b>	<b>Settlement Date</b>
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days **
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to any Valuation Day	

\* Business Day is any Portfolio Trading Day (as defined under Section 3.1 above)..

\*\* Local Business Day is any Business Day on which commercial banks are open for business in the principal financial centers of the currencies of payment for the relevant Share Class and the base currency of the Portfolio.

A Net Asset Value will be calculated on days different from the Valuation Day. Any such Net Asset Value published on days that are not Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available Net Asset Values with adjustments made for the expense accrual.

A (USD)	GSBRAUS LX
A (EUR Hedged)	GSBRAEH LX
A (CHF Hedged)	GSBRACH LX
A (GBP Hedged)	GSBRAPH LX
A (JPY Hedged)	GSBRAYH LX
I (USD)	GSBRIUS LX
I (EUR Hedged)	GSBRIEH LX
I (CHF Hedged)	GSBRICH LX
I (GBP Hedged)	GSBRIPH LX
I (JPY Hedged)	GSBRIYH LX
C (USD)	GSBRCUS LX
C (EUR Hedged)	GSBRCEH LX
C (CHF Hedged)	GSBRCCH LX
C (GBP Hedged)	GSBRCPH LX
C (JPY Hedged)	GSBRCYH LX
M (USD)	GSBRMUS LX
M (EUR Hedged)	GSBRMEH LX
M (CHF Hedged)	GSBRMCH LX
M (GBP Hedged)	GSBRMPH LX
M (JPY Hedged)	GSBRMYH LX
N (USD)	GSBRNUS LX
N (EUR Hedged)	GSBRNEH LX
N (CHF Hedged)	GSBRNCH LX
N (GBP Hedged)	GSBRNPH LX
N (JPY Hedged)	GSBRNYH LX

Investors are made aware that in case of occurrence of a Market Disruption Event on a Valuation Day the Net Asset Value may not be calculated or published for such Valuation Day (as a consequence of the occurrence of a Market Disruption Event on any Portfolio Trading Day, as detailed in the section headed “3.6.3 “Market Disruption Events”) and, as a consequence, the processing of investors’ subscription/conversion/ redemption orders will be postponed accordingly.

Nonetheless investors will be bound by any application so sent on any Luxembourg and London business day, notwithstanding the fact that the applicable Valuation Day may be postponed in case of occurrence of a Market Disruption Event.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Redemptions in Kind***

Notwithstanding anything to the contrary in the Prospectus, no Share may be redeemed in kind and the Umbrella Fund will not accept any requests for redemption in kind.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Investment Administrator: Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail, institutional and professional investors.

## **Supplement XVII to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – BRICs Nifty 50 Developed Markets Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***

**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the BRICs Nifty 50 Developed Markets Portfolio (the "Portfolio") in more detail.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Umbrella Fund: the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares; the determination of the Net Asset Value; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

May 2010

## **Goldman Sachs Structured Investments SICAV – BRICs Nifty 50 Developed Markets Portfolio**

Unless the context requires otherwise, “Goldman Sachs” refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries.

The launching date of the Portfolio will be on or around 10 May 2010 at the initial price per Share of USD 10 for the Shares denominated in the Base Currency of the Portfolio. For the Shares denominated in currencies other than the Base Currency of the Portfolio please refer to the Global Distributor or to the Registrar and Transfer Agent of the Umbrella Fund to obtain the details of their respective initial price.

Goldman Sachs International as the Promoter of the Umbrella Fund may in its sole discretion delay or cancel the proposed launch of the Portfolio, in view of the level of subscriptions and/or market movements.

<b>Investment Objective</b>
<p>The investment objective of the Portfolio is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the BRICs Nifty 50 Developed Markets TR Index (the “Index”).</p> <p><b>The Portfolio’s ability to achieve the investment objective is subject to various independent risk factors as further described in this Supplement and the Prospectus. No assurance is given that the investment objective will be met.</b></p>

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An investment in the Portfolio carries with it a significant degree of financial risk. The value of Shares, and the return generated from them may go up or down, and an investor in the Shares may not recover the amount initially invested.

**These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, Investors should read carefully the sections entitled “*Principal Risks of Investing in the Portfolio*” in this Supplement as well as under sections “*Investment Risks*”, “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus in order to understand the risks related to an investment in the Shares issued by the Portfolio and to determine the suitability of the investment for them.**

Potential investors in the Portfolio should pay particular attention to the following:

#### **(I) No principal protection**

The performance of the Portfolio depends primarily on the performance of the securities in the Portfolio. The Portfolio does not include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

#### **(II) Investments with exposure to emerging markets are subject to special risks**

The Portfolio is comprised exclusively of securities of companies with significant exposure to Brazil, Russia, India, China and other 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 or inflation. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile

relations with neighboring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognize private property rights and have at times nationalized or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalization or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of 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 an investment in those countries illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment in one of these securities.

### **(III) Market and exchange rate volatility**

Trading in securities of companies with exposure to Brazil, Russia, India and China (together, “BRICs”) and other emerging markets can be extremely volatile, which means that their value may increase or decrease significantly over a short period of time, often unpredictably. Rates of exchange between currencies are volatile and unpredictable and can be affected by many known and unknown factors. Because the Portfolio level is determined on the basis of the US dollar, investors may lose money if the local currency of a Portfolio security depreciates against the US dollar, even if the local currency value of that security increases. Adverse fluctuations in either individual exchange rates or the value of individual securities in the Portfolio may adversely affect the Portfolio level and the performance of any investment product linked to it.

### **(IV) Conflicts of Interest**

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect of the Index and the Portfolio. Although Goldman Sachs will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs’ own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Portfolio, the Portfolio securities, the Index, the Underlier (as defined below under “2.1 Overview”), and products or investments linked thereto and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by Goldman Sachs International (“GSI”), may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier, any underlying investment referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier. These activities could adversely affect the value of the Portfolio, which could in turn affect the return on, and the value of, any product or investment linked to the Portfolio.

### **(V) Investors in the Portfolio may be at a disadvantage compared with recipients of Goldman Sachs Global Investment Research research reports**

Clients of Goldman Sachs Global Investment Research (“GSGIR”), a division of Goldman Sachs, and other recipients of the GSGIR research reports will receive changes to the Underlier before those changes are reflected in the Index or the Portfolio. This means that GSGIR clients or others may trade on the basis of the GSGIR research reports or updated Underlier before it is reflected in the Portfolio, which could work to the disadvantage of investors in the Portfolio. In addition, the GSGIR research reports may contain information or opinions in addition to the Underlier, which may not be made available to investors in the Portfolio. Such information may also cause movements in the prices of the securities constituting the Portfolio to the disadvantage of investors in the Portfolio, or lead to investment decisions by the recipients of such information not available to investors in the Portfolio.

### **(VI) No active management; Separation of GSGIR and GSI Securities Division Roles**

The Portfolio methodology operates in accordance with a set of predetermined rules. There will be no active management of the Portfolio or the Index so as to generate, enhance or protect returns. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may provide higher returns than the Portfolio and may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Portfolio or the Index, which are not actively managed. The Portfolio only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Index; the Index in turn only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Underlier, which GSGIR operates independently of GSI and may cease to update at any time. Operation of the Portfolio methodology may result in negative performance including returns that deviate materially from historical performance, both

actual and pro-forma, and in such circumstances there will not be any form of active management to amend the algorithm or otherwise attempt to mitigate loss. The aforementioned potential consequences of the absence of active management within the Portfolio methodology could be further exacerbated during abnormal market conditions that may not have been taken into account in the construction of the algorithm.

The selection of companies and weightings to be included in the Underlier is maintained at the discretion of GSGIR as a provider of research, and GSGIR does not act as an investment advisor, investment manager or fiduciary to any party and does not guarantee any result in relation to the share performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI Securities Division, the Portfolio or any investor with exposure to the Portfolio in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Portfolio.

The roles of GSGIR in producing the Underlier, and of the Securities trading division of GSI as Index Sponsor, Investment Administrator and Execution Agent, are each functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

## **(VII) Tracking**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the securities and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation between the Portfolio's securities and those in the Index. In addition, the performance of the Index is not expected to match that of the Underlier: (i) the Index (and consequently, the Portfolio) may not include all companies included in, or represent all the countries represented by, the Underlier, and only includes one security for each company; (ii) the Index weightings are adjusted as compared against those specified in the Underlier; and (iii) there may be a significant delay before the Index incorporates changes to the Underlier. For all of these reasons, the performance of the Index (and consequently, the Portfolio) will differ from the hypothetical performance of the Underlier. Finally, the performance of the Underlier reflects the performance of selected companies with exposure to BRICs and other emerging markets, and is not a BRICs sector index, and is not designed to track any particular BRICs sector index. Therefore the performance of the Portfolio may not match, and should not be benchmarked against, an investment in any particular BRICs sector index.

## **(VIII) Counterparty risk**

The Index Calculation Agent (as defined below under "2.1 Overview") and the Execution Agent (as defined below under "1 Investment Policy") of the Portfolio rely on third party information and administrative services over which it has no control or warranty. The Index and Portfolio methodologies rely on information and administrative services from external providers. Neither the Portfolio Execution Agent nor the Index Calculation Agent make any warranty as to the correctness of the information or administrative services and takes no responsibility for the impact of any inaccuracy of such data or administrative services on the return produced by a particular Portfolio security or on the level of the Portfolio.

## **1 Investment Policy**

The Portfolio will seek to achieve its objective by investing in a basket of shares of companies domiciled in Europe, the U.S., Japan, Korea and Australia with significant exposure to Brazil, Russia, India, China and other emerging markets, which replicates, to the extent practicable, the constituents and weightings of the Index. GSI (the "Execution Agent"), pursuant to an Execution Agency Agreement with the Umbrella Fund will execute Portfolio share trades in order to reflect the Index, subject to the tracking risks highlighted, in accordance with the procedures described below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of any Shares Classes denominated in a currency other than the base currency of the Portfolio.

## **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest in any UCITS or UCIs at any time.

## **Exposure to the Index**

Several factors, including subscriptions and redemptions for Shares of the Portfolio, may affect the exposure of the Portfolio to the Index. As described under “Tracking” above, while the Net Asset Value of a Share Class within the Portfolio will be generally linked to the changes in the level of the Index (whether flat, falling or rising), subject to the applicable costs, the performance of the Portfolio as a whole may differ from the performance of the Index. It is highly likely that the value of the Shares in the Portfolio will be adversely affected by a decline in the value of the securities of the Index.

The Execution Agent will not engage on behalf of the Portfolio in any activity designed to obtain profit from, or reduce losses caused by, changes in value of the components of the Index.

## **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

From time to time, the Portfolio may also enter into OTC Derivative transactions for the purpose of enhancing returns on the constituents of the Index by attempting to reduce transaction costs or taxes, within the limits permitted by the laws and regulations applicable to UCITS.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

## **2 The Index**

### **2.1 Overview**

The BRICs Nifty 50 Developed Markets Index is designed to provide a synthetic exposure to shares of companies domiciled in Europe, the U.S., Japan, Korea and Australia with significant exposure to Brazil, Russia, India, China or other emerging markets based on, subject to certain exceptions, the composition of the Developed Markets BRICs Nifty 50 (the “Underlier”), a table of companies and weightings providing exposure to BRICs countries and other emerging markets independently produced by GSGIR, a division of Goldman Sachs.

GSI is the Index Sponsor and has the sole commercial rights in the Index. GSI has entered into an index calculation and administration agreement with Standard & Poor’s (“S&P”) to administer the Index (the “Index Calculation Agent”) in accordance with the criteria set out below and its standard procedures with respect to international indices. Should the index calculation and administration agreement with S&P be terminated, GSI will appoint a replacement Index Calculation Agent of comparable reputation, and if a transition period between Index Calculation Agents cannot be avoided, GSI will perform the index calculation and administration functions itself during such transition period.

### **2.2 Composition of the Underlier**

The Developed Markets BRICs Nifty 50 Underlier is a table of 50 listed companies and weightings produced by GSGIR in conjunction with certain research reports GSGIR produces for its clients. The Underlier is comprised of companies with market capitalization greater than US\$1 billion which GSGIR believes are positioned to benefit from the demand growth expected in emerging markets in general, and in BRICs in particular. The Underlier includes companies domiciled in Europe, the U.S., Japan, Korea and Australia that have significant exposure to the BRICs and other emerging economies, whilst encompassing a broad spread of sectors, with a bias toward industrial, basic resources and consumer stocks. The weighting of each company is adjusted to reflect its exposure to emerging markets as well as free float market capitalization and daily liquidity, but only within a narrow range to ensure that each company in the Underlier remains close to an equal weighting of 2%. The table of 50 companies constituting the Underlier and their weightings is posted by GSGIR to Bloomberg page GSSTDM50, and is also available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

The initial November 2009 research report introducing GSGIR's rationale and methodology behind the Underlier, entitled "The BRICs Nifty 50: The EM and DM Winners" is available from <http://www.gs.com/ideas/brics>. Non-GSGIR clients may alternatively, at the option of the Index Sponsor, be provided with a summary form of the initial research report at <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us>. GSGIR, entirely in its discretion and acting independently from the Securities trading division of GSI, may update the companies and weightings constituting the Underlier at any time, either in conjunction with a new research report or separately. Any changes to the Underlier will be posted to Bloomberg page GSSTDM50; however, any future GSGIR research reports may be available only to GSGIR clients. Non-GSGIR clients may alternatively, at the option of the Index Sponsor, be provided with a summary form of the initial research report at <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us>. It is currently expected that the Underlier may be updated every 6 to 12 months, as well as in response to major corporate or economic events, but any update to the Underlier is entirely at the discretion of GSGIR.

GSGIR operates independently from the Securities trading division of GSI with respect to the Underlier, which GSGIR maintains in conjunction with the research reports it produces for its clients. In maintaining the Underlier, GSGIR exercises considerable discretion, and may change its selection or weighting criteria or discontinue maintenance of the Underlier at any time. However, GSGIR does not act as an investment advisor to any party and does not guarantee any result in relation to the performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI, the Index or any investor with exposure to the Index in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Index.

### 2.3 Initial Composition of the Index

The composition of the BRICs Nifty 50 Developed Markets Index is based on, but may differ from, the composition of the Underlier. No additional companies beyond those identified in the Underlier will be included in the Index; however, certain Underlier companies will be re-weighted or excluded from the Index entirely, resulting in the Index containing less than 50 securities (compared against 50 companies in the Underlier), and all regions and countries may not always be represented in the Index. Further, the Index Calculation Agent will only review the company names and weightings from the Underlier, and where an eligible company has issued more than one listed security, the Index Calculation Agent will apply the criteria described below to select one security for each eligible company to be included in the Index. The filters and adjustments by which the Underlier is modified to form the Index consist of the following, and unless otherwise indicated will be applied by the Index Calculation Agent acting in its sole discretion:

1. Ineligible Securities: The following securities are not eligible for inclusion in the Index: (a) bonds, convertible bonds, warrants, rights and preferred shares providing a fixed minimum return; (b) securities without at least 6 months of price history; (c) securities with an Average Daily Turnover Value over the prior 6 months ("6 Month ADTV") of less than US\$5 million; (d) securities subject to any of the Exclusion Criteria described in section 2.4.4 below. Note that a company with one ineligible security may have other securities which are eligible for inclusion in the Index.
2. Multiple Securities: If a company has more than one eligible security, then the security with the highest 6 Month ADTV will be selected for inclusion in the Index.
3. Weighting of Index Securities: the weightings for each security in the Index will be based on the weightings assigned by the Underlier, but adjusted as follows:

First, to ensure the total weighting of all securities in the Index adds up to 1.00, where Underlier companies have been excluded from the Index, the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings specified by the Underlier.

Second, no security in the Index may have a weighting above the lesser of (a) 16% and (b) the 6 Month ADTV divided by the Investment Support Level (as defined below). If a security's weighting is greater than 16%, it will be reduced to 12%, with the weightings for all remaining Index securities increased *pro rata* to maintain the proportionate weightings prior to the increase. Similarly, if a security's weighting is greater than the 6 Month ADTV divided by the Investment Support Level, it will be reduced to 80% of the 6 Month ADTV divided by the Investment Support Level, with the weightings for all remaining Index securities increased *pro rata*. Either of the adjustments referred to in this paragraph shall be termed a "Weighting Adjustment."

Throughout this section, a security's weighting refers to its dollar value as a fraction of the entire Index value. If the initial weighting of a security was 0.03, the value of that security would be 3% of the entire Index: for every \$100 of Index holdings, \$3 would be held in that security, the number of such securities to be initially purchased equal to \$3 divided by its share price. All such calculations are made in US dollar terms converted using Reuter's spot exchange rates as of the time of such calculation and using adjusted market values for the Index securities calculated in accordance with S&P's standard procedures with respect to international indices.

The Income Support Level reflects the amount of investment linked to the Index, and will be initially set at US\$100 million, updated as described in Section 2.4.3 below.

## **2.4 Maintenance of the Index**

The Index Calculation Agent will monitor and maintain the Index on an ongoing basis in accordance with the largely non-discretionary criteria described below. Any adjustments required as a result of the criteria described below will be calculated as of 5:15pm New York Time, and the changes implemented at or near the close of regular trading for each security on the following Index Trading Day, subject to the Daily Trade Limit (each as defined in Section 2.4.1 below). The Index Calculation Agent will post changes to the Index to the BRICs Nifty 50 Developed Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> before they become effective.

### **2.4.1 Changes to the Underlier**

On the first Index Business Day (as defined below) of each week, the Index Calculation Agent will check Bloomberg page GSSTDM50 for any changes to the Underlier companies or weightings. If there have been any changes, the Index Calculation Agent will calculate the corresponding new Index according to the filters and adjustments described in Section 2.3 above (including the Exclusion Criteria described in Section 2.4.4 below), *provided that* after application of such filters and adjustments, 10 or more securities are eligible for inclusion in the Index. If fewer than 10 securities are to be included in the Index, then no change will be made to the Index composition or weightings pursuant to this Section 2.4.1. For the avoidance of doubt, upon any change to the Underlier, a new Index will be calculated in accordance with Section 2.3, but without regard to any previous exclusions or adjustments to the existing Index: securities which had been previously excluded may be added to the Index should the reasons for their exclusion no longer apply, and the entire Index will be re-weighted to match, subject to any adjustments described in Section 2.3, the weightings assigned by the new Underlier.

On the next Index Trading Day (as defined below) after a change to the Underlier has been detected, the Index Calculation Agent will transition the constituents and weightings of the existing Index to the new Index. However, if the increase or decrease in weighting of any Index security times the Income Support Level is greater than 25% of the 6 Month ADTV (the "Daily Trade Limit"), then the sale or purchase for all securities in the Index will be divided equally over as many Index Trading Days as necessary to ensure that no single trade in a security exceeds the Daily Trade Limit for that security.

A Index Business Day is any day on which every securities exchange on which both (i) commercial banks and foreign currency markets settle payments and are open for general business in London and New York; and (ii) any security in or about to be added to the Index is listed is normally open for trading. A Index Trading Day is a Index Business Day, except as delayed or modified as a result of a market disruption event in accordance with S&P's standard procedures with respect to international indices.

### **2.4.2 Daily Monitoring of the Index**

If on any Index Business Day the weighting of any Index security becomes above the lesser of (a) 16% and (b) the 6 Month ADTV divided by the Investment Support Level, on the next Index Trading Day the Index Calculation Agent will conduct a Weighting Adjustment (as described in Section 2.3(3) above), subject to the Daily Trade Limit (as described in Section 2.4.1 above).

### **2.4.3 Quarterly Monitoring of the Index**

On the first Index Business Day of each quarter, the Index Calculation Agent will identify any securities in the Index for which the 6 Month ADTV is less than US\$5 million. On the next Index Trading Day, the Index Calculation Agent will remove that security, and increase the weightings for all remaining Index securities *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

On the first Index Business Day of each Quarter, GSI, acting in its sole discretion, will review the Income Support Level, and decide whether it is necessary to adjust the level in proportion to the amount of passive investment known to GSI to be linked to the Index. Any change to the Income Support Level will be notified to the Index Calculation Agent and available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

#### **2.4.4 Exclusion Criteria**

Limitations on Exchanges: In order to ensure acceptable standards of liquidity, trading costs and information access, only securities listed on certain exchanges specified by GSI are eligible for inclusion in the Index. The list of eligible exchanges is available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

On any Index Business Day, should any Index security be trading on an exchange not included on the eligible exchange list, where possible the Index Calculation Agent will substitute the security for an alternate security of the same company which is otherwise eligible according to the criteria described in Section 2.3 above. However, if there is no such alternate security, then the Index Calculation Agent shall remove the security from the Index on the following Index Trading Day. The weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

Limitations on Securities: No security shall be included in the Index where such inclusion would be impractical or not economically viable due to liquidity, cost, information access or regulatory restrictions, or which GSI is restricted from trading due to regulatory reasons, or the trading of which would cause GSI or its affiliates to incur significant negative legal, regulatory, taxation or economic detriment. Exclusion determinations shall be made by GSI in its sole discretion on an ongoing basis based on the information known to it, and communicated the same day to the Index Calculation Agent.

Such exclusion determinations will prevent a security from being added to the Index in accordance with Section 2.3(1)(d) above. In addition, should any exclusion criteria described in this Section 2.4.4 apply to a Index security, the Index Calculation Agent shall remove it from the Index on the Index Trading Day after receiving notice from GSI, and the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

## **2.5 Market Disruption Events and Index Adjustments**

In case of market disruption events affecting a security included in the Index, the Index Calculation Agent will delay or modify Index calculations and adjustments in accordance with S&P's standard procedures with respect to international indices, provided that if a market disruption continues for more than five Index Business Days, then on the sixth Index Business Day the value of the affected security shall be marked down to zero for all calculation purposes until that security is no longer affected by a market disruption event or a market value for the security can be obtained.

#### **2.5.1 Cessation of GSGIR Coverage**

Until and unless GSGIR posts a new or modified Underlier to Bloomberg page GSSTDM50, the Index will continue to be maintained in accordance with Section 2.4 above, even in the event that GSGIR advises GSI that GSGIR will cease to maintain the Underlier at all, or in substantially similar form to that described in Section 2.2 above. However, in the event that GSI receives such advice from GSGIR, GSI will advise the Index Calculation Agent which will post this information to the BRICs Nifty 50 Developed Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> within one Index Business Day.

#### **2.5.2 Error Correction Policy**

The Index Calculation Agent will immediately correct any calculation errors relating to security prices, adjustments for corporate events, exchange rates, Index value, weightings and constituents. However, published Index levels will not be corrected retroactively.

#### **2.5.3 Changes in Methodology**

GSI reserves the right to make any changes to methodology used by the Index Calculation Agent to compose or calculate the Index as GSI may, in its sole discretion, determine to be necessary as a result of market, regulatory, tax, judicial, financial, fiscal or other circumstances.

In the event that ambiguities arise in the composition or calculation of the Index, the Index Calculation Agent will resolve such ambiguities and, if necessary for resolution, make changes to the methodology used to compose or calculate the Index.

Details of any of the above actions will be posted by the Index Calculation Agent to the BRICs Nifty 50 Developed Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> within one Index Business Day.

### **3 Operation of the Portfolio**

#### **3.1 Changes to the Index**

On the Portfolio Trading Day following the date on which any Index change posted by the Index Calculation Agent becomes effective, subject to the Minimum Trade Size described in Section 3.4 below, the Execution Agent will instruct its program trading desk to make the trades necessary for the Portfolio to replicate, to the extent practicable, the constituents and weightings of the Index. In the event that the Index has removed a security entirely but the aggregate changes do not meet the Minimum Trade Size, the Execution Agent will nonetheless sell all of its holdings in that individual security (a “**Single Share Sale**”).

Throughout this document, a security’s weighting refers to its dollar value as a fraction of the value of all securities in the Portfolio. The value of securities to be sold or purchased by the Execution Agent to replicate, to the extent practicable, the constituents and weightings of the Index will be calculated in US dollar terms based on the most recent price and currency exchange rate available for each security.

A Portfolio Trading Day is any day on which both (i) commercial banks and foreign currency markets settle payments and are open for general business in London and New York; and (ii) every securities exchange on which any security in or about to be added to the Portfolio is listed is normally open for trading, except as delayed or modified as a result of a Market Disruption Event, as described in Section 3.6 below.

#### **3.2 Subscriptions & Redemptions**

On the Portfolio Trading Day following any subscription or redemption request, subject to the Minimum Trade Size described in Section 3.4 below, the Execution Agent will instruct its program trading desk to buy or sell (as the case may be) a sufficient number of Portfolio securities *pro rata* according to their weightings.

#### **3.3 Timing of Portfolio Trading**

All trades in relation to the Portfolio shall be executed at or near the close of regular trading for each security.

#### **3.4 Minimum Trade Size**

In order to minimize trading costs, the Execution Agent will only instruct its program trading desk to buy or sell securities when the aggregate value of securities to be sold and purchased is greater than US\$1 million. Portfolio trades below an aggregate US\$1 million trading value will be deferred until additional trades are contemplated pursuant to this Section 3 which, combined with the deferred trading value, reach an aggregate value of US\$1 million. The Minimum Trade Size will not apply, however, to a Single Share Sale where a security has been removed from the Index entirely.

#### **3.5 Cash and Cash Equivalents**

In order to provide liquidity for subscriptions and redemptions, the Investment Administrator will seek to maintain a balance of cash, credit lines and notes linked to the Index, issued by GSI and traded on the Frankfurt and Stuttgart Stock Exchanges, to meet short-term cashflow requirements and within the limits permitted by the laws and regulations applicable to UCITS. The exchange between cash, credit lines and notes will be determined by the Investment Administrator in order to balance the Portfolio’s liquidity needs against closer tracking of the Index.

#### **3.6 Adjustments to the Portfolio**

##### **3.6.1 Brokerage Costs**

Brokerage costs incurred by the Execution Agent shall be deducted from the Portfolio’s cash balance, and are currently anticipated to be approximately 5 basis points of the aggregate value of executed trades. Whilst such costs may vary over time, the basis of such costs shall be approved by the trading committee

appointed by the Board of Directors of the Umbrella Fund, which, in relation to the Portfolio, performs such function notwithstanding any other role of the trading committee described in the Prospectus.

### **3.6.2 Corporate Events**

In the event a rights issue is held with respect to securities held by the Portfolio, and the rights issue subscription price (plus the applicable dividend amount where (i) such dividend is announced by the day before the ex-date of the rights, (ii) the dividend amount has been confirmed, and (iii) and the newly created shares are not entitled to the dividend) is less than the securities closing price on the day before the ex-date of the rights, then to the extent practicable, the Execution Agent will fully subscribe to the rights issue, and if necessary, subject to the Minimum Trade Size described in Section 3.4 above, will instruct its program trading desk to sell a sufficient number of Portfolio securities *pro rata* according to their weightings in order to raise the rights issue subscription price.

In the event a security held by the Portfolio offers its holders the option of dividend in cash or shares, the Execution Agent will select a cash dividend.

### **3.6.3 Market Disruption Events**

Any of the following will constitute a Market Disruption Event: (i) any event or circumstance (including without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance) that is beyond the reasonable control of the Execution Agent or its affiliates, and that the Execution Agent determines is likely to have a material adverse effect on, or on the trading of, the Portfolio or any security in (or about to be added to) the Portfolio; (ii) the declaration of a general moratorium in respect of banking activities in London or New York; (iii) the occurrence or existence of a lack of, or a material decline in, the liquidity in the market for trading of any security in (or about to be added to) the Portfolio or a decline in the liquidity of the security itself; or (iv) the failure of a source from which any party obtains information necessary to make adjustments to or calculations related to the Portfolio.

If a Market Disruption Event occurs or is continuing on any Portfolio Trading Day that, in the sole discretion of the Execution Agent affects the Portfolio or any securities in (or about to be added to) the Portfolio, the Umbrella Fund Administrator or Execution Agent, will:

- (i) Delay subscriptions, redemptions and calculation of Net Asset Value for the Portfolio, for up to five Portfolio Trading Days;
- (ii) Delay the trading of any securities in (or about to be added to) the Portfolio which are affected by a Market Disruption Event, for up to five Portfolio Trading Days. Securities not affected by a Market Disruption Event will continue to be traded, the resultant under- or over-exposure to the non-traded security being reflected in the Portfolio's balance of cash and cash equivalents;
- (iii) If a Market Disruption Event in relation to any Portfolio security continues beyond the fifth Portfolio Trading Day, the value of the security will be immediately removed from the then current Portfolio NAV and the Security will be disposed of by the Execution Agent as soon as practicable; and
- (iv) On first Trading Day when no Market Disruption Event occurs or is continuing, the Umbrella Fund Administrator will resume subscriptions, redemptions and calculation of the Net Asset Value for the Portfolio. In the event that such resumption was pursuant to the removal of a security from the Portfolio pursuant to clause (iii) above, for the purposes of all calculations such security shall be valued at zero or the amount (if any) the Execution Agent receives from its disposal.

## **3.7 Tracking Errors**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the securities and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation between the Portfolio's securities and those in the Index including as a result of a deferred trade arising from the application by the Execution Agent of the Minimum Trade Size procedure detailed under section 3.4 above.

In addition, as described more fully in the Section 2 above, the Index itself is based on, but different from, the Underlier: certain Underlier companies will be re-weighted or excluded from the Index entirely, resulting in the Index containing less than 50 securities (compared against 50 companies in the Underlier); further, the timing of Index updates differs to that of the Underlier.

### **3.8 Consequences at the Portfolio level of the cessation of GSGIR Coverage**

In the event that, as provided under Section 2.5.1 above, GSGIR advises GSI that GSGIR will cease to maintain the Underlier at all, or in substantially similar form to that described in Section 2.2 above, the Board of Directors of the Umbrella Fund shall consider whether: (i) to keep replicating, to the extent practicable, the constituents and weightings of the Index, the latter being no longer considered as an index for the purposes of the laws and regulations applicable to UCITS, but instead as a static equity basket which shall comply with the laws and regulations applicable to UCITS; (ii) to replace the Index with another index that has a similar objective and is eligible under the laws and regulations applicable to UCITS or (iii) if it is impossible or impracticable to follow options (i) or (ii), to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

## **4 Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors investors should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **Goldman Sachs Roles and Conflict of Interests**

#### **Overview of Roles**

GSI, GSGIR and GSI's affiliates (collectively, "Goldman Sachs") perform several roles in respect to the Portfolio.

GSGIR produces the Underlier in conjunction with certain research reports GSGIR produces for its clients.

GSI, as sponsor of the Index (the "Index Sponsor"), sets the parameters within which the Index operates, and liaises with Standard & Poor's (the "Index Calculation Agent"), which has been retained by GSI to administer the composition, maintenance and calculation of the Index. In certain circumstances, GSI may perform the Index Calculation Agent functions. GSI is also the Investment Administrator and the Execution Agent for the Portfolio.

While GSI generally does not exercise any material discretion in relation to the operation of the Index or the Portfolio and owes no fiduciary duties in respect of the Index or the Portfolio, GSI has discretion in responding to limited situations, including, among others, the determination of eligibility criteria with respect to Index securities and exchanges, the value of the Investment Support Level and the existence of and response to a Market Disruption Event. The exercise by GSI of this discretion may adversely affect the value of the Portfolio and the value of products or investments linked to the Portfolio.

Goldman Sachs is a full service financial services group and, consequently, is engaged in a range of activities that could affect the value of the Portfolio and any of the Portfolio securities as further described below.

#### **Potential Conflicts of Interest**

As Index Sponsor, Investment Administrator and Execution Agent, GSI has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection or other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, GSI is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement and the Execution Agency Agreement.

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect of the Index and the Portfolio. Although Goldman Sachs will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs' own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Portfolio, the Portfolio securities, the Index, the Underlier, and products or investments linked thereto and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by GSI,

may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier, any underlying investment referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier. These activities could adversely affect the value of the Portfolio, which could in turn affect the return on, and the value of, any product or investment linked to the Portfolio.

Goldman Sachs does and seeks to do business with companies included in the Portfolio, the Index and the Underlier. Goldman Sachs has implemented policies to manage the various conflicts of interest in connection with investment research, including, but not limited to, the segregation of research functions and dissemination of the research. The research reports on which the Underlier is based will have been published to clients of GSGIR before it is taken into account for the purposes of the Index or the Portfolio. This means that GSGIR clients or others may have traded on the basis of the GSGIR research reports before it is reflected in the Portfolio. It is likely that this will sometimes work to the disadvantage of investors in the Portfolio since it could result in the price of securities for companies included in the Underlier increasing prior to their inclusion in the Portfolio.

Although Goldman Sachs is not obliged to do so, it may elect to hedge its exposure to the Portfolio, any Portfolio securities, or any products or instruments linked thereto with an affiliate or a third party. That affiliate or third party, in turn, is likely, directly or indirectly, to hedge any of its exposure, including through transactions taking place on the futures and options markets. Where Goldman Sachs chooses to hedge its exposure, it may adjust or unwind such hedges by purchasing or selling products linked to the Portfolio or any Portfolio securities or any other product or instrument linked thereto. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments linked to the Portfolio or any Portfolio security. Any of this hedging activity may adversely affect the value of the Portfolio and of any products or instruments linked thereto.

Goldman Sachs may also engage in trading for its proprietary accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more products or instruments linked to or similar to the Portfolio or any Portfolio security. In the course of these transactions, Goldman Sachs' customers may receive information about the Portfolio before it is made available to other investors. Any of these activities could also adversely affect the value of the Portfolio, directly or indirectly, by affecting the value of the Portfolio securities and, therefore, the market value of any products or instruments linked to the Portfolio and the amount paid on any such product or instrument at maturity.

It is possible that Goldman Sachs could receive substantial returns with respect to the above activities while the value of any underlying investments or instruments referenced to the Portfolio may decline. Any of this activity may adversely affect the value of the Portfolio and the performance of any product linked to it.

#### *Separate Roles*

The roles of GSGIR in producing the Underlier, and of GSI as Index Sponsor, Investment Administrator and Execution Agent, are functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

#### **No principal protection**

The performance of the Portfolio depends primarily on the performance of the securities in the Portfolio. The Portfolio does not include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

#### **No assurance of returns**

The performance of the Portfolio will not be consistently positive, and Goldman Sachs does not make any representation or warranty, express or implied, that they will be in the future. Furthermore, as there will be no short positions taken with respect to any securities in the Portfolio, the Portfolio has no built-in hedge or offset for broad movements of the market as a whole.

## **Investments with exposure to emerging markets are subject to special risks**

The Portfolio is comprised exclusively of securities of companies with significant exposure to Brazil, Russia, India, China and other 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 or inflation. 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 recognize private property rights and have at times nationalized or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalization or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of 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 an investment in those countries illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment in one of these securities.

## **Market and exchange rate volatility**

The value of the securities in the Portfolio, and the level of the Portfolio, may change unpredictably due to market or foreign exchange volatility. Trading in securities of BRICs and other emerging market companies can be extremely volatile, which means that their value may increase or decrease significantly over a short period of time, often unpredictably. Rates of exchange between currencies are volatile and unpredictable and can be affected by many known and unknown factors. Because the Portfolio level is determined on the basis of the US dollar, investors may lose money if the local currency of a Portfolio security depreciates against the US dollar, even if the local currency value of that security increases. Adverse fluctuations in either individual exchange rates or the value of individual securities in the Portfolio may adversely affect the Portfolio level and the performance of any investment product linked to it.

## **Investors in the Portfolio may be at a disadvantage compared with recipients of GSGIR research reports**

GSGIR clients and other recipients of the GSGIR research reports will receive changes to the Underlier before those changes are reflected in the Index or the Portfolio. This means that GSGIR clients or others may trade on the basis of the GSGIR research reports or updated Underlier before it is reflected in the Portfolio, which could work to the disadvantage of investors in the Portfolio. In addition, the GSGIR research reports may contain information or opinions in addition to the Underlier, which may not be made available to investors in the Portfolio. Such information may also cause movements in the prices of the securities constituting the Portfolio to the disadvantage of investors in the Portfolio, or lead to investment decisions by the recipients of such information not available to investors in the Portfolio.

## **Trading by Goldman Sachs**

Trading and other transactions by Goldman Sachs in related financial instruments may adversely affect the value of the Portfolio. Goldman Sachs may hedge obligations in respect of the Portfolio by purchasing or selling financial instruments linked to securities in the Portfolio, and may adjust or unwind such hedges by purchasing or selling the foregoing on or before the date of changes to the Portfolio. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments related to the Portfolio. Any of this hedging activity may adversely affect the value of the Portfolio.

Goldman Sachs may also engage in trading in financial instruments whose returns are linked to or are similar to the Portfolio or any securities in the Portfolio for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely affect the value of the Portfolio. Goldman Sachs may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the Portfolio or one or more securities in the Portfolio. By introducing such products to the marketplace, Goldman Sachs could adversely affect the value of the Portfolio.

## **No active management**

The Portfolio methodology operates in accordance with a set of predetermined rules. There will be no active management of the Portfolio or the Index so as to generate, enhance or protect returns. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Portfolio or the Index, which are not actively managed. The Portfolio only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Index; the Index in turn only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Underlier, which GSGIR manages independently of GSI and may cease to update at any time. As a result, investors in the Portfolio may be exposed to more risk than an actively managed funds, and the performance of an actively managed fund may exceed the performance of the Portfolio.

The selection of companies and weightings to be included in the Underlier is maintained at the discretion of GSGIR as a provider of research, and GSGIR does not act as an investment advisor to any party and does not guarantee any result in relation to the share performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI, the Portfolio or any investor with exposure to the Portfolio in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Portfolio.

## **Tracking**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the securities and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation between the Portfolio's securities and those in the Index. In addition, the performance of the Index is not expected to match that of the Underlier: (i) the Index (and consequently, the Portfolio) may not include all companies included in, or represent all the countries represented by, the Underlier, and only includes one security for each company; (ii) the Index weightings are adjusted differently as compared against those specified in the Underlier; (iii) the Index will cease to track the Underlier should the result be that fewer than 10 securities are included in the Index; and (iv) there may be a significant delay before the Index incorporates changes to the Underlier. For all of these reasons, the performance of the Index (and consequently, the Portfolio) will differ from the hypothetical performance of the Underlier. Finally, the performance of the Underlier reflects exposure to BRICs and other emerging markets, and is not a BRICs sector index, and is not designed to track any particular BRICs sector index. Therefore the performance of the Portfolio may not match, and should not be benchmarked against, an investment in any particular BRICs sector index.

## **Investors will have no rights with respect to the securities in the Portfolio**

An investment referenced to the Portfolio will not make an investor a holder of, or give an investor a direct investment position in, any securities in the Portfolio.

## **Past performance, if any, is no guide to future performance**

The actual performance of the Portfolio, the Index, the Underlier, or any Portfolio security may bear little relation to its historical performance, if any. The future performance of the Portfolio, the Index, the Underlier or any Portfolio security cannot be predicted.

## **Information about the Portfolio is no guarantee of its performance**

Certain presentations and backtesting or other statistical analysis materials in respect of the operation and/or potential returns of the Portfolio, the Index or the Underlier that may be provided are based on simulated analyses and hypothetical circumstances to estimate how the Portfolio, the Index or the Underlier may have performed prior to its inception. Goldman Sachs does not provide any assurance or guarantee that the Portfolio, the Index or the Underlier will operate or would have operated in the past in a manner consistent with those materials. As such, any historical returns projected in such materials or any hypothetical simulations based on these analyses that are provided in relation to the Portfolio, the Index or the Underlier

may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, the Portfolio, the Index or the Underlier.

#### **The Portfolio has limited historical performance data, if any**

As limited historical performance data, if any, exist with respect to the Portfolio, any investment in the Portfolio may involve greater risk than an exposure linked to indices or strategies with a proven track record.

#### **Market Disruption Events may adversely affect securities in the Portfolio and the Net Asset Value of the Portfolio**

The securities in the Portfolio are subject to temporary distortions or other disruptions due to various factors, including, without limitation, the lack of liquidity in the markets, and government regulation and intervention. If a Market Disruption Event affects any of the securities in the Portfolio, the Execution Agent may delay or modify intended trades. Further, if a market disruption event affects a security beyond five Portfolio Trading Days, the security may be removed from the Portfolio and its value reduced to zero. You may suffer a loss if you redeem your investment while any of the securities in the Portfolio is affected by a Market Disruption Event, or as a result of a security being removed from the Portfolio at a reduced or zero value following an extended Market Disruption Event affecting that security.

#### **Counterparty risk**

The Calculation Agent of the Index and the Execution Agent of the Portfolio rely on third party information and administrative services over which it has no control or warranty. The Index and Portfolio methodologies rely on information and administrative services from external providers. Neither the Execution Agent nor the Index Calculation Agent make any warranty as to the correctness of the information or administrative services and takes no responsibility for the impact of any inaccuracy of such data or administrative services on the return produced by a particular Portfolio security or on the level of the Portfolio.

#### **The Index Sponsor, the Index Calculation Agent and the Execution Agent of the Portfolio have the authority to make determinations that could materially affect the Portfolio**

Determinations that the Index Sponsor, the Index Calculation Agent and the Execution Agent of the Portfolio may make in connection with the composition, calculation, maintenance and modification of the Index or the Portfolio may materially affect the level of the Portfolio and its performance. The Index Sponsor, the Index Calculation Agent and the Execution Agent have no obligation to take the interests of investors in the Portfolio into consideration for any reason in carrying out their functions and have generally disclaimed all liability to the extent permitted by law.

#### **Fair Market Price**

The Umbrella Fund is required to ensure that transactions entered into by the Portfolio are priced on an arm's length basis as required by Luxembourg law. Accordingly, procedures have been put in place with the Execution Agent designed to ensure that, subject to any specific instructions, transactions executed by the Execution Agent on behalf of the Portfolio are also priced on a reasonable arm's length basis in accordance with Luxembourg law. These arrangements are subject to the oversight of the trading committee appointed by the Board of Directors of the Umbrella Fund, which, in relation to the Portfolio, performs such role notwithstanding any other role of the trading committee described in the Prospectus.

## **5 Disclaimers**

**No advice or recommendation:** Goldman Sachs International and the Umbrella Fund do not make any representation or warranty, express or implied, or accept any liability or responsibility (except in the case of fraud) to the owner of any products linked to the Index or any member of the public regarding (i) the advisability of investing in securities generally, in the Portfolio, the Portfolio securities, the Index or the Underlier (ii) the ability of the Portfolio, the Portfolio securities, the Index or the Underlier to generate positive results. If investors consider acquiring any product linked to the Index or the Underlier, they should consult their own accounting, tax, investment and legal advisors before doing so. Goldman Sachs International does not act as an advisor or fiduciary.

**Exclusion of liability:** None of Goldman Sachs International, in its role as the Investment Administrator, Execution Agent and Index Sponsor, or the Umbrella Fund, or any officers, employees or agents of Goldman Sachs, as applicable, has made or will make any representation or warranty, express or implied, or accept any responsibility or liability however so arising, in contract, statute or tort (including without limitation

negligence or breach of duty), except in the case of fraud, in relation to any matter in connection with the Underlier or the Index, their quality, accuracy and completeness as well as any data included therein or on which the Index or Underlier is based, or the performance of the Underlier

In any event, Goldman Sachs International in its role as Index Sponsor shall not, under any circumstances, be responsible for any person's lost profits or for any special, punitive, indirect or consequential damages (including lost profits), even if it has been advised of the possibility of such damage or loss.

***The Index and the Underlier are not designed by reference to individual needs:*** The Index and the Underlier are not designed by reference to individual needs and are designed, operated and calculated by Goldman Sachs without regard to any products linked to it. Goldman Sachs does not have any obligation to, and does not, take the needs of any person into consideration in designing, operating or calculating the Portfolio, the Index or the Underlier.

This disclaimer will not exclude any liability for, or remedy in respect of, fraud or fraudulent misrepresentation.

*The BRICs Nifty 50 Developed Markets Index (the "Index") is the exclusive property of Goldman Sachs International ("GSI"), which has contracted with Standard & Poor's Financial Services LLC ("S&P") to calculate and maintain the Index. S&P's sole relationship to GSI in relation to the Index is providing such calculation services. The Index is in no way related to, based upon or in any other way derived from the S&P BRIC 40 index or the S&P CNX Nifty index. The Index is not owned, endorsed, or approved by or associated with S&P, its affiliates or their third party licensors and neither S&P, its affiliates nor their third party licensors shall have any liability in connection to the Index.*

## **6 Characteristics**

### **6.1 Characteristics of the Shares classes available in the Portfolio**

#### **Available Shares classes**

Class "A (USD)" Shares: class of Shares dedicated to retail investors;  
Class "A (EUR Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (CHF Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (GBP Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (JPY Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "I (USD)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (CHF Hedged)" Shares: class of Shares dedicated to Institutional investors;  
Class "I (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (USD)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (CHF Hedged)" Shares: class of Shares dedicated to Institutional investors;  
Class "C (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "M (USD)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (EUR Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (CHF Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (GBP Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (JPY Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (USD)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (EUR Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (CHF Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (GBP Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (JPY Hedged)" Shares: class of Shares dedicated to private wealth management clients only.

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
A (USD)	USD	Accumulation	LU0505411693	None
A (EUR Hedged)	EUR	Accumulation	LU0505411776	None
A (CHF Hedged)	CHF	Accumulation	LU0505411859	None
A (GBP Hedged)	GBP	Distributing	LU0505411933	None
A (JPY Hedged)	JPY	Accumulation	LU0505412071	None
I (USD)	USD	Accumulation	LU0505412154	None
I (EUR Hedged)	EUR	Accumulation	LU0505412238	None
I (CHF Hedged)	CHF	Accumulation	LU0505412311	None
I (GBP Hedged)	GBP	Distributing	LU0505412402	None
I (JPY Hedged)	JPY	Accumulation	LU0505412584	None
C (USD)	USD	Accumulation	LU0505412667	None
C (EUR Hedged)	EUR	Accumulation	LU0505412741	None
C (CHF Hedged)	CHF	Accumulation	LU0505412824	None
C (GBP Hedged)	GBP	Distributing	LU0505413046	None
C (JPY Hedged)	JPY	Accumulation	LU0505413129	None
M (USD)	USD	Accumulation	LU0505413392	None
M (EUR Hedged)	EUR	Accumulation	LU0505413475	None
M (CHF Hedged)	CHF	Accumulation	LU0505413558	None
M (GBP Hedged)	GBP	Distributing	LU0505413632	None
M (JPY Hedged)	JPY	Accumulation	LU0505413715	None
N (USD)	USD	Accumulation	LU0505413806	None
N (EUR Hedged)	EUR	Accumulation	LU0505413988	None
N (CHF Hedged)	CHF	Accumulation	LU0505414010	None
N (GBP Hedged)	GBP	Distributing	LU0505414101	None
N (JPY Hedged)	JPY	Accumulation	LU0505414283	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
A (USD)	5.00%	5.00%	1.20% p.a.	USD 1,000	USD 1,000	USD 1,000
A (EUR Hedged)	5.00%	5.00%	1.20% p.a.	EUR 1,000	EUR 1,000	EUR 1,000
A (CHF Hedged)	5.00%	5.00%	1.20% p.a.	CHF 1,000	CHF 1,000	CHF 1,000
A (GBP Hedged)	5.00%	5.00%	1.20% p.a.	GBP 1,000	GBP 1,000	GBP 1,000
A (JPY Hedged)	5.00%	5.00%	1.20% p.a.	JPY 100,000	JPY 100,000	JPY 100,000
I (USD)	5.00%	5.00%	0.90% p.a.	USD 100,000	USD 100,000	USD 1,000
I (EUR Hedged)	5.00%	5.00%	0.90% p.a.	EUR 100,000	EUR 100,000	EUR 1,000
I (CHF Hedged)	5.00%	5.00%	0.90% p.a.	CHF 100,000	CHF 100,000	CHF 1,000
I (GBP Hedged)	5.00%	5.00%	0.90% p.a.	GBP 100,000	GBP 100,000	GBP 1,000
I (JPY Hedged)	5.00%	5.00%	0.90% p.a.	JPY 10,000,000	JPY 10,000,000	JPY 100,000
C (USD)	5.00%	5.00%	0.60% p.a.	USD 1,000,000	USD 1,000,000	USD 1,000
C (EUR Hedged)	5.00%	5.00%	0.60% p.a.	EUR 1,000,000	EUR 1,000,000	EUR 1,000
C (CHF Hedged)	5.00%	5.00%	0.60% p.a.	CHF 1,000,000	CHF 1,000,000	CHF 1,000
C (GBP Hedged)	5.00%	5.00%	0.60% p.a.	GBP 1,000,000	GBP 1,000,000	GBP 1,000
C (JPY Hedged)	5.00%	5.00%	0.60% p.a.	JPY 10,000,000	JPY 10,000,000	JPY 100,000
M (USD)	5.00%	5.00%	0.90% p.a.	USD 99,000	USD 99,000	USD 1,000
M (EUR Hedged)	5.00%	5.00%	0.90% p.a.	EUR 99,000	EUR 99,000	EUR 1,000
M (CHF Hedged)	5.00%	5.00%	0.90% p.a.	CHF 99,000	CHF 99,000	CHF 1,000
M (GBP Hedged)	5.00%	5.00%	0.90% p.a.	GBP 99,000	GBP 99,000	GBP 1,000
M (JPY Hedged)	5.00%	5.00%	0.90% p.a.	JPY 9,900,000	JPY 9,900,000	JPY 100,000
N (USD)	5.00%	5.00%	0.60% p.a.	USD 25,000,000	USD 25,000,000	USD 1,000
N (EUR Hedged)	5.00%	5.00%	0.60% p.a.	EUR 25,000,000	EUR 25,000,000	EUR 1,000
N (CHF Hedged)	5.00%	5.00%	0.60% p.a.	CHF 25,000,000	CHF 25,000,000	CHF 1,000
N (GBP Hedged)	5.00%	5.00%	0.60% p.a.	GBP 25,000,000	GBP 25,000,000	GBP 1,000
N (JPY Hedged)	5.00%	5.00%	0.60% p.a.	JPY 2,500,000,000	JPY 2,500,000,000	JPY 100,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items “I. Expenses” and “II. Fees” of the section “*Expenses, Fees and Costs*” of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0.25% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

## **6.2 Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

<b>Valuation Day</b>	<b>Subscription/Conversion/ Redemption Date and Cut-Off Time</b>	<b>Settlement Date</b>
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days **
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to any Valuation Day	

\* Business Day is any Portfolio Trading Day (as defined under Section 3.1 above)..

\*\* Local Business Day is any Business Day on which commercial banks are open for business in the principal financial centers of the currencies of payment for the relevant Share Class and the base currency of the Portfolio.

A Net Asset Value will be calculated on days different from the Valuation Day. Any such Net Asset Value published on days that are not Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available Net Asset Values with adjustments made for the expense accrual.

A (USD)	GSBNDAU LX
A (EUR Hedged)	GSBNAEH LX
A (CHF Hedged)	GSBNACH LX
A (GBP Hedged)	GSBNASH LX
A (JPY Hedged)	GSBNAJH LX
I (USD)	GSBNDIU LX
I (EUR Hedged)	GSBNIEH LX
I (CHF Hedged)	GSBNICH LX
I (GBP Hedged)	GSBNISH LX
I (JPY Hedged)	GSBNIJH LX
C (USD)	GSBNDCU LX
C (EUR Hedged)	GSBNCEH LX
C (CHF Hedged)	GSBNCCH LX
C (GBP Hedged)	GSBNCSH LX
C (JPY Hedged)	GSBNCJH LX
M (USD)	GSBNDMU LX
M (EUR Hedged)	GSBNMEH LX
M (CHF Hedged)	GSBNMCH LX
M (GBP Hedged)	GSBNMSH LX
M (JPY Hedged)	GSBNMJH LX
N (USD)	GSBNDNU LX
N (EUR Hedged)	GSBNNEH LX
N (CHF Hedged)	GSBNNCH LX
N (GBP Hedged)	GSBNNSH LX
N (JPY Hedged)	GSBNNJH LX

Investors are made aware that in case of occurrence of a Market Disruption Event on a Valuation Day the Net Asset Value may not be calculated or published for such Valuation Day (as a consequence of the occurrence of a Market Disruption Event on any Portfolio Trading Day, as detailed in the section headed “3.6.3 “Market Disruption Events”) and, as a consequence, the processing of investors’ subscription/conversion/ redemption orders will be postponed accordingly.

Nonetheless investors will be bound by any application so sent on any Luxembourg and London business day, notwithstanding the fact that the applicable Valuation Day may be postponed in case of occurrence of a Market Disruption Event.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Redemptions in Kind***

Notwithstanding anything to the contrary in the Prospectus, no Share may be redeemed in kind and the Umbrella Fund will not accept any requests for redemption in kind.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Investment Administrator: Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail, institutional and professional investors.

**Addendum dated June 2010 to the Prospectus and its fourteen Supplements dated January 2010**

Shareholders are informed that the Supplement XI for the Goldman Sachs Dividend Linked Portfolio on the Dow Jones EURO STOXX 50 ® Index Portfolio dated January 2010 is replaced by the below Supplement XI dated June 2010:

**Supplement XI to the Prospectus**

**Alternative Beta Strategies**

**Goldman Sachs Structured Investments SICAV –  
Goldman Sachs Dividend Linked Portfolio  
On the Dow Jones EURO STOXX 50® Index  
a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Goldman Sachs Dividend Linked Portfolio on the Dow Jones EURO STOXX 50 ® Index (the "Portfolio"), one of the Alternative Beta Strategies of the Umbrella Fund, which provides investors with access to innovative underlyers.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Umbrella Fund: the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares; the determination of the Net Asset Value; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

June 2010

## **Goldman Sachs Structured Investments SICAV – Goldman Sachs Dividend Linked Portfolio on the Dow Jones Euro Stoxx 50® Index**

The launching date of the Portfolio will be on or around 14 June 2010 at the initial price per Share of EUR 10 for the Shares denominated in the Base Currency of the Portfolio. For the Shares denominated in currencies other than the Base Currency of the Portfolio please refer to the Global Distributor or to the Registrar and Transfer Agent of the Umbrella Fund to obtain the details of their respective initial price.

Goldman Sachs International as the Promoter of the Umbrella Fund may in its sole discretion delay or cancel the proposed launch of the Portfolio, in view of the level of subscriptions and/or market movements.

### **Investment Objective**

The Portfolio's investment objective is to provide on the Terminal Payment Date a return linked to dividends paid by the constituents of the Dow Jones EURO STOXX 50 ® Index (the "Reference Index") during the Dividend Period (as defined below under the section "*Dividend Period*").

At the Terminal Payment Date (as defined in the table below) of the Portfolio, the Portfolio will pay to Shareholders its net assets on a pro-rata basis.

The Terminal Payment Date is 10 Business Days after the Maturity Date as set out below:

MATURITY DATE	TERMINAL PAYMENT DATE
21 December 2012	10 Business Days after the Maturity Date

### **Maturity**

The Swap Agreement and the Reverse Repurchase Agreement (as defined below) in which the Portfolio invests have a maturity date of 21 December 2012.

**Despite all measures taken to reach the above objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.**

## **IMPORTANT INVESTOR DISCLOSURE**

### **Key Risks related to the Portfolio**

An investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested. These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section "*Principal Risks of Investing in the Portfolio*" in this Supplement as well as under sections "*Investment Risks*", "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

Investors should however pay particular attention to the following risks:

**No Principal Protection:** The Shares in the Portfolio are not principal protected. Neither the Portfolio nor any underlying components includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.

**Credit Exposure to Goldman Sachs International:** The counterparty of the Swap Agreement and to the Repurchase Agreement is expected to be Goldman Sachs International. Accordingly, the ability of the Portfolio to effect payment, if any, on the Terminal Payment Date is, amongst other factors, significantly

dependant upon the ability of Goldman Sachs International to meet its obligations under the Swap Agreement. In the event of the insolvency or default of Goldman Sachs International, the Portfolio could suffer a significant loss.

**The value of the dividends paid by the components of the Reference Index may be influenced by many factors:** There are many independent factors that may have an impact on the dividends paid by the components of the Reference Index. In particular, tax and regulatory decisions may result in reductions in the amount of dividends paid by constituents of the Reference Index and therefore in a reduction of the value of the Shares.

**Change in the composition of the Reference Index:** The composition of the Reference Index may change. This could have an adverse impact on the Dividend Amount paid by the Portfolio.

**Termination of the Swap Agreement:** The Swap Agreement (as defined below) will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

## **Investment Policy**

The Portfolio seeks to achieve its objective by (i) entering into a reverse repurchase agreement with a counterparty subject to prudential rules equivalent to those provided by Community law (the "Reverse Repurchase Agreement"), and (ii) through a dividend-linked swap agreement (the "Swap Agreement") for participation in the Dividend Amount of the Reference Index for the Dividend Period (defined below). The Portfolio expects to enter into the Swap Agreement with Goldman Sachs International such that from time to time the exposure of the Swap Agreement to the Dividend Amount at Maturity is approximately 100% of such Dividend Amount subject to variations due to but not limited to subscriptions and redemptions and other Portfolio adjustments.

The Portfolio will enter into the Reverse Repurchase Agreement in order to secure collateral in respect of the counterparty obligations and to provide a cash flow to enable it to make its payments to the counterparty under the Swap Agreement. Under the Reverse Repurchase Agreement the Portfolio will make an initial outlay to the counterparty, in return for which it will obtain (i) regular floating rate payments which will be used to make the payments to the counterparty to the Swap Agreement and (ii) a diversified portfolio of cash and transferable securities for use as collateral against its initial outlay. The counterparty to the Reverse Repurchase Agreement will also agree to pay to the Portfolio a specified price on the return of the collateral. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under the section "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus, the Portfolio may hold cash and cash equivalents.

### **Reverse Repurchase Agreement Eligible Securities**

Reverse Repurchase Agreement Collateral Requirement: under the current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Composition of collateral: any eligible collateral mentioned under section "*Repurchase Agreements and Reverse Repurchase Agreements*" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments; .

Currencies: collateral shall be delivered in each country's respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **The Swap Agreement**

The Swap Agreement is a contract whereby the Portfolio pays an EONIA-linked floating amount to the counterparty in order to receive a return at the Terminal Payment Date linked to both the realised Dividend Amount and to market expectations of what the Dividend Amount will be at the time of entering into the Swap Agreement, as follows:

If the realised Dividend Amount is higher than market expectations of what the Dividend Amount will be at the time of entering into the Swap Agreement then the Portfolio will be entitled to receive a payment under the Swap Agreement.

If the realised Dividend Amount is lower than market expectations of what the Dividend Amount will be at the time of entering into the Swap Agreement then the Portfolio will be required to make a payment under the Swap Agreement.

### ***Calculation of the Dividend Amount for the Reference Index at Terminal Payment Date***

#### ***"Dividend Period"***

From December 16, 2011 (excluding) until December 21, 2012 (including)

***“Dividend Amount”***

An amount in Base Currency determined by the calculation agent of the Swap Agreement (the “Calculation Agent”) for the Dividend Period in accordance with the following formula:

$$\sum_t \sum_i \frac{n(i)(t) \times d(i)(t)}{D(t)}$$

Where:

"t" means each Day (t);

"i" means, in respect of each Day (t) each Share (i)

n(i)(t) means, in respect of each Share (i) and a Day (t), the number of free-floating shares relating to such Share (i) comprised in the Reference Index, as calculated and published by Reference Index sponsor (the “Index Sponsor”) on such Day (t), subject to "Failure to Publish" as defined below.

d(i)(t) means, in respect of each Share (i) and a Day (t):

- a) if an Ex-Dividend Date in respect of such Share (i) falls on such Day (t), an amount equal to the Dividend in respect of such Share (i) and such Day (t); or
- b) otherwise, zero (0);

D(t) means, in respect of each Day (t), the Official Index Divisor, as calculated and published by the Index Sponsor on such Day (t), subject to "Failure to Publish" as defined below.

***“Dividend”***

Means in respect of each Share (i) and each Day (t) in the Dividend Period:

- (a) the Declared Cash Dividend; and/or
- (b) the Declared Cash Equivalent Dividend,

excluding any dividends in relation to which the Index Sponsor makes an adjustment to the Reference Index. Where the Index Sponsor has adjusted the Reference Index for part of a dividend, this Dividend provision shall apply only to the unadjusted part.

If holders of record of Share (i) elect between receiving a Declared Cash Dividend or a Declared Cash Equivalent Dividend, the dividend shall be deemed to be a Declared Cash Dividend for the purposes of the Swap Agreement.

Where any Dividend is declared in a currency other than the Base Currency, then the Calculation Agent shall convert such Dividend into the Base Currency at the rate declared by the issuer where any such rate is available or, if no such rate is available, at a rate determined by the Calculation Agent.

***“Declared Cash Dividend”***

Means in respect of a Dividend of Share (i), an amount per Share (i) as declared by the issuer of such Share (i) where the Ex-Dividend Date falls on such Day (t), before the withholding or deduction of taxes at source by or on behalf of any applicable authority having power to tax in respect of such a dividend (an “Applicable Authority”), and shall exclude:

- (a) any imputation or other credits, refunds or deductions granted by an Applicable Authority (together, the “Credits”); and
- (b) any taxes, credits, refunds or benefits imposed, withheld, assessed or levied on the Credits referred to in (a) above.

***“Declared Cash Equivalent Dividend”***

In respect of a Dividend of Share (i), an amount per Share (i) being the cash value of any stock dividend (whether or not such stock dividend comprises of shares that are not the ordinary shares of the issuer)

declared by the issuer of such Share (i) where the Ex-Dividend Date falls on such Day (t) (or, if no cash value is declared by the relevant issuer, the cash value of such stock dividend as determined by the Calculation Agent, calculated by reference to the opening price of such ordinary shares on the Ex-Dividend Date applicable to that stock dividend).

***“Share (i)”***

Means each share of a company that is a constituent of the Reference Index on such Day (t).

***“Day (t)”***

Means each weekday in the Dividend Period.

***“Ex Dividend Date”***

Means in respect of a Dividend the date that Share (i) is scheduled to commence trading ex-dividend on the primary exchange or quotation system for such Share (i), as determined by the Calculation Agent.

***“Official Index Divisor”***

Means the value, calculated by the Index Sponsor, necessary to ensure that the numerical value of the Reference Index remains unchanged after a change in the composition of the Reference Index. The value of the Reference Index after any change in its composition is divided by the Official Index Divisor to ensure that the value of the Reference Index returns to its normalised value.

**Failure to Publish:** If, on any Day (t), the Index Sponsor fails (for whatever reason including without limitation, discontinuance of publication of the index) to calculate and publish the number of free-floating shares in respect of such Share (i) or the Official Index Divisor, then the Calculation Agent shall determine the number of free-floating shares in respect of such Share (i) or the Official Index Divisor (as the case may be) in respect of such Day (t).

**Corrections:** In the event that an Official Index Divisor or number of free floating shares calculated and published by the Index Sponsor (or determined by the Calculation Agent pursuant to the provisions above relating to “Failure to Publish”) and utilized for any calculation or determination made under the Swap Agreement (also the “Transaction”) is subsequently corrected (or, where there has been a Failure to Publish,) and the correction is published (or, where there has been a Failure to Publish, publication is made) by the Index Sponsor within five Index Calculation Days after the original publication date, the Calculation Agent will adjust the Dividend Amount, as required, to take into account such correction provided that if such correction or subsequent publication occurs after the Terminal Payment Date, the Calculation Agent may (but need not) determine any appropriate repayment to be made by a party to account for such correction or subsequent publication, as the case may be, and determine the date any such repayment should be made, together with interest on such repayment amount as determined by the Calculation Agent.

**Dividend Recovery:** If, (i) the amount actually paid or delivered by an issuer to holders of record of the relevant Share (i) in respect of any Dividend declared by such issuer (a “Declared Dividend”) to holders of record of such Share (i) is not equal to such Declared Dividend (a “Dividend Mismatch Event”); or (ii) such issuer fails to make any payment or delivery in respect of such Declared Dividend by the third Currency Business Day (as defined in the Equity Definitions) following the relevant due date, then the Calculation Agent may (but shall not be obliged to) determine any appropriate adjustment to account for such Dividend Mismatch Event or non-payment or non-delivery, as the case may be.

Where as a result of one of the events above, a miscalculation of the net asset value per Share of any Class, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

**Notifications**

The Umbrella Fund and Goldman Sachs International as counterparty to the Swap Agreement and Reverse Repurchase Agreement will in the event of any circumstances under which the Reference Index is no longer available, identify any other suitable strategy or index which will closely approximate the

investment characteristics of the Reference Index in order to exchange the net returns on the Swap Agreement. Shareholders will be notified of such change.

With a view to future optimisation of the investment administration of the Portfolio, the Investment Administrator reserves the right to use other instruments within the framework of current Luxembourg regulation to achieve the investment objective, including the use of a total return swap and the use of other derivatives than the Swap Agreement.

#### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section "Special Investment and Hedging Techniques" of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section "Special Investment and Hedging Techniques" of the Prospectus.

#### **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

##### **(a) Goldman Sachs' Roles and no active management of the Portfolio:**

Goldman Sachs International performs several roles in relation to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it will also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs International will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs International expects to perform its obligations in good faith and a commercially reasonable manner, it may face conflicts between these roles and its own interests.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

##### **(b) Counterparty risk:**

The Portfolio expects to obtain its exposure to the Reference Index dividend linked payout on the Terminal Payment Date exclusively through the Swap Agreement entered into with Goldman Sachs International. The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by Goldman Sachs International under the Swap Agreement and the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of Goldman Sachs International. Although both the Swap Agreement and the Reverse Repurchase Agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are not collateralized.

##### **(c) There may be conflicts of interest between Shareholders of the Portfolio and Goldman Sachs:**

Certain activities conducted by Goldman Sachs may conflict with interests of Shareholders. Goldman Sachs may also engage in trading for their proprietary accounts, for other accounts under their management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more components of the Reference Index.

##### **(d) As Calculation Agent, Goldman Sachs International will have the authority to make determinations that could affect the level of the Dividend Amount and under certain circumstances the amount Shareholders of the Portfolio receive upon redemption of Shares**

**of the Portfolio:**

As Calculation Agent for the Dividend Amounts, Goldman Sachs International will have discretion in making various determinations that may affect the Dividend Amount under certain circumstances, including when a scheduled Valuation Day is a disrupted day, the Calculation Agent may be required to determine in accordance with market disruption provisions, daily contract reference prices for any underlying contract affected by such market disruption event or index disruption event which will be used to calculate the Dividend Amount level. This could impact on the amount payable upon redemption of Shares of the Portfolio. These determinations made by Goldman Sachs International, in its capacity as Calculation Agent, will be used to calculate the Net Asset Value of the Portfolio. The exercise of this discretion by Goldman Sachs International could adversely affect the level of the Dividend Amount and may present Goldman Sachs International with a conflict of interest of the kind described above under the section *“There may be conflicts of interest between Shareholders of the Portfolio and Goldman Sachs”*.

**(e) The components of the Reference Index may not pay any dividend in the Dividend Period:**

Therefore investors could receive no return from their investment.

**(f) The dividends paid by the components of the Reference Index before the Dividend Period is no guide to the Dividend Amount payable on each Terminal Payment Date:**

The actual amount of the Dividend Amount payable on the Terminal Payment Date may bear little relation to the historical levels of the dividends paid by the components of the Reference Index within similar dividend periods in the past. The future Dividend Amount of the Reference Index cannot be predicted.

**(g) Changes in the composition of the Reference Index can affect the Dividends paid by constituents of the Reference Index and accordingly the Dividend Amount:**

The composition of the Reference Index will change during the term of the investment and may do so in ways which reduce the amount of Dividends paid by constituents of the Reference Index and therefore the Dividend Amount

**(h) Constituents unlikely to maintain payments of Dividends:**

Several large constituents of the Reference Index that would previously have constituted significant payers of Dividends may cancel dividend payments and may not resume them for a number of years.

**(i) The value of Shares may not reflect movements in the Reference Index or the Dividend Amount paid by constituents of the Reference Index:**

There is no assurance that changes in the value of Shares will reflect the performance of the implied dividend level of the Reference Index.

**(j) Changes to the regulatory and tax environment:**

Tax and regulatory decisions may result in reductions in the amount of dividends paid by constituents of the Reference Index. Historically, such decisions have had materially adverse consequences for the payment of the Dividends by constituents of the Reference Index.

**(k) The Investment Administrator can postpone the scheduled Valuation Day if such day is a Disrupted Day:**

If the Calculation Agent determines that the relevant scheduled Valuation Day is a Disrupted Day (as defined under sections “Definitions” below), the Umbrella Fund, in consultation with the Investment Administrator, will postpone the actual Valuation Day as set out under the definition “Consequences of Disrupted Days” below. Thus, if the actual Valuation Day is postponed, applications of the Shareholders of the Portfolio for any subscription and/or redemption may not be processed until several days after the originally scheduled Valuation Day.

## Particularities of the Swap Agreement and of the Reverse Repurchase Agreement

The Investment Administrator will on behalf of the Portfolio enter into the Swap Agreement and the Reverse Repurchase Agreement which will be adjusted to reflect new subscriptions, conversions and redemptions. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the counterparty to the Reverse Repurchase Agreement and the counterparty will be required to pay regular floating rate payments to the Portfolio. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio will at all times remain the legal and beneficial owner of the collateral kept by the Custodian. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to Goldman Sachs International remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

The Swap Agreement will be a swap indexed to the Dividend Amount of the Dow Jones EUROSTOXX 50® Index in the Dividend Period. Under the terms of the Swap Agreement, the Portfolio will be required to make periodic payments to Goldman Sachs International, as swap counterparty, in amounts equal to a floating interest rate on the notional amount of the swap. Goldman Sachs International will be obligated to make on the Terminal Payment Date, a payment linked to both the realised Dividend Amount of the Dividend Period and to market expectations of what the Dividend Amount will be at the time of entering into the Swap Agreement. The Swap Agreement will be documented as a confirmation incorporating the Equity Definitions and the ISDA Definitions under the terms of a 1992 (Multicurrency- Cross Border) ISDA Master Agreement, and will include the standard and customary termination provisions under that Master Agreement. The Swap Agreement will be subject to Market and Index Disruption Events, which are customary for dividend swap transactions documented under the Equity Definitions, taking into account the Consequences of Disrupted Days specified in this Supplement. In particular, the Swap Agreement may be terminated by Goldman Sachs International, as counterparty of the Portfolio to the Swap Agreement, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) Goldman Sachs International is unable to hedge the Swap Agreement, or (ii) Goldman Sachs International incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement. The Portfolio and the Swap Counterparty will enter into a credit support annex in order to provide collateral to the Portfolio in respect of its exposure to the Swap Counterparty under the Swap Agreement.

All payments under the Swap Agreement will be subject to the Modified Following Business Day Convention as that term is defined in the ISDA Definitions.

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law. In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the market risk free interest rate, the market level of the Reference Index Dividends and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved the valuation and pricing models that will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis. In case of subscription, redemption or conversion of Shares, the notional amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement counterparties to such agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns attributable to the Portfolio under the Reverse Repurchase Agreement are linked to EONIA. The returns attributable to the Portfolio under the Swap Agreements include any appreciation of the Dividend Amount and those attributable to the counterparty to such agreement are linked to EONIA.

## Characteristics

### **Available Share classes**

Class "I" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (CHF Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (USD Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors.

### **Characteristics of the Share classes available in the Portfolio**

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange
I	EUR	Accumulation	LU0435851000	None
I (CHF Hedged)	CHF	Accumulation	LU0516525176	None
I (GBP Hedged)	GBP	Accumulation	LU0516525259	None
I (USD Hedged)	USD	Accumulation	LU0516525333	None
I (JPY Hedged)	JPY	Accumulation	LU0516525416	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
I	5.00%	5.00%	1.00%	EUR 100,000	EUR 100,000	EUR 1000
I (CHF Hedged)	5.00%	5.00%	1.00%	CHF 100,000	CHF 100,000	CHF 1,000
I (GBP Hedged)	5.00%	5.00%	1.00%	GBP 100,000	GBP 100,000	GBP 1,000
I (USD Hedged)	5.00%	5.00%	1.00%	USD 100,000	USD 100,000	USD 1,000
I (JPY Hedged)	5.00%	5.00%	1.00%	JPY 10,000,000	JPY 10,000,000	JPY 100,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years. Therefore the deferred sales charge will be always applicable for the Shares of this Portfolio.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0,25% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

### **Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day+ 3 Local Business Days**
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to any Valuation Day	

Investors in the Portfolio are made aware that they will be bound by any subscription, conversion and/or redemption order sent to the Umbrella Fund, notwithstanding the fact that the next available Valuation Day may be later than would otherwise be expected due to the occurrence of a Disrupted Day (as defined under the section "Definitions" below) and may not be determined until the fifth Index Calculation Day (see below the definition of "Consequences of Disrupted Days" under the section "Definitions").

\* Any day (1) on which banks are open for normal banking business in Luxembourg and London, (2) which is also an Index Calculation Day, and (3) which is not a Disrupted Day, save in the circumstances described under "Consequences of Disrupted Days" under the section "Definitions" below.

\*\* Day on which commercial banks are open for business in Luxembourg, London, and in the principal financial centers of the currencies of payment for the relevant Share Class and the Base Currency of the Portfolio.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

A Net Asset Value may be calculated on days different from the Valuation Day with the exception of any Luxembourg banking holidays. Any such Net Asset Value published on non-Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available net asset values with adjustments made for the expense accrual. Accordingly, Net Asset Values for the Portfolio calculated and published on non-Valuation Days will not be used by the Investment Administrator to effect any such subscription, redemption and/or conversion.

NAV calculations are published on a Bloomberg page, as follows:

Class I	GSDJI12 LX
Class I (CHF Hedged)	GSDJICH LX
Class I (GBP Hedged)	GSDJIGB LX
Class I (USD Hedged)	GSDJIUS LX
Class I (JPY Hedged)	GSDJIJP LX

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Redemptions in Kind***

Notwithstanding anything to the contrary in the Prospectus, no Share may be redeemed in kind and the Umbrella Fund will not accept any requests for redemption in kind.

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to Institutional Investors.

### ***License Disclaimer***

STOXX and Dow Jones have no relationship to Goldman Sachs International, other than the licensing of Goldman Sachs International to use the Dow Jones EUROSTOXX 50 ® Index and the related trademarks for use in connection with certain financial products.

STOXX and Dow Jones do not:

Sponsor, endorse, sell or promote the Portfolio.

Recommend that any person invest in the Portfolio or any other securities.

Have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Portfolio.

Have any responsibility or liability for the administration, management or marketing of the Portfolio.

Consider the needs of the Swap Agreement or the Portfolio or the owners of, or investors in, the Portfolio in determining, composing or calculating the Dow Jones EUROSTOXX 50 ® Index or have any obligation to do so.

STOXX and Dow Jones will not have any liability in connection with the Portfolio. Specifically,

STOXX and Dow Jones do not make any warranty, express or implied and disclaim any and all warranty about:

The results to be obtained by the Portfolio, the owner of, or any investor in the Portfolio or any other person in connection with the use of the Dow Jones EUROSTOXX 50 ® Index and the data included in the Dow Jones EUROSTOXX 50 ® Index;

The accuracy or completeness of the Dow Jones EUROSTOXX 50 ® Index and its data;

The merchantability and the fitness for a particular purpose or use of the Dow Jones EUROSTOXX 50 ® Index and its data;

STOXX and Dow Jones will have no liability for any errors, omissions or interruptions in the Dow Jones EUROSTOXX 50 ® Index or its data;

Under no circumstances will STOXX or Dow Jones be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or Dow Jones knows that they might occur.

The licensing agreement between Goldman Sachs International and STOXX is solely for their benefit (and the benefit of certain entities connected with Goldman Sachs International) and not for the benefit of the owners of, or investors in, the Portfolio or any other third parties.

## **Definitions**

**“Base Currency”**

means EUR.

**“Calculation Agent”**

Goldman Sachs International.

**“Consequences of Disrupted Days”**

means, if the Calculation Agent determines that any scheduled Valuation Day is a Disrupted Day, the Umbrella Fund, in consultation with the Investment Administrator, will postpone the actual Valuation Day, until the first possible Valuation Day which is not a Disrupted Day, provided that, in the event that five Index Calculation Days from the originally scheduled Valuation Day are Disrupted Days, such fifth Index Calculation Day shall be deemed to be the Valuation Day, notwithstanding the fact that such day is a Disrupted Day. The Calculation Agent will determine the closing price of the Reference Index in accordance with the formula for and method of calculating the Reference Index last in effect prior to the occurrence of the first Disrupted Day. The Calculation Agent will further determine any such other value relevant for the Dividends using, in lieu of information published with respect to the Reference Index, such information as determined by the Calculation Agent in accordance with the formula for and method

of determining such information last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Reference Index immediately prior to the occurrence of the Market Disruption Event or Index Disruption Event.

**“Disrupted Day”**

means any day on which either a Market Disruption Event or an Index Disruption Event has occurred.

**“Equity Definitions”**

means the 2002 ISDA Equity Derivatives Definitions published by ISDA and as incorporated by reference in the Swap Agreement.

**“Index Calculation Day”**

means any day on which the Reference Index is usually calculated and published by the Index Sponsor.

**“Index Disruption Event”**

means (i) that the Index Sponsor fails to calculate and announce the Reference Index, or (ii) that the Index Sponsor announces that it will make a material change in the formula for or the method of calculating the Reference Index or that it will in any other way materially modify the Reference Index or (iii) that the Index Sponsor permanently cancels the Reference Index and no successor of the Reference Index exists.

**“ISDA”**

means the International Swaps and Derivatives Association, Inc.

**“ISDA Definitions”**

means the 2006 ISDA Definitions published by ISDA and as incorporated by reference in the Swap Agreement.

**“Market Disruption Event”**

means the occurrence or existence of any of the following events, occurring on an Index Calculation Day, provided that the Calculation Agent determines that such event is likely to have a material adverse effect on, or the trading of, the Reference Index or any constituent of the Reference Index: (i) any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market valuations for, the Reference Index or constituents of the Reference Index or (ii) any suspension of or limitation imposed on trading relating to the Reference Index or constituents of the Reference Index or relating to futures or options contracts referencing the Reference Index or (iii) any other event or circumstance (including without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance) that is beyond the reasonable control of either the Index Sponsor, Goldman Sachs International, or their respective affiliates.

**“Index Sponsor”**

Stoxx Limited or any successor thereof.

**Addendum dated September 2010 to the Prospectus and its fourteen Supplements  
dated January 2010**

**Shareholders are informed that:**

- I. Further to the resignation of Mr. Philip Holzer as of 6 September, the Board of Directors of the Umbrella Fund is composed as follows:

Claude Kremer  
Partner  
Arendt & Medernach Luxembourg  
14, Rue Erasme  
L-2082 Luxembourg

Patrick Zurstrassen  
Associate  
The Director's Office  
21<sup>st</sup> Century Building  
19, rue de Bitbourg  
L-1273 Luxembourg

Andreas Koernlein  
Managing Director of Goldman, Sachs & Co oHG  
Messeturm  
Friedrich-Ebert-Anlage, 49  
60308 Frankfurt-am-Main  
Germany

Richard Taylor  
Managing Director, Goldman Sachs International – European Product Control  
Peterborough Court  
133 Fleet Street  
London, EC4A2BB  
United Kingdom

- II. A new Portfolio has been created within the Umbrella Fund with the characteristics described in the Supplement XVIII below.

## Supplement XVIII to the Prospectus

### External Alpha Strategies

# **Goldman Sachs Structured Investments SICAV – Diversified Strategies Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***

**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Diversified Strategies Portfolio (the “**Portfolio**”), which provides investors with exposure to the performance of a hedge fund index described in Section 2 of this Supplement (the “**Hedge Fund Index**”).

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information in relation to various aspects of the Umbrella Fund including the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares; the determination of the Net Asset Value; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

## Disclaimer

**No advice or recommendation:** None of Goldman Sachs International, Goldman Sachs Asset Management International (“**GSAMI**”) or the Umbrella Fund make any representation or warranty, express or implied, or accept any liability or responsibility (except in the case of fraud) to the owner of any products linked to the Hedge Fund Index or any Portfolio or any member of the public regarding (i) the advisability of investing in securities generally or in the Portfolio or (ii) the ability of the Hedge Fund Index to generate positive results. If investors consider acquiring Shares in the Portfolio or any product linked to the Hedge Fund Index, they should consult their own accounting, tax, investment and legal advisors before doing so. Neither Goldman Sachs International nor GSAMI acts as an advisor or fiduciary. The Information contained in this Supplement shall not be construed as a recommendation by Goldman Sachs International or GSAMI as to the suitability of the Portfolio for any particular investor.

**Exclusion of liability:** None of Goldman Sachs International, in its role as Index Calculation Agent, Investment Administrator, Index Swap Counterparty and Reverse Repurchase Counterparty or GSAMI in its role as Index Sponsor, or the Umbrella Fund, or any officers, employees or agents of Goldman Sachs, as applicable, has made or will make any representation or warranty, express or implied, or accept any responsibility or liability however so arising, in contract, statute, tort (including without limitation negligence or breach of duty) or otherwise, in relation to any matter in connection with the Hedge Fund Index and this Supplement, their quality, accuracy and completeness as well as any data included therein or on which the Hedge Fund Index is based, or the performance of the Hedge Fund Index and/or the constituents of the Hedge Fund Index as set out in Section 2 of this Supplement (the “**Hedge Fund Index Constituents**”).

In any event, Goldman Sachs International (and its officers, employees and agents) in its role as Index Calculation Agent, Investment Administrator, Index Swap Counterparty and Reverse Repurchase Counterparty and GSAMI (and its officers, employees and agents) in its role as Index Sponsor, shall not, under any circumstances, be responsible or liable for any person’s lost profits or for any special, punitive, indirect or consequential damages (including lost profits), even if it has been advised of the possibility of such damage or loss.

**Hedge Fund Index not designed by reference to individual needs:** The Hedge Fund Index is not designed, nor are the Hedge Fund Index Constituents determined by reference to individual needs and they are designed, operated and calculated by the Index Sponsor without regard to any products linked to them. Goldman Sachs International and GSAMI do not have any obligation to, and does not, take the needs of any person into consideration in designing or operating the Hedge Fund Index and determining the Hedge Fund Index Constituents.

There can be no assurance that the Portfolio will achieve its investment objective or that any of the index design, allocation or hedging strategies described herein will be successful.

This disclaimer will not exclude any liability for, or remedy in respect of, fraud or fraudulent misrepresentation.

ANY PURCHASE OF ANY PRODUCT OR INVESTMENT LINKED OR REFERABLE TO THE HEDGE FUND INDEX, SHALL BE DEEMED TO BE, AND SHALL BE EXPRESSLY CONDITIONAL ON, ACKNOWLEDGEMENT OF THE DISCLOSURES AND ACCEPTANCE OF THE DISCLAIMERS AND EXCLUSIONS CONTAINED THEREIN.

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## **Goldman Sachs Structured Investments SICAV – Diversified Strategies Portfolio**

The launching date of the Portfolio will be on or around 27 September 2010 at the initial price per Share of USD 100,000 for the Shares denominated in the Base Currency of the Portfolio. For the Shares denominated in EUR the initial price per Share is equal to EUR 50,000. For the Shares denominated in currencies other than the Base Currency of the Portfolio and EUR please refer to the Global Distributor or to the Registrar and Transfer Agent of the Umbrella Fund to obtain the details of their respective initial price.

**Goldman Sachs International as the Promoter of the Umbrella Fund may in its sole discretion delay or cancel the proposed launch of the Portfolio, in view of the level of subscriptions and/or market movements.**

Unless the context requires otherwise, in this Supplement, “Goldman Sachs” refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries.

<b>Investment Objective</b>
<p>The investment objective of the Portfolio is to provide investors with exposure to the performance of a diversified portfolio of funds representing the equity long/short sector, the relative value sector, the event driven sector and the tactical trading sector. Such exposure is effected by the Portfolio being linked to the performance of the Hedge Fund Index described in Section 2 of this Supplement.</p> <p>The Hedge Fund Index will include hedge funds that may employ a broad range of alternative investment strategies, including, without limitation, strategies within one or more of the following four hedge fund sectors: the equity long/short sector, the relative value sector, the event driven sector and the tactical trading sector, and which are available on the InvestorSelect Managed Account Platform, which is the platform of hedge funds in managed account form<sup>1</sup> arranged by Goldman Sachs International, independently of the Index Sponsor. It may also include UCITS funds with hedge fund type strategies.</p> <p><b>The Portfolio’s ability to achieve the investment objective is subject to various independent risk factors including changes to fiscal, financial or commercial regulation, national and international political, military, terrorist and economic events and third party investment performance, as well as other risk factors as further described in this Supplement and the Prospectus. No assurance is given that the investment objective will be met.</b></p>

### **IMPORTANT INVESTOR DISCLOSURE**

#### **A. Key Risks related to the Portfolio**

Potential investors in the Portfolio should pay particular attention to the following:

An investment in the Portfolio carries with it a significant degree of financial risk. The value of Shares, and the return generated from them may go up or down, and an investor in the Shares may not recover the amount initially invested.

The Portfolio will provide investors with investment exposure to the Hedge Fund Index Constituents comprising the Hedge Fund Index from time to time. The Hedge Fund Index Constituents are alternative investments, which are not subject to the same regulatory requirements or governmental oversight as mutual funds and which often engage in leverage and other investment practices, and utilise investment techniques and strategies, that are extremely speculative and involve a high degree of risk. Such practices may increase

<sup>1</sup> Managed account: a segregated fund entity managed by an Investment Manager for the benefit of one or more specific investors pursuing a specific investment strategy, which may be in line with that of a reference fund managed by the Investment Manager. Investors should note a managed account can have different terms, guidelines and degrees of leverage versus its reference fund. Although a managed account may aim to reflect the investment objective of its reference fund, the respective accounts will be managed separately and will be operated in accordance with their respective terms, and their investment performance may be materially different. For more information on managed accounts, see the Index Portal page on the Goldman 360 website.

the volatility of performance and the risk of investment loss in a Hedge Fund Index Constituents, including the loss of the entire amount invested in such Hedge Fund Index Constituents.

Third party investment managers and advisors of Hedge Fund Index Constituents (“Investment Managers”) are independent entities and no Goldman Sachs entity makes any representation or warranty as to the conduct or performance of the Investment Managers and shall not be liable for any decisions and actions taken by any such Investment Managers. The selection of the Investment Managers is a function of the application of the Hedge Fund Index methodology for determining the Hedge Fund Index Constituents. The inclusion of a Hedge Fund Index Constituent in the Hedge Fund Index is not to be taken as any recommendation on the part of Goldman Sachs of that Hedge Fund Index Constituent or the corresponding Investment Manager.

The ability for the Portfolio to meet its obligations to investors will depend upon the receipt by it of payments owed to the Portfolio by the counterparties to the Index Swap Agreement and the Reverse Repurchase Agreement, respectively. As a result, the Portfolio will be exposed to the creditworthiness of the relevant counterparty. In addition, the value of the Portfolio may be adversely affected due to the fact that the redemption terms of certain (and potentially a significant portion) of the Hedge Fund Index Constituents provide their investors with the opportunity to redeem on a less frequent basis than investors in the Portfolio are permitted to redeem (i.e. fortnightly) and may be subject to other limitations on liquidity. This liquidity mismatch may result in the Hedge Fund Index being valued at a significant discount in the event of a partial or complete unwind of the Index Swap Agreement. Furthermore, in the event that the Index Swap Counterparty is unable to partially or fully unwind the Index Swap Agreement, the determination of the net asset value per Share of the Portfolio may be temporarily suspended and accordingly the issue and redemption of Shares may be suspended (as described further in the Prospectus).

The Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio and it is not carrying out active stock selection and other functions that might be conducted by an investment manager. In addition, although the Index Sponsor, GSAMI, reviews the Hedge Fund Index periodically and may make changes, the Hedge Fund Index operates in accordance with certain methodologies and constraints which limits the Index Sponsor’s ability to exercise its discretion in determining the allocations to Hedge Fund Index Constituents.

The investment exposure provided by the Hedge Fund Index is synthetic. Investing in Shares issued by the Portfolio will not make an investor a holder of, or give an investor a direct position in, the Hedge Fund Index, any Hedge Fund Index Constituents or any residual notional cash component.

#### **No principal protection**

The Shares in the Portfolio are not principal protected. None of the Portfolio, the Hedge Fund Index and the Hedge Fund Index Constituents, as defined in this document, includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

**These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a fuller overview of the risks related to an investment in the Portfolio, Investors should read carefully section 3 entitled “*Principal Risks of Investing in the Portfolio*” in this Supplement as well as sections “*Investment Risks*”, “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus in order to understand more fully the risks related to an investment in the Shares issued by the Portfolio and to determine the suitability of the investment for them.**

### **B. Key Conflicts of Interest**

#### **1. The different roles of Goldman Sachs**

Goldman Sachs has multiple roles in connection with the Portfolio, the Hedge Fund Index and its Hedge Fund Index Constituents.

##### **a) Goldman Sachs International**

Goldman Sachs International is a subsidiary of The Goldman Sachs Group, Inc. and performs several roles in relation to the Portfolio, the Hedge Fund Index and its Hedge Fund Index Constituents.

With respect to the Portfolio, Goldman Sachs International is acting as Investment Administrator on behalf of the Umbrella Fund. Goldman Sachs International will act as the Index Calculation Agent and as Calculation Agent in respect of derivative transactions with the Portfolio, namely the Index Swap Agreement and the Reverse Repurchase Agreement. Goldman Sachs International is responsible for calculating and publishing the value of the Hedge Fund Index from time to time and for determining whether a Market Disruption Event has occurred and the value of the Hedge Fund Index when Hedge Fund Index Constituents are affected by Market Disruption Events.

In its role as Index Calculation Agent, Goldman Sachs International may determine the value of the Hedge Fund Index Constituents upon the occurrence of a Market Disruption Event. In such circumstances, as Goldman Sachs International may also be the Index Swap Counterparty, Goldman Sachs International may benefit under the Swap Agreement if the value of the Hedge Fund Index is lower than may otherwise have been the case.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

The counterparty to the Portfolio in relation to the Index Swap Agreement will initially be Goldman Sachs International acting as principal (the **"Index Swap Counterparty"**). In the future, Goldman Sachs International may act as agent of another counterparty, which is not subject to prudential rules equivalent to those provided by Community Law and which will act as operational counterparty. Such other counterparty's payment obligations to the Portfolio under the Index Swap Agreement will be guaranteed by Goldman Sachs Group, Inc.

The counterparty to the Portfolio in relation to the Reverse Repurchase Agreement will initially be Goldman Sachs International and may be replaced with a counterparty which is not subject to prudential rules equivalent to those provided by Community Law (the **"Reverse Repurchase Counterparty"**). Such other counterparty's payment obligations to the Portfolio under the Reverse Repurchase Agreement will be guaranteed by Goldman Sachs Group, Inc.

#### ***b) Goldman Sachs Asset Management International***

GSAMI is a subsidiary of The Goldman Sachs Group, Inc., and in its role as Index Sponsor, GSAMI operates and is responsible for, and has a determinative influence over the composition and maintenance of, the Hedge Fund Index. GSAMI will seek to operate the Hedge Fund Index in accordance with the constraints set forth in this Supplement. However, as a result of, among other things, the performance of and the liquidity terms of the Hedge Fund Index Constituents included in the Hedge Fund Index from time to time, the Hedge Fund Index may not always comply with the constraints. Rebalancing shall take place as soon as practically possible taking into account the liquidity terms of the Hedge Fund Index Constituents. GSAMI does not exercise any discretion in relation to the Portfolio and owes no fiduciary duties to the Portfolio, any investor in the Portfolio, or any other person in respect of the Hedge Fund Index or the Portfolio.

In its role as sponsor of the Hedge Fund Index, GSAMI has the power to make determinations that could materially affect the value of the Hedge Fund Index.

The Shares are not endorsed, sold or promoted by GSAMI. GSAMI makes no representation, condition or warranty, express or implied, to the owners of the Shares or any member of the public regarding the advisability of investing in securities or investment exposure to the Hedge Fund Index or the Hedge Fund Index Constituents generally or in the Shares particularly or the ability of the Hedge Fund Index to track the general performance of the underlying Hedge Fund Index Constituents. GSAMI's only relationship to the Portfolio is managing the Hedge Fund Index which is determined and composed by GSAMI without regard to the Portfolio or the Shares. GSAMI is not responsible for and has not participated in the determination of the prices and amount of the Shares or the timing of the issuance or sale of the Shares. GSAMI has no obligation or liability in connection with the administration, marketing, or trading of the Shares.

***GSAMI DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE HEDGE FUND INDEX OR ANY DATA INCLUDED THEREIN AND GSAMI SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. GSAMI MAKES NO WARRANTY, CONDITION OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE PORTFOLIO, OWNERS OF THE SHARES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF***

THE HEDGE FUND INDEX OR ANY DATA INCLUDED THEREIN. GSAMI MAKES NO EXPRESS OR IMPLIED WARRANTIES, REPRESENTATIONS OR CONDITIONS, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE AND ANY OTHER EXPRESS OR IMPLIED WARRANTY OR CONDITION WITH RESPECT TO THE HEDGE FUND INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL GSAMI HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) RESULTING FROM THE USE OF THE HEDGE FUND INDEX OR ANY DATA INCLUDED THEREIN, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES

## **2. Potential conflict of interests**

Potential conflicts of interest may arise in relation to the above mentioned roles. The Prospectus outlines certain information in respect of conflicts of interest in the section *"What to Know Before You Invest in a Portfolio"* as well as in the sub-section *"Other Potential Conflicts of Interest"* in the *"Additional Overriding Risks"* section of the Prospectus. Additional conflicts of interest of Goldman Sachs and the Investment Managers of the Hedge Fund Index Constituents are also outlined in the "Goldman Sachs Roles and Conflict of Interests" sub-section in the "Principal Risks of Investing in the Portfolio" section of this Supplement.

Goldman Sachs International operates arrangements in order to mitigate the above mentioned conflicts of interests and/or to facilitate that they do not affect the interests of the Umbrella Fund. In addition to that, the Umbrella Fund operates arrangements to ensure that its interests are protected. These arrangements are more fully described in the section *"The role of Goldman Sachs International as Investment Administrator and Counterparty and the management of potential conflicts of interest"* in the Prospectus.

Irrespective of the fact that they both belong to The Goldman Sachs Group Inc., GSAMI as the Index Sponsor expects to operate independently of Goldman Sachs International with respect to the Hedge Fund Index. GSAMI will have different information on the Hedge Fund Index, the hedge fund strategies and the Hedge Fund Index Constituents and their Investment Managers that it may not share with or make available to Goldman Sachs International and Goldman Sachs International may similarly have such information that it may not share or make available to GSAMI. GSAMI, without limitation, does not have any agency or analogous relationship with Goldman Sachs International nor with the Umbrella Fund in relation to its activities as Index Sponsor.

The staff carrying on the activities of GSAMI as Index Sponsor are different and independent to Goldman Sachs International's staff in connection with the Portfolio.

Although Goldman Sachs International and GSAMI will perform their responsibilities in accordance with their respective obligations, they may face conflicts between the roles they perform in respect of the Portfolio, the Hedge Fund Index, the Hedge Fund Index Constituents and Goldman Sachs' own interests. GSAMI has potential conflicts in connection with decisions made in constructing the Hedge Fund Index and in determining the Hedge Fund Index Constituents, including in situations in which Goldman Sachs or its personnel (including personnel of GSAMI) have interests or in situations where Goldman Sachs may have an incentive to prefer certain Hedge Fund Index Constituents or certain funds or accounts over others. For example, it is expected that Goldman Sachs may receive various forms of compensation, commissions, payments, rebates, remuneration, investment activity, services or other benefits from Hedge Fund Index Constituents or may have interests in Investment Managers of Hedge Fund Index Constituents or their businesses, and provide a variety of products and services to them. In addition, in its other businesses, Goldman Sachs may have economic interests in the Hedge Fund Index, any products linked to the Hedge Fund Index, the Hedge Fund Index Constituents or their Investment Managers and investments referenced by or linked to the Hedge Fund Index Constituents, and may exercise remedies or take other action with respect to its interests as it deems appropriate. These actions could adversely affect the value of the Portfolio and the Hedge Fund Index. Furthermore Goldman Sachs may trade, hedge, issue or underwrite securities or trade other investments referenced to the Portfolio, the Hedge Fund Index, the Hedge Fund Index Constituents or any investment referenced by or linked to the Hedge Fund Index Constituents. Any of these activities could also adversely affect the value of the Hedge Fund Index, directly or indirectly, by affecting the value of the Hedge Fund Index Constituents and, therefore, the NAV of the Portfolio.

Goldman Sachs may have access to information relating to the Portfolio, the Hedge Fund Index, the Hedge Fund Index Constituents or any investments referenced by or linked to the Hedge Fund Index Constituents. Goldman Sachs is not obliged to use that information for the benefit of any person acquiring Shares of the Portfolio.

Please refer to Section 3 *"Principal Risks of Investment in the Portfolio"* of this Supplement for additional information on potential conflicts of interest.

### 3. Termination of the Index Swap Agreement

The Index Swap Agreement (as defined below) will be documented under an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Index Swap Agreement may be terminated by the Index Swap Counterparty, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) such Index Swap Counterparty is unable to hedge, in whole or part, the Index Swap Agreement, or (ii) such Index Swap Counterparty incurs additional costs to carry out such hedging (each such event being a "**Hedging Disruption Early Unwind Event**"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Index Swap Agreement. For further information on the content of the Index Swap Agreement, investors may obtain, free of charge, on request, a copy of the Index Swap Agreement.

# 1 Investment Policy

The Portfolio seeks to achieve its investment objective by: (i) entering into a total return swap agreement (the “**Index Swap Agreement**”) with the Index Swap Counterparty under which it will participate in the performance of the Hedge Fund Index; (ii) entering into a reverse repurchase agreement with the Reverse Repurchase Counterparty (the “**Reverse Repurchase Agreement**”). The notional amount of the Index Swap Agreement and the Reverse Repurchase Agreement will be adjusted from time to time to reflect variations in the Hedge Fund Index and new subscriptions, conversions and redemptions of Shares. Such amounts will be calculated in US Dollars. Within the limits set forth in the Prospectus and this Supplement and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of any Shares Classes denominated in a currency other than the base currency of the Portfolio.

## Index Swap Agreement

Under the Index Swap Agreement, the Portfolio will pay a regular cash flow based on a floating interest rate in USD to the Index Swap Counterparty. In addition, the Index Swap Counterparty may make periodic payments to the Portfolio based on any increases in the Hedge Fund Index, and the Portfolio may make payments to the Index Swap Counterparty based on any decreases in the Hedge Fund Index.

Positive returns on the Hedge Fund Index under the Index Swap Agreement may be reinvested in the Reverse Repurchase Agreement or left in the Portfolio as cash. If cash is available, it may be used to fund the value of negative returns on the Hedge Fund Index under the Index Swap Agreement. Otherwise, such negative returns will be funded by a total or partial unwinding of the Reverse Repurchase Agreement.

For the avoidance of doubt, the net returns under the Reverse Repurchase Agreement and under the Index Swap Agreement may not be the same.

The Index Swap Agreement may be resized from time to time. On such resize dates, the Portfolio will be able to increase or decrease the notional amounts of the Index Swap Agreement, subject to agreement of Index Swap Counterparty.

The exposure of the Portfolio to the Hedge Fund Index will vary over the course of time as described in this Supplement. Several factors, including subscriptions and redemptions for Shares of the Portfolio, may affect the exposure of the Portfolio to the Hedge Fund Index. For example, if there is insufficient cash in the Portfolio to meet redemptions, the Portfolio is expected to partially unwind the Index Swap Agreement to fund such redemptions. The exposure of the Portfolio to the Hedge Fund Index may become incidentally leveraged through redemptions from the Portfolio where the Index Swap Agreement is partially unwound without reducing the notional exposure to the Hedge Fund Index under the Index Swap Agreement. Any such incidental leverage will be capped at 125% of the net asset value of the Portfolio. Such exposure will be brought back around 100% as soon as practicable. In any event such exposure may be readjusted by subscriptions. If subscriptions are made when the exposure to the Hedge Fund Index is around 100%, there may be a period of time when the exposure falls below 100% before adjustments are made to the Index Swap Agreement.

This means that while the Net Asset Value of a Share Class within the Portfolio will be generally linked to the changes in the level of the Hedge Fund Index (whether flat, falling or rising), subject to the applicable costs, the performance of the Portfolio as a whole may differ from the performance of the Hedge Fund Index. It is highly likely that the value of the Shares in the Portfolio will be adversely affected by a decline in the value of the Hedge Fund Index Constituents of the Hedge Fund Index.

The Index Swap Agreement will be collateralized to comply, at least, with the requirements set forth under the heading “*Derivatives Instruments*” in the “*Investment Restrictions*” section of the Prospectus. To mitigate credit exposure to the Portfolio and to the Index Swap Counterparty, the collateral may be adjusted to maintain exposures within the relevant thresholds.

Goldman Sachs International acts as calculation agent under the Index Swap Agreement (as such, Goldman Sachs International is from time to time referred to as the “*Calculation Agent*” in this Supplement) and the Reverse Repurchase Agreement.

See section 4 entitled “*Particularities of the Index Swap Agreement and Reverse Repurchase Agreement*” for further details of the Index Swap Agreement and the Reverse Repurchase Agreement.

## **Reverse Repurchase Agreement**

The Reverse Repurchase Agreement is designed to provide a cash flow (which is from time to time referred to as the “net returns” in this supplement) to enable the Portfolio to make its payments to the Index Swap Counterparty and to secure collateral in respect of the Reverse Purchase Agreement Counterparty.

Under the Reverse Repurchase Agreement, the Portfolio will make an outlay equal to the proceeds received from the net subscription of Shares to the Reverse Repurchase Agreement Counterparty, in return for which it will obtain (i) regular floating interest rate payments linked to effective Federal Funds rate and (ii) a diversified portfolio of transferable securities for use as collateral against its outlay. The Reverse Repurchase Agreement Counterparty will also agree to pay a specified price upon the return of the collateral.

If an amount received by the Portfolio under the Reverse Repurchase Agreement is greater than the corresponding amount due to be paid by the Portfolio under the Index Swap Agreement, the excess may be used to meet other commitments of the Portfolio. If an amount received by the Portfolio under the Reverse Repurchase Agreement is less than the corresponding amount due to be paid by the Portfolio under the Index Swap Agreement, the Portfolio may use its other assets to make payments under the Index Swap Agreement.

### *Reverse Repurchase Agreement Eligible Securities*

Reverse Repurchase Agreement Collateral Requirement: under current market conditions, the Reverse Repurchase Agreement will be collateralised within a range of 100% to 110% of its notional amount. The level of collateralisation may vary within such range in consideration of the type of collateral posted at any time.

Composition of collateral: any eligible collateral mentioned under the section “*Repurchase Agreements and Reverse Repurchase Agreements*” of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments.

Currencies: collateral shall be delivered in each country’s respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

## **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

## **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

## 2 The Hedge Fund Index

The investment objective of the Portfolio is to provide investors with exposure to the performance of a hedge fund index described below, intended to generate potential for capital appreciation.

The Hedge Fund Index described below is constructed in adherence with the CESR guidelines 07/434 dated July 2007 on the eligibility of the hedge funds indices.

### Hedge Fund Index Description

<b>Hedge Fund Index</b>	<b>Name:</b> Diversified Strategies Index
	<b>Index Sponsor:</b> GSAMI
	<b>Index Calculation Agent:</b> Goldman Sachs International
	<b>Index Value Reporting Frequency:</b> Daily

Below is a summary of how the Hedge Fund Index is constituted. This summary should be read together with the more detailed provisions that follow. **The Hedge Fund Index:** The construction of the Hedge Fund Index is intended to reflect a portfolio of hedge fund strategies that targets attractive long-term risk-adjusted absolute returns with lower volatility than the broad equity markets. The Hedge Fund Index represents a “virtual” portfolio which is constituted by (a) notional units (“**Hedge Fund Index Units**”) in the constituents comprising the Hedge Fund Index (the “**Hedge Fund Index Constituents**”) (as described below) (b) a notional EUR to USD foreign exchange forward hedging transaction (the “**FX Forward**”) and (c) a hypothetical cash deposit (the “**Cash Deposit**”). The Index Swap Agreement entered into between the Umbrella Fund (in respect of the Portfolio) and the Index Swap Counterparty does not require the Index Swap Counterparty to actually invest in the “virtual” assets comprising the Hedge Fund Index, but the Index Swap Counterparty uses the Hedge Fund Index as a way of keeping track of how an investment in those assets would have performed. The proportion of the Hedge Fund Index which is invested in the Cash Deposit, the FX Forward and the Hedge Fund Index Units will vary over time, as determined by the Index Adjustments (as described below). The value of the Hedge Fund Index is then used to calculate the final payment and used in the determination of any unwind payments under the Index Swap Agreement, which will in turn affect the value of the Shares.

**Hedge Fund Index Units:** The notional units in the Hedge Fund Index Constituents are a “virtual” investment in the Hedge Fund Index. The Hedge Fund Index Units reflect the performance of a hypothetical USD investment in the Hedge Fund Index Constituents comprising the Hedge Fund Index (as further described below).

**FX Forward:** The notional EUR to USD foreign exchange forward hedging transaction represents a “virtual” derivative transaction used to hedge the Hedge Fund Index’s exposure to fluctuations in currency exchange rates. For the avoidance of doubt, the Index Swap Agreement does not require the Index Swap Counterparty to actually enter into any foreign exchange forward transaction, but the FX Forward is used as a way of keeping track of the mark to market value of such a derivative transaction.

**Cash Deposit:** The hypothetical cash deposit is a “virtual” cash deposit which accrues notional interest on the amount hypothetically deposited. For the avoidance of doubt, the Index Swap Agreement does not require the Index Swap Counterparty to actually invest in any cash deposit, but the Cash Deposit is used as a way of keeping track of how an investment in such cash deposit would have performed.

### Hedge Fund Index Constituents

<b>Eligible Hedge Fund Index Constituents</b>	The reference universe of the Hedge Fund Index (the “ <b>Fund Universe</b> ”) consists of a diversified set of hedge fund managed accounts and UCITS
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funds with hedge fund type strategies (each classified according to trading strategy by the Index Sponsor as described in the table below), namely:

- (i) Hedge funds which are available on the InvestorSelect Platform, which is the platform of hedge funds in managed account form arranged by Goldman Sachs International, independently of the Index Sponsor<sup>1</sup>
- (ii) UCITS funds with hedge fund type strategies.

The managed accounts are segregated fund entities managed by an Investment Manager for the benefit of one or more specific investors pursuing a specific investment strategy, which may be in line with that of a reference fund managed by the Investment Manager. Investors should note that a managed account can have different terms, guidelines and degrees of leverage versus its reference fund. Although a managed account may aim to reflect the investment objective of its reference fund, the respective accounts will be managed separately and will be operated in accordance with their respective terms, and their investment performance may be materially different.

The strategies in the Fund Universe may employ a broad range of alternative investment strategies, including, without limitation, strategies within one or more of the following four hedge fund sectors: the equity long/short sector, the relative value sector, the event driven sector and the tactical trading sector and investment strategies that are not within one of those hedge fund sectors.

The Eligible Hedge Fund Index Constituents are those strategies in the Fund Universe which are available for inclusion in the Hedge Fund Index (e.g. based on whether the fund is tradable) as determined by Goldman Sachs International and which are subject to the selection criteria applied by the Index Sponsor.

The determination shall be made by Goldman Sachs International, as Index Calculation Agent, by applying the following Minimum Eligibility Criteria, a set of qualitative criteria to be applied to the Hedge Fund Index Constituents to determine their eligibility:

- The investment manager of the fund must have a minimum of USD 100 million of assets under management
- The official calculation of the fund NAV is at least monthly
- The fund has at least quarterly redemptions
- The fund has no hard lock-ups

A fund must meet all of these Minimum Eligibility Criteria to qualify as an Eligible Hedge Fund Index Constituent.

The Index Calculation Agent shall review on a monthly basis whether Hedge Fund Index Constituents continue to satisfy the Minimum Eligibility Criteria.

It is not expected that all hedge funds available on the InvestorSelect Platform will be included in the Hedge Fund Index or that all hedge funds or strategies to which Goldman Sachs allocates assets will be available on the InvestorSelect Platform. The Eligible Hedge Fund Index Constituents are monitored by the proprietary quantitative and qualitative methodology developed by the Index Sponsor.

<sup>1</sup> The InvestorSelect Platform was set up in the past by Goldman Sachs International for its clients separately and totally independently of the establishment of the Hedge Fund Index. The Hedge Fund Index is only one of the products linked to the InvestorSelect Platform, which has not been established for the purposes of the Hedge Fund Index.

## Hedge Fund Index Constituents

The selection and rebalancing of the Hedge Fund Index Constituents is based on pre-determined rules and objective criteria.

The Index methodology is designed to ensure that the composition of the Hedge Fund Index does not change materially and is stable over time.

The Index Sponsor will classify each of the Eligible Hedge Fund Index Constituents to a Hedge Strategy Classification outlining the broad investment style of the relevant Hedge Fund Index Constituents. Such classifications are based on information provided by the Hedge Fund Index Constituents to the Index Sponsor and may differ from classifications of similarly named sectors made by other industry participants. In addition, although each Hedge Fund Index Constituent invests primarily utilizing investment strategies within one or more of the hedge fund sectors, certain Hedge Fund Index Constituents may also utilize other investment strategies that are either related or unrelated to such sectors.

The Hedge Strategy Classification is comprised of the following categories:

Relative Value:	Relative value strategies seek to profit from the mispricing of financial instruments, capturing spreads between related securities that deviate from their fair value or historical norms. Directional and market exposure is generally held to a minimum or completely hedged. Strategies that may be utilized in the relative value sector include but are not limited to credit relative value, convertible arbitrage, equity market neutral, and fixed income relative value.
Event Driven:	Event-driven strategies seek to identify security price changes resulting from corporate events such as restructurings, mergers, takeovers, spin-offs, and other special situations. Corporate event arbitrageurs generally choose their investments based on their perceptions of the likelihood that the event or transaction will occur, the amount of time that the process will take and the perceived ratio of return to risk. Strategies that may be utilized in the event-driven sector include but are not limited to merger arbitrage, high yield/distressed securities, and special situations.
Equity Long/Short:	Equity long/short strategies involve making long and short equity investments, generally based on fundamental evaluations. For example, an equity long/short Eligible Hedge Fund Index Constituent may (i) focus on companies within specific industries; (ii) focus on companies only in certain countries or regions; (iii) focus on companies with certain ranges of market capitalization; or (iv) employ a more diversified approach, allocating assets to opportunities across investing styles, industry sectors, market capitalizations and geographic regions.
Tactical Trading:	Tactical trading strategies are directional trading strategies, which generally fall into one of two

categories: global macro strategies and managed futures strategies. Global macro strategies generally utilize analysis of macroeconomic and financial conditions to develop views on country, regional or broader economic themes and then seek to capitalize on such views by trading in securities, commodities, interest rates, currencies, and other instruments. Managed futures strategies involve trading in futures and currencies globally, generally using systematic or discretionary approaches.

## **Hedge Fund Index Allocations**

The Index Sponsor will at least on a monthly basis review the Hedge Fund Index allocation to the hedge funds and UCITS funds ("**Strategy Allocation Review**") to determine the strategy allocation applicable to the Hedge Fund Index.

The target Hedge Fund Index will reflect the following strategy constraints:

- 0% < Relative Value < 20%
- 10% < Event Driven < 30%
- 20% < Equity Long/Short < 50%
- 30% < Tactical Trading < 70%

In addition, the Index Sponsor shall ensure the following constraints are met, to ensure adequate diversification to the Hedge Fund Index:

- The maximum allocation to a Hedge Fund Index Constituent within the Hedge Fund Index on each Rebalancing Date is set to 10% of the Hedge Fund Index as of each Rebalancing Calculation Date
- The maximum aggregate allocation to UCITS funds with hedge fund type strategies within the Hedge Fund Index on each Rebalancing Date is set to 20% of the Hedge Fund Index as of each Rebalancing Calculation Date.
- The allocation to cash deposits will generally not be more than 20% and in any event will not be higher than 35%, where it proves to be justified by exceptional market conditions.
- Minimum number of Hedge Fund Index Constituents is 12.

Any change made to these constraints shall be published on the Index Hedge Fund Index portal page and made available to investors in the Portfolio.

The Index Sponsor will seek to comply with such constraints in constructing the Hedge Fund Index. However, as a result of, among other things, the use of estimated NAVs of Hedge Fund Index Constituents to determine allocations that comply with the constraints and liquidity terms of the Hedge Fund Index Constituents, the Hedge Fund Index may not conform to the constraints at the time of allocation or for extended periods of time. Rebalancing shall take place as soon as practically possible taking into account the liquidity terms of the Hedge Fund Index Constituents. As a result of the weightings given to each of the Eligible Hedge Fund Index Constituents, as described further below, and the strategy allocation constraints and diversification constraints set out above, certain hedge fund strategies may be overweight or underweight relative to each other in order to meet the strategy allocation constraints.

Any change made to the allocation constraints above following a Strategy Allocation Review shall be published on the Hedge Fund Index portal page and made available to investors in the Portfolio.

The Index Sponsor will then evaluate the Eligible Hedge Fund Index Constituents

according to criteria determined by the Index Sponsor, both qualitative (as described below) and quantitative (as described above).

The Index Sponsor utilises the output of seven strategy teams which review market conditions, feedback from the underlying funds, and proprietary information based on its investigation in potentially overweighting / underweighting the Hedge Fund Index Constituents according to proprietary allocation rules, broadly described below. The resulting target allocation (the “**Hedge Fund Index Constituents Target Number of Units**” or “**Target Number of Units**”) are then used as a reference to allocate the Hedge Fund Index and consequently to implement changes to the actual number of units of the Hedge Fund Index Constituents (“**Hedge Fund Index Constituents Actual Number of Units**”).

#### **Determination of Hedge Fund Index Constituents Target Number of Units**

Subject to the constraints described herein, the weightings of the Eligible Hedge Fund Index Constituents will be determined by a number of factors including:

- The Index Sponsor's evaluation, based on its proprietary quantitative and qualitative criteria, as referred to herein, of the Eligible Hedge Fund Index Constituents
- The liquidity policy of the Eligible Hedge Fund Index Constituents in comparison to the liquidity of hedge funds running the same type of strategy
- The return of the Eligible Hedge Fund Index Constituents in comparison to that of hedge funds running the same type of strategy
- The risk of the Eligible Hedge Fund Index Constituents in comparison to that of hedge funds running the same type of strategy; risk shall include, inter alia, volatility and other statistical measures of the distribution of returns
- The availability of new Eligible Hedge Fund Index Constituents within the Fund Universe that satisfy the other qualitative criteria
- The availability of capacity for subscription or redemption in the Eligible Hedge Fund Index Constituents
- The proprietary qualitative criteria will include considerations of regulatory actions and lawsuits, business and control issues, transparency and potential conflicts of interest.

As mentioned above, the Hedge Fund Index may not conform to the constraints at all times.

Except as described herein, the Index Sponsor will have no constraints on the number of Hedge Fund Index Constituents at any time or on the weighting of any single Hedge Fund Index Constituent, group of Hedge Fund Index Constituents or hedge fund sector or strategy.

#### **Rebalancing**

On a monthly basis (and intra-month if the Index Sponsor becomes aware that any of the Hedge Fund Index Constituents no longer comply with the criteria set out above under “Hedge Fund Index Allocations” and “Determination of Hedge Fund Index Constituents Target Number of Units”, each a “Rebalancing Calculation Date”), the Index Sponsor will review the Hedge Fund Index Constituents against the weighting factors and the strategy allocation constraints and the diversification constraints as set out above under “Hedge Fund Index Allocations” and “Determination of Hedge Fund Index Constituents Target Number of Units” and analyse whether changes need to be made to the Hedge Fund Index. The composition of the Hedge Fund Index is stable over time and is not modified as long as the Hedge Fund Index Constituents comply with such weighting factors, strategy allocation constraints and diversification constraints as set out above and it is only to the extent that the Hedge Fund Index Constituents no longer comply with the foregoing that the Index Sponsor will generate a new target Hedge Fund Index composition. In addition, if a Hedge Fund Index Constituent is no longer eligible

since, for example, it is no longer on the InvestorSelect Platform, this will also cause rebalancing to take place in order to remove this Hedge Fund Index Constituent from the Hedge Fund Index and a new target Hedge Fund Index composition to be produced.

To the extent that the actual allocation of the Hedge Fund Index significantly differ from that of the target Hedge Fund Index, the Index Sponsor will instruct the appropriate rebalancing to the target Hedge Fund Index, subject to the liquidity cycle of the affected Hedge Fund Index Constituents. Rebalancing shall take place as soon as practically possible taking into account the liquidity terms of the Hedge Fund Index Constituents. However, any rebalancings may take significant periods of time to implement and actual allocations may not conform with the target Hedge Fund Index or the constraints for extended periods of time due to, among other things, the liquidity terms of the Hedge Fund Index Constituents, including notice periods and limited subscription and redemption dates, the ability of the Hedge Fund Index Constituents to suspend and postpone redemptions, and other reasons.

The Hedge Fund Index composition and NAVs of the Hedge Fund Index Constituents shall be available to the Umbrella Fund at any time from the Index Sponsor and the Index Calculation Agent upon request.

#### **Modifications**

The selection of the Hedge Fund Index Constituents and related weightings are based on certain parameters described in this Supplement, as determined by GSAMI from time to time. GSAMI has discretion to modify the Hedge Fund Index methodology in the future, if any such changes are approved by the Index Calculation Agent. Any material change made to the Hedge Fund Index methodology shall be published on the Hedge Fund Index portal page and made available to investors in the Portfolio.

#### **Error Correction Policy**

In case of external data errors or any other calculation errors affecting the Hedge Fund Index, the Index Calculation Agent may (but is under no obligation to) restate the Hedge Fund Index Value to correct such prior errors.

Under no circumstances will the methodology of the index allow retrospective changes to previously published Hedge Fund Index Values ("backfilling").

#### **Market Disruption Event related to Hedge Fund Index**

The occurrence or existence of any of the following events that the Index Calculation Agent determines is material:

- 1) suspension or limitation of (a) liquidity in any of the Hedge Fund Index Constituents and/or (b) publication of NAV of any of the Hedge Fund Index Constituents;
- 2) failure to receive timely NAV valuations for any Hedge Fund Index Constituent;
- 3) decrease in the frequency of dealing in the Hedge Fund Index Constituents or failure by the Hedge Fund Index Constituents to accept subscriptions or effect redemptions and redemption payments;
- 4) a material change to the investment guidelines of any of the Hedge Fund Index Constituents;
- 5) breach of the respective investment management agreement by any Investment Manager of any Hedge Fund Index Constituent;
- 6) regulatory action against any of the Hedge Fund Index Constituents which the Index Calculation Agent considers may adversely impact on its reputation as a result of its association with the Hedge Fund Index Constituent;
- 7) change in tax law or interpretation of tax law which would affect payments to investors in any of the Hedge Fund Index Constituents;
- 8) existence of abnormal market conditions, all as determined by the Index Calculation Agent in good faith.

If a day would otherwise be a Calculation Date, but a Market Disruption Event is occurring with respect to one or more Hedge Fund Index Constituents', the Index Calculation Agent may either (i) take the last available NAV of the Hedge Fund Index Constituent in question and adjust such NAV as it considers appropriate in a commercially reasonable manner and in good faith and utilize such replacement NAV for the calculation of the Hedge Fund Index Value in which case such day shall be deemed to be a Calculation Date and/or (ii) refrain from calculating the NAV of the Hedge Fund Index Constituent in question and from publishing the Hedge Fund Index Value. The Index Calculation Agent may act in this manner whether or not the fund administrator of the disrupted Hedge Fund Index Constituent calculates and publishes any NAV for that Hedge Fund Index Constituent.

If at any time (i) the Hedge Fund Index Value is not published for a period of 30 calendar days; or (ii) the Index Calculation Agent discontinues the calculation and publication of a Hedge Fund Index Value; (iii) the Index Sponsor materially changes the formula for or the method of calculating the Hedge Fund Index Value or the nature of the assets underlying the Hedge Fund Index or in any other way materially modifies the Hedge Fund Index, or (iv) the minimum of 12 Eligible Hedge Fund Index Constituents are not available; then the Index Calculation Agent shall, by giving not less than 30 calendar days' notice, designate a date (the "**Substitution Date**"), by which date the Umbrella Fund and the Swap Counterparty shall agree on a substitute Hedge Fund Index (any index so identified by the parties, a "**Substitute Index**" in relation to such Hedge Fund Index).

Following identification of a Substitute Index, the Index Calculation Agent shall, following consultation in good faith with the Umbrella Fund and the Swap Counterparty, as of the Substitution Date make adjustments to the past levels of the Substitute Index so that the Substitute Index reflects the same historical performance as the Hedge Fund Index or otherwise make adjustments such that, as of the Substitution Date, the value of the closing level of the Hedge Fund Index shall be reflected in the opening level of the Substitute Index.

Any such substitution shall not affect any prior payments made under the Index Swap Agreement or to investors. Shareholders will be notified of any Substitute Index and will be granted with a one month period free of charges to redeem their Shares should they disagree with the contemplated change.

If Goldman Sachs International and the Umbrella Fund are unable to identify a suitable Substitute Index and suitable modifications to that index, the Index Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus. If no suitable Substitute Index can be determined in a reasonable time period by the Calculation Agent using its discretion, the Portfolio will be liquidated and the investors will receive pro-rata redemption amounts following the realisation of such amounts. Investors should note that there may be a delay in realising redemption amounts due to illiquidity of the underlying assets referenced by the Hedge Fund Index in the above circumstances.

#### **Compliance with constraints**

Compliance with the constraints described herein will be determined at the time of allocation. As a result of, among other things, the use of estimated NAVs of Hedge Fund Index Constituents to determine allocations and the liquidity terms of the Hedge Fund Index Constituents, the Hedge Fund Index may not conform to its targets, criteria or constraints at the time of allocation or for extended periods of time. Any such non-conformity at the time of allocation or deviation shall be deemed not to constitute non-adherence to the criteria or constraints.

In addition, the Hedge Fund Index may deviate from or not be in conformity with one or more of the criteria or constraints from time to time due to various factors,

such as the liquidity terms of the Hedge Fund Index Constituents, and the investment performance of the Hedge Fund Index Constituents. If the Index Sponsor rebalances allocations to Hedge Fund Index Constituents at a time when the Hedge Fund Index has deviated from or is not in conformity with the criteria or constraints, such allocation shall not constitute non-adherence with the criteria or constraints, however the Index Sponsor will not (i) cause a separate deviation from one or more of such criteria or constraints, or (ii) exacerbate an existing deviation from one or more of the criteria or constraints.

The criteria and constraints may restrict the Fund Universe available to the Index Sponsor and may prevent the Index Sponsor from identifying Hedge Fund Index Constituents that the Index Sponsor would otherwise have identified.

**Payments from  
Hedge Fund Index  
Constituents**

The Index Sponsor does not receive payments from potential index Hedge Fund Index Constituents for the purpose of being included in the Hedge Fund Index.

## **Hedge Fund Index Calculation**

**Hedge Fund Index  
Calculation**

On each Calculation Date, the Index Calculation Agent will determine the value of the Hedge Fund Index in USD (the “**Hedge Fund Index Value**”) which will be an amount equal to (i) the total value of the Hedge Fund Index Units based on last available estimated net asset values (“NAVs”) as made available by the relevant administrators of the Hedge Fund Index Constituents, (ii) the mark to market value of the FX Forward and (iii) the Cash Deposit (if any), each within the limits set by the CESR guidelines 07/434 dated July 2007 on the eligibility of the hedge funds indices.

The Hedge Fund Index Value will be independently verified by RBS (Luxembourg) S.A.

The Hedge Fund Index Value will be published daily on Bloomberg page ISELDSP1 <Index>. Any operational issues preventing the daily publication of such index will be disclosed on the same page, to the extent possible.

The Hedge Fund Index composition and NAVs of the Hedge Fund Index Constituents shall be available to the Umbrella Fund at any time from the Index Sponsor and the Index Calculation Agent upon request.

The Index Calculation Agent shall verify that the fund administrators responsible for the calculation of the net asset values of the Hedge Fund Index Constituents have appropriate arrangements for such calculations.

**Calculation Date**

A London business day where the Hedge Fund Index Value is due to be reported by the Index Calculation Agent.

**Changes to Hedge Fund  
Index Calculation**

The Index Sponsor may at any time, acting in a commercially reasonable manner, provided, in each case, that to do so would not have a material adverse effect on the Hedge Fund Index Value;

**1. Modify methodology:** modify the methodology to (i) resolve any ambiguity or correct any manifest error or (ii) provide for any change in the basis on which any information is calculated or provided; or

**2. Provide for dealing charges:** determine an adjustment to the Hedge Fund Index to reflect the economic impact of any dealing charge imposed on redemptions or subscriptions for shares in any constituents of the Hedge Fund Index.

In addition, the Index Sponsor will review, modify and rebalance the Hedge Fund Index on a regular basis as described above.

### **3 Principal Risks of Investing in the Portfolio**

Prospective investors should be aware of the risks associated with an investment in the Portfolio and are advised to consult with their professional advisers such as lawyers, financial advisers and accountants when determining whether an investment in the Portfolio is suitable for them. The following are certain risks related to any investment in the Portfolio. For a fuller overview of the risk factors associated with an investment in the Portfolio investors should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus. Whilst the risks set out in this Supplement and the Prospectus should be carefully considered by prospective investors, they do not purport to be an exhaustive list of the risks associated with an investment in the Portfolio.

#### **Need for Independent Analysis**

Prospective investors should conduct such independent investigation and analysis regarding the Shares, the Portfolio, the parties to the Index Swap Agreement and the Reverse Repurchase Agreement as they deem appropriate to evaluate the merits and risks of an investment in the Portfolio. Goldman Sachs does not make any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied in connection with the Portfolio and does not accept any responsibility or liability therefor.

#### **Suitability of Investment**

An investment in the Portfolio is only suitable for sophisticated investors who are capable of understanding the risks involved. Prospective investors must obtain such advice as they deem necessary from their own advisors as to the risks and merits of purchasing Shares and of any regulatory, accounting and/or tax consequences thereof. Neither Goldman Sachs nor the Umbrella Fund is providing investment, regulatory, accounting, or tax advice to any Shareholder or prospective Shareholder.

#### **Performance is Not Guaranteed**

Many factors influence the performance of the Shares and none of the Umbrella Fund nor the counterparties to the Index Swap Agreement and the Repurchase Agreement guarantee that Shareholders will receive any amount in excess of the amount originally invested upon maturity of their Shares. The performance of the Shares may not compare favourably with interest rates on deposits prevailing between the date such Shares were issued and their maturity or redemption. The market value of the Shares may be influenced by factors including but not limited to (i) the creditworthiness of the counterparties to the Index Swap Agreement and the Repurchase Agreement and the Goldman Sachs Group; (ii) interest rates; (iii) currency exchange rates; (iv) time remaining to maturity; (v) nature and liquidity of any hedge positions; (vi) nature and liquidity of any embedded derivatives; (vii) market perception; (viii) general economic and financial conditions and (ix) the occurrence of market disruption, among others factors.

#### **Goldman Sachs Roles and Conflict of Interests**

##### **Overview of Roles**

Goldman Sachs International performs several roles in respect to the Portfolio. It is acting as Investment Administrator on behalf of the Portfolio and it will also act initially as the counterparty for the Index Swap Agreement and the Reverse Repurchase Agreement with the Portfolio or as the agent of the counterparty to derivative transactions and the Reverse Repurchase Agreement with the Portfolio. Goldman Sachs International acts as the Calculation Agent in respect of the OTC derivative transactions with the Portfolio and as Index Calculation Agent, being responsible for calculating and publishing the value of the Hedge Fund Index from time to time and for determining whether a Market Disruption Event has occurred and the value of the Hedge Fund Index when Hedge Fund Index Constituents are affected by Market Disruption Events.

In its role as Index Calculation Agent, Goldman Sachs International may determine the value of the Hedge Fund Index Constituents upon the occurrence of a Market Disruption Event. In such circumstances, as Goldman Sachs International may also be the Index Swap Counterparty, Goldman Sachs International may benefit under the Swap Agreement if the value of the Hedge Fund Index is lower than may otherwise have been the case.

As the Index Sponsor, GSAMI operates and is responsible for, and has determinative influence over, the composition and maintenance of the Hedge Fund Index. GSAMI will seek to operate the Hedge Fund Index in accordance with the constraints set forth in this Supplement. However, as a result of, among other things,

the performance of and the liquidity terms of the Hedge Fund Index Constituents included in the Hedge Fund Index from time to time, the Hedge Fund Index may not always comply with the constraints. Rebalancing shall take place as soon as practically possible taking into account the liquidity terms of the Hedge Fund Index Constituents.

While GSAMI does not exercise any discretion in relation to the Portfolio, operates the Hedge Fund Index in accordance with certain parameters, and owes no fiduciary duties in respect of the Hedge Fund Index, GSAMI may review and change the Hedge Fund Index allocation periodically and to respond to limited situations in accordance with the Index methodology, including, among others, the determination of whether a Hedge Fund Index Constituent has ceased or is likely to stop meeting the eligibility criteria. Such changes made by GSAMI may adversely affect the value of the Hedge Fund Index and the value of products or investments linked or referable to the Hedge Fund Index.

Goldman Sachs is a full service financial services group and, consequently, is engaged in a range of activities that could affect the value of the Hedge Fund Index and any of the Hedge Fund Index Constituents as further described below.

### ***Potential Conflicts of Interest***

Investors should be aware that to the extent the Portfolio may trade with Goldman Sachs International or with vehicles established by the latter as dedicated counterparty, they will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection, underlying fund or investment manager selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect to the Hedge Fund Index. Although Goldman Sachs International and GSAMI will perform their responsibilities in accordance with their respective obligations, they may face conflicts between their roles and Goldman Sachs' own interests. In particular, in its other businesses, Goldman Sachs may have economic interests in the Hedge Fund Index, the Hedge Fund Index Constituents and their Investment Managers and products or investments linked or referable to the Hedge Fund Index and the Hedge Fund Index Constituents and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by Goldman Sachs International and GSAMI, may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Hedge Fund Index Constituents and act as arranger for products or investments backed by the same hedge funds as the Hedge Fund Index Constituents included in the platform and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Hedge Fund Index and any underlying investment referenced or linked to the Hedge Fund Index Constituents. These activities could adversely affect the value of the Hedge Fund Index, which could in turn affect the return on, and the value of, any product or investment linked to the Hedge Fund Index.

Although Goldman Sachs is not obliged to do so, it may elect to hedge its exposure to the Hedge Fund Index, any products or instruments linked thereto, any Hedge Fund Index Constituents or any underlying investments referenced by the Hedge Fund Index Constituents with an affiliate or a third party. That affiliate or third party, in turn, is likely, directly or indirectly, to hedge any of its exposure, including through transactions taking place on the futures and options markets and investments in the Hedge Fund Index Constituents. Where Goldman Sachs chooses to hedge its exposure, it may adjust or unwind such hedges by purchasing or selling products linked to the Hedge Fund Index, Hedge Fund Index Constituents, any underlying investments referenced by the Hedge Fund Index Constituents or any other product or instrument on or before the date the Hedge Fund Index is valued for purposes of any overlying investment products or instruments referenced to the Hedge Fund Index. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments linked to the Hedge Fund Index or any Hedge Fund Index Constituent. Any of this hedging activity may adversely affect the value of the Hedge Fund Index and of any products or instruments linked thereto.

Goldman Sachs may also engage in trading for its proprietary accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more products or instruments linked to or similar to the Hedge Fund Index, any Hedge Fund Index Constituent and/or any underlying investments referenced by the Hedge Fund Index Constituents. In the course of these transactions, Goldman Sachs' customers may receive information about the Hedge Fund

Index before it is made available to other investors. Any of these activities could also adversely affect the value of the Hedge Fund Index, directly or indirectly, by affecting the value of the Hedge Fund Index Constituents or the investments or instruments referenced by or linked to the Hedge Fund Index Constituents and, therefore, the market value of any products or instruments linked to the Hedge Fund Index and the amount paid on any such product or instrument at maturity.

It is possible that Goldman Sachs could receive substantial returns with respect to the above activities while the value of any underlying investments or instruments referenced to the Hedge Fund Index may decline.

Goldman Sachs may also receive various forms of compensation, commissions, payments, rebates, remuneration, investment activity, services or other benefits from, or provide services, including brokerage services to, Hedge Fund Index Constituents. However, the Index Sponsor will receive no direct compensation, commissions, payments, rebates or remuneration from the Hedge Fund Index Constituents for the purpose of inclusion in the Hedge Fund Index. Goldman Sachs (including, without limitation, GSAMI) may receive notice of, or offers to participate in, investment opportunities from Hedge Fund Index Constituents, their affiliates or other third parties. An Investment Manager or its affiliates may offer Goldman Sachs investment opportunities because of the amount of assets managed by the Investment Manager and its affiliates for Goldman Sachs and its related accounts, including the Hedge Fund Index Constituents. Therefore, inclusion in the Hedge Fund Index of a Hedge Fund Index Constituent where Goldman Sachs, or related account or a related party are being offered investment opportunities by its Investment Manager may result in additional investment opportunities to Goldman Sachs and its personnel or related parties.

In addition, if a Hedge Fund Index Constituent provides fee “breakpoints,” such breakpoints may be affected by Goldman Sachs’ business relationships and accounts and may directly or indirectly benefit Goldman Sachs and other proprietary or client accounts of Goldman Sachs.

GSAMI makes decisions for the Hedge Fund Index based on the Hedge Fund Index’s parameters. GSAMI 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 construct the Hedge Fund Index in accordance with such analysis and models. In addition, Goldman Sachs has no obligation to seek information or to make available to or share 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 GSAMI’s personnel or other Goldman Sachs personnel advising or otherwise providing services to the Hedge Fund Index, 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 Hedge Fund Index.

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 Index Sponsor to make decisions in relation to Hedge Fund Index Constituents or reduce weighting of Hedge Fund Index Constituents. The Index Sponsor’s flexibility may be constrained as a consequence. GSAMI and the Hedge Fund Index Constituents are generally not permitted to obtain or use material non-public information in constructing or rebalancing the Hedge Fund Index or effecting purchases and sales in public securities transactions.

Goldman Sachs may become aware of market or other information regarding an Investment Manager of a Hedge Fund Index Constituent, may place a Hedge Fund Index Constituent under review or may adjust its assessments of a Hedge Fund Index Constituent at any time and for any reason. GSAMI may continue to retain such Hedge Fund Index Constituent in the Hedge Fund Index regardless of such information, review or adjustment in assessments, and neither GSAMI nor Goldman Sachs will be under any obligation to provide the Portfolio notice of such information, review or adjustment in assessments as a result of such information, review or adjustment in assessments. Goldman Sachs (on its own behalf or on behalf of certain client or proprietary accounts) may take any action, including, but not limited to, the sale of investments, the unwinding of hedge positions in connection with derivative transactions entered into with respect to such Hedge Fund Index Constituent, or redemptions from such Hedge Fund Index Constituent, based on any information, review or adjustment in assessments (as described above) at any time and without notice to the Portfolio or to other clients. Such actions by Goldman Sachs may differ from, and may conflict with, advice given or investment decisions made by GSAMI in respect of the Hedge Fund Index and may have an adverse effect on the Portfolio.

Goldman Sachs conducts extensive broker-dealer, banking and other activities around the world and operates a business known as Goldman Sachs Securities Services (“GSS”) which provides prime brokerage, administrative and other services to clients which may involve markets and securities in which the Hedge Fund Index Constituents invest. 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. In addition, given Goldman Sachs' scale of activity in the prime brokerage market, Goldman Sachs may act as a prime broker to one or more Hedge Fund Index Constituents, in which case Goldman Sachs will have direct knowledge concerning the investments and transactions of such Hedge Fund Index Constituents. 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 GSAMI, might cause GSAMI to seek to add Hedge Fund Index Constituents or remove them from the Hedge Fund Index. Goldman Sachs will be under no duty to make any such information available to GSAMI or in particular the personnel of GSAMI making decisions in respect of the Hedge Fund Index.

Goldman Sachs International, as Calculation Agent under the Index Swap Agreement, and the Umbrella Fund will also have the authority to identify any other suitable index which will closely approximate the investment characteristics of the Hedge Fund Index in the event of any circumstances under which the Hedge Fund Index is no longer available.

#### *Separate Roles*

Whilst the roles of (i) Index Sponsor, (ii) Index Calculation Agent, (iii) Index Swap Counterparty, (iv) Reverse Repurchase Counterparty, and (v) Investment Administrator may be carried out by either of the legal entities Goldman Sachs International and/or GSAMI, these roles are functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

#### **Counterparty risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Index Swap Counterparty and the Reverse Repurchase Counterparty, respectively. As a result, the Portfolio will be exposed to the creditworthiness of the relevant counterparty.

In addition to the extent that the obligations of the Index Swap Counterparty and the Reverse Repurchase Counterparty will be collateralised by a portfolio composed of cash and transferable securities, the collateral will be subject to market risk and may be adversely effected by changes in the level of volatility of market rates or prices such as equity prices, interest rates, credit spreads and foreign exchange rates. As each portfolio is marked-to-market, in the event the value of any portfolio declines, a counterparty will be obligated to deliver additional collateral under certain margin maintenance provisions. However, if a counterparty fails to perform its obligations or becomes insolvent, the Portfolio may recover significantly less than the then current notional amount outstanding and suffer a loss. In addition, a counterparty's obligations to provide net returns on either the Reverse Repurchase Agreement or the Index Swap Agreement are not collateralized.

#### **No principal protection**

The value of the Hedge Fund Index depends on the performance of the Hedge Fund Index Constituents, each of which may increase or decrease in value. Neither the Hedge Fund Index, nor any Hedge Fund Index Constituents, includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

#### **Volatility**

The Hedge Fund Index and the Hedge Fund Index Constituents can be highly volatile, which means that their value may increase or decrease significantly over a short period of time. In particular, hedge fund strategies are highly volatile in terms of performance because such strategies may combine long and/or short positions in liquid instruments across the market. It is impossible to predict the future performance of the Hedge Fund Index Constituents based on their historical performance. The return on an investment linked to the Hedge Fund Index may vary substantially from time to time. Volatility in one or more Hedge Fund Index Constituent(s) will increase the risk of an adverse effect on such a return caused by a fluctuation in the value of one or more of the Hedge Fund Index Constituents. There is no volatility control embedded in the Hedge Fund Index beyond the rebalancing of the Hedge Fund Index Constituent weightings on a periodic basis by the Index Sponsor.

#### **Trading and other transactions by the Index Sponsor or its affiliates in related financial instruments may adversely affect the value of any product linked to the performance of the Hedge Fund Index**

The Index Swap Counterparty may hedge obligations in respect of the Hedge Fund Index by purchasing or selling financial instruments linked to the Hedge Fund Index Constituents of the Hedge Fund Index, and may adjust or unwind such hedges by purchasing or selling the foregoing on or before the date of determinations of the Hedge Fund Index level. The Swap Counterparty may also enter into, adjust or unwind hedging

transactions relating to other instruments related to the Hedge Fund Index. Any of this hedging activity may adversely affect the value of the Hedge Fund Index and of any product linked to the performance of the Hedge Fund Index.

The Index Swap Counterparty and/or its affiliates may also engage in trading in financial instruments whose returns are linked to or are similar to the Hedge Fund Index and/or any Hedge Fund Index Constituents for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely affect the value of the Hedge Fund Index and accordingly the value of any product linked to the performance of the Hedge Fund Index. The Index Swap Counterparty may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the Hedge Fund Index or one or more of the Hedge Fund Index Constituents. By introducing such products to the marketplace the Index Swap Counterparty could adversely affect the value of the Hedge Fund Index or the value at maturity of any product linked to the performance of the Hedge Fund Index.

### **Leverage**

Investors' investment in the Portfolio may be subject to leverage, which may increase their risk. Leverage means that the return or loss on an investment is subject to a multiplier increasing exposure to that investment and magnifying the volatility and risk of loss should the value of that investment decline. The Portfolio may be leveraged within the limits disclosed in this Supplement (see the paragraph headed "*Index Swap Agreement*" in Section 1, "*Investment Policy*"). Variation of exposure at the Portfolio level might also cause from time to time dilution of the exposure, which in turn could diminish the returns of the investment in the event of a positive performance of the Hedge Fund Index. The Hedge Fund Index Constituents may engage in leverage in the course of their business activity which means that an investment in products or instruments providing exposure to the Hedge Fund Index might be subject to leverage at different levels (at the Portfolio level and at the Hedge Fund Index Constituent level). In particular, the exposure of the Portfolio to the Hedge Fund Index may become incidentally leveraged through redemptions from the Portfolio. Such incidental leverage can arise from the Portfolio partially unwinding the Index Swap Agreement to fund redemptions on the Portfolio without reducing the notional exposure to the Hedge Fund Index under the Index Swap Agreement. Any such incidental leverage will be capped at 125% of the value of the Portfolio.

### **No assurance of accuracy of tracking**

The performance of the Portfolio may not track and may diverge from that of the Hedge Fund Index. Moreover:

- 1) hedge fund strategies can be dynamic and unpredictable. Past and current levels of the hedge fund returns are not necessarily indicative of future returns. If historic returns prove to be a reliable indicator of future returns in one or more periods during the term of the investment, the Hedge Fund Index Methodology may not continue to track such returns;
- 2) the Hedge Fund Index's volatility is not fixed and may be lower or higher than a diversified hedge fund portfolio; and
- 3) subscription and redemption requests received by the Portfolio may affect the exposure of the Portfolio to the Hedge Fund Index and therefore affect its performance.

### **Value of the Hedge Fund Index and of the Hedge Fund Index Constituents**

The value of the Hedge Fund Index may rise or fall, including below its initial value, due to the risks to which it is subject. Similarly, Hedge Fund Index Constituents may involve exposure to speculative and extremely volatile underlying investments. Such investments may be affected by a variety of factors that are unpredictable, including, without limitation, weather, governmental programs and policies, national and international political, military, terrorist and economic events, changes in supply and demand relationships, changes in interest and exchange rates and changes, suspensions or disruptions of market trading activities in the underlying investments and related contracts. Such factors may have a differing effect on the value of the Hedge Fund Index and the value of any product linked thereto; and different factors may cause the value and volatility of different Hedge Fund Index Constituents to move in inconsistent directions and at inconsistent rates.

An investment in the Hedge Fund Index involves a risk of fluctuation because the Hedge Fund Index Constituents will change over time. The composition of the Hedge Fund Index shall include at least 12 Hedge Fund Index Constituents, but there is no limit on the maximum number of Hedge Fund Index Constituents, whose respective weightings shall be reallocated in accordance with the Hedge Fund Index methodology.

## **Value of the Portfolio**

The value of the Portfolio may be adversely affected due to the fact that the redemption terms of certain (and potentially a significant portion) of the Hedge Fund Index Constituents provide their investors with the opportunity to redeem on a less frequent basis than investors in the Portfolio are permitted to redeem (i.e. fortnightly) and may be subject to other limitations on liquidity. This liquidity mismatch may result in the Hedge Fund Index being valued at a significant discount in the event of a partial or complete unwind of the Index Swap Agreement. Furthermore, in the event that the Index Swap Counterparty is unable to partially or fully unwind the Index Swap Agreement, the determination of the net asset value per Share of the Portfolio may be temporarily suspended and accordingly the issue and redemption of Shares may be suspended (as described further in the Prospectus).

## **Suspensions or disruptions of market trading may adversely affect the value of the Net Asset Value of the Shares**

The Hedge Fund Index and the Hedge Fund Index Constituents are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity in the markets, participation of speculators and government regulation and intervention. If the Index Calculation Agent provides a replacement value for the Hedge Fund Index, the value of the Hedge Fund Index, and/or the value of the Portfolio, may be lower than in the absence of a suspension or disruption.

In addition, if the value for the Hedge Fund Index may not be provided due to market disruptions, the settlement cycle for any subscription, conversion and redemption order may be postponed accordingly up to 30 calendar days and thereafter the Portfolio may be liquidated. In such circumstances, there may be a delay in distributing the redemption amounts due to the illiquidity of the underlying assets referenced by the Hedge Fund Index.

## **Foreign Exchange Hedging**

The Hedge Fund Index is denominated in USD while Share Classes might have different denominations. The Portfolio shall enter into foreign exchange transactions for hedging purposes. Investors in the Shares should be aware that currency exchange rates are volatile and unpredictable and can be affected by many factors, including unpredictable factors, which may have an effect on the Net Asset Value of the Portfolio.

## **Investors will have no rights with respect to the Hedge Fund Index Constituents or any underlying assets**

The investment exposure provided by the Index Swap Agreement is synthetic, reflecting the calculated result of hypothetical transactions involving the Hedge Fund Index Constituents. An investment referenced to the Hedge Fund Index will therefore not make an investor a holder of, or give an investor a direct investment position in, any underlying Hedge Fund Index Constituent or any of the underlying assets or investments to which the Hedge Fund Index Constituents refer.

## **The published Hedge Fund Index may be based on estimated fund NAVs**

In calculating the Hedge Fund Index, the Index Calculation Agent uses the most recently available estimated fund NAV for each Hedge Fund Index Constituent, unless a confirmed price or NAV has been released for such Hedge Fund Index Constituent, as published by the relevant fund administrator.

For each Hedge Fund Index Constituent, the estimated fund NAV for a given day may differ from the confirmed price for such day that is published, if at all, by the fund administrator on a later date.

## **The return on the Hedge Fund Index may be less than the return from investments in similar underlying assets**

The Hedge Fund Index tracks Hedge Fund Index Constituents and not the underlying assets of such Hedge Fund Index Constituents. As a result, the value of an investment referenced to any Hedge Fund Index Constituents will not necessarily correlate with the value of the Hedge Fund Index or any underlying assets of such Hedge Fund Index Constituents. An investment in the Hedge Fund Index linked to any underlying asset or investment is not comparable to and should not be benchmarked against an investment in those underlying assets directly.

## **Use of Third Party Information**

The Hedge Fund Index methodology relies on information from external hedge funds to monitor performance of the Hedge Fund Index Constituent. Goldman Sachs makes no warranty as to the correctness of that information and takes no responsibility for the impact of any inaccuracy of such data on the return produced

by a particular Hedge Fund Index Constituent, on the value of the Hedge Fund Index or on the value of an investment or product referenced or linked to the Hedge Fund Index.

### **Market Disruption Events that may affect the Hedge Fund Index Constituents**

Hedge Fund Index Constituents may be subject to Market Disruption Events that could affect their business, as further described in the section entitled “*Market Disruption Events*” in Section 2. Upon the occurrence of a Market Disruption Event in respect to a Hedge Fund Index Constituent, the Index Calculation Agent will have the authority to remove the affected Hedge Fund Index Constituent from the Hedge Fund Index.

### **Market Disruption Events may have a positive or negative impact on the Net Asset Value of the Portfolio**

As more fully detailed in Section 2 entitled “*Market Disruption Event related to Hedge Fund Index*”, if a Market Disruption Event occurs on a Calculation Date, the Index Calculation Agent, for the purpose of determining the amount payable under the Index Swap Agreement may determine the level of the Hedge Fund Index based on procedures which are different to those set out below for determining the level of the Hedge Fund Index on which the Disrupted Value of the Index Swap Agreement - and consequently, the Net Asset Value of the Portfolio - will be based. The differences between the procedures for determining the Hedge Fund Index level for the purpose of calculating the amount payable under the Index Swap Agreement and those for determining the Hedge Fund Index level, as calculated to determine the Disrupted Value of the Index Swap Agreement on which the Net Asset Value of the Portfolio is based, may result in the payments under the Index Swap Agreement not precisely matching the return the Portfolio shall pay or receive in respect of the shares in the Portfolio for the relevant Valuation Day. The Net Asset Value calculated on such a Valuation Day on which a Market Disruption Event is occurring will, however, be final (even if the Hedge Fund Index level determined for such purpose may contain values for the Hedge Fund Index Constituents affected by such Market Disruption Event that have been estimated by the Index Calculation Agent), and will not be recalculated by the Index Calculation Agent in the event that the Hedge Fund Index level, as calculated to determine the Disrupted Value of the Index Swap Agreement on which the Net Asset Value of the Portfolio will be based, does not (due to the different calculation procedures being applied to determine the Hedge Fund Index level for the purpose of determining the Net Asset Value and the amount payable under the Index Swap Agreement) match the Hedge Fund Index level determined under the Index Swap Agreement and on which the calculation of the net weekly payment will be based.

Subscribing and/or redeeming investors in the Portfolio are therefore made aware that they might be subscribing/redeeming on a Valuation Day affected by a Market Disruption Event, and that, if so, the Net Asset Value of the Portfolio that will be used to process such subscriptions and/or redemptions will be based on a Disrupted Value of the Index Swap Agreement, which contains estimates of the level for any Affected Component, as determined by the Index Calculation Agent in its reasonable judgment. In addition, a mismatch may arise as a result of different procedures being applied for determining the level of the Hedge Fund Index for the purpose of calculating the Disrupted Value of the Index Swap Agreement on which the Net Asset Value is based and for the purpose of calculating the amount payable under the Index Swap Agreement.

Investors are consequently made aware that, should the above mentioned mismatch arise upon the occurrence of a Market Disruption Event on a Valuation Day, the Portfolio will not be compensated, meaning that the latter may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio and in turn any investor who is still invested in the Portfolio following settlement of any such subscription and/or redemption on such Valuation Day. Such subscribing and/or redeeming investors may therefore be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event and in the case of any subscribing and/or redeeming investor is disadvantaged by any mismatch arising as a result of such Market Disruption Event, no compensation will be paid to it by the Portfolio.

### **Liquidity issues affecting the Hedge Fund Index Constituents**

Hedge Fund Index Constituents may have different liquidity and settlement cycles from those of the Portfolio. Although the Portfolio will not invest in the Hedge Fund Index Constituents directly, any discrepancies in settlement cycles may cause the Portfolio, by virtue of the Index Swap Agreement, to have an increased or decreased exposure to the Index Swap Counterparty. Consequently, the value of the Shares and the liquidity of the Portfolio may be affected by the liquidity and settlement cycles of the Hedge Fund Index Constituents.

## **No Assurance of “Absolute” Returns**

Shares in the Portfolio should not be purchased on the basis of a potential to produce “absolute returns”. There can be no assurance that either hedge funds in general, or the Hedge Fund Index Constituents or the Hedge Fund Index in particular, will actually be successful at producing consistently positive returns, nor does Goldman Sachs make any representation or warranty, express or implied, that either Hedge Fund Index Constituents as an asset class or the Hedge Fund Index will do so in the future.

## **Alternative Investments**

Alternative investments are not subject to the same regulatory requirements or governmental oversight as mutual funds. Alternative investments often engage in leverage and other investment practices that are extremely speculative and involve a high degree of risk. Such practices may increase the volatility of performance and the risk of investment loss, including the loss of the entire amount that is invested. Alternative investments may purchase instruments that are traded on exchanges that are not “principal markets” and are subject to the risk that the counterparty will not perform with respect to contracts. Furthermore, since there is generally less government supervision and regulation of foreign exchanges, alternative investments are also subject to the risk of the failure of the exchanges and there may be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

Alternative investments may also invest in instruments that are highly illiquid and difficult to value. Alternative investments may involve complex tax and legal structures. Alternative investments generally, are only suitable for investors for whom such an investment does not constitute a complete investment program and who fully understand and are willing to assume the risks involved in such alternative investment.

Alternative investments may impose significant fees, including incentive fees that are based upon a percentage of the realized and unrealized gains, and such fees may offset all or a significant portion of such alternative investment’s trading profits.

## **Absence of Track Record**

Because no historical performance data exists with respect to the Hedge Fund Index and the Hedge Fund Index Constituents, an investment in the Shares may involve greater risk than securities linked to a strategy with a proven track record.

## **No Representation**

Neither Goldman Sachs nor the Umbrella Fund makes any representations as to the expected performance of the Shares, the Portfolio, the Hedge Fund Index Constituents or any investment strategy of the Portfolio. Materials prepared by, or based on information provided by, the Umbrella Fund and any information contained therein, will not have been verified or approved by Goldman Sachs.

## **There may be time lag between a Rebalancing Calculation Date and actual rebalancing of the Index**

There may be a lag between the occurrence of a Rebalancing Calculation Date and the corresponding rebalancing of the Hedge Fund Index. This lag may be due to, amongst other things, the time it takes for notional redemption or subscription orders to be placed, and for such orders to be notionally executed.

## **Use of Simulated Returns**

Back-testing and other statistical analyses material that is provided in connection with explanations of the mechanics and/or potential returns of the Hedge Fund Index use simulated analysis and hypothetical circumstances to estimate how the product may have performed prior to its actual existence. Goldman Sachs provides no assurance or guarantee that the Hedge Fund Index will operate or would have operated in the past in a manner consistent with these materials. As such, any historical returns projected, or any hypothetical simulations based on analyses provided in relation to the Hedge Fund Index, may not reflect actual performance and is no guarantee or assurance in respect of the future performance, or returns of, an investment in any product linked to the Hedge Fund Index.

## **Investment Managers are independent entities**

Any Investment Manager of a Hedge Fund Index Constituent is appointed under the terms of an investment management agreement negotiated, among others, between the Investment Manager and the respective fund. This agreement will include provisions regulating the standards to which the manager is required to act, the conflicts of interest to which it may be subject and the circumstances in which it can be removed or can resign. Any such resignation or removal or any other premature termination of the appointment of the Investment Manager, as well as any breach of duty by the Investment Manager, will trigger the elimination of

the relevant Hedge Fund Index Constituent from the Hedge Fund Index and may affect the value of the Shares.

Investment Managers are independent entities and no Goldman Sachs entity makes any representation or warranty as to the conduct or performance of the Investment Managers and shall not be liable for any decisions and actions taken by any such Investment Managers. The Investment Managers are selected purely based on the Hedge Fund Index methodology applied for determining the Hedge Fund Index Constituents.

**The value of the Hedge Fund Index will be reduced by the deduction of fees and charges by Investment Managers**

Although no fees are applied by the Index Sponsor on a notional redemption or subscription order, the return of a Hedge Fund Index Constituent and the value of the Hedge Fund Index is affected by any fees and charges applied by the Investment Managers. The Investment Managers of the Hedge Fund Index Constituents generally receive a fee or compensation as a consideration for their management activity, an asset-based annual management fee and a performance fee or allocation. Investors should finally be aware that upon removal of a Hedge Fund Index Constituent from the Hedge Fund Index, the relevant Investment Manager may apply redemption fees.

**Past Hedge Fund Index performance is no guide to future performance**

The actual performance of the Hedge Fund Index may bear little relation to the historical performance. The future performance of the Hedge Fund Index cannot be predicted.

**Dependence on the Investment Managers**

The performance of the Hedge Fund Index depends upon the ability of the managers of the Hedge Fund Index Constituents to develop and implement strategies that achieve the investment objectives of the Hedge Fund Index Constituents. The Index Sponsor and the Hedge Fund Index will have no right or power to participate in the management or control of the Hedge Fund Index Constituents, or the Investment Managers thereof, and will not have an opportunity to evaluate specific investments of the Hedge Fund Index Constituents or the managers thereof, or the terms of any investments made by the Hedge Fund Index Constituents or such Investment Managers. While the Index Sponsor may make changes to the Hedge Fund Index over time based upon its evaluation of the Hedge Fund Index Constituents, the Index Sponsor relies to a great extent on information provided by the Investment Managers of the Hedge Fund Index Constituents.

**Exposure to Hedge Fund Index Constituents Generally**

Because the Portfolio has exposure to the Hedge Fund Index through the Index Swap Agreement, a Shareholder's investment in the Portfolio will be affected by the investment policies and decisions of the Hedge Fund Index Constituents in proportion to the amount of the Portfolio's assets that have exposure to, albeit indirectly, Hedge Fund Index Constituents. The net asset value of the assets allocated to Hedge Fund Index Constituents, and as a result, the net asset value of the Portfolio will fluctuate in response to, among other things, various market and economic factors related to the markets in which the Hedge Fund Index Constituents invest and the financial condition and prospects of issuers in which the Hedge Fund Index Constituents invest. Certain risks related to the investment strategies and techniques utilized by the Hedge Fund Index Constituents are described below. As the Hedge Fund Index may not be as diversified as a typical investment vehicle and may comprise a relatively concentrated group of Hedge Fund Index Constituents, the Hedge Fund Index may be subject to more rapid changes in value than would be the case if the Hedge Fund Index were more diversified.

**The Hedge Fund Index Constituents' Investments May Not Be Diversified**

While the Index Sponsor may seek Hedge Fund Index Constituents that utilize diversified investment strategies, there can be no assurance that market or other events will not have an adverse impact on the strategies employed by multiple Hedge Fund Index Constituents. Hedge Fund Index Constituents may at certain times hold large positions in a relatively limited number of investments. Hedge Fund Index Constituents may target or concentrate their investments in particular markets, sectors, or industries. Those Hedge Fund Index Constituents that concentrate in a specific industry or target a specific strategy will also be subject to the risks of that industry or strategy, which may include, but are not limited to, rapid obsolescence of technology, sensitivity to regulatory changes, nationalization, expropriation, political or economic conditions, minimal barriers to entry, and sensitivity to overall market swings. As a result, the net asset values of such Hedge Fund Index Constituents may be subject to greater volatility than those of investment vehicles that are subject to diversification requirements and this may negatively impact the net

asset value of the Portfolio. In addition, greater concentration of Hedge Fund Index Constituents likely will increase the adverse effect on the Portfolio of any problems experienced by a Hedge Fund Index Constituent (including without limitation any suspension of redemptions by such Hedge Fund Index Constituent).

### **Frequent Trading and Turnover**

It is expected that the Hedge Fund Index Constituents will make frequent trades in securities and other investments. Frequent trades typically result in high transaction costs. In addition, Hedge Fund Index Constituents may invest on the basis of short-term market considerations. The turnover rate within the Hedge Fund Index Constituents may be significant, potentially involving substantial brokerage commissions and fees. The Index Sponsor will have no control over this turnover.

### **Hedge Fund Index Constituents Invest Independently**

Each of the Hedge Fund Index Constituents generally makes investment decisions wholly independently of other Hedge Fund Index Constituents and may at times hold economically offsetting positions. To the extent that the Hedge Fund Index Constituents do, in fact, hold such positions, this may have an adverse impact on the Portfolio as a result of the Portfolio's exposure to such investments through the Index Swap Agreement. In addition, Hedge Fund Index Constituents are compensated based on the performance of their portfolios. Accordingly, there often may be times when a particular Hedge Fund Index Constituent may receive performance-based compensation in respect of its portfolio for a period even though the Portfolio's net asset value may have decreased during such period.

### **Hedge Fund Index Constituents' Investment Strategies**

Many of the Hedge Fund Index Constituents will, among other things, seek to utilize specialized investment strategies, follow allocation methodologies, apply investment models or assumptions, achieve a certain level of performance relative to specified benchmarks, and enter into hedging and other strategies intended, among other things, to affect the Hedge Fund Index Constituents performance, risk levels, and/or market correlation. There can be no assurance that any Hedge Fund Index Constituent will have success in achieving any goal related to such practices. The Hedge Fund Index Constituents may be unable to or may choose in their judgment not to, seek to achieve such goals.

The success of a Hedge Fund Index Constituent's trading activities will depend on, among other things, the Hedge Fund Index Constituent's ability to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the capital markets. Identification and exploitation of the investment strategies to be pursued by Hedge Fund Index Constituents involve a high degree of uncertainty. No assurance can be given that the Hedge Fund Index Constituents will be able to locate suitable investment opportunities in which to deploy all their capital. A decline in, or lack of volatility and pricing inefficiency of the markets in which a Hedge Fund Index Constituent seeks to invest, changing, evolving and maturing markets, the increased number of market participants in competition with the strategies deployed by Hedge Fund Index Constituents, as well as other market factors, may reduce the number and scope of investment opportunities available to a Hedge Fund Index Constituent.

### **Highly Volatile Markets**

The prices of a Hedge Fund Index Constituent's investments, and as a result of the Portfolio's exposure to such investments through the Index Swap Agreement, the net asset value of the Portfolio, can be highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts in which a Hedge Fund Index Constituent may invest are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies, financial instruments and interest rate-related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. Moreover, since internationally there may be less government supervision and regulation of worldwide stock exchanges and clearing houses than in the United States or Western Europe, Hedge Fund Index Constituents also are subject to the risk of the failure of the exchanges on which their positions trade or of their clearing houses, and there may be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

The Hedge Fund Index Constituents may be adversely affected by the deteriorations in the financial markets and economic conditions throughout the world, some of which may magnify the risks described herein and have other adverse effects.

## **Risks Associated with Derivative Instruments Generally**

Hedge Fund Index Constituents may invest in, or enter into transactions involving, derivative instruments. These are financial instruments that derive their performance, at least in part, from the performance of an underlying asset, index, or interest rate. Examples of derivatives include, but are not limited to, futures contracts, options contracts, and options on futures contracts.

The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities or more traditional investments, depending upon the characteristics of the particular derivative and the Hedge Fund Index Constituent's portfolio as a whole. Derivatives permit a Investment Manager of the Hedge Fund Index Constituent to increase or decrease the level of risk of a Hedge Fund Index Constituent's portfolio, or change the character of the risk to which its portfolio is exposed, in much the same way as the Investment Manager of the Hedge Fund Index Constituent can increase or decrease the level of risk, or change the character of the risk, of a Hedge Fund Index Constituent's portfolio by making investments in specific securities.

Derivatives may entail investment exposures that are greater than their cost would suggest, meaning that a small investment in derivatives could have a large potential impact on a Hedge Fund Index Constituent's performance. If an Investment Manager of a Hedge Fund Index Constituent invests in derivatives at inopportune times or judges market conditions incorrectly, such investments may lower the Hedge Fund Index Constituent's return or result in a loss. A Hedge Fund Index Constituent also could experience losses if derivatives are poorly correlated with its other investments, or if a Hedge Fund Index Constituent is unable to liquidate its position because of an illiquid secondary market. The market for many derivatives is, or suddenly can become, illiquid. Changes in liquidity may result in significant, rapid, and unpredictable changes in the prices for derivatives.

## **Investments in Certain Jurisdictions; Investments in Emerging Markets**

Hedge Fund Index Constituents may invest directly or indirectly in securities of certain issuers (including certain government issuers) that involve special risks, including without limitation the risks of: (i) expropriation and nationalization, confiscatory taxation, and the potential difficulty of repatriating funds; (ii) general social, political and economic instability and adverse diplomatic developments; (iii) the imposition of trading controls, import duties or other protectionist measures; (iv) various laws enacted for the protection of creditors; (v) the possibility of the imposition of withholding or other taxes on dividends, interest, capital gain or other income; (vi) the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; (vii) fluctuations in the rate of exchange between currencies and costs associated with currency conversion; (viii) certain government policies that may restrict a Hedge Fund Index Constituent's investment opportunities; and (ix) the limited regulation of the securities markets in certain countries. In addition, the issuers of sovereign debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due, and a Hedge Fund Index Constituent may have limited recourse in the event of a default.

In addition, securities traded in certain emerging markets may be subject to additional risks due to, among other things, (i) the inexperience of financial intermediaries, (ii) a lack of modern technology, (iii) the lack of a sufficient capital base to expand business operations, (iv) the possibility of temporary or permanent termination of trading, (v) rapid development of political and economic structures, (vi) inflation, and (vii) settlement risk. In addition, accounting and financial reporting standards that prevail in certain emerging markets are not equivalent to standards in more developed countries and, consequently, less information is available to investors in companies located in such countries.

## **Legal, Tax and Regulatory Risks**

Legal, tax and regulatory changes could occur during the term of the Portfolio that may materially adversely affect the Portfolio. The regulatory and tax environment for derivative instruments in which the Portfolio or Hedge Fund Index Constituents may participate is evolving, and changes in the regulation or taxation of derivative instruments may materially adversely affect the value of derivative instruments directly or indirectly held by the Portfolio and the ability of the Hedge Fund Index Constituents, with which the Portfolio has exposure to, to pursue their trading strategies. The regulatory environment for hedge funds and other alternative investment vehicles generally is evolving, and changes in the direct or indirect regulation of hedge funds and other alternative investment vehicles may materially adversely affect the ability of Hedge Fund Index Constituents (and in turn the Portfolio) to pursue their respective investment objectives or strategies.

## **Failures of Counterparties, Brokers and Exchanges**

The Portfolio will be indirectly exposed to the credit risk of the counterparties with which, or the brokers, dealers and exchanges through which, the Hedge Fund Index Constituents deal, whether they engage in

exchange-traded or off-exchange transactions. A Hedge Fund Index Constituent's prime brokers or other parties may hold assets, including assets held as collateral for margin loans or other financing provided to such Hedge Fund Index Constituent. Under the terms of such arrangements and under applicable law, a secured party may be permitted to rehypothecate such assets in connection with securities lending or other transactions entered into by the secured party. Also, the Hedge Fund Index Constituents may be subject to a risk of loss of funds placed on deposit with a commodity broker or dealer, even if such funds are properly segregated.

In the case of a bankruptcy of the counterparties with which, or the brokers, dealers and exchanges through which, a Hedge Fund Index Constituent deals, a Hedge Fund Index Constituent might not be able to recover any of its assets held, or amount owed, by such person, even if property specifically traceable to such Hedge Fund Index Constituent, and, to the extent such assets or amounts are recoverable, the Hedge Fund Index Constituents might only be able to recover a portion of such amounts. Further, even if the Hedge Fund Index Constituent is able to recover a portion of such assets or amounts, such recovery could take a significant period of time. Prior to receiving the recoverable amount of the Hedge Fund Index Constituent's property, the Hedge Fund Index Constituent may be unable to trade any positions held by such person, or to transfer any positions and cash held by such person on behalf of the Hedge Fund Index Constituent. This could result in significant losses to the Hedge Fund Index Constituent, and in turn, the Portfolio.

Many of the markets in which the Hedge Fund Index Constituents effect their transactions are "over-the-counter" or "interdealer" markets. Participants in these markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets. To the extent a Hedge Fund Index Constituent invests in swaps, derivatives or synthetic instruments, or other over-the-counter transactions in these markets, the Hedge Fund Index Constituent may take a credit risk with regard to parties with which it trades and also may bear the risk of settlement default.

In addition, the Hedge Fund Index Constituents may engage in direct or indirect trading of securities, currencies, forward contracts, options, swaps and repurchase agreements on a principal basis. As such, the Hedge Fund Index Constituents as transferee or counterparty could experience both delays in liquidating the underlying security, future or other investment and losses, including: (a) the risk of the inability or refusal to perform with respect to such transactions on the part of the principals with which the Hedge Fund Index Constituent trades, including, without limitation, the inability or refusal to timely return the collateral posted by a Hedge Fund Index Constituent; (b) possible decline in the value of any collateral during the period in which the Hedge Fund Index Constituent seeks to enforce its rights with respect to such collateral; (c) the need to remargin or repost collateral in respect of transferred, assigned or replaced positions; (d) reduced levels of income and lack of access to income during such period; (e) expenses of enforcing its rights; and (f) legal uncertainty concerning the enforceability of certain rights under swap agreements and possible lack of priority against collateral posted under the swap agreements. Any such failure or refusal, whether due to insolvency, bankruptcy or other causes, could subject the Hedge Fund Index Constituent, and in turn the Portfolio, to substantial losses. The Hedge Fund Index Constituent will not be excused from performance on any such transactions due to the default of third parties in respect of other trades which in the Hedge Fund Index Constituent's trading strategies were to have substantially offset such contracts.

### **Changes to the Trading and Investment Strategies Utilized by Hedge Fund Index Constituents**

Hedge Fund Index Constituents may, from time to time, without prior notice to the Index Sponsor utilize additional investment strategies and sub-strategies, including investment strategies and sub-strategies that are not discussed herein, and/or remove, substitute or modify their investment strategies and sub-strategies or any of the types of investments then being utilized. Any such decision may result in all or a significant portion of a Hedge Fund Index Constituent's assets being allocated to a single investment strategy or sub-strategy or type of investment. There can be no assurance that a Hedge Fund Index Constituent's decisions in this regard will be successful or will not otherwise have an adverse effect on assets managed by such Hedge Fund Index Constituents and, in turn, the Portfolio. Shareholders will not have an opportunity to evaluate such decisions nor an opportunity to redeem their Shares prior to any such decision.

### **Limits of Risk Disclosure**

The above discussions relating to various risks associated with the Portfolio, the Shares, the Hedge Fund Index and the Hedge Fund Index Constituents are not, and are not intended to be, a complete enumeration or explanation of the risks involved in an investment in the Portfolio. Prospective investors should read the Prospectus and this Supplement and should consult with their own advisers before deciding whether to invest in the Portfolio. In addition, as the Portfolio's investment program or market conditions change or develop over time, an investment in the Portfolio may be subject to risk factors not currently contemplated or described in this Prospectus.

In view of the risks noted above, the Portfolio should be considered a speculative investment and investors should invest in the Portfolio only if they can sustain a complete loss of their investment. No guarantee or representation is made that the investment program of the Portfolio or any Hedge Fund Index Constituent will be successful, that the various Hedge Fund Index Constituents selected by the Index Sponsor will produce positive returns or that the Portfolio will achieve its investment objective.

#### **4 Particularities of the Index Swap Agreement and of the Reverse Repurchase Agreement**

The Portfolio will enter into (i) an Index Swap Agreement with the Index Swap Counterparty (which initially shall be Goldman Sachs International) under which the Portfolio will participate in the performance of the Hedge Fund Index and (ii) the Reverse Repurchase Agreement with the Reverse Repurchase Counterparty (which initially shall be Goldman Sachs International).

##### **Collateral**

The Reverse Repurchase Counterparty's obligations will be collateralised for at least 100% of its notional amount on a daily basis. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the Reverse Repurchase Counterparty. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian (and/or any of its affiliates) and/or any sub-custodian thereof. The Index Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to the Index Swap Counterparty remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

##### **Valuations**

The Reverse Repurchase Agreement and Index Swap Agreement will be valued by the Calculation Agent in accordance with industry standards based upon prices from Reverse Repurchase Agreement and Index Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law.

In reaching pricing determinations for the Index Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the underlying Index and the remaining period until the maturity of the Index Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Index Swap Agreement. Such valuation method will be used on a consistent basis.

These valuations are taken into account by the Umbrella Fund Administrator when calculating the Net Asset Value of the Portfolio.

In case of subscription, redemption or conversion of Shares, the nominal amounts under the Index Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Index Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Index Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are based on the effective Federal Funds rate. The returns generated to the Portfolio under the Index Swap Agreement are an appreciation (if any) of the Hedge Fund Index and those generated to the Index Swap Counterparty are based on USD LIBOR (as described more fully under section "1 Investment Policy" above).

##### **Effect of Index Disruption on the Swap Agreement**

The Index Swap Agreement sets out the consequences of certain events which may impact investors in the Portfolio:

###### *Rebasing of the Hedge Fund Index*

If the Index Calculation Agent under the Index Swap Agreement determines that the Hedge Fund Index has been rebased or will be rebased at any time (the "**Rebased Index**") (a) the Index Calculation Agent shall as soon as reasonably practicable notify the Umbrella Fund and the Index Swap Counterparty of such occurrence and (b) the Rebased Index will be used for purposes of determining the relevant Hedge Fund Index from the date of such rebasing, provided, however, that the Index Calculation Agent under the Index

Swap Agreement shall make adjustments to the past levels (including for the avoidance of doubt, any relevant monthly estimates) of the Rebased Index so that the Rebased Index reflects the same historical performance as the Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Index Swap Agreement or to investors.

#### *Manifest Error in Publication*

If the Hedge Fund Index level used for the making of any determination under the Index Swap Agreement is corrected to remedy a material error in its original publication the Index Calculation Agent will notify the Umbrella Fund and the Index Swap Counterparty of such correction; and (a) the Index Calculation Agent under the Index Swap Agreement will determine and notify the Umbrella Fund and the Index Swap Counterparty of the amount that is payable by the Umbrella Fund or the Index Swap Counterparty as a result of that correction as an adjustment payment to previous amounts paid under the Index Swap Agreement; and (b) the Index Calculation Agent under the Index Swap Agreement will adjust the terms of the Index Swap Agreement to account for such correction. Following any such adjustment the Board of Directors of the Umbrella Fund shall consider whether any adjustments are necessary to the terms of the Shares.

Where, as the result of a miscalculation of the Net Asset Value per Share of any Class, including as a result of an error in publication of the Hedge Fund Index, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

#### *Hedge Fund Index Substitution and Potential Dissolving of the Portfolio*

If at any time (i) the Hedge Fund Index is not published for a period of 30 calendar days; or (ii) the Index Calculation Agent discontinues the calculation and publication of a Hedge Fund Index; (iii) the Index Sponsor materially changes the formula for or the method of calculating the Hedge Fund Index or the nature of the assets underlying the Hedge Fund Index or in any other way materially modifies the Hedge Fund Index, or (iv) the minimum of 12 Eligible Hedge Fund Index Constituents are not available; then the Index Calculation Agent shall, by giving not less than 30 calendar days' notice, designate a date (the "**Substitution Date**"), by which date the Umbrella Fund and the Index Swap Counterparty shall agree on a substitute Hedge Fund Index (any index so identified by the parties, a "**Substitute Index**" in relation to such Hedge Fund Index).

Following identification of a Substitute Index, the Index Calculation Agent shall, following consultation in good faith with the Umbrella Fund and the Index Swap Counterparty, as of the Substitution Date make adjustments to the past levels of the Substitute Index so that the Substitute Index reflects the same historical performance as the Hedge Fund Index or otherwise make adjustments such that, as of the Substitution Date, the value of the closing level of the Hedge Fund Index shall be reflected in the opening level of the Substitute Index.

Any such substitution shall not affect any prior payments made under the Index Swap Agreement or to investors. Shareholders will be notified of any Substitute Index and will be granted with a one month period free of charges to redeem their shares should they disagree with the contemplated change.

If Goldman Sachs International and the Umbrella Fund are unable to identify a suitable Substitute Index and suitable modifications to that index, the Index Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus. If no suitable Substitute Index can be determined in a reasonable time period by the Index Calculation Agent using its discretion, the Portfolio will be liquidated and the investors will receive *pro-rata* redemption amounts following the realisation of such amounts. Investors should note that there may be a delay in realising redemption amounts due to illiquidity of the underlying assets referenced by the Index in the above circumstances.

#### *Market Disruption Events and other events affecting the Hedge Fund Index level*

As further described under Hedge Fund Index Description above.

#### *Market Disruption Fallbacks*

As further described under Hedge Fund Index Description above.

#### *Termination of the Index Swap Agreement*

In the event of a prolonged Market Disruption Event which the Index Calculation Agent of the Index Swap Agreement (acting in conjunction with Umbrella Fund and the Index Swap Counterparty) believes materially

affects its ability to issue, convert and/or redeem Shares of any Class, the Index Swap Agreement will be terminated. If no suitable Substitution Index can be determined in a reasonable time period the Index Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

## 5 Characteristics

### 5.1 Available Share classes

Class “A” Shares: class of Shares dedicated to retail investors;

Class “A (EUR Hedged)” Shares: class of Shares dedicated to retail investors.

### 5.2 Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange	Bloomberg Page
A (USD)	USD	Accumulation	LU0520019356	None	GSDSFAU LX
A (EUR Hedged)	EUR	Accumulation	LU0520019430	None	GSDSFAE LX

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
A (USD)	5.00%	5.00%	2.25% p.a.	USD 100,000	USD 100,000	USD 100,000
A (EUR Hedged)	5.00%	5.00%	2.25% p.a.	EUR 50,000	EUR 50,000	EUR 50,000

- \* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items “I. Expenses” and “II. Fees” of the section “*Expenses, Fees and Costs*” of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0.265% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

### 5.3 Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement

Valuation Day	Subscription/Conversion/Redemption Date and Cut-Off Time (D)**	Settlement Date
The 2 <sup>nd</sup> and 4 <sup>th</sup> Wednesday of each month (which is a Business Day* and if such date is not a Business Day, the following Business Day)	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days ***
	14 days before the relevant Valuation Day before 4 p.m. CET Luxembourg time	

- \* Business Day is any day on which banks are open for normal banking business in Luxembourg (“Luxembourg Business Day”) and on which banks are open for normal banking business in London (“London Business Day”).

\*\* D is any day on which the subscription, redemption and conversion applications are accepted by the Registrar and Transfer Agent.

\*\*\* Local Business Day is any Business Day on which commercial banks are open for business in the principal financial centers of the currencies of payment for the relevant Share Class and the base currency of the Portfolio.

Investors should be aware that the Net Asset Value calculated as of each Valuation Day will be published two Luxembourg Business Days after the relevant Valuation Day.

A Net Asset Value will be calculated on each Business Day, on days different from the Valuation Day. Any such Net Asset Value published on days that are not Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out above; and (ii) based on previously available Net Asset Values with adjustments made for the expense accrual.

Investors are made aware that in case of the occurrence of a Market Disruption Event affecting a Valuation Day, the Net Asset Value may not be calculated or published for such Valuation Day (as detailed in the section headed “1 Particularities of the Index Swap Agreement and of the Reverse Repurchase Agreement”) and, as a consequence, the processing of investors’ subscription/conversion/ redemption orders will be postponed accordingly.

Nonetheless investors will be bound by any application so sent on any Luxembourg Business Day, notwithstanding the fact that the applicable Valuation Day may be postponed in case of occurrence of a Market Disruption Event affecting such Valuation Day.

### ***Payment of Subscription Proceeds and Redemption Proceeds***

Subscription proceeds must be paid within 3 Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within 3 Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within the 3 Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund’s Auditors (*réviseur d’entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Redemptions in Kind***

Notwithstanding anything to the contrary in the Prospectus, no Share may be redeemed in kind and the Umbrella Fund will not accept any requests for redemption in kind.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Investment Administrator: Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail, institutional and professional investors wishing to approximate the exposure of a highly diversified and representative portfolio of hedge funds.

### ***Dividend Policy***

The Portfolio does not intend to pay dividends. Income earned by the Portfolio will be reinvested.

## **Addendum dated October 2010 to the Prospectus and its fourteen Supplements dated January 2010**

### **Shareholders are informed that:**

- I. The Supplement XIII for Alternative Alpha Tactical Trading Index Portfolio dated January 2010 is replaced by the below Supplement XIII dated October 2010.
- II. The Supplement XVI for the BRICs Nifty 50 Emerging Markets Portfolio and the Supplement XVII for the BRICs Nifty 50 Developed Markets Portfolio both dated May 2010, which have been introduced by the Addendum dated May 2010 to the Prospectus and its fourteen Supplements dated January 2010, are replaced by the Supplements XVI and, respectively, the Supplement XVII below both dated October 2010.
- III. Two new Portfolios have been created within the Umbrella Fund with the characteristics described in the Supplements XIX and XIX below.

## **Supplement XIII to the Prospectus**

### **External Alpha Strategies**

# **Goldman Sachs Structured Investments SICAV – Alternative Alpha Tactical Trading Index Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***

**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Alternative Alpha Tactical Trading Index Portfolio (the “Portfolio”), one of the External Alpha Strategies Portfolios of the Umbrella Fund, which uses third party manager skills to generate returns.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Umbrella Fund: the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares; the determination of the Net Asset Value; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share classes that are available as of the date of the Prospectus.

October 2010

# **Goldman Sachs Structured Investments SICAV – Alternative Alpha Tactical Trading Index Portfolio**

Unless the context requires otherwise, “Goldman Sachs” refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries.

<b>Investment Objective</b>
<p>The investment objective of the Portfolio is to provide investors with an exposure to the performance of the Alternative Alpha Tactical Trading Index (the “Index”) reflecting the returns of a diversified portfolio of hedge funds with tactical trading strategies.</p> <p>The diversification of the Index is limited to hedge funds which are classified with an investment strategy which is the same as the Index and which are available on the InvestorSelect Managed Account Platform, which is the Goldman Sachs platform of hedge funds in managed account<sup>1</sup> form.</p> <p><b>The Portfolio’s ability to achieve the investment objective is subject to various independent risk factors including changes to fiscal, financial or commercial regulation, national and international political, military, terrorist and economic events and third party investment performance. No assurance is given that the investment objective will be met.</b></p>

## **OVERVIEW**

The Portfolio will issue nine Share classes available for investment. Shares are available in three Pricing Currencies, GBP, USD and EUR, and for each such currency there are three Share classes, with minimum subscription and holding of 1,000 units of currency, 100,000 units of currency and 1,000,000 units of currency respectively. See “12 Characteristics” for details of the Share classes.

To achieve its investment objective, the Portfolio will enter into (i) a swap agreement (the “Swap Agreement”) under which it will participate in the performance of the Index and (ii) a reverse repurchase agreement (the “Reverse Repurchase Agreement”). Initially, the counterparty to the Swap Agreement (“Swap Agreement Counterparty”) and to the Reverse Repurchase Agreement (“Reverse Repurchase Agreement Counterparty”) will be Goldman Sachs International. See “1 Investment Policy” and “11 Particularities of the Swap Agreement and of the Reverse Repurchase Agreement” for details of the operation of the Swap Agreement and the Reverse Repurchase Agreement.

Under the Swap Agreement, the Portfolio will pay a regular cash flow based on the weekly USD LIBOR rate and receive a return based on the performance of the Index. See “2 Overview of the Index” for an overview of the Index and Sections 4 through 8 for a detailed description of the operation of the Index.

## **IMPORTANT INVESTOR DISCLOSURE**

### **Key Risks related to the Portfolio**

An investment in the Portfolio carries with it a significant degree of financial risk. The value of Shares, and the return generated from them, may go up or down, and an investor in the Shares may not recover the amount initially invested.

**These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, Investors should read carefully the sections entitled “*Principal Risks of Investing in the Portfolio*” in this Supplement as well as under sections “*Investment Risks*”, “*What to Know Before You Invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus in order**

<sup>1</sup> Managed account: a segregated fund managed by an investment manager for the benefit of one or more specific investors pursuing a specific investment strategy. Investors should note that managed accounts can have different degrees of leverage versus the flagship fund. Although each managed account aims to reflect the investment objective of its corresponding flagship fund, there may be tracking errors between the performance of the managed account versus its flagship fund as a result of which their performance may not be identical. For more information on managed accounts, see the Index Portal page on the Goldman 360 website.

**to understand the risks related to an investment in the Shares issued by the Portfolio and to determine the suitability of the investment for them.**

Potential investors in the Portfolio should pay particular attention to the following:

**(I) No principal protection**

The Shares in the Portfolio are not principal protected. None of the Portfolio, the Index or the Index Constituents (as defined below) include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

**(II) Alternative Investments**

Investors in the Portfolio are exposed to the price risks of the Index Constituents. The Index Constituents are alternative investments, which are not subject to the same regulatory requirements or governmental oversight as mutual funds and which often engage in leverage and other investment practices that are extremely speculative and involve a high degree of risk. Such practices may increase the volatility of performance and the risk of investment loss in an Index Constituent, including the loss of the entire amount invested in such Index Constituent. Index Constituents may have a higher risk of financial irregularities and/or lack of appropriate risk monitoring and/or controls.

**(III) Investment managers**

The investment managers of the Index Constituents (the “Investment Managers”) are independent entities and no Goldman Sachs entity makes any representation or warranty as to the conduct or performance of the Investment Managers and shall not be liable for any decisions and actions taken by any such Investment Managers. The selection of the Investment Managers is a function of the application of the Index Methodology (as defined below) for determining the Index Constituents. The Index is not a managed Index and the inclusion of a hedge fund managed by a particular Investment Manager in the Index is not to be taken as any recommendation on the part of Goldman Sachs of that Investment Manager or the corresponding hedge fund.

**(IV) Index Constituents**

An investment in the Portfolio involves a risk of fluctuation because the number and weightings of the Index Constituents underlying the Portfolio may change over time. The composition of the Index shall include at least 6 Index Constituents, but there is no limit on the maximum number of Index Constituents, whose respective weightings shall be reallocated from time to time in accordance with the Index Methodology.

**(V) Exposure and Leverage**

The exposure of the Portfolio to the Index may vary over time. The Portfolio may use leverage from time to time, as described further in this Supplement, as the exposure of the Portfolio to the Index may differ from 100% of its asset value but shall not exceed 125% of the Net Asset Value of the Portfolio (as described below). This exposure may vary due to, among other things, subscriptions, conversions and redemptions of the Shares of the Portfolio and discrepancies in liquidity and settlement cycles between the Index Constituents and the Portfolio. The Portfolio may use leverage to the extent necessary to satisfy conversion and redemption orders. Leverage may increase exposure to the Index and magnify the volatility and risk of loss should the value of the Index or the performance of its Index Constituents decline. Conversely, the exposure of the Portfolio to the Index may decrease to satisfy subscription orders, which in turn could diminish the returns of the investment in the event of a positive performance of the Index or its Index Constituents. In addition, in limited circumstances, such as when subscription orders of Index Constituents are awaiting placement in order to effect a rebalancing of the Index as described in this Supplement, the Index may from time to time include a residual notional cash component which would earn a zero return. Finally, the Index Constituents, being managed accounts (as described in the section headed “*Overview of the Index*”), may use leverage in the course of their business which means that the returns achieved by the Index Constituents may differ from the returns achieved by their corresponding flagship funds.

**(VI) Volatility**

The Index Constituents can be highly volatile, which means that their value may increase or decrease significantly over a short period of time. In particular, hedge fund strategies are highly volatile in terms of performance because such strategies may combine long and/or short positions in liquid instruments across the market. It is impossible to predict the future performance of the Index Constituents based on their historical performance. The return on an investment linked to the Index may vary substantially from time to time. Volatility in one or more Index Constituents will increase the risk of an adverse effect on such a return caused by a fluctuation in the value of one or more of the Index Constituents. There is no volatility control embedded in the Index beyond the rebalancing algorithm which rebalances the Index Constituent Weights.

## **(VII) Tracking**

As the exposure of the Portfolio varies (as described in paragraph V above), investors in the Shares should not expect the Portfolio to track the performance of the Index linearly.

## **(VIII) Winding-up of the Portfolio and Termination of the Swap Agreement**

The Index may be terminated for a number of reasons, including if less than 6 hedge funds are eligible for inclusion in the Index as Index Constituents, or if the capacity of the Index Constituents for subscription is such that the weight of a hedge fund as an Index Constituent in the Index would necessarily be greater than 20%. If the Calculation Agent and parties to the Swap Agreement are unable to identify a suitable substitute index and suitable modifications to that index, the Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by the Swap Agreement Counterparty, in case that, as a result of any existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) such Swap Agreement Counterparty is unable to hedge the Swap Agreement, or (ii) such Swap Agreement Counterparty incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

## **(IX) No Active Management**

The Index is a strategy designed by the Index Sponsor (as defined below) based on algorithms operating within pre-determined rules. There will be no active management of the Index so as to enhance returns beyond those embedded in the Index.

## **(X) The Index is rebalanced in certain circumstances, which could either improve or diminish its overall performance**

As further described in this Supplement, the Index is rebalanced from time to time to shift weight out of hedge funds exhibiting higher or lower performance relative to the Index back towards their target weights in order to maintain distribution of exposure between the funds. The rebalancing may either improve or diminish the overall performance of the Index.

## **(XI) Investors in Shares issued by the Portfolio have no rights in the hedge funds included in the Index**

The investment exposure provided by the Index is synthetic. Investing in Shares issued by the Portfolio will not make an investor a holder of, or give an investor a direct position in, the Index, any hedge funds constituting the Index or any residual notional cash component.

## **(XII) Counterparty risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Swap Agreement Counterparty and the Reverse Repurchase Agreement Counterparty. As a result, the Portfolio will be exposed to the creditworthiness of the counterparties. Although both the Swap Agreement and the Reverse Repurchase Agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates and the full value of such collateral may not be realized in an event of default. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are not collateralised.

## **(XIII) Conflicts of interest**

Goldman Sachs International (which initially is both the Swap Agreement Counterparty and the Reverse Repurchase Agreement Counterparty) and its affiliates actively trade in various ways related to the hedge funds constituting the Index. Such trading activity could adversely affect the levels of the Index and therefore the value of each Share class issued by the Portfolio.

## **(XIV) Correction Upon Manifest Error in Calculation**

Where, as the result of a miscalculation by the Calculation Agent (as defined below) of the Net Asset Value per Share of any class, a Shareholder has received a payment or Shares in excess of the correct value, the Shareholders, and, if different, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the

Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error, authorizes the Umbrella Fund to cancel such Shares in order to correct such error and effect such repayment.

#### **(XV) Termination of the Swap Agreement**

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by the Swap Agreement Counterparty, in case that, as a result of any existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) such Counterparty is unable to hedge, in whole or in part, the Swap Agreement or (ii) such Counterparty incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

### **Information on the Index**

Index levels, details of the composition of each Index and the Index Constituent Weights will be made available on [www.gs-structured-sicav.com](http://www.gs-structured-sicav.com) or some other electronic facility, as specified by the Index Sponsor, and are otherwise generally available on request from the Index Sponsor. Any changes to the Index methodology or data sources will also be fully disclosed and made available to investors. **Investors in the Portfolio or any products linked to the Index should regularly consult the Index Information Source (as defined below) for important disclosure regarding their investment.**

## **1 Investment Policy**

To achieve its investment objective, the Portfolio will enter into (i) the Swap Agreement with the Swap Agreement Counterparty (which initially shall be Goldman Sachs International) under which the Portfolio will participate in the performance of the Index and (ii) the Reverse Repurchase Agreement with the Reverse Repurchase Agreement Counterparty (which initially shall be Goldman Sachs International). The notional amount of the Swap Agreement and the Reverse Repurchase Agreement will be adjusted from time to time to reflect variations in the Index level and new subscriptions, conversions and redemptions of Shares.

#### **Reverse Repurchase Agreement**

The Reverse Repurchase Agreement is designed to provide a cash flow (which is from time to time referred to as the "net returns" in this supplement) to enable the Portfolio to make its payments to the Swap Agreement Counterparty and to secure collateral in respect of the Reverse Purchase Agreement Counterparty.

Under the Reverse Repurchase Agreement, the Portfolio will make an outlay equal to the proceeds received from the net subscription of Shares to the Reverse Repurchase Agreement Counterparty, in return for which it will obtain (i) regular floating rate payments linked to effective Federal Funds rate and (ii) a diversified portfolio of transferable securities for use as collateral against its outlay. The Reverse Repurchase Agreement Counterparty will also agree to pay a specified price upon the return of the collateral.

If an amount received by the Portfolio under the Reverse Repurchase Agreement is greater than the corresponding amount due to be paid by the Portfolio under the Swap Agreement, the excess may be used to meet other commitments of the Portfolio. If an amount received by the Portfolio under the Reverse Repurchase Agreement is less than the corresponding amount due to be paid by the Portfolio under the Swap Agreement, the Portfolio may use its other assets to make payments under the Swap Agreement.

Within the limits set forth in this Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of Share classes denominated in foreign currency.

#### *Reverse Repurchase Agreement Eligible Securities*

**Reverse Repurchase Agreement Collateral Requirement:** Under current market conditions, the Reverse Repurchase Agreement will be collateralised within a range of 100% to 110% of its notional amount. The level of collateralisation may vary within such range depending on the type of collateral posted at any time.

**Composition of collateral:** any eligible collateral detailed in the section of the Prospectus headed "*Repurchase Agreements and Reverse Repurchase Agreements*", as provided in the Regulatory Authority

Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments.

**Currencies:** Collateral shall be delivered in each country's respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

## **Swap Agreement**

Under the Swap Agreement, the Portfolio will pay a regular cash flow based on weekly USD LIBOR to the Swap Agreement Counterparty. In addition, the Swap Agreement Counterparty will be obligated to make periodic payments to the Portfolio based on any increases in the Index level, and the Portfolio will be obligated to make payments to the Swap Agreement Counterparty based on any decreases in the Index level.

Positive returns on the Index level under the Swap Agreement may be reinvested in the Reverse Repurchase Agreement or left in the Portfolio as cash. If cash is available, it may be used to fund the value of negative returns on the Index level under the Swap Agreement. Otherwise, such negative returns will be funded by a total or partial unwinding of the Reverse Repurchase Agreement.

For the avoidance of doubt, the net returns under the Reverse Repurchase Agreement and under the Swap Agreement may not be the same.

The Swap Agreement shall provide a total investment exposure to the Index in a variable proportion which may vary from time to time but shall not exceed 125% of the Net Asset Value of the Portfolio at any time. Financing costs equal to one-month USD LIBOR plus a financing spread may apply to the Swap Agreement in relation to any investment exposure to the Index in excess of 100%. The financing spread may be reviewed from time to time to reflect current market conditions but is not expected to exceed 2.0% per annum and may be significantly lower.

The notional amount for the purposes of the Swap Agreement will be an amount in U.S. Dollars. The Swap Agreement may be resized from time to time. On such resize dates, the Portfolio will be able to increase or decrease the notional amounts of the Swap Agreement, subject to agreement of Swap Agreement Counterparty, providing always that total investment exposure to the Index shall not exceed 125% of the Net Asset Value of the Portfolio. Such exposure limit ensures that, in compliance with UCITS funds regulations, under no circumstances shall the total investment exposure of the Portfolio to the Index exceed 200% of the Net Asset Value of the Portfolio.

The Swap Agreement will be collateralised to comply, at least, with the requirements set forth under the heading "*Derivatives Instruments*" in the "*Investment Restrictions*" section of the Prospectus. To mitigate credit exposure to the Portfolio and to the Swap Agreement Counterparty, the collateral may be adjusted to maintain exposures within the relevant thresholds.

Goldman Sachs International acts as calculation agent under the Swap Agreement (as such, Goldman Sachs International is from time to time referred to as the "Calculation Agent" in this Supplement) and the Reverse Repurchase Agreement.

See "11 Particularities of the Swap Agreement and of the Reverse Repurchase Agreement" for further details of the Swap Agreement and the Reverse Repurchase Agreement.

## **Goldman Sachs Financial Products Europe Public Limited Company as possible operational counterparty for the Swap Agreement and the Reverse Repurchase Agreement**

Goldman Sachs Financial Products Europe Public Limited Company, Ireland ("GSFPE") (as further described below), may replace Goldman Sachs International as the Swap Agreement Counterparty and the Reverse Repurchase Agreement Counterparty, with Goldman Sachs International acting as its agent.

As of the date of this document, Goldman Sachs International is both the Swap Agreement Counterparty and the Reverse Repurchase Agreement Counterparty, acting as principal.

## **GSFPE**

GSFPE is a special purpose vehicle constituted as a public limited company in Ireland on 1 February 2008 under the Companies Acts 1963 to 2006. GSFPE has an authorised share capital of €40,000 and an issued share capital of €40,000.

The principal objects for GSFPE include the management of financial assets, including the purchase, transfer or acquisition of, or investment in, loans, bonds or other obligations, by any means including by extension of credit and receipt of any security therefore, raising and borrowing money and granting security over GSFPE' assets for such purposes.

As the date of this document, the directors of GSFPE are Jennifer Coyne and David McGuinness.

No director of GSFPE has any potential conflicts of interest between their duties to GSFPE and their private interests and/or their duties to third parties.

If GSFPE does become counterparty to the Swap Agreement and the Reverse Repurchase Agreement, then investors will be subject to the same credit risk profile as if Goldman Sachs International remained such counterparty.

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

### **Index Tracking**

The Investment Administrator will use a passive strategy to achieve the exposure to the Index by entering into the Swap Agreement and the Reverse Repurchase Agreement.

The exposure of the Portfolio to the Index will vary over the course of time as described in this Supplement. Several factors, including subscriptions, conversions and redemptions for Shares of the Portfolio, may affect the exposure of the Portfolio to the Index. This means that while the Net Asset Value of a Share class within the Portfolio will be generally linked to the changes in the level of the Index (whether flat, falling or rising), subject to the applicable costs (see "12.2 Characteristics of the Share classes available in the Portfolio") the performance of the Portfolio as a whole may differ from the performance of the Index. It is highly likely that the value of the Shares in the Portfolio will be adversely affected by a decline in the value of the components of the Index.

The Investment Administrator will not engage on behalf of the Portfolio in any activity designed to obtain profit from, or reduce losses caused by, changes in value of the components of the Index.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described in the section of the Prospectus headed "*Special Investment and Hedging Techniques*".

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described in "11 Particularities of the Swap Agreement and of the Reverse Repurchase Agreement" for and in the section of the Prospectus headed "*Special Investment and Hedging Techniques*".

## 2 Overview of the Index

The following overview of the Index is a summary and, as such, is necessarily incomplete. This overview should be read in conjunction with, and is qualified by, the more detailed description of the Alternative Alpha Tactical Trading Index and its operation that follows herein.

### 2.1 Overview

The Index comprises a weighted basket of hedge funds, selected from the hedge funds that are available on the InvestorSelect Managed Account Platform, the Goldman Sachs platform of managed accounts.

The Index methodology identifies the hedge funds that are classified by Goldman Sachs International, as arranger of the platform, as having an investment strategy that corresponds to the investment objective of the Index, “tactical trading”, and that otherwise satisfy the eligibility criteria for inclusion in the Index (the “Index Constituents”), and aims to provide a diversified exposure to those hedge funds. There will always be at least 6 Index Constituents in the Index.

In order to maintain a diversified exposure, the Index is rebalanced under two main circumstances. First, on the inclusion or removal of a fund as an Index Constituent so that if a new fund joins the Index, or a fund leaves the Index, the Index is rebalanced to maintain distribution of exposure across the Index Constituents that is as even as possible. Second, if one or more funds perform particularly strongly or poorly relative to the rest of the Index, the Index is rebalanced in order to ensure that the exposure to such funds remains sufficiently diversified.

Each fund in the Index has a target weight – such that, if the Index were rebalanced optimally, each fund would be weighted at its target weight (the “Target Weight”). Under normal circumstances, the Target Weight of each fund is simply one *divided by* the number of funds in the Index. The Target Weight of a fund will only differ from that of other funds if that fund has limited capacity for the placing of subscription orders.

As the performance of the funds relative to the Index changes, the effective weights of the funds in the Index will also change (the “Index Constituent Effective Weight”). For example, consider 10 funds each with an initial price of 100, each weighted equally at 10% in calculation of the Index value. Now suppose that the price of one of the funds increases to 190, and the price of the remaining nine funds falls to 90. As a whole, the performance of the Index remains flat. However, the effective weight of the funds has changed: the single fund whose price has increased now represents 19% of the Index level, whereas the other funds represent only 9% each of the Index level.

A rebalancing of the Index is triggered whenever the Index Constituent Effective Weight moves too far (whether upwards or downwards) from a fund’s Target Weight. A rebalancing is triggered whenever the Index Constituent Effective Weight falls below half of the fund’s Target Weight, or whenever the Index Constituent Effective Weight increases above 1.5 times the fund’s Target Weight. No matter what the Target Weight of a fund, a rebalancing will also be triggered if the Index Constituent Effective Weight increases above 16% (unless there are only 6 funds in the Index, in which case the barrier is 18%). Similarly, the Index is rebalanced whenever a fund is added to, or removed from, the Index.

The weights that apply to the funds in the Index for purposes of calculating the level of the Index are updated upon the notional execution of the relevant subscription and redemption orders (the “Index Constituent Weights”). Such day is referred to as a “Rebalancing Date”. The Index Constituent Weights determined at the close of a Rebalancing Date are used to determine the level of the Index until the close of the next Rebalancing Date.

The level of the Index is calculated on a following index business day basis and the Index level is published on the index business day following its calculation, on the dedicated Bloomberg page GSIAATT <Index>. The level of the Index at any given time is calculated from the level of the Index as of the previous rebalancing date, multiplied by the weighted average performance of the funds in the Index since the last rebalancing date. All other things being equal, the level of the Index will increase if the performance of the hedge funds in the Index improves, and vice versa.

### 2.2 Other Key Features of the Index

**Alternative Alpha Indices:** The Index is one of the Alternative Alpha Indices, each of which provides exposure to a weighted combination of hedge funds, which are selected from the hedge funds that are available on the GS InvestorSelect Managed Account Platform. Each of the Alternative Alpha Indices follows a different investment objective and hedge funds are included in such Index based on the investment objective of the hedge funds.

**Tactical Trading Strategy:** The strategy of the Index, constituting hedge funds where the managers create strategies that seek to exploit market inefficiencies via directional exposure to the four principal asset classes: currencies, interest rates, commodities and equities.

**Synthetic Weighted Exposure:** The Index is designed to put the investor in a commercial position largely equivalent to having a direct weighted investment position in the Funds with the same investment objective as the Index. However, investing in the Index will not make an investor a holder of, or give an investor a direct weighted investment position in, the underlying Funds.

**Index Constituent Weights Determined by the Algorithm, Not Managed:** The Index Constituent Weights are determined and rebalanced from time to time by an algorithm which operates according to a set of pre-determined rules. The Index is, therefore, not a managed Index.

**Capacity Factor and Target Weight:** Each Fund is assigned a number between 0 and 1 by the Index Sponsor (the “Capacity Factor”), which can change over time to reflect the availability of the Fund as determined by the Index Sponsor. The default value of the Capacity Factor is 1, if the Fund is fully open to subscriptions. The Target Weight of a Fund in the Index is the ratio of the Capacity Factor of such Fund divided by the sum of all the Capacity Factors of Funds in the Index. At any given time, if there are no restrictions on subscriptions to any Funds, the Capacity Factor of each Fund will be 1, and the Target Weight of each Fund will be the same as every other Fund; equal to the ratio of one divided by the number of Funds in the Index.

**Number of Funds and Cap on Exposure:** At any time there will be at least 6 Funds in the Index, and if the effective weight of a Fund in the Index rises above 16% (or, if there are only 6 Funds in the Index, 18%), then a rebalancing will be triggered to reduce such effective weight.

**Addition and Removal of Funds:** If a Fund comes to be eligible for inclusion in the Index, it will be added to the Index as soon as is practicable through a rebalancing of the Index. If a Fund comes to no longer be eligible for inclusion in the Index, or the Index Sponsor reasonably believes that an Index Constituent is likely to no longer satisfy one or more of the eligibility criteria for inclusion, the Fund shall be removed from the Index as soon as is possible through rebalancing.

**Delay in Rebalancing:** The Index is rebalanced only when the notional redemption and subscription orders generated by the occurrence of a Trigger Event are notionally executed. The Effective Weight of a Fund may be significantly far from the Target Weight of such Fund for a significant period of time, both before the Trigger Event actually occurs, and while the orders notionally placed as a result of such Trigger Event are notionally executed. Such delay in rebalancing the weights of the funds in the Index will affect the level of the Index.

**Initial Index level:** Because the Index is synthetic, its initial level was arbitrary. The value of the Index will track over time the performance of the rebalanced combination of funds in such Index as described herein.

**Use of Estimated Values:** The estimated net asset values of each Fund (the “Estimated Fund NAV”) in the Index are used to compute the published level of the Index on any given day, unless the Confirmed Price is available. Such values may differ from the Confirmed Price of the Fund for such day, if applicable, which is published on a later date by the Fund Administrator. The Confirmed Prices are not used to adjust historical Index levels, but are used in some aspects of the calculation of future Index levels.

**Publications:** The published level of the Index as of each Index Business Day is calculated on the first Index Business Day following such day, and published on the second Index Business Day following such day.

**Currency:** All Funds in the Index are denominated in USD and the Index is calculated in USD.

**Modifications:** Any material modifications, including changes to the eligibility criteria for the inclusion of Funds as Index Constituents, will be disclosed on the Index Information Source.

### 3 Definitions

**Capacity Factor.** For each Index Constituent, a value between 0 and 1, allocated by the Index Sponsor, which can change over time to reflect the availability of the Fund as determined by the Index Sponsor. On the Effective Date, the Capacity Factor of each Index Constituent is equal to 1. Unless disclosed otherwise, each new Index Constituent shall have a Capacity Factor equal to 1 upon its inclusion in the Index. Changes to the Capacity Factors applicable to Index Constituents, if any, will be published on the Index Information Source.

**Confirmation Date.** With respect to a notional order executed on an Index Constituent Valuation Date for an Index Constituent, the Fund Administrator Business Day on which the Confirmed Price is communicated by the Fund Administrator, as applicable, for such notional order.

**Confirmed Price.** With respect to a notional order executed on an Index Constituent Valuation Date for an Index Constituent, the official price of a share of the relevant Fund as of the Index Constituent Valuation Date for such notional order, as received by the Index Sponsor, available on the corresponding Confirmation Date.

**Disrupted Day.** Any Index Business Day for which: (i) the Index Calculation Agent is unable to calculate the level of the Index or (ii) a Market Disruption Event (see 8.2 Market Disruption Events”) has occurred.

**Estimated Fund NAV.** For each Fund, the estimated net asset value of such Fund on a Fund Administrator Business Day, as made available by the relevant Fund Administrator.

**Effective Date.** 11 October 2010.

**Fund.** A fund available on the GS InvestorSelect Managed Account Platform and eligible for inclusion as a component of the Index Basket comprising a specific Alternative Alpha Index, as determined by the Index Sponsor.

**Fund Administrator.** For each Fund the entity that carries out the administration of such Fund and publishes net asset values for such Fund.

**Fund Administrator Business Day.** For each Index Constituent, the days on which the Fund Administrator for the relevant Fund publishes NAVs (whether on an estimated or confirmed basis).

**Hypothetical Order List.** Orders, related to a Trigger Event, that if notionally placed, would serve to fully rebalance the Index in accordance with the weight allocation methodology.

**Index Basket.** Set of all Index Constituents that comprise the Index, as amended from time to time.

**Index Business Day.** Any day which is a New York Business Day, a London Business Day and which is not a Disrupted Day. If a day is a New York Business day and a London Business Day, but is a Disrupted Day, the Index Sponsor may determine in its sole discretion to provide the Published Index Level in accordance with “8.2 Market Disruption Events”, and such day will be deemed to be an Index Business Day.

**Index Calculation Agent.** Goldman Sachs International.

**Index Calculation Date.** For any given Index Business Day, the immediately following Index Business Day on which the Published Index Level for such immediately preceding Index Business Day is calculated.

**Index Constituent.** A Fund determined to be a component of the Index Basket by the Index Sponsor.

**Index Constituent Effective Weight.** For any given Index Business Day, the effective weight of an Index Constituent, based on the Index Constituent Weight as of the close of the previous Rebalancing Date and the performance of the Index Constituent relative to the Index since such Rebalancing Date, expressed mathematically as in “5.3 Index Constituent Effective Weight”.

**Index Constituent Valuation Date.** Any day on which the Fund provides for the notional execution of a redemption or subscription order of shares.

**Index Constituent Weight.** The percentage weight that applies to each Index Constituent at any given time for purposes of calculating the Index level.

**Index Determination Day.** Any Index Valuation Day on which an Unpublished Index Level as of an earlier Index Valuation Day is calculated.

**Index Information Source.** The electronic facility, [www.gs-structured-sicav.com](http://www.gs-structured-sicav.com), or some other electronic facility specified by the Index Sponsor, on which information about the Index and any changes to the Index methodology or data sources will be fully disclosed and made available to investors. If such electronic facility is not available at any time, such information will generally be available from the Index Sponsor on request from investors.

**Index Publication Date.** For any given Index Business Day, the Index Business Day immediately following the corresponding Index Calculation Date on which the Index level for such Index Business Day is published.

**Index Sponsor.** Goldman Sachs International.

**Index Valuation Day.** Any day which is either a Rebalancing Date or an Index Business Day.

**London Business Day.** Each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in London generally are authorized or obligated by law, regulation or executive order to close.

**NAV.** For each Index Constituent, the net asset value provided by the respective Fund Administrator for the relevant Fund as defined in “5.2 Index Level Calculation” (which may be the Confirmed Price or the Estimated Fund NAV).

**New York Business Day.** Each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York generally are authorized or obligated by law, regulation or executive order to close.

**Notice Date.** With respect to any Index Constituent Valuation Date, the latest date on which the relevant Fund will accept a notice to effect a notional redemption or subscription order from a shareholder on the relevant Index Constituent Valuation Date;

**Orders.** Notional redemption or subscription orders on the Placed Order List related to Index Constituents in accordance with the Index methodology as described in “6 Weight Allocation Methodology”.

**Placed Order List.** Orders, related to one or more Trigger Events, that have notionally been placed, but are still to be notionally executed.

**Published Index Level.** For any Index Business Day, the level of the Index as calculated on the corresponding Index Calculation Date and published on the next following Index Business Day.

**Rebalancing Date.** Any day which is a Index Constituent Valuation Date for any of the Orders on the Placed Order List. The first Rebalancing Date is defined to be the Effective Date.

**Target Weight.** For each Index Constituent on each Index Business Day, the *ratio of* (a) the Capacity Factor for such Fund *divided by* (b) the sum of the Capacity Factors of all the Index Constituents.

**Unpublished Index Level.** For any Index Valuation Day, the level of the Index as calculated by the Index Calculation Agent as of the relevant Index Determination Day

**Weight Allocation Methodology.** Process to calculate the Index Constituent Weights and related rebalancing, as described in the Appendix.

## **4 The Index and Index Constituents**

### **4.1 The Index**

The Index is an investable hedge fund index that provides exposure to the daily performance of a diversified portfolio of hedge funds selected as Index Constituents. The Index is defined by its investment strategy, “tactical trading”.

### **4.2 Fund Universe and Fees**

The Index Constituents that comprise the Index are drawn from the universe of funds that are available on the InvestorSelect Managed Account Platform, the Goldman Sachs platform of managed accounts and satisfy the eligibility criteria for Fund inclusion described in “4.3 Fund Inclusion”. The number of Index Constituents in the Index Basket is not currently expected to exceed 20 funds.

The GS InvestorSelect Managed Account Platform is a multi-manager platform of hedge funds that Goldman Sachs makes available to its clients via a number of investment products. The investment strategy of each Fund on the platform is classified by Goldman Sachs International, as the arranger of such platform, according to the specific strategy of the hedge fund. Each Fund has only one such strategy. More information on the GS InvestorSelect Managed Account Platform, a current list of the Funds on the platform, and the current classification of each Fund is available on the Index Information Source.

Goldman Sachs International performs regulatory and credit due diligence on the systems and controls operated by the hedge funds prior to inclusion on the GS InvestorSelect Managed Account Platform, based on the Alternative Investment Managers Association’s standard fund questionnaire. An internal committee reviews each hedge fund based on this information. However, Goldman Sachs International has not completed any investment due diligence for the benefit of investors and provides no assurance regarding the performance of any Index Constituent. Accordingly, in deciding whether or not to invest in the index, prospective investors must undertake their own investment due diligence in respect of the Index and its underlying Index Constituents and seek independent investment advice where required.

Index Constituents may be subject to an access fee, which may vary over time, charged by Goldman Sachs International as arranger of the InvestorSelect Managed Account Platform. Such access fee, if any, shall be charged on an accrual basis and shall be repaid in full to the Portfolio by Goldman Sachs International.

In addition, Investment Managers shall receive a fee as a consideration for their management activities of the underlying hedge funds which will consist of three components: operating expenses, an annual management fee and a performance fee. Investors should be aware that upon removal of the Index Constituents from the Index Basket, the relevant Investment Managers may apply notional redemption fees. All such notional fees are charged at the Index Constituent level on an accrual basis and are reflected in the NAVs of the hedge funds published by Fund Administrators.

More information on such fees is available upon request from the Investment Administrator and/or each respective Investment Managers.

Any material change to the current methodology will be recorded on the Index Information Source.

### **4.3 Fund Inclusion**

The Index consists of no less than six eligible Index Constituents. Additional Index Constituents satisfying the eligibility criteria may be included in the Index Basket from time to time.

In order to be included in the Index Basket, a Fund must satisfy each of the following three eligibility criteria:

- 1) The Fund must be part of the universe of funds described in “4.2 Fund Universe and Fees”;
- 2) The Investment Strategy of the Fund must be classified as corresponding to the strategy which reflects the investment objective of the Index; and
- 3) The Fund must be denominated in USD.

There will always be at least six Index Constituents in the Index Basket at any time.

In the event one or more Funds comes to meet the eligibility criteria for inclusion in the Index, as determined by the Index Sponsor, each such Fund shall be included in the Index as soon as reasonably practicable as an Index Constituent with an initial Index Constituent Weight equal to zero. As a result of such inclusion a Trigger Event will occur, requiring a rebalancing of the Index in accordance with the methodology below. See “6.1.2 Weight Range and Trigger Event” below.

In the event one or more Index Constituents come to no longer meet the eligibility criteria for inclusion in the Index, as determined by the Index Sponsor, or the Index Sponsor reasonably believes that an Index Constituent is likely to no longer satisfy one or more of the eligibility criteria, each such fund shall be removed from the Index and the Index will be rebalanced, as described in “6.1.1 Target Weights”.

The inclusion of a Fund in the Index is not subject to the discretion of the Index Sponsor once it has determined the above criteria are met.

If at any time the number of Index Constituents included in an Index Basket for a given Index were to drop below six, the Index would be terminated or substituted in accordance with “8 Error Correction and Market Disruption Events”.

Changes to the eligibility criteria, if any, will be published on the Index Information Source.

## **5 Index Level**

This Section defines the Published Index Levels as of any given Index Business Day, available on Index Calculation Dates, and Unpublished Index Levels as of Index Valuation Days, as of any following Index Determination Day.

Published Index Levels are calculated by the Index Calculation Agent as of each Index Business Day on the corresponding Index Calculation Date. The corresponding Index Calculation Date for any given Index Business Day is the next following Index Business Day. The level of the Index so calculated is published on Index Business Day next following the Index Calculation Date (the “Index Publication Date”).

Unpublished Index Levels are used by the Index Calculation Agent for internal calculation within the methodology of the Index, as described below. For any given Index Valuation Day, an Unpublished Index Levels may be determined on any following Index Valuation Day, referred to as the Index Determination Day.

Published Index Levels are a subset of Unpublished Index Levels. The Published Index Level as of a given Index Business Day is the same as the Unpublished Index Level where 1) the Index Valuation Day is the Index Business Day, and 2) the Index Determination Day is the Index Calculation Date.

### **5.1 Index Constituent Weights**

The percentage weight that applies to each Index Constituent at any given time is referred to as the Index Constituent Weight. The Index Constituent Weight changes only upon the notional execution of Orders, which occurs only on Rebalancing Dates. At the close of a Rebalancing Date, the Index Constituent Weights applicable to each Index Constituent in the Index Basket will be adjusted to reflect Orders notionally executed on that day.

Even though the Index Constituent Weights only change on Rebalancing Dates as a result of the execution of notional Orders, the value of such Index Constituent Weights may also be modified between Rebalancing Dates to take account of any discrepancy between the Estimated Fund NAV as of a given Index Constituent

Valuation Date and the Confirmed Price on the following Confirmation Date corresponding to such Index Constituent Valuation Date.

In addition, in limited circumstances, such as when subscription orders of Index Constituents are awaiting placement in order to effect a rebalancing of the Index, the Index may from time to time include a residual cash component, referred to as the “Cash Weight”, which would earn a zero return. While on the Effective Date, the Cash Weight is equal to zero, it may from time to time differ from zero in accordance with the Index methodology, as described in “6.1 Order Generation Algorithm”.

For the avoidance of doubt, in this Supplement, the first Rebalancing Date for the Index is deemed to be the Effective Date. When a day  $R$  is referred to as a Rebalancing Date immediately preceding a day  $t$ , if  $t$  is itself a Rebalancing Date, then  $R$  will be the Rebalancing Date before  $t$ .

## 5.2 Index Level Calculation

The Unpublished and Published Index Levels can be computed from the set of Index Constituents. The Published Index Level is the level published by the Index Calculation Agent, and is the basis for payments under the Swap Agreement. The Published Index Levels will be independently verified by RBS (Luxembourg) S.A.

**Published Index Level:** The Published Index Level for a given Index Business Day  $t$  is equal to the Unpublished Index Level as of such Index Business Day  $t$  determined on the Index Calculation Date corresponding to such Index Business Day  $t$ .

**Unpublished Index Level:** As of any Index Valuation Day  $t$  after the Effective Date, the Unpublished Index Level, as determined on Index Determination Day  $s$ , will equal the *product of*:

- 1) the Unpublished Index Level on  $R$ , the Rebalancing Date immediately preceding such Index Valuation Day  $t$ , as determined on the Index Determination Day  $s$ ; *multiplied by*
  - 2) the *sum of* (a) one *plus* (b) the unrounded Basket Performance, as of such Index Valuation Day,  $t$ , determined on such Index Determination Day  $s$ ;
- rounded to three decimal places.

**Basket Performance:** We define the unrounded Basket Performance on Index Valuation Day  $t$  since the immediately preceding Rebalancing Date as calculated on Index Determination Day  $s$  as the weighted average return of the Index Constituents, calculated as the *sum of* the Individual Performances across all the Index Constituents in the Index Basket as from such Rebalancing Date.

**Individual Performance:** As of an Index Valuation Day  $t$  following the Effective Date, the Individual Performance of each Index Constituent in an Index Basket comprising the Index on the immediately preceding Rebalancing Date  $R$  is calculated with reference to both (1) the NAV (as defined below) of the Index Constituent as of such Index Valuation Day  $t$  and as of the immediately preceding Rebalancing Date  $R$ , and (2) the weight assigned to each Index Constituent as of such Rebalancing Date  $R$ , all as determined on the relevant Index Determination Day  $s$ .

More specifically, for any Index Valuation Day,  $t$ , the Individual Performance of an Index Constituent,  $i$ , as determined on Index Determination Day  $s$ , equals the *product of*:

- 1) the relevant Index Constituent Weight as of the close of  $R$ , the Rebalancing Date immediately preceding  $t$ , as determined on the Index Determination Day  $s$  (see “5.1 Index Constituent Weights”); *multiplied by*
- 2) the *difference between* (a) the *ratio of* (i) the NAV of Index Constituent  $i$  as of such Index Valuation Day,  $t$ , as determined on Index Determination Day  $s$  *divided by* (ii) the NAV of Index Constituent  $i$ , as of  $R$ , the Rebalancing Date immediately preceding  $t$ , as determined on Index Determination Day  $s$ , *minus* (b) 1;

**NAV of Index Constituent:** The NAV of Index Constituent  $i$ , in U.S. Dollars, as of Index Valuation Day,  $t$ , as determined on Index Determination Day  $s$  is defined as:

- the Confirmed Price for Index Constituent Valuation Date  $t$ , if Index Determination Day  $s$  is a day on or after the Confirmation Date corresponding to such Index Constituent Valuation Date  $t$ ; or
- otherwise, the most recent Estimated Fund NAV on or prior to  $t$  that is available, according to the Fund and Fund Administrator Business Day Calendar on the Index Determination Day  $s$

The Index composition and NAVs of the Index Constituents shall be available to the Umbrella Fund at any time from the Index Calculation Agent upon request.

### 5.3 Index Constituent Effective Weight

At the end of each Rebalancing Date, after the rebalancing, the Index Constituent Effective Weight is defined to be equal to the Index Constituent Weight for each Index Constituent.

Thereafter, the Index Constituent Effective Weight of Index Constituent  $i$  as of any Index Business Day,  $t$  equals:

- 1) the Index Constituent Weight assigned to the relevant Index Constituent on  $R$ , the Rebalancing Date immediately preceding  $t$ , as determined on the Index Calculation Date  $s$ ; *multiplied by*
- 2) the *ratio of* (a) the NAV of Fund  $i$ , as of such Index Business Day,  $t$ , as determined on the corresponding Index Calculation Date  $s$  *divided by* (b) the NAV of Fund  $i$ , as of  $R$ , the Rebalancing Date immediately preceding  $t$ , as determined on the same Index Calculation Date  $s$ ; *divided by*
- 3) the *ratio of* (a) the Published Index Level, as of such Index Business Day,  $t$  *divided by* (b) the Unpublished Index Level, as of  $R$ , the Rebalancing Date immediately preceding  $t$ , as determined on the same Index Calculation Date  $s$ .

### 5.4 Initial conditions

On the Effective Date, 11 October 2010, the Published Index Level shall be the value published on the Index Information Source.

On the Effective Date, each Index Constituent shall have a weight equal to its Target Weight.

On the Effective Date, as the Capacity Factor of all Index Constituents is equal to one, the Target Weight of each Index Constituent can also be expressed as a number equal to the *ratio of one divided by* the number of Index Constituents in the Index Basket.

On the Effective Date, the Cash Weight is equal to zero.

## 6 Weight Allocation Methodology

The methodology by which the notional Orders are placed, and therefore Index Constituent Weights are modified, is split in two parts.

First, the Index Sponsor determines a Hypothetical Order List according to the order generation algorithm and notionally places such Orders, if possible (see “6.1 Order Generation Algorithm”)

Secondly, the Index Sponsor defines the new Index Constituent Weights upon the execution of such Orders, according to the rebalancing algorithm (see “6.2 Rebalancing Algorithm”)

Any forthcoming change or revision to the Weight Allocation Methodology will be recorded on the Index Information Source.

### 6.1 Order Generation Algorithm

Hypothetical orders are generated when a Trigger Event occurs, which results from the Index Constituent Effective Weight moving too far from its Target Weight. Orders are generated in accordance with this Section such that, if notionally executed, they would move the affected Index Constituent Effective Weight(s) towards their Target Weight(s). The effective weight of an Index Constituent (the “Index Constituent Effective Weight”) is calculated by the Index Calculation Agent for each Index Business Day on the corresponding Index Calculation Date, and represents the weight of an Index Constituent in the Index, taking into account the relative performance of such Index Constituent as compared to the Index as a whole since the immediately preceding Rebalancing Date (see “5.3 Index Constituent Effective Weight”).

#### 6.1.1 Target Weights

The Target Weight on any Index Business Day of an Index Constituent is defined as being equal to the *ratio of* (a) the Capacity Factor assigned to such Index Constituent *divided by* (b) the *sum of* the Capacity Factors of all the Index Constituents in the Index Basket as of such Index Business day.

On the Effective Date, because the Capacity Factor of all Index Constituents for the Index is equal to one, the Target Weight for each Index Constituent can be expressed as the *ratio of one divided by* the number of Index Constituents in the Index Basket.

On the Effective Date, the Index Constituent Weight of each Index Constituent in each Index is set to be equal to its Target Weight.

In the event one or more Index Constituents come to no longer meet the eligibility criteria for inclusion in an Index, as determined by the Index Sponsor, or the Index Sponsor reasonably believes that an Index Constituent is likely to no longer satisfy one or more of the eligibility criteria, the Index Sponsor shall set the Capacity Factor for such Index Constituent to zero, which will result in a Target Weight of zero. This will result in a Trigger Event and rebalancing of the Index to remove such Index Constituent, as described under “6.1.2 Weight Range and Trigger Event”

Information on the Index Constituents, the Index Constituent Weights and the related Capacity Factors is available on the Index Information Source.

### 6.1.2 Weight Range and Trigger Event

We also define, for each Index Constituent *i*, an acceptable range for the Index Constituent Effective Weight by the following range boundary points:

- its Maximum Weight is equal to the *lesser of* (1) the Index Weight Cap *and* (2) the *product of* (a) its Target Weight *multiplied by* (b) 1.5
  - The Index Weight Cap is equal to the *greater of* (a) 16% if the number of Index Constituents in the Index Basket is equal to or higher than 7, or 18% if the number of Index Constituents in the Index Basket is equal to 6, *and* (b) the Target Weight.
- its Minimum Weight is equal to the ratio of (1) its Target Weight *divided by* (2) two.

Modifications to such boundary points, if any, will be disclosed on the Index Information Source. If the Target Weight of any Index Constituent is greater 20%, the Index would be substituted or terminated in accordance with “8 Error Correction and Market Disruption Events”.

A “Trigger Event” shall be deemed to have occurred if, at any time on any Index Business Day (such day a “Trigger Date”), any one or more of the following occurs with respect to any Index Constituent:

- 1) the Projected Index Constituent Weight of an Index Constituent exceeds its Maximum Weight (such Index Constituent being a “Breaching Index Constituent”); and/or
- 2) the Projected Index Constituent Weight of any Index Constituent is below its Minimum Weight (such Index Constituent being a “Breaching Index Constituent”); and/or
- 3) the Available Cash Weight differs from zero,

where:

- the Projected Index Constituent Weight is the theoretical weight calculated by the Index Sponsor for each Index Business Day as the sum of (a) the Index Constituent Effective Weight as of such Index Business Day and (b) the positive or negative adjustment to such weight reflecting all the outstanding Orders submitted (but not yet executed) to the respective Fund administrators following a Trigger Event in accordance with this Section, if any;
- Available Cash Weight as of any Index Business Day is the *difference between* (a) the Effective Cash Weight as of such Index Business Day *minus* (b) the *sum of* (i) any cash that is expected from redemption orders that have been executed, whose Confirmed Prices are still pending *and* (b) any cash that is needed for subscription orders that have been placed but not yet executed; and
- Effective Cash Weight as of any Index Business day is defined to be the *difference between* (a) one *minus* (b) the sum of the Index Constituent Effective Weights on such Index Business day (as defined in “5.3 Index Constituent Effective Weight”).

For each day on which a Trigger Event occurs, the Trigger Date, we define the “First Order Date” as the day three Index Business Days after the Trigger Date, the first date on which it is possible to notionally place Orders.

Orders can be notionally placed with regard to an Index Constituent if the corresponding Notice Date is no earlier than the First Order Date.

### 6.1.3 Hypothetical Required Orders

Following the occurrence of a Trigger Event, the Index Sponsor generates a list of hypothetical required orders that, if notionally placed, would serve to rebalance the Index, following the methodology described below (the “Hypothetical Order List”).

First, the Index Sponsor determines the orders that would need to be notionally submitted in order to ensure that all of the Projected Index Constituent Weights would fall within the predefined range for each of the relevant Index Constituent Effect Weights as follows:

- 1) hypothetical redemption and/or subscription orders related to the Breaching Index Constituents are determined such that the Projected Index Constituent Weight for each such Breaching Index Constituent after executing the applicable order is expected to be equal to its Target Weight, and such orders are added to the Hypothetical Order List;
- 2) the “Projected Cash Weight” is calculated, equal to the *difference between* (i) one *minus* (ii) the *sum of*
  - a) the Target Weight of each Breaching Index Constituent *plus*
  - b) the Projected Index Constituent Weight of each non-Breaching Index Constituent.

If all of the hypothetical redemption and/or subscription orders relating to Breaching Index Constituents were notionally submitted, the Projected Cash Weight represents, if positive, the cash weight that would be left over for further subscriptions. If negative, the Projected Cash Weight represents the cash weight that is required to be obtained from redemptions to be able to fulfil such Breaching Index Constituent hypothetical orders.

Secondly, the Projected Cash Weight is allocated across the Index Constituents other than the Breaching Index Constituents, in accordance with the Weight Allocation Criteria described in “6.1.5 Weight Allocation Criteria”.

#### **6.1.4 Notionally Placed Orders**

After compilation of the Hypothetical Order List, the Index Sponsor shall determine which Orders are to be notionally placed (for the purpose of the Index calculation) and added to the “Placed Order List”, taking into account the redemption and subscription policy applicable to each Index Constituent, as described in the relevant offering documents, according to the following rules:

- 1) each redemption order on the Hypothetical Order List shall be notionally placed if the corresponding Notice Date is equal to the First Order Date and such Orders are added to the Placed Order List;
- 2) each subscription order on the Hypothetical Order List shall be notionally placed if both:
  - a) the corresponding Notice Date is equal to the First Order Date; and
  - b) the Available Cash Weight is positive.

If the cash required to satisfy the subscription orders on the Hypothetical Order List for which subsection a) is satisfied is larger than the Available Cash Weight, such subscription orders shall be notionally placed in accordance with the Weight Allocation Criteria described in “6.1.5 Weight Allocation Criteria”, such that the cash weight equivalent of such subscription orders is equal to the Available Cash Weight and such Orders are added to the Placed Order List.

All other orders on the Hypothetical Order List are ignored. If, as a result of the non-submission of the other orders, the Trigger Event is still outstanding, the procedure is applied on each following Index Business Day, until no Trigger Event is outstanding.

#### **6.1.5 Weight Allocation Criteria**

As described above, the Weight Allocation Criteria are applied:

- 1) to the Projected Cash Weight, which may be positive or negative, for purposes of determining the Hypothetical Order List, as described in “6.1.3 Hypothetical Required Orders”; and
- 2) to the Available Cash Weight, which is always positive, for purposes of determining the notional Placed Order List for subscription orders as described above in “6.1.4 Notionally Placed Orders”.

For purposes of the Available Cash Weight, or the Projected Cash Weight, if positive, the Index Sponsor shall determine subscription orders across the Index Constituents other than the Breaching Index Constituents based on the following recursive allocation rules. The “Applicable Order List” is defined to be the Hypothetical Order List or the Placed Order List, as applicable. The “Remaining Cash Weight” is initially set to be the Available Cash Weight or Projected Cash Weight, as applicable:

- 1) the Index Constituents with Projected Index Constituent Weights smaller than their Target Weights are identified and the subscription orders for these Index Constituents are initially set to zero on the Applicable Order List. The other Index Constituents are ignored in the following steps;
- 2) the Index Constituents are ranked according to the distance from their Target Weight, which is (a) the Target Weight *minus* (b) the Projected Index Constituent Weight *minus* (c) the weight effect of any redemption orders already added to the Applicable Order List under this algorithm;
- 3) the Index Constituents with the highest distance to their Target Weight and the second highest distance to their Target Weight are identified;

- 4) subscription orders of the Index Constituent (or Index Constituents) with the highest distance to Target Weight are increased on the Applicable Order List until either (a) such distance is equal to the second highest distance to Target Weight for the Index Constituent (or Index Constituents) or (b) the increase (or the sum of the increases across the Index Constituents) is equal to the Remaining Cash Weight. Subsequently the Remaining Cash Weight is reduced by the increase (or the sum of the increases).
- 5) The procedure is applied recursively until the Remaining Cash Weight is equal to zero.

For purposes of the Projected Cash Weight, if negative, the Index Sponsor shall determine redemption orders across the Index Constituents other than the Breaching Index Constituents based on the following recursive allocation rules. The “Remaining Cash Weight” is initially set to be the absolute value of the “Projected Cash Weight”:

- 1) the Index Constituents with Projected Index Constituent Weights larger than their Target Weights are identified and the redemption orders for these Index Constituents are initially set to zero. The other Index Constituents are ignored in the following steps;
- 2) the Index Constituents are ranked according to the distance from their Target Weight, which is (a) the Projected Index Constituent Weight *minus* (b) *minus* the Target Weight *minus* (c) the weight effect of any subscription orders already added to the Hypothetical Order List under this algorithm;
- 3) the Index Constituents with the highest distance to their Target Weight and the second highest distance to their Target Weight are identified;
- 4) redemption orders of the Index Constituent (or Index Constituents) with the highest distance to Target Weight are increased on the Hypothetical Order List until either (a) such distance are equal to the second highest distance to Target Weight or (b) the increase (or the sum of the increases across the Index Constituents) is equal to the Remaining Cash Weight. Subsequently the Remaining Cash Weight is reduced by the increase (or the sum of the increases).
- 5) The procedure is applied recursively until the Remaining Cash Weight is equal to zero.

## 6.2 Rebalancing Algorithm

With respect to each notionally submitted Order on the Placed Order List, the Index Constituent Valuation Date of such Order is a Rebalancing Date of the Index. For each of those notionally submitted Orders, at the close of such Rebalancing Date the Index Constituent Weight is adjusted to reflect the notional execution of the relevant Order.

The Index Constituent Weights as of such Rebalancing Date are determined using the set of information available on the Index Business Day immediately following such Rebalancing Date, including the latest available Estimated Fund NAVs.

Index Constituent Weights may later be adjusted once Confirmed Prices become available on the respective Confirmation Dates for such Orders (if the Confirmed Prices are different from the corresponding Estimated Fund NAV). Such adjustment, if any, shall be reflected in the calculation of the Index going forwards (see “5.2 Index Level Calculation”), because the Index Constituent Weights used in the calculation of the Published Index Level on a given Index Business Day reflect the Confirmed Prices available up to the corresponding Index Calculation Date.

For the purpose of the Index calculation, it will be assumed that the proceeds related to a notionally executed Order will be paid/received in full on the corresponding Confirmation Date.

## 7 References

Information about the Index will be made available from the following sources:

### Index Information Source

The electronic facility, [www.gs-structured-sicav.com](http://www.gs-structured-sicav.com), or some other electronic facility specified by the Index Sponsor, on which information about the Index and any changes to the Index methodology or data sources will be fully disclosed and made available to investors. If such electronic facility is not available at any time, such information will generally be available from the Index Sponsor on request from investors.

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The following documents will be made available on the Index Information Source:

- Section “2 Overview of the Index” of this Supplement

- Index Constituent Weights and Index Constituents from time to time
- Log of Material Changes to the Index

## **8 Error Correction and Market Disruption Events**

This Section describes the error correction policy of the Index, the effect of a market disruption event and other modifications to the Index. For the effect of such disruptions on the calculations under the Swap Agreement, see “11 Particularities of the Swap Agreement and of the Reverse Repurchase Agreement”

### **8.1 Error Correction Policy**

This Section describes the guidelines for dealing with errors, which can result from either External Data Errors or Calculation Errors. External Data Errors are defined as changes to any external data after the data has initially been published. This will also include changes to Index levels. Calculation Errors are all other errors, including but not limited to incorrect implementation of the algorithm and data errors that are not External Data Errors such as the use of the wrong Business Day Calendars. For the avoidance of doubt, changes to Index levels caused by changes from Estimated Fund NAVs to Confirmed Prices do not, in themselves, constitute External Data Errors or Calculation Errors.

Errors can affect Index Constituent Weights and/or related Index levels. In case of such errors, the Index Sponsor in its sole discretion may (but is under no obligation to) restate the affected Index level to correct such prior errors. In some cases, a restatement of the affected Index level may result in a material change in such Index level.

Any corrections which result in a material change to a specific Index level will be recorded on the Index Information Source.

### **8.2 Market Disruption Events**

The occurrence or existence of any of the following events that the Index Calculation Agent determines is material:

- 1) suspension of (a) liquidity in the Index Constituents and/or (b) publication of NAV of Index Constituents;
- 2) failure to receive timely NAV valuations for any Index Constituent;
- 3) decrease in the frequency of dealing in the Index Constituents or failure by the Index Constituents to accept subscriptions or execute redemptions;
- 4) a change to the investment guidelines of the Index Constituents;
- 5) breach of the respective investment management agreement by any Investment Manager;
- 6) regulatory action against the Index Constituents which the Index Calculation Agent considers may adversely impact on its reputation as a result of its association with the Index Constituent.
- 7) change in tax law or interpretation of tax law which would affect payments to investors in the Index Constituents.
- 8) existence of abnormal market conditions, all as determined by the Index Calculation Agent in good faith.

If a day would otherwise be an Index Business Day, but a market disruption event is occurring with respect to one or more Index Constituents, the Index Calculation Agent may in its sole discretion (i) determine the appropriate NAV of the Index Constituent in question based on its assessment made in a commercially reasonable manner and in good faith and utilize such replacement NAV for the calculation of the Published Index Level in which case such day shall be deemed to be an Index Business Day or (ii) refrain from calculating the NAV of the Index Constituent in question and from publishing the Published Index Level. The Index Calculation Agent may act in this manner whether or not the Fund Administrator of the disrupted Index Constituent calculates and publishes any NAV for that Index Constituent.

### **8.3 Rebasing of the Index**

If the Index Calculation Agent rebases the Index (the “Rebased Index”) the Rebased Index will be used for purposes of determining the relevant Index from the date of such rebasing, provided, however, that the Index Sponsor shall make adjustments to the past levels of the Rebased Index so that the Rebased Index reflects the same historical performance as the Index before it was rebased.

## 9 Principal Risks of Investing in the Portfolio

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors investors should also read the sections "*What to Know Before You Invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### Goldman Sachs Roles and Conflict of Interests

#### *Overview of Roles*

Goldman Sachs International performs several roles in respect to the Portfolio. It is acting as Investment Administrator on behalf of the Portfolio and it will also act initially as the counterparty for the derivative transactions and the Reverse Repurchase Agreement with the Portfolio or as the agent of the counterparty to derivative transactions and the Reverse Repurchase Agreement with the Portfolio and as the Calculation Agent in respect of those derivative transactions. Goldman Sachs International, as sponsor of the Index (the "Index Sponsor"), sets the parameters within which the Index operates including the selection of Index Constituents. Goldman Sachs International is responsible for the composition, calculation and maintenance of the Index and has a determinative influence over its composition, calculation and maintenance. Goldman Sachs International, as Index Calculation Agent, is responsible for calculating and publishing the value of the Index from time to time. While Goldman Sachs International generally does not exercise any material discretion in relation to the operation of the Index and owes no fiduciary duties in respect of the Index, Goldman Sachs International has discretion in responding to limited situations, including, among others, the determination of whether an Index Constituent has ceased or is likely to stop meeting the eligibility criteria, the existence of a Market Disruption Event, the value of the Index when Index Constituents are affected by Market Disruption Events and in the application of a Capacity Factor to an Index Constituent. The exercise by Goldman Sachs International of this discretion may adversely affect the value of the Index and the value of products or investments linked or referable to the Index.

Goldman Sachs is a full service financial services group and, consequently, is engaged in a range of activities that could affect the value of the Index and any of the Index Constituents as further described below.

#### **Potential Conflicts of Interest**

Investors should be aware that to the extent the Portfolio trades with Goldman Sachs International or with vehicles established by the latter as dedicated counterparty, they will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection, underlying fund or investment manager selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs International performs in respect to the Index. Although Goldman Sachs International will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs' own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Index, the Index Constituents and products or investments linked or referable to the Index or the Index Constituents and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by Goldman Sachs International, may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Index Constituents and act as arranger for products or investments backed by the same hedge funds as the Index Constituents included in the platform and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Index, the Index Constituents and any underlying investment referenced or linked to the Index Constituents. These activities could adversely affect the value of the Index, which could in turn affect the return on, and the value of, any product or investment linked to the Index.

Although Goldman Sachs is not obliged to do so, it may elect to hedge its exposure to the Index, any products or instruments linked thereto, any Index Constituents or any underlying investments referenced by the Index Constituents with an affiliate or a third party. That affiliate or third party, in turn, is likely, directly or indirectly, to hedge any of its exposure, including through transactions taking place on the futures and options markets. Where Goldman Sachs chooses to hedge its exposure, it may adjust or unwind such hedges by purchasing or selling products linked to the Index, Index Constituents, any underlying investments referenced by the Index Constituents or any other product or instrument on or before the date the Index is

valued for purposes of any overlying investment products or instruments referenced to the Index. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments linked to the Index or any Index Constituent. Any of this hedging activity may adversely affect the value of the Index and of any products or instruments linked thereto.

Goldman Sachs may also engage in trading for its proprietary accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more products or instruments linked to or similar to the Index, any Index Constituent and/or any underlying investments referenced by the Index Constituents. In the course of these transactions, Goldman Sachs' customers may receive information about the Index before it is made available to other investors. Any of these activities could also adversely affect the value of the Index, directly or indirectly, by affecting the value of the Index Constituents or the investments or instruments referenced by or linked to the Index Constituents and, therefore, the market value of any products or instruments linked to the Index and the amount paid on any such product or instrument at maturity.

It is possible that Goldman Sachs could receive substantial returns with respect to the above activities while the value of any underlying investments or instruments referenced to the Index may decline.

Goldman Sachs International, as Calculation Agent under the Swap Agreement, and the Umbrella Fund will also have the authority to identify any other suitable index which will closely approximate the investment characteristics of the Index in the event of any circumstances under which the Index is no longer available.

#### *Separate Roles*

Whilst some or all of the roles of (i) Index Sponsor, (ii) Index Calculation Agent, (iii) Calculation Agent, (iv) Swap Agreement Counterparty, (v) Reverse Repurchase Agreement Counterparty, and (vi) Investment Administrator may be carried out by the legal entity Goldman Sachs International, these roles are functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

#### **Counterparty risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Swap Agreement Counterparty and the Reverse Repurchase Agreement Counterparty, respectively. As a result, the Portfolio will be exposed to the creditworthiness of the relevant counterparty.

In addition, to the extent that the obligations of the Reverse Repurchase Agreement Counterparty and the Swap Agreement Counterparty will be collateralised by a portfolio composed of cash and transferable securities, the collateral will be subject to market risk and may be adversely affected by changes in the level or volatility of market rates or prices such as equity prices, interest rates, credit spreads and foreign exchange rates. As each portfolio is marked-to-market, in the event the value of any portfolio declines, a counterparty will be obligated to deliver additional collateral under certain margin maintenance provisions. However, if a counterparty fails to perform its obligations or becomes insolvent, the Portfolio may recover significantly less than the then current notional amount outstanding and suffer a loss. In addition, a counterparty's obligations to provide net returns on either the Reverse Repurchase Agreement or the Swap Agreement are not collateralised.

#### **No Active Management**

The Index methodology operates in accordance with a set of predetermined rules. There will be no active management of the Index so as to generate, enhance or protect returns beyond those embedded in the Index. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Index, which is not actively managed. Further, the Index should not be expected to have the same performance as actively managed funds of hedge funds, which may produce differing amounts of alpha since the Investment Administrator shall not carry out any active management of the Portfolio and therefore is not providing an additional value to the management of the underliers.

In addition, hedge funds often may adjust their investments rapidly in view of market, political, financial or other factors, whereas the Index only adjusts its composition upon the occurrence of a Trigger Event. Trigger Events only happen when the Effective Weight of an Index Constituent moves relatively far away from the Target Weight of such Index Constituent. As a result, investors in the Index may be exposed to more or less risk than an actively managed fund of hedge funds.

The Index, and the respective weights allocated to each Index Constituent, are rebalanced from time to time to shift weight out of Index Constituents exhibiting higher performance to Index Constituents exhibiting lower performance in order to maintain a more even weighting between Index Constituents. The rebalancing may either improve or diminish the overall performance of the Index.

## **No principal protection**

The value of the Index depends on the performance of the Index Constituents, each of which may increase or decrease in value. Neither the Index, nor any Index Constituents, includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

## **Volatility**

The Index Constituents can be highly volatile, which means that their value may increase or decrease significantly over a short period of time. In particular, hedge fund strategies are highly volatile in terms of performance because such strategies may combine long and/or short positions in liquid instruments across the market. It is impossible to predict the future performance of the Index Constituents based on their historical performance. The return on an investment linked to the Index may vary substantially from time to time. Volatility in one or more Index Constituent will increase the risk of an adverse effect on such a return caused by a fluctuation in the value of one or more of the Index Constituents. There is no volatility control embedded in the Index beyond the rebalancing algorithm which rebalances the Index Constituent Weights

## **Trading and other transactions by the Index Sponsor or its affiliates in related financial instruments may adversely affect the value of any product linked to the performance of the Index**

The Index Sponsor may hedge obligations in respect of the Index by purchasing or selling financial instruments linked to the components of the Index, and may adjust or unwind such hedges by purchasing or selling the foregoing on or before the date of determinations of the Index level. The Index Sponsor may also enter into, adjust or unwind hedging transactions relating to other instruments related to the Index. Any of this hedging activity may adversely affect the value of the Index and of any product linked to the performance of the Index.

The Index Sponsor and/or its affiliates may also engage in trading in financial instruments whose returns are linked to or are similar to the Index and/or any Index Constituents for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely affect the value of the Index and accordingly the value of any product linked to the performance of the Index. The Index Sponsor may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the Index or one or more of the Index Constituents. By introducing such products to the marketplace the Index Sponsor could adversely affect the value of the Index or the value at maturity of any product linked to the performance of the Index.

## **Leverage**

Investors' investment in the Portfolio may be subject to leverage, which may increase their risk. Leverage means that the return or loss on an investment is subject to a multiplier increasing exposure to that investment and magnifying the volatility and risk of loss should the value of that investment decline. The Portfolio may be leveraged within the limits disclosed in this Supplement (see the section headed "*Investment Policy*" under the paragraph "*Swap Agreement*"). Variation of exposure at the Portfolio level might also cause from time to time dilution of the exposure, which in turn could diminish the returns of the investment in the event of a positive performance of the Index. The Index Constituents may engage in leverage in the course of their business activity which means that an investment in products or instruments providing exposure to the Index might be subject to leverage at different levels (at the Portfolio level and at the Index Constituent level).

## **Cash Weight earns zero return**

From time to time, for example while underlying subscription orders are awaiting placement in order to effect a rebalancing of the Index, the Index Constituent Weights may not sum to one, and there will be a weight allocation in the Index that is allocated to cash. Such weight will earn zero return and may negatively affect the performance of the Index.

## **No assurance of accuracy of tracking**

The performance of the Portfolio may not track and may diverge from that of the Index. Moreover:

- 1) Hedge fund strategies can be dynamic and unpredictable. Past and current levels of the hedge fund returns are not necessarily indicative of future returns. If historic returns prove to be a reliable indicator of future returns in one or more periods during the term of the investment, the Index Methodology may not continue to track such returns;
- 2) the Index's volatility is not fixed and may be lower or higher than a diversified hedge fund portfolio; and

- 3) subscription and redemption requests received by the Portfolio may affect the exposure of the Portfolio to the Index and therefore affect its performance.

### **Value of the Index and of the Index Constituents**

The value of the Index may rise or fall, including below its initial value, due to the risks to which it is subject. Similarly, Index Constituents may involve exposure to speculative and extremely volatile underlying investments. Such investments may be affected by a variety of factors that are unpredictable, including, without limitation, weather governmental programs and policies, national and international political, military, terrorist and economic events, changes in supply and demand relationships, changes in interest and exchange rates and changes, suspensions or disruptions of market trading activities in the underlying investments and related contracts. Such factors may have a differing effect on the value of the Index and the value of any product linked thereto; and different factors may cause the value and volatility of different Index Constituents to move in inconsistent directions and at inconsistent rates.

An investment in the Index involves a risk of fluctuation because the Index Constituents will change over time. The composition of the Index shall include at least 6 Index Constituents, but there is no limit on the maximum number of Index Constituents, whose respective weightings shall be reallocated in accordance with the Index methodology.

### **Suspensions or disruptions of market trading may adversely affect the value of the Net Asset Value of the Shares**

The Index and the Index Constituents are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity in the markets, participation of speculators and government regulation and intervention. If the Index Calculation Agent provides a replacement value for the Index, the value of the Index, and/or the value of the Portfolio, may be lower than in the absence of a suspension or disruption.

In addition, if the value for the Index may not be provided due to market disruptions, the settlement cycle for any subscription, conversion and redemption order may be postponed accordingly up to 30 calendar days and thereafter the Portfolio may be liquidated. In such circumstances, there may be a delay in distributing the redemption amounts due to the illiquidity of the underlying assets referenced by the Index.

### **Foreign Exchange Hedging**

The Index is denominated in USD while Share classes might have different denominations. The Portfolio shall enter into foreign exchange transactions for hedging purposes. Investors in the Shares should be aware that currency exchange rates are volatile and unpredictable and can be affected by many factors, including unpredictable factors, which may have an adverse effect on the Net Asset Value of the Portfolio.

### **Investors will have no rights with respect to the Index Constituents or any underlying assets**

The investment exposure provided by the Index is synthetic, reflecting the calculated result of hypothetical transactions involving the Index Constituents. An investment referenced to the Index will therefore not make an investor a holder of, or give an investor a direct investment position in, any underlying Index Constituent or any of the underlying assets or investments to which the Index Constituents refer.

### **The Index tracks Index Constituents and not the performance of the investments underlying these Index Constituents**

The Index tracks Index Constituents and not the underlying assets of such Index Constituents. As a result, the Index Constituents, and, in turn, the Index level may fluctuated in value quite differently from the performance of the various underlying assets. Investors should not rely on the performance of individual underlying assets to assess the performance of the Index.

### **The Published Index Level may be based on Estimated Fund NAVs**

The Published Index Level as of an Index Valuation Day is calculated on the corresponding Index Calculation Date, which is the Index Business Day next following the Index Valuation Day, and published on the Index Business Day after that. In calculating the Published Index Level, the Index Calculation Agent uses the most recently available Estimated Fund NAV for each Index Constituent (unless the Confirmed Price is released), as published by the relevant Fund Administrator. For each Index Constituent, the Estimated Fund NAV for a given day may differ from the Confirmed Price for such day that is published, if at all, by the Fund Administrator on a later date. The Published Index Level for a given day may not reflect entirely the actual performance of the Index Constituents as of such day because the Confirmed Prices for such Index Constituents for such day may differ from the Estimated Fund NAVs that were used in calculation of the Published Index Level.

### **Historical Published Index Levels will not be backfilled to take account of Confirmed Prices**

Historical published Index levels will not be restated (or backfilled) to reflect any differences between the Confirmed Price for a given day and the Estimated Fund NAV for such day. However, after they become available, the Confirmed Prices will be used where relevant in the calculation of future Published Index Level. Any discrepancies may negatively impact the Index level.

### **The Index is only rebalanced after a Trigger Event**

The objective of the Index is to reflect the performance of a diversified portfolio of hedge funds. In order to achieve this, the Index is rebalanced from time to time when the Effective Weight of a Fund moves outside a pre-determined range in order to shift weight from Funds exhibiting higher or lower performance relative to the Index back towards their Target Weights. For each Index Constituent, a Target Weight is calculated, which represents the weight that would achieve such diversification under the Index methodology

However, under the Index methodology, rebalancing of the Index only happens after a Trigger Event. A Trigger Event only occurs when the Effective Weight of an Index Constituent (which takes into account the relative performance of such Index Constituent compared to the Index) moves a certain distance from the Target Weight. As such, the Index could continue for some time without being rebalanced, although the Effective Weight of each Index Constituent could have moved significantly far from its Target Weight. This could result in the Index underperforming as compared to the performance if the effective weights applying to the Index Constituents were the Target Weights.

### **There may be time lag between a Trigger Event and actual rebalancing of the Index.**

There is a lag between the occurrence of a Trigger Event and the corresponding Rebalancing Date on which the Index is rebalanced. This lag is due to the time it takes for notional redemption or subscription orders to be placed, and for such orders to be notionally executed. For example, notional redemption orders often take 30 days to be fulfilled, and may take as long as 90 days. Finally, in order to place a notional subscription order, there must be enough notional cash available in the Index, which may require waiting for equivalent notional redemption orders to be executed. During such time as the notional orders are outstanding, the Index continues to be computed with the Effective Weights of the Index Constituents unadjusted, which may negatively impact the Index level.

### **Use of Third Party Information**

The Index methodology relies on information from external hedge funds to monitor performance of the Index Constituent. Goldman Sachs makes no warranty as to the correctness of that information and takes no responsibility for the impact of any inaccuracy of such data on the return produced by a particular Index Constituent, on the value of the Index or on the value of an investment or product referenced or linked to the Index.

### **Investment Managers are independent entities**

Any Investment Manager of an Index Constituent is appointed under the terms of an investment management agreement negotiated, among others, between the Investment Manager, the respective fund and Goldman Sachs. This agreement will include provisions regulating the standards to which the portfolio manager is required to act, the conflicts of interest to which it may be subject and the circumstances in which it can be removed or can resign. Any such resignation or removal or any other premature termination of the appointment of the Investment Manager, as well as any breach of duty by the Investment Manager, will trigger the elimination of the relevant Index Constituent from the Index Basket and may affect the value of the Shares.

Investment Managers are independent entities and no Goldman Sachs entity makes any representation or warranty as to the conduct or performance of the Investment Managers and shall not be liable for any decisions and actions taken by any such Investment Managers. The Investment Managers are selected purely based on the Index methodology applied for determining the Index Constituents.

### **Market Disruption Events that may affect the Index Constituents**

Index Constituents maybe subject to Market Disruption Events that could affect their business, as further described in the section headed "8.2 Market Disruption Events". Upon the occurrence of a Market Disruption Event in respect to an Index Constituent, the Index Calculation Agent will have the authority to remove the affected Index Constituent from the Index Basket.

### **Market Disruption Events may have a positive or negative impact on the Net Asset Value of the Portfolio**

The level of the Index used to determine the amount payable under the Swap Agreement may not match the level of the Index as calculated to determine the Disrupted Value of the Swap Agreement if a Market Disruption Event occurs on a Valuation Day.

As more fully detailed in “11 Particularities of the Swap Agreement and of the Reverse Repurchase Agreement”, if a Market Disruption Event occurs on a Valuation Day (as defined in “11 Particularities of the Swap Agreement and of the Reverse Repurchase Agreement”), the Calculation Agent, for the purpose of determining the amount payable under the Swap Agreement may determine the level of the Index based on procedures which are different to those described in “5 Index Level” for determining the level of the Index on which the Disrupted Value of the Swap Agreement - and consequently, the Net Asset Value of the Portfolio - will be based. The differences between the procedures for determining the Index level for the purpose of calculating the amount payable under the Swap Agreement and those for determining the Index level, as calculated to determine the Disrupted Value of the Swap Agreement on which the Net Asset Value of the Portfolio is based, may result in the payments under the Swap Agreement not precisely matching the return the Portfolio is required to pay or receive in respect of the shares in the Portfolio for the relevant Valuation Day. The Net Asset Value of the Portfolio calculated on such a Valuation Day on which a Market Disruption Event is occurring will, however, be final (even if the Index level determined for such purpose may contain values for the NAVs of the Index Constituents affected by such Market Disruption Event that have been estimated by the Calculation Agent), and will not be recalculated by the Calculation Agent in the event that the Index level, as calculated to determine the Disrupted Value of the Swap Agreement on which the Net Asset Value of the Portfolio will be based, does not (due to the different calculation procedures being applied to determine the Index level for the purpose of determining the Net Asset Value of the Portfolio and the amount payable under the Swap Agreement) match the Index level determined under the Swap Agreement and on which the calculation of the net weekly payment will be based.

Subscribing and/or redeeming investors in the Portfolio are therefore made aware that they might be subscribing/redeeming on a Valuation Day affected by a Market Disruption Event, and that, if so, the Net Asset Value of the Portfolio that will be used to process such subscriptions and/or redemptions will be based on a Disrupted Value of the Swap Agreement, which contains estimates of NAVs for any Affected Index Constituent, as determined by the Calculation Agent in its reasonable judgment. In addition, a mismatch may arise as a result of different procedures being applied for determining the level of the Index for the purpose of calculating the Disrupted Value of the Swap Agreement on which the Net Asset Value of the Portfolio is based and for the purpose of calculating the amount payable under the Swap Agreement.

Investors are consequently made aware that, should the above mentioned mismatch arise upon the occurrence of a Market Disruption Event on a Valuation Day, the Portfolio will not be compensated, meaning that the latter may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio and in turn any investor who is still invested in the Portfolio following settlement of any such subscription and/or redemption on such Valuation Day. Such subscribing and/or redeeming investors may therefore be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event and in the case of any subscribing and/or redeeming investor is disadvantaged by any mismatch arising as a result of such Market Disruption Event, no compensation will be paid to it by the Portfolio.

### **Liquidity issues affecting the Index Constituents**

Index Constituents may have different liquidity and settlement cycles from those of the Portfolio. Although the Portfolio will not invest in the Index Constituents directly, any discrepancies in settlement cycles may cause the Portfolio, by virtue of the Swap Agreement, to have an increased or decreased exposure to the Swap Agreement Counterparty. Consequently, the value of the Shares and the liquidity of the Portfolio may be affected by the liquidity and settlement cycles of the Index Constituents.

### **The value of the Index will be reduced by the deduction of fees and charges by Investment Managers**

Although no fees are applied by the Index Sponsor on a notional redemption or subscription order, the return of an Index Constituent and the value of the Index is affected by any fees and charges applied by the Investment Managers. The Investment Managers of the Index Constituents shall receive a fee as a consideration for their management activity which will consist of two components, an annual management fee and a performance fee. Investors should finally be aware that upon removal of an Index Constituent from the Index, the relevant Investment Manager may apply redemption fees.

### **Alternative investments**

Alternative investments are not subject to the same regulatory requirements or governmental oversight as mutual funds. Alternative investments often engage in leverage and other investment practices that are extremely speculative and involve a high degree of risk. Such practices may increase the volatility of performance and the risk of investment loss, including the loss of the entire amount that is invested. Alternative investments may purchase instruments that are traded on exchanges that are not “principal markets” and are subject to the risk that the counterparty will not perform with respect to contracts. Furthermore, since there is generally less government supervision and regulation of foreign exchanges,

alternative investments are also subject to the risk of the failure of the exchanges and there may be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

Alternative investments may also invest in instruments that are highly illiquid and difficult to value. Alternative investments may involve complex tax and legal structures. Alternative investments generally, are only suitable for sophisticated investors for whom such an investment does not constitute a complete investment program and who fully understand and are willing to assume the risks involved in such Alternative investment.

Alternative investments may impose significant fees, including incentive fees that are based upon a percentage of the realized and unrealized gains, and such fees may offset all or a significant portion of such alternative investment's trading profits.

#### **No Assurance of "Absolute" Returns:**

Alternative investments such as hedge funds should not be purchased on the basis of a potential to produce "absolute returns", or returns independent of the overall direction of equity and fixed income markets. There can be no assurance that either hedge funds in general, or the Index Constituents or the Index in particular, will actually be successful at producing consistently positive returns, nor does Goldman Sachs make any representation or warranty, express or implied, that either Index Constituents as an asset class or the Index will do so in the future.

#### **Absence of Track Record**

As the Index is relatively new and has limited historical performance data, an investment in the Shares may involve greater risk than securities linked to an index with a proven track record.

#### **Use of Simulated Returns**

Back-testing and other statistical analyses material that is provided in connection with explanations of the mechanics and/or potential returns of the Index use simulated analysis and hypothetical circumstances to estimate how the product may have performed prior to its actual existence. Goldman Sachs provides no assurance or guarantee that the Index will operate or would have operated in the past in a manner consistent with these materials. As such, any historical returns projected, or any hypothetical simulations based on analyses provided in relation to the Index, may not reflect actual performance and is no guarantee or assurance in respect of the future performance, or returns of, an investment in any product linked to the Index.

#### **Past Index performance is no guide to future performance**

The actual performance of the Index may bear little relation to the historical Published Index Levels. The future performance of the Index cannot be predicted.

## **10 Disclaimer**

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## **11 Particularities of the Swap Agreement and of the Reverse Repurchase Agreement**

The Portfolio will enter into (i) a Swap Agreement with the Swap Agreement Counterparty (which initially shall be Goldman Sachs International) under which the Portfolio will participate in the performance of the Index and (ii) the Reverse Repurchase Agreement with the Reverse Repurchase Agreement Counterparty (which initially shall be Goldman Sachs International).

### **Collateral**

Goldman Sachs International's obligations as Reverse Repurchase Agreement Counterparty will be collateralised for at least 100% of its notional amount on a daily basis. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the Reverse Repurchase Agreement Counterparty. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralised securities kept by the Custodian (and/or any of its affiliates) and/or any sub-custodian thereof. The Swap Agreement will be collateralised such that the Portfolio's counterparty exposure remains within the UCITS guidelines at all times. The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

### **Valuations**

The Reverse Repurchase Agreement and Swap Agreement will be valued by the Calculation Agent in accordance with industry standards based upon prices from Reverse Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law.

In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the underlying Index and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis.

In case of subscription, redemption or conversion of Shares, the nominal amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are based on the effective Federal Funds rate. The returns generated to the Portfolio under the Swap Agreement are an appreciation (if any) of the Index and those generated to the Swap Agreement Counterparty are based on weekly USD LIBOR (as described more fully under section "1 Investment Policy" above).

### **Effect of Index Disruption on the Swap Agreement**

The Swap Agreement sets out the consequences of certain events which may impact investors in the Portfolio:

#### *Rebasing of the Index*

If the Index Calculation Agent rebases the Index as described in "8.3 Rebasing of the Index" (the "Rebased Index") (a) it shall, as soon as reasonably practicable, notify the Umbrella Fund and the Swap Agreement Counterparty of such occurrence and (b) the Rebased Index will be used for purposes of determining the relevant Index from the date of such rebasing, provided, however, that the Index Sponsor shall make adjustments to the past levels of the Rebased Index so that the Rebased Index reflects the same historical performance as the Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Swap Agreement or to investors.

#### *Manifest Error in Publication*

If the Index level used for the making of any determination under the Swap Agreement is corrected to remedy a material error in its original publication as discussed in "8.1 Error Correction Policy", the Index Calculation Agent will notify the Umbrella Fund and the Swap Agreement Counterparty of such correction; and such adjusted amount will be used by the Calculation Agent in computing the Net Asset Value per Share of any class for any forthcoming payments under the Swap Agreement. No adjustments will be made on account of any previous amounts paid under the Swap Agreement.

Where, as the result of a miscalculation by the Calculation Agent of the Net Asset Value per Share of any class, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel such Shares in order to correct such error and effect such repayment.

#### *Index Substitution and Potential Dissolving of the Portfolio*

If at any time

- 1) the Index is not calculated or published for a period of four months;
- 2) the calculation and publication of the Index is discontinued;
- 3) the Index Sponsor, in the opinion of the Calculation Agent, materially changes the formula for or the method of calculating the Index or the nature of the assets underlying that Index or in any other way materially modifies the Index;
- 4) the minimum of 6 Eligible Index Constituents are not available; or
- 5) the Target Weight of an Index Constituent is greater than 20%;

then the Calculation Agent shall, by giving not less than 30 calendar days' notice, designate a date (the "Substitution Date"), by which date the parties to the Swap Agreement shall agree on a substitute Index (any Index so identified by the parties, a "Substitute Index").

Following identification of a Substitute Index, the Calculation Agent shall, as of the Substitution Date make adjustments to the past levels of the Substitute Index so that the Substitute Index reflects the same historical performance as the Index or otherwise make adjustments such that, commencing on the Substitution Date, the value of the closing Published Index Level of the Index shall be reflected in the opening level of the Substitute Index.

Any substitution of a Substitute Index shall not affect any prior payments made under the Swap Agreement or to investors. Shareholders will be notified of any Substitute Index and will be granted with a one month period free of charges to redeem their Shares should they disagree with the contemplated change.

If the parties are unable to identify a suitable Substitute Index, the Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus. If no suitable Substitute Index can be determined in a reasonable time period by the Calculation Agent using its discretion, the Portfolio will be liquidated and the investors will receive *pro-rata* redemption amounts following the realisation of such amounts. Investors should note that there may be a delay in realising redemption amounts due to illiquidity of the underlying assets referenced by the Index in the above circumstances.

#### *Market Disruption Events*

As of any Valuation Day on which a Market Disruption Event (see "8.2 Market Disruption Events") occurred in respect of any Index Constituent (an "Affected Index Constituent") and for which the Index Sponsor did not publish an Index Level (an "Affected Valuation Day"), the Net Asset Value of the Portfolio may continue to be calculated and therefore the calculation of the Index level for the purposes of determining such Net Asset Value of the Portfolio might not be postponed. Instead, should a Market Disruption Event occur on a Valuation Day in respect of any Index Constituent included in the Index, the Calculation Agent may calculate the Index level based on estimates of the NAVs of the Affected Index Constituents which it shall determine in its reasonable judgment for such Affected Valuation Day. Such Index level, if calculated, will serve as a basis for determining a disrupted value for the Swap Agreement (the "Disrupted Value of the Swap Agreement"). Therefore, if a Market Disruption Event occurs on a Valuation Day and the Calculation Agent chooses to calculate an Index level for such day, the Net Asset Value of the Portfolio will be calculated on the basis of the Disrupted Value of the Swap Agreement, which itself will be based on the Index level which will contain estimates of the NAVs of such Affected Index Constituents (and the procedure set out under the heading "Market Disruption Fallbacks" will not be followed). However, if the Calculation Agent, in its sole discretion, deems that it cannot reasonably determine a level for the Index for an Affected Valuation Day, then no Disrupted Value of the Swap Agreement will be calculated, and consequently, no Net Asset Value of the Portfolio will be calculated or published for such Affected Valuation Day and no subscription or redemptions will be available to investors.

If the Calculation Agent, in its sole discretion, deems that it cannot reasonably determine a level for the Index for an Affect Valuation Day, a different procedure will be followed for determining the Index level under the Swap Agreement, and in turn the amount payable under the Swap Agreement and, in such circumstances, the Index level will be determined according to the procedure set out under the heading "Market Disruption Fallbacks" below. Accordingly, the Index level for the purpose of determining the amount payable under the

Swap Agreement will not be calculated until a settlement price can be determined for any such Affected Index Constituent in accordance with such procedure. As a result of such procedure being followed for the purposes of determining the Index level under the Swap Agreement, and in turn the amount payable under the Swap Agreement, upon a Market Disruption Event occurring, the original valuation date (which, for the purposes of calculating the Net Asset Value of the Portfolio, shall be the relevant Valuation Day) of the Affected Index Constituent is likely to be postponed for a period of up to 90 calendar days. If such Market Disruption Event occurs or continues to exist in respect of such Affected Index Constituents on each Fund Administrator Business Day during such 90 calendar day period, then the NAV of such Affected Index Constituent to be used in calculating the Index level for the purpose of determining the amount payable under the Swap Agreement shall be determined by the Calculation Agent, in a commercially reasonable manner, on the first Index Business following such 90 calendar day period, notwithstanding that a Market Disruption Event may or may not exist on such day. For further detail, see the section under the heading "Market Disruption Fallbacks" below.

As a result of (i) the difference between the procedure for determining the applicable Index level on which the Disrupted Value of the Swap Agreement will be based and the Market Disruption Fallbacks procedure for determining the level of the Index under the Swap Agreement as described above should a Market Disruption Event occur, and (ii) the likely postponement of the original valuation date under the Swap Agreement, the Index level as calculated on the Valuation Day for the purposes of determining the Disrupted Value of the Swap Agreement on which the Net Asset Value of the Portfolio may be based may not precisely match the level of the Index finally determined for the purpose of calculating the amount payable under the Swap Agreement in accordance with the "Market Disruption Fallbacks" provisions below. The Net Asset Value of the Portfolio calculated on any such Valuation Day on which a Market Disruption Event is occurring will, however, be final (even if the Index level determined for such purpose may contain values for the Affected Index Constituents estimated by the Calculation Agent), and will not be recalculated by the Calculation Agent in the event that the Index level, as calculated to determine the Disrupted Value of the Swap Agreement on which the Net Asset Value of the Portfolio is based, does not match the Index level determined under the Swap Agreement and on which the payment under the Swap Agreement will be based. Therefore, investors are made aware that the aforementioned mismatch will not be compensated, meaning that the Portfolio may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio as well as on any investor who continues to be invested in the Portfolio. Subscribing and/or redeeming investors may therefore be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event. Furthermore in the case of any subscribing and/or redeeming investor is disadvantaged by any mismatch arising as a result of such Market Disruption Event, no compensation will be paid to it by the Portfolio.

#### *Market Disruption Fallbacks*

If a Market Disruption Event has occurred on any day which is an Index Business Day (the "Unadjusted Valuation Date"), the Index level will not be determined with reference to the Bloomberg ticker reference GSIAATT <Index> (or any official successor thereto), but will instead be determined by the Calculation Agent as follows:

- 1) with respect to each Index Constituent which is not an Affected Index Constituent, the Fund NAV as published by the relevant Fund Administrator for the Affected Valuation Day will be used in calculating the Index Level;
- 2) with respect to each Affected Index Constituent, the Index Level will be based on the Fund NAV of each such Affected Index Constituent as published by the Fund Administrator on the first Fund Administrator Business Day following the Affected Valuation Day on which no Market Disruption Event is occurring in respect of such Affected Index Constituent. If, however, on each Fund Administrator Business Day during a 90 calendar day period from the Affected Valuation Day, a Market Disruption Event continues to exist in respect of such Affected Index Constituent, then the price of such Affected Index Constituent to be used in calculating the relevant Fund NAV shall be determined by the Calculation Agent, in a commercially reasonable manner, on the first Index Business Day after such 90-day period, notwithstanding that a Market Disruption Event may or may not exist on such Index Business Day; and
- 3) the Calculation Agent shall determine Index Level for the Affected Valuation Day by reference to the Fund NAVs of the Index Constituents determined pursuant to sub-paragraphs (1) and (2).

As a result of such procedure being followed, the calculation of an amount payable under the Swap Agreement may be delayed by up to 91 days from the relevant Unadjusted Valuation Day.

The applicable Market Disruption Events are as described in "8.2 Market Disruption Events".

## *Termination of the Swap Agreement*

In the event of a prolonged Market Disruption Event which the Calculation Agent of the Swap Agreement (acting in conjunction with Umbrella Fund and the Swap Agreement Counterparty) believes materially affects its ability to issue, convert and/or redeem Shares of any class, the Swap Agreement will be terminated. If no suitable Substitute Index can be determined in a reasonable time period by the Calculation Agent using its discretion, the Portfolio will be liquidated and the investors will receive pro-rata redemption amounts following the realisation of such amounts. Investors should note that there may be a delay in realising redemption amounts due to illiquidity of the underlying assets referenced by the Index in the above circumstances.

## **Hedging Disruption Events**

The Swap Agreement will be documented on an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by the Swap Agreement Counterparty, in case that, as a result of any existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) such Counterparty is unable to hedge, in whole or in part, the Swap Agreement or (ii) such Counterparty incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

## **12 Characteristics**

### **12.1 Available Share classes**

Class "A" Shares: class of Shares dedicated to retail investors;

Class "A (EUR Hedged)" Shares: class of Shares dedicated to retail investors

Class "A (GBP Hedged)" Shares: class of Shares dedicated to retail investors;

Class "I" Shares: class of Shares dedicated to Institutional Investors;

Class "I (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;

Class "I (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;

Class "C" Shares: class of Shares dedicated to Institutional Investors;

Class "C (EUR Hedged) Shares: class of Shares dedicated to Institutional Investors;

Class "C (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors.

### **12.2 Characteristics of the Share classes available in the Portfolio**

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange	Bloomberg Page
A	USD	Accumulation	LU0412022039	None	GSAASH LX
A (EUR Hedged)	EUR	Accumulation	LU0412020769	None	GSAATIA LX
A (GBP Hedged)	GBP	Accumulation	LU0412021221	None	GSAAGBH LX
C	USD	Accumulation	LU0412027269	None	GSAIUSH LX
C (EUR Hedged)	EUR	Accumulation	LU0412025727	None	GSAATII LX
C (GBP Hedged)	GBP	Accumulation	LU0412026451	None	GSAIGBH LX
I	USD	Accumulation	LU0412023946	None	GSACUSH LX
I (EUR Hedged)	EUR	Accumulation	LU0412023276	None	GSAATIC LX
I (GBP Hedged)	GBP	Accumulation	LU0412023516	None	GSACGBH LX

Share Class	Maximum Sales	Maximum Deferred	Maximum Investment	Minimum Initial Investment	Minimum Holding	Minimum Subsequent
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	Charge	Sales Charge*	Administrator Fee			Investment
A	5.00%	5.00%	1.40% p.a.	USD 1,000	USD 1,000	USD 1,000
A (EUR Hedged)	5.00%	5.00%	1.40% p.a.	EUR 1,000	EUR 1,000	EUR 1,000
A (GBP Hedged)	5.00%	5.00%	1.40% p.a.	GBP 1,000	GBP 1,000	GBP 1,000
C	5.00%	5.00%	0.70% p.a.	USD 1,000,000	USD 1,000,000	USD 1,000
C (EUR Hedged)	5.00%	5.00%	0.70% p.a.	EUR 1,000,000	EUR 1,000,000	EUR 1,000
C (GBP Hedged)	5.00%	5.00%	0.70% p.a.	GBP 1,000,000	GBP 1,000,000	GBP 1,000
I	5.00%	5.00%	1.00% p.a.	USD 100,000	USD 100,000	USD 1,000
I (EUR Hedged)	5.00%	5.00%	1.00% p.a.	EUR 100,000	EUR 100,000	EUR 1,000
I (GBP Hedged)	5.00%	5.00%	1.00% p.a.	GBP 100,000	GBP 100,000	GBP 1,000

- \* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items “I. Expenses” and “II. Fees” of the section *“Expenses, Fees and Costs”* of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to the Hedging Agent) are capped to 0.25% of the average Net Asset Value of the Portfolio per annum. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap. Fees are also charged at the Index Constituent level and reflected in the level of the Index, including access fees to the InvestorSelect Managed Account Platform, management fees charged by Investment Managers and fees reflecting notional subscription and redemption costs. For further details see *“4.2 Fund Universe and Fees”*.

### 12.3 Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time (D)***	Settlement Date
Every Wednesday (which is a Business Day* and which is also an Index Business Day**)	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days ****
	The second Business Day prior to the relevant Valuation Day before 4 p.m. CET Luxembourg time	

- \* Business Day is any day on which banks are open for normal banking business in Luxembourg (“Luxembourg Business Day”) and on which banks are open for normal banking business in London (“London Business Day”).

- \*\* Index Business Day as defined in “3 Definitions”.

- \*\*\* D is any day on which the subscription, redemption and conversion applications are accepted by the Registrar and Transfer Agent.

- \*\*\*\* Local Business Day is any Business Day on which commercial banks are open for business in the principal financial centers of the Pricing Currency for the relevant Share class and the Base Currency of the Portfolio.

Investors should be aware that, subject to the following paragraph, the Net Asset Value calculated as of each Valuation Day will be published two Luxembourg Business Days after the relevant Valuation Day.

Investors are made aware that in case of occurrence of a Market Disruption Event on a Valuation Day, the Net Asset Value may not be calculated or published for such Affected Valuation Day (as detailed in the section headed “Particularities of the Swap Agreement and of the Reverse Repurchase Agreement”) and, as

a consequence, the processing of investors' subscription/conversion/ redemption orders will be postponed accordingly.

Nonetheless investors will be bound by any application so sent on any Luxembourg Business Day, notwithstanding the fact that the applicable Valuation Day may be postponed in case of occurrence of a Market Disruption Event which implies an Affected Valuation Day.

A Net Asset Value will be calculated on each Business Day, on days different from the Valuation Day. Any such Net Asset Value published on days that are not Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out above; and (ii) based on previously available Net Asset Values with adjustments made for the expense accrual.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. Neither the Umbrella Fund nor the Management Company are responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within the three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and are in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Redemptions in Kind***

Notwithstanding anything to the contrary in the Prospectus, no Share may be redeemed in kind and the Umbrella Fund will not accept any requests for redemption in kind.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio will be initially dedicated to Institutional Investors and other approved investors wishing to approximate the exposure of a highly diversified and representative portfolio of hedge funds.

## **Supplement XVI to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – BRICs Nifty 50 Emerging Markets Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***

**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the BRICs Nifty 50 Emerging Markets Portfolio (the “Portfolio”) in more detail.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Umbrella Fund: the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares; the determination of the Net Asset Value; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share classes that are available as of the date of the Prospectus.

October 2010

## **Goldman Sachs Structured Investments SICAV – BRICs Nifty 50 Emerging Markets Portfolio**

Unless the context requires otherwise, “Goldman Sachs” refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries.

The launching date of the Portfolio will be on or around 11 October 2010 at the initial price per Share of USD 10 for the Shares denominated in the Base Currency of the Portfolio. For the Shares denominated in currencies other than the Base Currency of the Portfolio please refer to the Global Distributor or to the Registrar and Transfer Agent of the Umbrella Fund to obtain the details of their respective initial price.

Goldman Sachs International as the Promoter of the Umbrella Fund may in its sole discretion delay or cancel the proposed launch of the Portfolio, in view of the level of subscriptions and/or market movements.

Investment Objective
<p>The investment objective of the Portfolio is to track the returns of the BRICs Nifty 50 Emerging Markets Index (the “Index”).</p> <p><b>The Portfolio’s ability to achieve the investment objective is subject to various independent risk factors as further described in this Supplement and the Prospectus. No assurance is given that the investment objective will be met.</b></p>

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An investment in the Portfolio carries with it a significant degree of financial risk. The value of Shares, and the return generated from them may go up or down, and an investor in the Shares may not recover the amount initially invested.

**These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, Investors should read carefully the sections entitled “Principal Risks of Investing in the Portfolio” in this Supplement as well as under sections “Investment Risks”, “What to Know Before You invest in a Portfolio” and “Additional Overriding Risks” of the Prospectus in order to understand the risks related to an investment in the Shares issued by the Portfolio and to determine the suitability of the investment for them.**

Potential investors in the Portfolio should pay particular attention to the following:

#### **(I) No principal protection**

The performance of the Portfolio depends primarily on the performance of the securities and derivatives of securities in the Portfolio (the “Portfolio Components”). The Portfolio does not include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no return on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

#### **(II) Investments in emerging markets are subject to special risks**

The Portfolio is comprised exclusively of securities and derivatives of securities of companies in the emerging markets of Brazil, Russia, India and China. 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 or inflation. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with neighboring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognize private property rights and have at times nationalized or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalization or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of investments in those countries. The small size and inexperience of the securities markets in certain countries and the

limited volume of trading in securities or derivatives of securities may make an investment in those countries illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment in one of these securities or derivatives of such securities.

### **(III) Market and exchange rate volatility**

Trading in securities and derivatives of securities of companies in Brazil, Russia, India and China (together, "BRICs") can be extremely volatile, which means that their value may increase or decrease significantly over a short period of time, often unpredictably. Rates of exchange between currencies are volatile and unpredictable and can be affected by many known and unknown factors, in particular with regard to emerging market currencies. Because the Portfolio level is determined on the basis of the US dollar, investors may lose money if the local currency of a Portfolio Component depreciates against the US dollar, even if the local currency value of that Portfolio Component increases. Adverse fluctuations in either individual exchange rates or the value of individual Portfolio Components may adversely affect the Portfolio level and the performance of any investment product linked to it.

### **(IV) Conflicts of Interest**

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect of the Index and the Portfolio. Although Goldman Sachs will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs' own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Portfolio, the Portfolio Components, the Index, the Underlier (as defined below under "2.1 Overview"), and products or investments linked thereto and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by Goldman Sachs International ("GSI"), may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Portfolio, the Portfolio Components, the Index or the Underlier and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Portfolio, the Portfolio Components, the Index or the Underlier, any underlying investment referenced or linked to the Portfolio, the Portfolio Components, the Index or the Underlier. These activities could adversely affect the value of the Portfolio, which could in turn affect the return on, and the value of, any product or investment linked to the Portfolio.

### **(V) Investors in the Portfolio may be at a disadvantage compared with recipients of Goldman Sachs Global Investment Research research reports**

Clients of Goldman Sachs Global Investment Research ("GSGIR"), a division of Goldman Sachs, and other recipients of the GSGIR research reports will receive changes to the Underlier before those changes are reflected in the Index or the Portfolio. This means that GSGIR clients or others may trade on the basis of the GSGIR research reports or updated Underlier before it is reflected in the Portfolio, which could work to the disadvantage of investors in the Portfolio. In addition, the GSGIR research reports may contain information or opinions in addition to the Underlier, which may not be made available to investors in the Portfolio. Such information may also cause movements in the prices of the Portfolio Components to the disadvantage of investors in the Portfolio, or lead to investment decisions by the recipients of such information not available to investors in the Portfolio.

### **(VI) No active management; Separation of GSGIR and GSI Securities Division Roles**

The Portfolio methodology operates in accordance with a set of predetermined rules. There will be no active management of the Portfolio or the Index so as to generate, enhance or protect returns. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may provide higher returns than the Portfolio and may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Portfolio or the Index, which are not actively managed. The Portfolio only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Index; the Index in turn only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Underlier, which GSGIR operates independently of GSI and may cease to update at any time. Operation of the Portfolio methodology may result in negative performance including returns that deviate materially from historical performance, both actual and pro-forma, and in such circumstances there will not be any form of active management to amend the algorithm or otherwise attempt to mitigate loss. The aforementioned potential consequences of the absence of active management within the Portfolio methodology could be further exacerbated during abnormal market conditions that may not have been taken into account in the construction of the algorithm.

The selection of companies and weightings to be included in the Underlier is maintained at the discretion of GSGIR as a provider of research, and GSGIR does not act as an investment advisor, investment manager or fiduciary to any party and does not guarantee any result in relation to the share performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI Securities Division, the Portfolio or any investor with exposure to

the Portfolio in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Portfolio.

The roles of GSGIR in producing the Underlier, and of the securities trading division of GSI as Index Sponsor, Investment Administrator and Execution Agent, are each functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

## **(VII) Tracking**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the Portfolio Components and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation between the Portfolio Components and the components of the Index. In addition, the performance of the Index is not expected to match that of the Underlier: (i) the Index (and consequently, the Portfolio) may not include all companies included in, or represent all the countries represented by, the Underlier, and only includes one security for each company; (ii) the Index weightings are adjusted as compared against those specified in the Underlier; and (iii) there may be a significant delay before the Index incorporates changes to the Underlier. For all of these reasons, the performance of the Index (and consequently, the Portfolio) will differ from the hypothetical performance of the Underlier. Finally, the performance of the Underlier is not a BRICs sector index, and is not designed to track any particular BRICs sector index. Therefore the performance of the Portfolio may not match, and should not be benchmarked against, an investment in any particular BRICs sector index.

## **(VIII) Counterparty risk**

The Index Calculation Agent (as defined below under "2.1 Overview") and the Execution Agent (as defined below under "1 Investment Policy") of the Portfolio rely on third party information and administrative services over which it has no control or warranty. The Index and Portfolio methodologies rely on information and administrative services from external providers. Neither the Portfolio Execution Agent nor the Index Calculation Agent make any warranty as to the correctness of the information or administrative services and takes no responsibility for the impact of any inaccuracy of such data or administrative services on the return produced by a particular Portfolio security or on the level of the Portfolio.

## **1 Investment Policy**

The Portfolio will seek to achieve its objective by investing in a basket of securities and derivatives of securities of companies domiciled in Brazil, Russia, India and China which replicates, to the extent practicable, the constituents and weightings of the Index. GSI (the "Execution Agent"), pursuant to an Execution Agency Agreement with the Umbrella Fund will execute Portfolio securities and derivatives of securities trades in order to track the Index, subject to the tracking risks highlighted, in accordance with the procedures described below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of any Shares classes denominated in a currency other than the base currency of the Portfolio.

### **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest in any UCITS or UCIs at any time.

### **Exposure to the Components of the Index**

Several factors, including subscriptions and redemptions for Shares of the Portfolio, may affect the exposure of the Portfolio to the components of the Index. As described under "Tracking" above, while the Net Asset Value of a Share class within the Portfolio will be generally linked to the changes in the level of the Index (whether flat, falling or rising), subject to the applicable costs, the performance of the Portfolio as a whole may differ from the performance of the Index. It is highly likely that the value of the Shares in the Portfolio will be adversely affected by a decline in the value of the components of the Index.

The Execution Agent will not engage on behalf of the Portfolio in any activity designed to obtain profit from, or reduce losses caused by, changes in value of the components of the Index.

## **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

From time to time, the Portfolio may also enter into OTC Derivative transactions for the purpose of enhancing returns on the constituents of the Index by attempting to reduce transaction costs or taxes, within the limits permitted by the laws and regulations applicable to UCITS.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

## **2 The Index**

This overview of the Index is correct as of 17<sup>th</sup> September 2010. However, GSI reserves the right to make changes as further detailed in section 2.5.3.

### **2.1 Overview**

The BRICs Nifty 50 Emerging Markets Index is designed to provide a synthetic exposure to shares of companies domiciled in Brazil, Russia, India or China based on, subject to certain exceptions, the composition of the Emerging Markets BRICs Nifty 50 (the “Underlier”), a table of companies and weightings providing exposure to BRICs countries independently produced by GSGIR, a division of Goldman Sachs.

GSI is the Index Sponsor and has the sole commercial rights in the Index. GSI has entered into an index calculation and administration agreement with Standard & Poor’s (“S&P”) to administer the Index (the “Index Calculation Agent”) in accordance with the criteria set out below and its standard procedures with respect to international indices. Should the index calculation and administration agreement with S&P be terminated, GSI will appoint a replacement Index Calculation Agent of comparable reputation, and if a transition period between Index Calculation Agents cannot be avoided, GSI will perform the index calculation and administration functions itself during such transition period.

### **2.2 Composition of the Underlier**

The Emerging Markets BRICs Nifty 50 Underlier is a table of 50 listed companies and weightings produced independently by GSGIR in conjunction with certain research reports GSGIR produces for its clients. The Underlier is comprised of companies with market capitalization greater than US\$1 billion which GSGIR believes are positioned to benefit from the demand growth expected in the BRICs economies. As of 17<sup>th</sup> September 2010, the Underlier included companies from all four BRIC countries, the number of companies from each country being roughly proportional to the country’s economic size, and encompasses a broad spread of sectors, with a bias toward infrastructure and consumer-oriented sectors. The companies are ranked according to a number of screening measures, including returns on capital, industry positioning, management quality, estimated earnings per share compound annual growth rate, price/earnings, and enterprise multiple. These rankings are considered by GSGIR along with input from GS regional strategists in order to select 50 companies to include in the Underlier. The weighting of each company is adjusted to reflect its free float market capitalization and daily liquidity, but only within a narrow range to ensure that each company in the Underlier remains close to an equal weighting of 2%. The table of 50 companies constituting the Underlier and their weightings is posted by GSGIR to Bloomberg page GSSTEM50, and is also available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

The initial November 2009 research report introducing GSGIR’s rationale and methodology behind the Underlier, entitled “The BRICs Nifty 50: The EM and DM Winners” is available from <http://www.gs.com/ideas/brics>. Non-GSGIR clients may alternatively, at the option of the Index Sponsor, be provided with a summary form of the initial research report at the BRICs Nifty 50 Emerging Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us>. GSGIR, entirely in its discretion and acting independently from the securities trading division of GSI, may update the companies and weightings constituting the Underlier at any time, either in conjunction with a new research report or separately. Any changes to the Underlier will be posted to Bloomberg page GSSTEM50; however, any future GSGIR research reports may be available only to GSGIR clients. Non-GSGIR clients may alternatively, at the option of the Index Sponsor, be provided with a summary form of any relevant research at <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us>. It is currently expected that the Underlier may be updated every 6 to 12 months, as well as in response to major corporate or economic events, but any update to the Underlier is entirely at the discretion of GSGIR.

GSGIR operates independently from the securities trading division of GSI with respect to the Underlier, which GSGIR maintains in conjunction with the research reports it produces for its clients. In maintaining the Underlier, GSGIR exercises considerable discretion, and may change its selection or weighting criteria or discontinue maintenance of the Underlier at any time. However, GSGIR does not act as an investment

advisor to any party and does not guarantee any result in relation to the performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI, the Index or any investor with exposure to the Index in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Index.

## **2.3 Initial Composition of the Index**

The composition of the BRICs Nifty 50 Emerging Markets Index is based on, but may differ from, the composition of the Underlier. No additional companies beyond those identified in the Underlier will be included in the Index; however, certain Underlier companies will be re-weighted or excluded from the Index entirely, resulting in the Index containing less than 50 securities (compared against 50 companies in the Underlier), and all four BRICs countries may not always be represented in the Index. Further, the Index Calculation Agent will only review the company names and weightings from the Underlier, and where an eligible company has issued more than one listed security, the Index Calculation Agent will apply the criteria described below to select one security for each eligible company to be included in the Index. The filters and adjustments by which the Underlier is modified to form the Index consist of the following, and unless otherwise indicated will be applied by the Index Calculation Agent acting in its sole discretion:

1. Ineligible Securities: The following securities are not eligible for inclusion in the Index: (a) bonds, convertible bonds, warrants, rights and preferred shares providing a fixed minimum return; (b) securities without at least 6 months of price history; (c) securities with an Average Daily Turnover Value over the prior 6 months ("6 Month ADTV") of less than a minimum trading volume specified for each stock exchange (d) securities subject to any of the Exclusion Criteria described in section 2.4.4 below. The 6 Month ADTV requirements referred to above may be updated as described in Section 2.4.3 below. Note that a company with one ineligible security may have other securities which are eligible for inclusion in the Index.
2. Multiple Securities: If a company has more than one eligible security, then the security with the highest 6 Month ADTV will be selected for inclusion in the Index. However, in cases where the Index already includes a security for such company, then to avoid unnecessary turnover the Index Sponsor in its reasonable discretion may determine that the existing security is sufficiently liquid that no change pursuant to this Section 2.3(2) is required.
3. Weighting of Index Securities: the weightings for each security in the Index will be based on the weightings assigned by the Underlier, but adjusted as follows:

First, to ensure the total weighting of all securities in the Index adds up to 1.00, where Underlier companies have been excluded from the Index, the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings specified by the Underlier.

Second, no security in the Index may have a weighting above the lesser of (a) 16%, (b) the 6 Month ADTV divided by the Investment Support Level (as defined below) and (c) 2% of the aggregate value of company's outstanding ordinary voting shares divided by the Investment Support Level. If a security's weighting is greater than 16%, it will be reduced to 12%. Similarly, if a security's weighting is greater than the 6 Month ADTV divided by the Investment Support Level, it will be reduced to 80% of the 6 Month ADTV divided by the Investment Support Level. Finally, if a security's weighting is greater than 2% of the aggregate value of the company's outstanding ordinary voting shares divided by the Investment Support Level, it will be reduced to 1.5% of the aggregate value of the company's outstanding ordinary voting shares divided by the Investment Support Level. In each case where a security's weighting is reduced as described in this paragraph, the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the decrease. Any of these adjustments referred to in this paragraph shall be termed a "Weighting Adjustment".

Throughout this section, a security's weighting refers to its dollar value as a fraction of the entire Index value. All such calculations are made in US dollar terms converted using Reuter's spot exchange rates as of the time of such calculation and using adjusted market values for the Index securities calculated in accordance with S&P's standard procedures with respect to international indices.

The Investment Support Level reflects the amount of investment linked to the Index, and will be initially set at US\$100 million, updated as described in Section 2.4.3 below.

## **2.4 Maintenance of the Index**

The Index Calculation Agent will monitor and maintain the Index on an ongoing basis in accordance with the largely non-discretionary criteria described below. Any adjustments required as a result of the criteria described below will be calculated as of 5:15pm New York Time, and the changes implemented at or near the close of regular trading for each security on the following Index Trading Day, subject to the Daily Trade Limit (each as defined in Section 2.4.1 below). The Index Calculation Agent will post changes to the Index to

the BRICs Nifty 50 Emerging Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> before they become effective.

#### 2.4.1 Changes to the Underlier

On the first Index Business Day (as defined below) of each week, the Index Calculation Agent will check Bloomberg page GSSTEM50 for any changes to the Underlier companies or weightings. If there have been any changes, the Index Calculation Agent will calculate the corresponding new Index according to the filters and adjustments described in Section 2.3 above (including the Exclusion Criteria described in Section 2.4.4 below), *provided that* after application of such filters and adjustments, 10 or more securities are eligible for inclusion in the Index. If fewer than 10 securities are to be included in the Index, then no change will be made to the Index composition or weightings pursuant to this Section 2.4.1. For the avoidance of doubt, upon any change to the Underlier, a new Index will be calculated in accordance with Section 2.3, but without regard to any previous exclusions or adjustments to the existing Index: securities which had been previously excluded may be added to the Index should the reasons for their exclusion no longer apply, and the entire Index will be re-weighted to match, subject to any adjustments described in Section 2.3, the weightings assigned by the new Underlier.

On the next Index Trading Day (as defined below) after a change to the Underlier has been detected, the Index Calculation Agent will transition the constituents and weightings of the existing Index to the new Index. However, if the increase or decrease in weighting of any Index security times the Investment Support Level is greater than 25% of the 6 Month ADTV (the "Daily Trade Limit"), then the sale or purchase for all securities in the Index will be divided approximately equally over as many Index Trading Days as necessary to ensure that no single trade in a security exceeds the Daily Trade Limit for that security.

An Index Business Day is any day on which every securities exchange on which both (i) commercial banks and foreign currency markets settle payments and are open for general business in London and New York; and (ii) any security in or about to be added to the Index is listed is normally open for trading. An Index Trading Day is an Index Business Day, except as delayed or modified as a result of a market disruption event in accordance with S&P's standard procedures with respect to international indices.

#### 2.4.2 Daily Monitoring of the Index

If on any Index Business Day the weighting of any Index security becomes above the lesser of (a) 16%, (b) the 6 Month ADTV divided by the Investment Support Level and (c) 2% of the aggregate value of the company's outstanding ordinary voting shares divided by the Investment Support Level, on the next Index Trading Day the Index Calculation Agent will conduct a Weighting Adjustment (as described in Section 2.3(3) above), subject to the Daily Trade Limit (as described in Section 2.4.1 above).

#### 2.4.3 Quarterly Monitoring of the Index

On the first Index Business Day of each quarter, the Index Calculation Agent will identify any securities in the Index for which the 6 Month ADTV is less than the minimum trading volume specified for each stock exchange. On the next Index Trading Day, the Index Calculation Agent will remove that security, and increase the weightings for all remaining Index securities *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

On the first Index Business Day of each Quarter, GSI, acting in its sole discretion, will review the Investment Support Level, and decide whether it is necessary to adjust the level in proportion to the amount of passive investment known to GSI to be linked to the Index. GSI, acting in its sole discretion, will also review the 6 Month ADTV requirements referred to in section 2.3(1)(d) from time to time. Any change to the Investment Support Level and 6 Month ADTV requirements will be notified to the Index Calculation Agent and available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

#### 2.4.4 Exclusion Criteria

Limitations on Exchanges: In order to ensure acceptable standards of liquidity, trading costs and information access, only securities listed on certain exchanges as specified from time to time by GSI are eligible for inclusion in the Index. The current list of eligible exchanges is available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

On any Index Business Day, should any Index security be trading on an exchange not included on the eligible exchange list, where possible the Index Calculation Agent will substitute the security for an alternate security of the same company which is otherwise eligible according to the criteria described in Section 2.3 above. However, if there is no such alternate security, then the Index Calculation Agent shall remove the security from the Index on the following Index Trading Day. The weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

Limitations on Securities: No security shall be included in the Index where such inclusion would be impractical or not economically viable due to liquidity, cost, information access or regulatory restrictions, or

which GSI is restricted from trading due to regulatory reasons, or the trading of which would cause GSI or its affiliates to incur significant negative legal, regulatory, taxation or economic detriment. Exclusion determinations shall be made by GSI in its sole discretion on an ongoing basis based on the information known to it, and communicated the same day to the Index Calculation Agent.

Such exclusion determinations will prevent a security from being added to the Index in accordance with Section 2.3(1)(d) above. In addition, should any exclusion criteria described in this Section 2.4.4 apply to a Index security, the Index Calculation Agent shall remove it from the Index on the Index Trading Day after receiving notice from GSI, and the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

## **2.5 Market Disruption Events and Index Adjustments**

In case of market disruption events affecting a security included in the Index, the Index Calculation Agent will delay or modify Index calculations and adjustments in accordance with S&P's standard procedures with respect to international indices, provided that if a market disruption continues for more than five Index Business Days, then on the sixth Index Business Day the value of the affected security shall be marked down to zero for all calculation purposes until that security is no longer affected by a market disruption event or a market value for the security can be obtained.

### **2.5.1 Cessation of GSGIR Coverage**

Until and unless GSGIR posts a new or modified Underlier to Bloomberg page GSSTEM50, the Index will continue to be maintained in accordance with Section 2.4 above, even in the event that GSGIR advises GSI that GSGIR will cease to maintain the Underlier at all, or in substantially similar form to that described in Section 2.2 above. However, in the event that GSI receives such advice from GSGIR, GSI will advise the Index Calculation Agent which will post this information to the BRICs Nifty 50 Emerging Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> within one Index Business Day.

### **2.5.2 Error Correction Policy**

The Index Calculation Agent will immediately correct any calculation errors relating to security prices, adjustments for corporate events, exchange rates, Index value, weightings and constituents. However, published Index levels will not be corrected retroactively.

### **2.5.3 Changes in Methodology**

GSI reserves the right to make any changes to methodology used by the Index Calculation Agent to compose or calculate the Index as GSI may, in its sole discretion, determine to be necessary as a result of market, regulatory, tax, judicial, financial, fiscal or other circumstances.

In the event that ambiguities arise in the composition or calculation of the Index, the Index Calculation Agent will resolve such ambiguities and, if necessary for resolution, make changes to the methodology used to compose or calculate the Index.

Details of any of the above actions will be posted by the Index Calculation Agent to the BRICs Nifty 50 Emerging Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> within one Index Business Day.

## **3 Operation of the Portfolio**

### **3.1 Changes to the Index**

On the Portfolio Trading Day following the date on which any Index change posted by the Index Calculation Agent becomes effective, subject to the Minimum Trade Size described in Section 3.4 below, the Execution Agent will instruct its program trading desk to make the trades necessary for the Portfolio to track, to the extent practicable, the constituents and weightings of the Index. In the event that the Index has removed a security entirely but the aggregate changes do not meet the Minimum Trade Size, the Execution Agent will nonetheless sell all of its holdings in that individual security (a "**Single Share Sale**").

Throughout this document, a weighting of a security or a derivative of security refers to its dollar value as a fraction of the value of all securities and derivatives of securities in the Portfolio. The value of securities or derivatives of securities to be sold or purchased by the Execution Agent to track, to the extent practicable, the constituents and weightings of the Index will be calculated in US dollar terms based on the most recent price and currency exchange rate available for each security.

A Portfolio Trading Day is any day on which both (i) commercial banks and foreign currency markets settle payments and are open for general business in London and New York; and (ii) every securities exchange on

which any security in or about to be added to the Portfolio is listed is normally open for trading, except as delayed or modified as a result of a Market Disruption Event, as described in Section 3.6 below.

### **3.2 Subscriptions & Redemptions**

On the Portfolio Trading Day following any subscription or redemption request, subject to the Minimum Trade Size described in Section 3.4 below, the Execution Agent will buy or sell (as the case may be) a sufficient number of Portfolio securities and derivatives of securities *pro rata* according to their weightings.

### **3.3 Timing of Portfolio Trading**

All trades in relation to the Portfolio shall be executed at or near the close of regular trading for each security.

### **3.4 Minimum Trade Size**

Whilst the Execution Agent will endeavour to track the constituents and weightings of the Index to the extent practicable, in order to minimize trading costs, the Execution Agent will only buy or sell securities when the aggregate value of securities to be sold and purchased is greater than a minimum threshold trading value (the "Minimum Threshold Trading Value"). Portfolio trades below the Minimum Threshold Trading Value will be deferred until additional trades are contemplated pursuant to this Section 3 which, combined with the deferred trading value, reach an aggregate value greater than the Minimum Threshold Trading Value.

The applicable Minimum Threshold Trading Value shall be determined by the Investment Administrator from time to time taking into account among other things transaction costs, fund expenses, liquidity of the Portfolio Components, and actual and expected net volumes of subscriptions and redemptions. Investors may obtain the prevailing Minimum Threshold Trading Value calling at +353 1 439 6018 or writing at [gs-fundsolutions@gs.com](mailto:gs-fundsolutions@gs.com).

### **3.5 Cash and Cash Equivalents**

In order to provide liquidity for subscriptions and redemptions, the Investment Administrator will seek to maintain a balance of cash, credit lines and derivatives instruments linked to the Index, issued by GSI, to meet short-term cashflow requirements and within the limits permitted by the laws and regulations applicable to UCITS. The exchange between cash, credit lines and derivative instruments will be determined by the Investment Administrator in order to balance the Portfolio's liquidity needs against closer tracking of the Index.

### **3.6 Adjustments to the Portfolio**

#### **3.6.1 Brokerage Costs**

Brokerage costs incurred by the Execution Agent shall be deducted from the Portfolio's cash balance.

#### **3.6.2 Corporate Events**

In the event a rights issue is held with respect to securities held by the Portfolio, and the rights issue subscription price (plus the applicable dividend amount where (i) such dividend is announced by the day before the ex-date of the rights, (ii) the dividend amount has been confirmed, and (iii) and the newly created shares are not entitled to the dividend) is less than the securities closing price on the day before the ex-date of the rights, then to the extent practicable, the Execution Agent will fully subscribe to the rights issue, and if necessary, subject to the Minimum Trade Size described in Section 3.4 above, will sell a sufficient number of Portfolio Components *pro rata* according to their weightings in order to raise the rights issue subscription price.

In the event a security held by the Portfolio offers its holders the option of dividend in cash or shares, the Execution Agent will select a cash dividend.

#### **3.6.3 Market Disruption Events**

Any of the following will constitute a Market Disruption Event: (i) any event or circumstance (including without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance) that is beyond the reasonable control of the Execution Agent or its affiliates, and that the Execution Agent determines is likely to have a material adverse effect on, or on the trading of, the Portfolio or any security or derivative of a security in (or about to be added to) the Portfolio; (ii) the declaration of a general moratorium in respect of banking activities in London or New York; (iii) the occurrence or existence of a lack of, or a material decline in, the liquidity in the market for trading of any security or derivative of a security in (or about to be added to) the Portfolio or a decline in the liquidity of the security or derivative of a security itself; or (iv) the failure of a source from which any party obtains information necessary to make adjustments to or calculations related to the Portfolio.

If a Market Disruption Event occurs or is continuing on any Portfolio Trading Day that, in the sole discretion of the Execution Agent affects the Portfolio or any securities or derivatives of securities in (or about to be added to) the Portfolio, the Umbrella Fund Administrator or Execution Agent, will:

- (i) Delay subscriptions, redemptions and calculation of Net Asset Value for the Portfolio, for up to five Portfolio Trading Days;
- (ii) Delay the trading of any securities and derivatives of securities in (or about to be added to) the Portfolio which are affected by a Market Disruption Event, for up to five Portfolio Trading Days. Securities and derivatives of securities in (or about to be added to) the Portfolio not affected by a Market Disruption Event will continue to be traded, the resultant under- or over-exposure to the non-traded security being reflected in the Portfolio's balance of cash and cash equivalents;
- (iii) If a Market Disruption Event in relation to any Portfolio Component continues beyond the fifth Portfolio Trading Day, the value of the Portfolio Component will be immediately removed from the then current Portfolio NAV and the Portfolio Component will be disposed of by the Execution Agent as soon as practicable; and
- (iv) On the first Trading Day when no Market Disruption Event occurs or is continuing, the Umbrella Fund Administrator will resume subscriptions, redemptions and calculation of the Net Asset Value for the Portfolio. In the event that such resumption was pursuant to the removal of a Portfolio Component from the Portfolio pursuant to clause (iii) above, for the purposes of all calculations such Portfolio Component shall be valued at zero or the amount (if any) the Execution Agent receives from its disposal.

### **3.7 Tracking Errors**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the Portfolio Components and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation of the Portfolio Components with the components of the Index including as a result of a deferred trade arising from the application by the Execution Agent of the Minimum Trade Size procedure detailed under section 3.4 above.

In addition, as described more fully in the Section 2 above, the Index itself is based on, but different from, the Underlier: certain Underlier companies will be re-weighted or excluded from the Index entirely, resulting in the Index containing less than 50 securities (compared against 50 companies in the Underlier); further, the timing of Index updates differs to that of the Underlier.

### **3.8 Consequences at the Portfolio level of the cessation of GSGIR Coverage**

In the event that, as provided under Section 2.5.1 above, GSGIR advises GSI that GSGIR will cease to maintain the Underlier at all, or in substantially similar form to that described in Section 2.2 above, the Board of Directors of the Umbrella Fund shall consider whether: (i) to keep replicating, to the extent practicable, the constituents and weightings of the Index, the latter being no longer considered as an index for the purposes of the laws and regulations applicable to UCITS, but instead as a static equity basket which shall comply with the laws and regulations applicable to UCITS; (ii) to replace the Index with another index that has a similar objective and is eligible under the laws and regulations applicable to UCITS or (iii) if it is impossible or impracticable to follow options (i) or (ii), to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

## **4 Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors investors should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **Goldman Sachs Roles and Conflict of Interests**

#### ***Overview of Roles***

GSI, GSGIR and GSI's affiliates (collectively, "Goldman Sachs") perform several roles in respect to the Portfolio.

GSGIR produces the Underlier in conjunction with certain research reports GSGIR produces for its clients.

GSI, as sponsor of the Index (the "Index Sponsor"), sets the parameters within which the Index operates, and liaises with Standard & Poor's (the "Index Calculation Agent"), which has been retained by GSI to administer the composition, maintenance and calculation of the Index. In certain circumstances, GSI may perform the Index Calculation Agent functions. GSI is also the Investment Administrator and the Execution Agent for the Portfolio.

While GSI generally does not exercise any material discretion in relation to the operation of the Index or the Portfolio and owes no fiduciary duties in respect of the Index or the Portfolio, GSI has discretion in responding to limited situations, including, among others, the determination of eligibility criteria with respect to Index securities and exchanges, the value of the Investment Support Level and the existence of and response to a Market Disruption Event. The exercise by GSI of this discretion may adversely affect the value of the Portfolio and the value of products or investments linked to the Portfolio.

Goldman Sachs is a full service financial services group and, consequently, is engaged in a range of activities that could affect the value of the Portfolio and any of the Portfolio Components as further described below.

### **Potential Conflicts of Interest**

As Index Sponsor, Investment Administrator and Execution Agent, GSI has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection or other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, GSI is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement and the Execution Agency Agreement.

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect of the Index and the Portfolio. Although Goldman Sachs will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs' own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Portfolio, the Portfolio Components, the Index, the Underlier, and products or investments linked thereto and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by GSI, may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Portfolio, the Portfolio Components, the Index or the Underlier and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier, any underlying investment referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier. These activities could adversely affect the value of the Portfolio, which could in turn affect the return on, and the value of, any product or investment linked to the Portfolio.

Goldman Sachs does and seeks to do business with companies included in the Portfolio, the Index and the Underlier. Goldman Sachs has implemented policies to manage the various conflicts of interest in connection with investment research, including, but not limited to, the segregation of research functions and dissemination of the research. The research reports on which the Underlier is based will have been published to clients of GSGIR before it is taken into account for the purposes of the Index or the Portfolio. This means that GSGIR clients or others may have traded on the basis of the GSGIR research reports before it is reflected in the Portfolio. It is likely that this will sometimes work to the disadvantage of investors in the Portfolio since it could result in the price of securities and derivatives of securities for companies included in the Underlier increasing prior to their inclusion in the Portfolio.

Although Goldman Sachs is not obliged to do so, it may elect to hedge its exposure to the Portfolio, any Portfolio securities, or any products or instruments linked thereto with an affiliate or a third party. That affiliate or third party, in turn, is likely, directly or indirectly, to hedge any of its exposure, including through transactions taking place on the futures and options markets. Where Goldman Sachs chooses to hedge its exposure, it may adjust or unwind such hedges by purchasing or selling products linked to the Portfolio or any Portfolio Components or any other product or instrument linked thereto. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments linked to the Portfolio or any Portfolio security. Any of this hedging activity may adversely affect the value of the Portfolio and of any products or instruments linked thereto.

Goldman Sachs may also engage in trading for its proprietary accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more products or instruments linked to or similar to the Portfolio or any Portfolio Component. In the course of these transactions, Goldman Sachs' customers may receive information about the Portfolio before it is made available to other investors. Any of these activities could also adversely affect the value of the Portfolio, directly or indirectly, by affecting the value of the Portfolio Components and, therefore, the market value of any products or instruments linked to the Portfolio and the amount paid on any such product or instrument at maturity.

It is possible that Goldman Sachs could receive substantial returns with respect to the above activities while the value of any underlying investments or instruments referenced to the Portfolio may decline. Any of this activity may adversely affect the value of the Portfolio and the performance of any product linked to it.

### *Separate Roles*

The roles of GSGIR in producing the Underlier, and of GSI as Index Sponsor, Investment Administrator and Execution Agent, are functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information. GSI does not independently verify the contents of the Underlier or the information on which it is based, and does not control the coverage or criteria of the Underlier, which may cease to include certain BRICs countries, sectors or companies at any time.

#### **No principal protection**

The performance of the Portfolio depends primarily on the performance of the Portfolio Components. The Portfolio does not include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

#### **No assurance of returns**

The performance of the Portfolio will not be consistently positive, and Goldman Sachs does not make any representation or warranty, express or implied, that they will be in the future. Furthermore, as there will be no short positions taken with respect to any Portfolio Components, the Portfolio has no built-in hedge or offset for broad movements of the market as a whole.

#### **Investments in emerging markets are subject to special risks**

The Portfolio is comprised exclusively of securities and derivatives of securities of companies in the emerging markets of Brazil, Russia, India and China. 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 or inflation. 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 recognize private property rights and have at times nationalized or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalization or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of 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 an investment in those countries illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment in one of these securities or derivatives of such securities.

#### **Market and exchange rate volatility**

The value of the Portfolio Components, and the level of the Portfolio, may change unpredictably due to market or foreign exchange volatility. Trading in securities and derivatives of securities of BRICs companies can be extremely volatile, which means that their value may increase or decrease significantly over a short period of time, often unpredictably. Rates of exchange between currencies are volatile and unpredictable and can be affected by many known and unknown factors, in particular with regard to emerging market currencies. Because the Portfolio level is determined on the basis of the US dollar, investors may lose money if the local currency of a Portfolio security depreciates against the US dollar, even if the local currency value of that security increases. Adverse fluctuations in either individual exchange rates or the value of individual Portfolio Components may adversely affect the Portfolio level.

#### **Investors in the Portfolio may be at a disadvantage compared with recipients of GSGIR research reports**

GSGIR clients and other recipients of the GSGIR research reports will receive changes to the Underlier before those changes are reflected in the Index or the Portfolio. This means that GSGIR clients or others may trade on the basis of the GSGIR research reports or updated Underlier before it is reflected in the Portfolio, which could work to the disadvantage of investors in the Portfolio. In addition, the GSGIR research reports may contain information or opinions in addition to the Underlier, which may not be made available to investors in the Portfolio. Such information may also cause movements in the prices of the Portfolio Components to the disadvantage of investors in the Portfolio, or lead to investment decisions by the recipients of such information not available to investors in the Portfolio.

#### **Trading by Goldman Sachs**

Trading and other transactions by Goldman Sachs in related financial instruments may adversely affect the value of the Portfolio. Goldman Sachs may hedge obligations in respect of the Portfolio by purchasing or

selling financial instruments linked to Portfolio Components, and may adjust or unwind such hedges by purchasing or selling the foregoing on or before the date of changes to the Portfolio. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments related to the Portfolio. Any of this hedging activity may adversely affect the value of the Portfolio.

Goldman Sachs may also engage in trading in financial instruments whose returns are linked to or are similar to the Portfolio or any Portfolio Components for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely affect the value of the Portfolio. Goldman Sachs may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the Portfolio or one or more Portfolio Components. By introducing such products to the marketplace, Goldman Sachs could adversely affect the value of the Portfolio.

### **No active management**

The Portfolio methodology operates in accordance with a set of predetermined rules. There will be no active management of the Portfolio or the Index so as to generate, enhance or protect returns. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Portfolio or the Index, which are not actively managed. The Portfolio only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Index; the Index in turn only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Underlier, which GSGIR manages independently of GSI and which GSGIR may cease to update, or update in accordance with different criteria, at any time. As a result, investors in the Portfolio may be exposed to more risk than an actively managed funds, and the performance of an actively managed fund may exceed the performance of the Portfolio.

The selection of companies and weightings to be included in the Underlier is maintained at the discretion of GSGIR as a provider of research, and GSGIR does not act as an investment advisor to any party and does not guarantee any result in relation to the share performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI, the Portfolio or any investor with exposure to the Portfolio in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Portfolio.

### **Tracking**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the Portfolio Components and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation of the Portfolio Components with the components of the Index. In addition, the performance of the Index is not expected to match that of the Underlier: (i) the Index (and consequently, the Portfolio) may not include all companies included in, or represent all the countries represented by, the Underlier, and only includes one security for each company; (ii) the Index weightings are adjusted differently as compared against those specified in the Underlier; (iii) the Index will cease to track the Underlier should the result be that fewer than 10 securities are included in the Index; and (iv) there may be a significant delay before the Index incorporates changes to the Underlier. For all of these reasons, the performance of the Index (and consequently, the Portfolio) will differ from the hypothetical performance of the Underlier. Finally, the performance of the Underlier is not a BRICs sector index, and is not designed to track any particular BRICs sector index or consistently include any particular BRIC country or sector. Therefore the performance of the Portfolio may not match, and should not be benchmarked against, an investment in any particular BRICs sector index.

### **Investors will have no rights with respect to the Portfolio Components**

An investment referenced to the Portfolio will not make an investor a holder of, or give an investor a direct investment position in, any of the Portfolio Components.

### **Past performance, if any, is no guide to future performance**

The actual performance of the Portfolio, the Index, the Underlier, or any Portfolio security may bear little relation to its historical performance, if any. The future performance of the Portfolio, the Index, the Underlier or any Portfolio security cannot be predicted.

### **Information about the Portfolio is no guarantee of its performance**

Certain presentations and backtesting or other statistical analysis materials in respect of the operation and/or potential returns of the Portfolio, the Index or the Underlier that may be provided are based on simulated analyses and hypothetical circumstances to estimate how the Portfolio, the Index or the Underlier may have performed prior to its inception. Goldman Sachs does not provide any assurance or guarantee that the Portfolio, the Index or the Underlier will operate or would have operated in the past in a manner consistent with those materials. As such, any historical returns projected in such materials or any hypothetical simulations based on these analyses that are provided in relation to the Portfolio, the Index or the Underlier may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, the Portfolio, the Index or the Underlier.

**The Portfolio has limited historical performance data, if any**

As limited historical performance data, if any, exist with respect to the Portfolio, any investment in the Portfolio may involve greater risk than an exposure linked to indices or strategies with a proven track record.

**Market Disruption Events may adversely affect the Portfolio Components and the Net Asset Value of the Portfolio**

The Portfolio Components are subject to temporary distortions or other disruptions due to various factors, including, without limitation, the lack of liquidity in the markets, and government regulation and intervention. If a Market Disruption Event affects any of the Portfolio Components, the Execution Agent may delay or modify intended trades. Further, if a market disruption event affects a Portfolio Component beyond five Portfolio Trading Days, the Portfolio Component may be removed from the Portfolio and its value reduced to zero. You may suffer a loss if you redeem your investment while any of the Portfolio Components is affected by a Market Disruption Event, or as a result of a Portfolio Component being removed from the Portfolio at a reduced or zero value following an extended Market Disruption Event affecting that Portfolio Component.

**Counterparty risk**

The Calculation Agent of the Index and the Execution Agent of the Portfolio rely on third party information and administrative services over which it has no control or warranty. The Index and Portfolio methodologies rely on information and administrative services from external providers. Neither the Execution Agent nor the Index Calculation Agent make any warranty as to the correctness of the information or administrative services and takes no responsibility for the impact of any inaccuracy of such data or administrative services on the return produced by a particular Portfolio security or on the level of the Portfolio.

**The Index Sponsor, the Index Calculation Agent and the Execution Agent of the Portfolio have the authority to make determinations that could materially affect the Portfolio**

Determinations that the Index Sponsor, the Index Calculation Agent and the Execution Agent of the Portfolio may make in connection with the composition, calculation, maintenance and modification of the Index or the Portfolio may materially affect the level of the Portfolio and its performance. The Index Sponsor, the Index Calculation Agent and the Execution Agent have no obligation to take the interests of investors in the Portfolio into consideration for any reason in carrying out their functions and have generally disclaimed all liability to the extent permitted by law.

**Fair Market Price**

The Umbrella Fund is required to ensure that transactions entered into by the Portfolio are priced on an arm's length basis as required by Luxembourg law. Accordingly, procedures have been put in place with the Execution Agent designed to ensure that, subject to any specific instructions, transactions executed by the Execution Agent on behalf of the Portfolio are also priced on a reasonable arm's length basis in accordance with Luxembourg law. These arrangements are subject to the oversight of the trading committee appointed by the Board of Directors of the Umbrella Fund, which, in relation to the Portfolio, performs such role notwithstanding any other role of the trading committee described in the Prospectus.

## **5 Disclaimers**

**No advice or recommendation:** Goldman Sachs International and the Umbrella Fund do not make any representation or warranty, express or implied, or accept any liability or responsibility (except in the case of fraud) to the owner of any products linked to the Index or any member of the public regarding (i) the advisability of investing in securities and derivatives of securities generally, in the Portfolio, the Portfolio Components, the Index or the Underlier (ii) the ability of the Portfolio, the Portfolio Components, the Index or the Underlier to generate positive results. If investors consider acquiring any product linked to the Index or the Underlier, they should consult their own accounting, tax, investment and legal advisors before doing so. Goldman Sachs International does not act as an advisor or fiduciary.

**Exclusion of liability:** None of Goldman Sachs International, in its role as the Investment Administrator, Execution Agent and Index Sponsor, or the Umbrella Fund, or any officers, employees or agents of Goldman Sachs, as applicable, has made or will make any representation or warranty, express or implied, or accept any responsibility or liability however so arising, in contract, statute or tort (including without limitation

negligence or breach of duty), except in the case of fraud, in relation to any matter in connection with the Underlier or the Index, their quality, accuracy and completeness as well as any data included therein or on which the Index or Underlier is based, or the performance of the Underlier

In any event, Goldman Sachs International in its role as Index Sponsor shall not, under any circumstances, be responsible for any person's lost profits or for any special, punitive, indirect or consequential damages (including lost profits), even if it has been advised of the possibility of such damage or loss.

***The Index and the Underlier are not designed by reference to individual needs:*** The Index and the Underlier are not designed by reference to individual needs and are designed, operated and calculated by Goldman Sachs without regard to any products linked to it. Goldman Sachs does not have any obligation to, and does not, take the needs of any person into consideration in designing, operating or calculating the Portfolio, the Index or the Underlier.

This disclaimer will not exclude any liability for, or remedy in respect of, fraud or fraudulent misrepresentation.

*The BRICs Nifty 50 Emerging Markets Index (the "Index") is the exclusive property of Goldman Sachs International ("GSI"), which has contracted with Standard & Poor's Financial Services LLC ("S&P") to calculate and maintain the Index. S&P's sole relationship to GSI in relation to the Index is providing such calculation services. The Index is in no way related to, based upon or in any other way derived from the S&P BRIC 40 index or the S&P CNX Nifty index. The Index is not owned, endorsed, or approved by or associated with S&P, its affiliates or their third party licensors and neither S&P, its affiliates nor their third party licensors shall have any liability in connection to the Index.*

## **6 Characteristics**

### **6.1 Characteristics of the Share classes available in the Portfolio**

#### **Available Share classes**

Class "A (USD)" Shares: class of Shares dedicated to retail investors;  
Class "A (EUR Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (CHF Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (GBP Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (JPY Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "I (USD)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (CHF Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (USD)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (CHF Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "M (USD)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (EUR Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (CHF Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (GBP Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (JPY Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (USD)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (EUR Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (CHF Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (GBP Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (JPY Hedged)" Shares: class of Shares dedicated to private wealth management clients only.

<b>Share Class</b>	<b>Pricing Currency</b>	<b>Dividend Policy</b>	<b>ISIN Codes</b>	<b>Listing on the Luxembourg stock exchange</b>
A (USD)	USD	Accumulation	LU0503687344	None
A (EUR Hedged)	EUR	Accumulation	LU0503687427	None
A (CHF Hedged)	CHF	Accumulation	LU0503687773	None
A (GBP Hedged)	GBP	Distributing	LU0503687930	None
A (JPY Hedged)	JPY	Accumulation	LU0503688235	None
I (USD)	USD	Accumulation	LU0503688581	None
I (EUR Hedged)	EUR	Accumulation	LU0503688748	None
I (CHF Hedged)	CHF	Accumulation	LU0503688821	None
I (GBP Hedged)	GBP	Distributing	LU0503689126	None
I (JPY Hedged)	JPY	Accumulation	LU0503689555	None
C (USD)	USD	Accumulation	LU0503689803	None
C (EUR Hedged)	EUR	Accumulation	LU0503690058	None
C (CHF Hedged)	CHF	Accumulation	LU0503690215	None
C (GBP Hedged)	GBP	Distributing	LU0503690488	None
C (JPY Hedged)	JPY	Accumulation	LU0503690645	None
M (USD)	USD	Accumulation	LU0503690991	None
M (EUR Hedged)	EUR	Accumulation	LU0503691379	None
M (CHF Hedged)	CHF	Accumulation	LU0503691536	None
M (GBP Hedged)	GBP	Distributing	LU0503691700	None
M (JPY Hedged)	JPY	Accumulation	LU0503691965	None
N (USD)	USD	Accumulation	LU0503692187	None
N (EUR Hedged)	EUR	Accumulation	LU0503692344	None
N (CHF Hedged)	CHF	Accumulation	LU0503692690	None
N (GBP Hedged)	GBP	Distributing	LU0503692856	None
N (JPY Hedged)	JPY	Accumulation	LU0503693078	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
A (USD)	5.00%	5.00%	1.40% p.a.	USD 1,000	USD 1,000	USD 1,000
A (EUR Hedged)	5.00%	5.00%	1.40% p.a.	EUR 1,000	EUR 1,000	EUR 1,000
A (CHF Hedged)	5.00%	5.00%	1.40% p.a.	CHF 1,000	CHF 1,000	CHF 1,000
A (GBP Hedged)	5.00%	5.00%	1.40% p.a.	GBP 1,000	GBP 1,000	GBP 1,000
A (JPY Hedged)	5.00%	5.00%	1.40% p.a.	JPY 100,000	JPY 100,000	JPY 100,000
I (USD)	5.00%	5.00%	1.00% p.a.	USD 100,000	USD 100,000	USD 1,000
I (EUR Hedged)	5.00%	5.00%	1.00% p.a.	EUR 100,000	EUR 100,000	EUR 1,000
I (CHF Hedged)	5.00%	5.00%	1.00% p.a.	CHF 100,000	CHF 100,000	CHF 1,000
I (GBP Hedged)	5.00%	5.00%	1.00% p.a.	GBP 100,000	GBP 100,000	GBP 1,000
I (JPY Hedged)	5.00%	5.00%	1.00% p.a.	JPY 10,000,000	JPY 10,000,000	JPY 100,000
C (USD)	5.00%	5.00%	0.70% p.a.	USD 1,000,000	USD 1,000,000	USD 1,000
C (EUR Hedged)	5.00%	5.00%	0.70% p.a.	EUR 1,000,000	EUR 1,000,000	EUR 1,000
C (CHF Hedged)	5.00%	5.00%	0.70% p.a.	CHF 1,000,000	CHF 1,000,000	CHF 1,000
C (GBP Hedged)	5.00%	5.00%	0.70% p.a.	GBP 1,000,000	GBP 1,000,000	GBP 1,000
C (JPY Hedged)	5.00%	5.00%	0.70% p.a.	JPY 10,000,000	JPY 10,000,000	JPY 100,000
M (USD)	5.00%	5.00%	1.00% p.a.	USD 99,000	USD 99,000	USD 1,000
M (EUR Hedged)	5.00%	5.00%	1.00% p.a.	EUR 99,000	EUR 99,000	EUR 1,000
M (CHF Hedged)	5.00%	5.00%	1.00% p.a.	CHF 99,000	CHF 99,000	CHF 1,000
M (GBP Hedged)	5.00%	5.00%	1.00% p.a.	GBP 99,000	GBP 99,000	GBP 1,000
M (JPY Hedged)	5.00%	5.00%	1.00% p.a.	JPY 9,900,000	JPY 9,900,000	JPY 100,000
N (USD)	5.00%	5.00%	0.70% p.a.	USD 25,000,000	USD 25,000,000	USD 1,000
N (EUR Hedged)	5.00%	5.00%	0.70% p.a.	EUR 25,000,000	EUR 25,000,000	EUR 1,000
N (CHF Hedged)	5.00%	5.00%	0.70% p.a.	CHF 25,000,000	CHF 25,000,000	CHF 1,000
N (GBP Hedged)	5.00%	5.00%	0.70% p.a.	GBP 25,000,000	GBP 25,000,000	GBP 1,000
N (JPY Hedged)	5.00%	5.00%	0.70% p.a.	JPY 2,500,000,000	JPY 2,500,000,000	JPY 100,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred

to under items “I. Expenses” and “II. Fees” of the section *“Expenses, Fees and Costs”* of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0.265% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

## **6.2 Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

<b>Valuation Day</b>	<b>Subscription/Conversion/ Redemption Date and Cut-Off Time</b>	<b>Settlement Date</b>
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days **
	Every Luxembourg and London business day  before 4 p.m. CET Luxembourg time prior to any Valuation Day	

\* Business Day is any Luxembourg and London business day which is also a Portfolio Trading Day (as defined under Section 3.1 above).

\*\* Local Business Day is any Business Day on which commercial banks are open for business in the principal financial centers of the currencies of payment for the relevant Share class and the Base Currency of the Portfolio.

A Net Asset Value will be calculated on days different from the Valuation Day. Any such Net Asset Value published on days that are not Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available Net Asset Values with adjustments made for the expense accrual.

A (USD)	GSBRAUS LX
A (EUR Hedged)	GSBRAEH LX
A (CHF Hedged)	GSBRACH LX
A (GBP Hedged)	GSBRAPH LX
A (JPY Hedged)	GSBRAYH LX
I (USD)	GSBRIUS LX
I (EUR Hedged)	GSBRIEH LX
I (CHF Hedged)	GSBRICH LX
I (GBP Hedged)	GSBRIPH LX
I (JPY Hedged)	GSBRIYH LX
C (USD)	GSBRCUS LX
C (EUR Hedged)	GSBRCEH LX
C (CHF Hedged)	GSBRCCH LX
C (GBP Hedged)	GSBRCPH LX
C (JPY Hedged)	GSBRCYH LX
M (USD)	GSBRMUS LX
M (EUR Hedged)	GSBRMEH LX
M (CHF Hedged)	GSBRMCH LX
M (GBP Hedged)	GSBRMPH LX
M (JPY Hedged)	GSBRMYH LX
N (USD)	GSBRNUS LX
N (EUR Hedged)	GSBRNEH LX
N (CHF Hedged)	GSBRNCH LX
N (GBP Hedged)	GSBRNPH LX
N (JPY Hedged)	GSBRNYH LX

Investors are made aware that in case of occurrence of a Market Disruption Event on a Valuation Day the Net Asset Value may not be calculated or published for such Valuation Day (as a consequence of the occurrence of a Market Disruption Event on any Portfolio Trading Day, as detailed in the section headed “3.6.3 “Market Disruption Events”) and, as a consequence, the processing of investors’ subscription/conversion/ redemption orders will be postponed accordingly.

Nonetheless investors will be bound by any application so sent on any Luxembourg and London business day, notwithstanding the fact that the applicable Valuation Day may be postponed in case of occurrence of a Market Disruption Event.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day.

However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Redemptions in Kind***

Notwithstanding anything to the contrary in the Prospectus, no Share may be redeemed in kind and the Umbrella Fund will not accept any requests for redemption in kind.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Investment Administrator: Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail and professional investors and Institutional Investors.

## **Supplement XVII to the Prospectus**

### **Alternative Beta Strategies**

# **Goldman Sachs Structured Investments SICAV – BRICs Nifty 50 Developed Markets Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***

**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the BRICs Nifty 50 Developed Markets Portfolio (the "Portfolio") in more detail.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Umbrella Fund: the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares; the determination of the Net Asset Value; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share classes that are available as of the date of the Prospectus.

October 2010

## **Goldman Sachs Structured Investments SICAV – BRICs Nifty 50 Developed Markets Portfolio**

Unless the context requires otherwise, “Goldman Sachs” refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries.

The launching date of the Portfolio will be on or around 11 October 2010 at the initial price per Share of USD 10 for the Shares denominated in the Base Currency of the Portfolio. For the Shares denominated in currencies other than the Base Currency of the Portfolio please refer to the Global Distributor or to the Registrar and Transfer Agent of the Umbrella Fund to obtain the details of their respective initial price.

Goldman Sachs International as the Promoter of the Umbrella Fund may in its sole discretion delay or cancel the proposed launch of the Portfolio, in view of the level of subscriptions and/or market movements.

<b>Investment Objective</b>
The investment objective of the Portfolio is to track the returns of the BRICs Nifty 50 Developed Markets TR Index (the “Index”).
<b>The Portfolio’s ability to achieve the investment objective is subject to various independent risk factors as further described in this Supplement and the Prospectus. No assurance is given that the investment objective will be met.</b>

### **IMPORTANT INVESTOR DISCLOSURE**

#### **Key Risks related to the Portfolio**

An investment in the Portfolio carries with it a significant degree of financial risk. The value of Shares, and the return generated from them may go up or down, and an investor in the Shares may not recover the amount initially invested.

**These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, Investors should read carefully the sections entitled “*Principal Risks of Investing in the Portfolio*” in this Supplement as well as under sections “*Investment Risks*”, “*What to Know Before You invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus in order to understand the risks related to an investment in the Shares issued by the Portfolio and to determine the suitability of the investment for them.**

Potential investors in the Portfolio should pay particular attention to the following:

#### **(I) No principal protection**

The performance of the Portfolio depends primarily on the performance of the securities and derivatives of securities in the Portfolio (the “Portfolio Components”). The Portfolio does not include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no return on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

#### **(II) Investments with exposure to emerging markets are subject to special risks**

The Portfolio is comprised exclusively of securities and derivatives of securities of companies with significant exposure to Brazil, Russia, India, China and other 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 or inflation. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions;

internal insurgencies; hostile relations with neighboring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognize private property rights and have at times nationalized or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalization or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of investments in those countries. The small size and inexperience of the securities markets in certain countries and the limited volume of trading in securities or derivatives of securities may make an investment in those countries illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment in one of these securities or derivatives of such securities.

### **(III) Market and exchange rate volatility**

Trading in securities and derivatives of securities of companies with exposure to Brazil, Russia, India and China (together, “BRICs”) and other emerging markets can be extremely volatile, which means that their value may increase or decrease significantly over a short period of time, often unpredictably. Rates of exchange between currencies are volatile and unpredictable and can be affected by many known and unknown factors. Because the Portfolio level is determined on the basis of the US dollar, investors may lose money if the local currency of a Portfolio Component depreciates against the US dollar, even if the local currency value of that Portfolio Component increases. Adverse fluctuations in either individual exchange rates or the value of individual Portfolio Components may adversely affect the Portfolio level and the performance of any investment product linked to it.

### **(IV) Conflicts of Interest**

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect of the Index and the Portfolio. Although Goldman Sachs will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs’ own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Portfolio, the Portfolio Components, the Index, the Underlier (as defined below under “2.1 Overview”), and products or investments linked thereto and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by Goldman Sachs International (“GSI”), may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Portfolio, the Portfolio Components, the Index or the Underlier and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Portfolio, the Portfolio Components, the Index or the Underlier, any underlying investment referenced or linked to the Portfolio, the Portfolio Components, the Index or the Underlier. These activities could adversely affect the value of the Portfolio, which could in turn affect the return on, and the value of, any product or investment linked to the Portfolio.

### **(V) Investors in the Portfolio may be at a disadvantage compared with recipients of Goldman Sachs Global Investment Research research reports**

Clients of Goldman Sachs Global Investment Research (“GSGIR”), a division of Goldman Sachs, and other recipients of the GSGIR research reports will receive changes to the Underlier before those changes are reflected in the Index or the Portfolio. This means that GSGIR clients or others may trade on the basis of the GSGIR research reports or updated Underlier before it is reflected in the Portfolio, which could work to the disadvantage of investors in the Portfolio. In addition, the GSGIR research reports may contain information or opinions in addition to the Underlier, which may not be made available to investors in the Portfolio. Such information may also cause movements in the prices of the Portfolio Components to the disadvantage of investors in the Portfolio, or lead to investment decisions by the recipients of such information not available to investors in the Portfolio.

### **(VI) No active management; Separation of GSGIR and GSI Securities Division Roles**

The Portfolio methodology operates in accordance with a set of predetermined rules. There will be no active management of the Portfolio or the Index so as to generate, enhance or protect returns. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may provide higher returns than the Portfolio and may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Portfolio or the Index, which are not actively managed. The Portfolio only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Index; the Index in turn only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Underlier, which GSGIR operates independently of GSI and may cease to update at any time. Operation of the Portfolio methodology may

result in negative performance including returns that deviate materially from historical performance, both actual and pro-forma, and in such circumstances there will not be any form of active management to amend the algorithm or otherwise attempt to mitigate loss. The aforementioned potential consequences of the absence of active management within the Portfolio methodology could be further exacerbated during abnormal market conditions that may not have been taken into account in the construction of the algorithm.

The selection of companies and weightings to be included in the Underlier is maintained at the discretion of GSGIR as a provider of research, and GSGIR does not act as an investment advisor, investment manager or fiduciary to any party and does not guarantee any result in relation to the share performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI Securities Division, the Portfolio or any investor with exposure to the Portfolio in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Portfolio.

The roles of GSGIR in producing the Underlier, and of the securities trading division of GSI as Index Sponsor, Investment Administrator and Execution Agent, are each functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

## **(VII) Tracking**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the Portfolio Components and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation between the Portfolio Components and the components of the Index. In addition, the performance of the Index is not expected to match that of the Underlier: (i) the Index (and consequently, the Portfolio) may not include all companies included in, or represent all the countries represented by, the Underlier, and only includes one security for each company; (ii) the Index weightings are adjusted as compared against those specified in the Underlier; and (iii) there may be a significant delay before the Index incorporates changes to the Underlier. For all of these reasons, the performance of the Index (and consequently, the Portfolio) will differ from the hypothetical performance of the Underlier. Finally, the performance of the Underlier reflects the performance of selected companies with exposure to BRICs and other emerging markets, and is not a BRICs sector index, and is not designed to track any particular BRICs sector index. Therefore the performance of the Portfolio may not match, and should not be benchmarked against, an investment in any particular BRICs sector index.

## **(VIII) Counterparty risk**

The Index Calculation Agent (as defined below under "2.1 Overview") and the Execution Agent (as defined below under "1 Investment Policy") of the Portfolio rely on third party information and administrative services over which it has no control or warranty. The Index and Portfolio methodologies rely on information and administrative services from external providers. Neither the Portfolio Execution Agent nor the Index Calculation Agent make any warranty as to the correctness of the information or administrative services and takes no responsibility for the impact of any inaccuracy of such data or administrative services on the return produced by a particular Portfolio security or on the level of the Portfolio.

## **1 Investment Policy**

The Portfolio will seek to achieve its objective by investing in a basket of securities and derivatives of securities of companies domiciled in Europe, the U.S., Japan, Korea and Australia with significant exposure to Brazil, Russia, India, China and other emerging markets, which replicates, to the extent practicable, the constituents and weightings of the Index. GSI (the "Execution Agent"), pursuant to an Execution Agency Agreement with the Umbrella Fund will execute Portfolio securities and derivatives of securities trades in order to track the Index, subject to the tracking risks highlighted, in accordance with the procedures described below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of any Shares classes denominated in a currency other than the base currency of the Portfolio.

## **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest in any UCITS or UCIs at any time.

## **Exposure to the Components of the Index**

Several factors, including subscriptions and redemptions for Shares of the Portfolio, may affect the exposure of the Portfolio to the components of the Index. As described under “Tracking” above, while the Net Asset Value of a Share class within the Portfolio will be generally linked to the changes in the level of the Index (whether flat, falling or rising), subject to the applicable costs, the performance of the Portfolio as a whole may differ from the performance of the Index. It is highly likely that the value of the Shares in the Portfolio will be adversely affected by a decline in the value of the components of the Index.

The Execution Agent will not engage on behalf of the Portfolio in any activity designed to obtain profit from, or reduce losses caused by, changes in value of the components of the Index.

## **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

From time to time, the Portfolio may also enter into OTC Derivative transactions for the purpose of enhancing returns on the constituents of the Index by attempting to reduce transaction costs or taxes, within the limits permitted by the laws and regulations applicable to UCITS.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

## **2 The Index**

This overview of the Index is correct as of 17<sup>th</sup> September 2010. However, GSI reserves the right to make changes as further detailed in section 2.5.3.

### **2.1 Overview**

The BRICs Nifty 50 Developed Markets Index is designed to provide a synthetic exposure to shares of companies domiciled in Europe, the U.S., Japan, Korea and Australia with significant exposure to Brazil, Russia, India, China or other emerging markets based on, subject to certain exceptions, the composition of the Developed Markets BRICs Nifty 50 (the “Underlier”), a table of companies and weightings providing exposure to BRICs countries and other emerging markets independently produced by GSGIR, a division of Goldman Sachs.

GSI is the Index Sponsor and has the sole commercial rights in the Index. GSI has entered into an index calculation and administration agreement with Standard & Poor’s (“S&P”) to administer the Index (the “Index Calculation Agent”) in accordance with the criteria set out below and its standard procedures with respect to international indices. Should the index calculation and administration agreement with S&P be terminated, GSI will appoint a replacement Index Calculation Agent of comparable reputation, and if a transition period between Index Calculation Agents cannot be avoided, GSI will perform the index calculation and administration functions itself during such transition period.

### **2.2 Composition of the Underlier**

The Developed Markets BRICs Nifty 50 Underlier is a table of 50 listed companies and weightings produced independently by GSGIR in conjunction with certain research reports GSGIR produces for its clients. The Underlier is comprised of companies with market capitalization greater than US\$1 billion which GSGIR believes are positioned to benefit from the demand growth expected in emerging markets in general, and in BRICs in particular. As of 17<sup>th</sup> September 2010, the Underlier included companies domiciled in Europe, the U.S., Japan, Korea and Australia that have significant exposure to the BRICs and other emerging economies, whilst encompassing a broad spread of sectors, with a bias toward industrial, basic resources and consumer stocks. The weighting of each company is adjusted to reflect its exposure to emerging markets as well as free float market capitalization and daily liquidity, but only within a narrow range to ensure that each company in the Underlier remains close to an equal weighting of 2%. The table of 50 companies constituting the Underlier and their weightings is posted by GSGIR to Bloomberg page GSSTDM50, and is

also available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

The initial November 2009 research report introducing GSGIR's rationale and methodology behind the Underlier, entitled "The BRICs Nifty 50: The EM and DM Winners" is available from <http://www.gs.com/ideas/brics>. Non-GSGIR clients may alternatively, at the option of the Index Sponsor, be provided with a summary form of the initial research report at the BRICs Nifty 50 Developed Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us>. GSGIR, entirely in its discretion and acting independently from the securities trading division of GSI, may update the companies and weightings constituting the Underlier at any time, either in conjunction with a new research report or separately. Any changes to the Underlier will be posted to Bloomberg page GSSTDM50; however, any future GSGIR research reports may be available only to GSGIR clients. Non-GSGIR clients may alternatively, at the option of the Index Sponsor, be provided with a summary form of any relevant research at <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us>. It is currently expected that the Underlier may be updated every 6 to 12 months, as well as in response to major corporate or economic events, but any update to the Underlier is entirely at the discretion of GSGIR.

GSGIR operates independently from the securities trading division of GSI with respect to the Underlier, which GSGIR maintains in conjunction with the research reports it produces for its clients. In maintaining the Underlier, GSGIR exercises considerable discretion, and may change its selection or weighting criteria or discontinue maintenance of the Underlier at any time. However, GSGIR does not act as an investment advisor to any party and does not guarantee any result in relation to the performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI, the Index or any investor with exposure to the Index in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Index.

### **2.3 Initial Composition of the Index**

The composition of the BRICs Nifty 50 Developed Markets Index is based on, but may differ from, the composition of the Underlier. No additional companies beyond those identified in the Underlier will be included in the Index; however, certain Underlier companies will be re-weighted or excluded from the Index entirely, resulting in the Index containing less than 50 securities (compared against 50 companies in the Underlier), and all regions and countries may not always be represented in the Index. Further, the Index Calculation Agent will only review the company names and weightings from the Underlier, and where an eligible company has issued more than one listed security, the Index Calculation Agent will apply the criteria described below to select one security for each eligible company to be included in the Index. The filters and adjustments by which the Underlier is modified to form the Index consist of the following, and unless otherwise indicated will be applied by the Index Calculation Agent acting in its sole discretion:

1. **Ineligible Securities:** The following securities are not eligible for inclusion in the Index: (a) bonds, convertible bonds, warrants, rights and preferred shares providing a fixed minimum return; (b) securities without at least 6 months of price history; (c) securities with an Average Daily Turnover Value over the prior 6 months ("6 Month ADTV") of less than a minimum trading volume specified for each stock exchange; (d) securities subject to any of the Exclusion Criteria described in section 2.4.4 below. The 6 Month ADTV requirements referred to above may be updated as described in Section 2.4.3 below. Note that a company with one ineligible security may have other securities which are eligible for inclusion in the Index.
2. **Multiple Securities:** If a company has more than one eligible security, then the security with the highest 6 Month ADTV will be selected for inclusion in the Index. However, in cases where the Index already includes a security for such company, then to avoid unnecessary turnover the Index Sponsor in its reasonable discretion may determine that the existing security is sufficiently liquid that no change pursuant to this Section 2.3 (2) is required.
3. **Weighting of Index Securities:** the weightings for each security in the Index will be based on the weightings assigned by the Underlier, but adjusted as follows:

First, to ensure the total weighting of all securities in the Index adds up to 1.00, where Underlier companies have been excluded from the Index, the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings specified by the Underlier.

Second, no security in the Index may have a weighting above the lesser of (a) 16% (b) the 6 Month ADTV divided by the Investment Support Level (as defined below) and (c) 2% of the aggregate value of company's outstanding ordinary voting shares divided by the Investment Support Level. If a security's weighting is greater than 16%, it will be reduced to 12%. Similarly, if a security's weighting is greater than the 6 Month ADTV divided by the Investment Support Level, it will be reduced to 80% of the 6 Month ADTV divided by the Investment Support Level. Finally, if a security's weighting is greater than 2% of the aggregate value of the company's outstanding ordinary voting shares divided by the Investment Support Level, it will be reduced to 1.5% of the aggregate value of the company's outstanding ordinary voting shares divided by the Investment Support Level. In each case where a security's weighting is reduced as described in this paragraph, the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the decrease. Any of these, adjustments referred to in this paragraph shall be termed a "Weighting Adjustment".

Throughout this section, a security's weighting refers to its dollar value as a fraction of the entire Index value. All such calculations are made in US dollar terms converted using Reuter's spot exchange rates as of the time of such calculation and using adjusted market values for the Index securities calculated in accordance with S&P's standard procedures with respect to international indices.

The Investment Support Level reflects the amount of investment linked to the Index, and will be initially set at US\$100 million, updated as described in Section 2.4.3 below.

## **2.4 Maintenance of the Index**

The Index Calculation Agent will monitor and maintain the Index on an ongoing basis in accordance with the largely non-discretionary criteria described below. Any adjustments required as a result of the criteria described below will be calculated as of 5:15pm New York Time, and the changes implemented at or near the close of regular trading for each security on the following Index Trading Day, subject to the Daily Trade Limit (each as defined in Section 2.4.1 below). The Index Calculation Agent will post changes to the Index to the BRICs Nifty 50 Developed Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> before they become effective.

### **2.4.1 Changes to the Underlier**

On the first Index Business Day (as defined below) of each week, the Index Calculation Agent will check Bloomberg page GSSTDM50 for any changes to the Underlier companies or weightings. If there have been any changes, the Index Calculation Agent will calculate the corresponding new Index according to the filters and adjustments described in Section 2.3 above (including the Exclusion Criteria described in Section 2.4.4 below), *provided that* after application of such filters and adjustments, 10 or more securities are eligible for inclusion in the Index. If fewer than 10 securities are to be included in the Index, then no change will be made to the Index composition or weightings pursuant to this Section 2.4.1. For the avoidance of doubt, upon any change to the Underlier, a new Index will be calculated in accordance with Section 2.3, but without regard to any previous exclusions or adjustments to the existing Index: securities which had been previously excluded may be added to the Index should the reasons for their exclusion no longer apply, and the entire Index will be re-weighted to match, subject to any adjustments described in Section 2.3, the weightings assigned by the new Underlier.

On the next Index Trading Day (as defined below) after a change to the Underlier has been detected, the Index Calculation Agent will transition the constituents and weightings of the existing Index to the new Index. However, if the increase or decrease in weighting of any Index security times the Investment Support Level is greater than 25% of the 6 Month ADTV (the "Daily Trade Limit"), then the sale or purchase for all securities in the Index will be divided approximately equally over as many Index Trading Days as necessary to ensure that no single trade in a security exceeds the Daily Trade Limit for that security.

An Index Business Day is any day on which every securities exchange on which both (i) commercial banks and foreign currency markets settle payments and are open for general business in London and New York; and (ii) any security in or about to be added to the Index is listed is normally open for trading. An Index Trading Day is an Index Business Day, except as delayed or modified as a result of a market disruption event in accordance with S&P's standard procedures with respect to international indices.

### **2.4.2 Daily Monitoring of the Index**

If on any Index Business Day the weighting of any Index security becomes above the lesser of (a) 16% (b) the 6 Month ADTV divided by the Investment Support Level, and (c) 2% of the aggregate value of the company's outstanding ordinary voting shares divided by the Investment Support Level, on the next Index

Trading Day the Index Calculation Agent will conduct a Weighting Adjustment (as described in Section 2.3(3) above), subject to the Daily Trade Limit (as described in Section 2.4.1 above).

#### **2.4.3 Quarterly Monitoring of the Index**

On the first Index Business Day of each quarter, the Index Calculation Agent will identify any securities in the Index for which the 6 Month ADTV is less than the minimum trading volume specified for each stock exchange. On the next Index Trading Day, the Index Calculation Agent will remove that security, and increase the weightings for all remaining Index securities *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

On the first Index Business Day of each Quarter, GSI, acting in its sole discretion, will review the Investment Support Level, and decide whether it is necessary to adjust the level in proportion to the amount of passive investment known to GSI to be linked to the Index. GSI, acting in its sole discretion, will also review the 6 Month ADTV requirements referred to in section 2.3(1)(d) from time to time. Any change to the Investment Support Level and the 6 months ADTV requirements will be notified to the Index Calculation Agent and available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

#### **2.4.4 Exclusion Criteria**

Limitations on Exchanges: In order to ensure acceptable standards of liquidity, trading costs and information access, only securities listed on certain exchanges as specified from time to time by GSI are eligible for inclusion in the Index. The current list of eligible exchanges is available to investors upon request by contacting the FICC Division of GSI by telephoning +44 20 777 41 000.

On any Index Business Day, should any Index security be trading on an exchange not included on the eligible exchange list, where possible the Index Calculation Agent will substitute the security for an alternate security of the same company which is otherwise eligible according to the criteria described in Section 2.3 above. However, if there is no such alternate security, then the Index Calculation Agent shall remove the security from the Index on the following Index Trading Day. The weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

Limitations on Securities: No security shall be included in the Index where such inclusion would be impractical or not economically viable due to liquidity, cost, information access or regulatory restrictions, or which GSI is restricted from trading due to regulatory reasons, or the trading of which would cause GSI or its affiliates to incur significant negative legal, regulatory, taxation or economic detriment. Exclusion determinations shall be made by GSI in its sole discretion on an ongoing basis based on the information known to it, and communicated the same day to the Index Calculation Agent.

Such exclusion determinations will prevent a security from being added to the Index in accordance with Section 2.3(1)(d) above. In addition, should any exclusion criteria described in this Section 2.4.4 apply to a Index security, the Index Calculation Agent shall remove it from the Index on the Index Trading Day after receiving notice from GSI, and the weightings for all remaining Index securities will be increased *pro rata* to maintain the proportionate weightings prior to the increase, subject to the Daily Trade Limit (as described in Section 2.4.1 above).

### **2.5 Market Disruption Events and Index Adjustments**

In case of market disruption events affecting a security included in the Index, the Index Calculation Agent will delay or modify Index calculations and adjustments in accordance with S&P's standard procedures with respect to international indices, provided that if a market disruption continues for more than five Index Business Days, then on the sixth Index Business Day the value of the affected security shall be marked down to zero for all calculation purposes until that security is no longer affected by a market disruption event or a market value for the security can be obtained.

#### **2.5.1 Cessation of GSGIR Coverage**

Until and unless GSGIR posts a new or modified Underlier to Bloomberg page GSSTDM50, the Index will continue to be maintained in accordance with Section 2.4 above, even in the event that GSGIR advises GSI that GSGIR will cease to maintain the Underlier at all, or in substantially similar form to that described in Section 2.2 above. However, in the event that GSI receives such advice from GSGIR, GSI will advise the

Index Calculation Agent which will post this information to the BRICs Nifty 50 Developed Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> within one Index Business Day.

### **2.5.2 *Error Correction Policy***

The Index Calculation Agent will immediately correct any calculation errors relating to security prices, adjustments for corporate events, exchange rates, Index value, weightings and constituents. However, published Index levels will not be corrected retroactively.

### **2.5.3 *Changes in Methodology***

GSI reserves the right to make any changes to methodology used by the Index Calculation Agent to compose or calculate the Index as GSI may, in its sole discretion, determine to be necessary as a result of market, regulatory, tax, judicial, financial, fiscal or other circumstances.

In the event that ambiguities arise in the composition or calculation of the Index, the Index Calculation Agent will resolve such ambiguities and, if necessary for resolution, make changes to the methodology used to compose or calculate the Index.

Details of any of the above actions will be posted by the Index Calculation Agent to the BRICs Nifty 50 Developed Markets Index web page on the Goldman Sachs Indices section of <http://www.standardandpoors.com/indices/custom-indices-client-data/en/us> within one Index Business Day.

## **3 Operation of the Portfolio**

### **3.1 Changes to the Index**

On the Portfolio Trading Day following the date on which any Index change posted by the Index Calculation Agent becomes effective, subject to the Minimum Trade Size described in Section 3.4 below, the Execution Agent will instruct its program trading desk to make the trades necessary for the Portfolio to track, to the extent practicable, the constituents and weightings of the Index. In the event that the Index has removed a security entirely but the aggregate changes do not meet the Minimum Trade Size, the Execution Agent will nonetheless sell all of its holdings in that individual security (a “**Single Share Sale**”).

Throughout this document, a weighting of a security or a derivative of security refers to its dollar value as a fraction of the value of all securities and derivatives of securities in the Portfolio. The value of securities or derivatives of securities to be sold or purchased by the Execution Agent to track, to the extent practicable, the constituents and weightings of the Index will be calculated in US dollar terms based on the most recent price and currency exchange rate available for each security.

A Portfolio Trading Day is any day on which both (i) commercial banks and foreign currency markets settle payments and are open for general business in London and New York; and (ii) every securities exchange on which any security in or about to be added to the Portfolio is listed is normally open for trading, except as delayed or modified as a result of a Market Disruption Event, as described in Section 3.6 below.

### **3.2 Subscriptions & Redemptions**

On the Portfolio Trading Day following any subscription or redemption request, subject to the Minimum Trade Size described in Section 3.4 below, the Execution Agent will buy or sell (as the case may be) a sufficient number of Portfolio securities and derivatives of securities *pro rata* according to their weightings.

### **3.3 Timing of Portfolio Trading**

All trades in relation to the Portfolio shall be executed at or near the close of regular trading for each security.

### **3.4 Minimum Trade Size**

Whilst the Execution Agent will endeavour to track the constituents and weightings of the Index to the extent practicable, in order to minimize trading costs, the Execution Agent will only buy or sell securities when the aggregate value of securities to be sold and purchased is greater than a minimum threshold trading value (the “Minimum Threshold Trading Value”). Portfolio trades below the Minimum Threshold Trading Value will

be deferred until additional trades are contemplated pursuant to this Section 3 which, combined with the deferred trading value, reach an aggregate value greater than the Minimum Threshold Trading Value.

The applicable Minimum Threshold Trading Value shall be determined by the Investment Administrator from time to time taking into account among other things transaction costs, fund expenses, liquidity of the Portfolio Components, and actual and expected net volumes of subscriptions and redemptions. Investors may obtain the prevailing Minimum Threshold Trading Value calling at +353 1 439 6018 or writing at [gs-fundsolutions@gs.com](mailto:gs-fundsolutions@gs.com).

### **3.5 Cash and Cash Equivalents**

In order to provide liquidity for subscriptions and redemptions, the Investment Administrator will seek to maintain a balance of cash, credit lines and derivatives instruments linked to the Index, issued by GSI, to meet short-term cashflow requirements and within the limits permitted by the laws and regulations applicable to UCITS. The exchange between cash, credit lines and derivative instruments will be determined by the Investment Administrator in order to balance the Portfolio's liquidity needs against closer tracking of the Index.

### **3.6 Adjustments to the Portfolio**

#### **3.6.1 Brokerage Costs**

Brokerage costs incurred by the Execution Agent shall be deducted from the Portfolio's cash balance.

#### **3.6.2 Corporate Events**

In the event a rights issue is held with respect to securities held by the Portfolio, and the rights issue subscription price (plus the applicable dividend amount where (i) such dividend is announced by the day before the ex-date of the rights, (ii) the dividend amount has been confirmed, and (iii) and the newly created shares are not entitled to the dividend) is less than the securities closing price on the day before the ex-date of the rights, then to the extent practicable, the Execution Agent will fully subscribe to the rights issue, and if necessary, subject to the Minimum Trade Size described in Section 3.4 above, will sell a sufficient number of Portfolio Components *pro rata* according to their weightings in order to raise the rights issue subscription price.

In the event a security held by the Portfolio offers its holders the option of dividend in cash or shares, the Execution Agent will select a cash dividend.

#### **3.6.3 Market Disruption Events**

Any of the following will constitute a Market Disruption Event: (i) any event or circumstance (including without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance) that is beyond the reasonable control of the Execution Agent or its affiliates, and that the Execution Agent determines is likely to have a material adverse effect on, or on the trading of, the Portfolio or any security or derivative of a security in (or about to be added to) the Portfolio; (ii) the declaration of a general moratorium in respect of banking activities in London or New York; (iii) the occurrence or existence of a lack of, or a material decline in, the liquidity in the market for trading of any security or derivative of a security in (or about to be added to) the Portfolio or a decline in the liquidity of the security or derivative of a security itself; or (iv) the failure of a source from which any party obtains information necessary to make adjustments to or calculations related to the Portfolio.

If a Market Disruption Event occurs or is continuing on any Portfolio Trading Day that, in the sole discretion of the Execution Agent affects the Portfolio or any securities or derivatives of securities in (or about to be added to) the Portfolio, the Umbrella Fund Administrator or Execution Agent, will:

- (i) Delay subscriptions, redemptions and calculation of Net Asset Value for the Portfolio, for up to five Portfolio Trading Days;
- (ii) Delay the trading of any securities and derivatives of securities in (or about to be added to) the Portfolio which are affected by a Market Disruption Event, for up to five Portfolio Trading Days. Securities and derivatives of securities in (or about to be added to) the Portfolio not affected by a Market Disruption Event will continue to be traded, the resultant under- or over-exposure to the non-traded security being reflected in the Portfolio's balance of cash and cash equivalents;

- (iii) If a Market Disruption Event in relation to any Portfolio Component continues beyond the fifth Portfolio Trading Day, the value of the Portfolio Component will be immediately removed from the then current Portfolio NAV and the Portfolio Component will be disposed of by the Execution Agent as soon as practicable; and
- (iv) On the first Trading Day when no Market Disruption Event occurs or is continuing, the Umbrella Fund Administrator will resume subscriptions, redemptions and calculation of the Net Asset Value for the Portfolio. In the event that such resumption was pursuant to the removal of a Portfolio Component from the Portfolio pursuant to clause (iii) above, for the purposes of all calculations such Portfolio Component shall be valued at zero or the amount (if any) the Execution Agent receives from its disposal.

### **3.7 Tracking Errors**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the Portfolio Components and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation of the Portfolio Components with the components of the Index including as a result of a deferred trade arising from the application by the Execution Agent of the Minimum Trade Size procedure detailed under section 3.4 above.

In addition, as described more fully in the Section 2 above, the Index itself is based on, but different from, the Underlier: certain Underlier companies will be re-weighted or excluded from the Index entirely, resulting in the Index containing less than 50 securities (compared against 50 companies in the Underlier); further, the timing of Index updates differs to that of the Underlier.

### **3.8 Consequences at the Portfolio level of the cessation of GSGIR Coverage**

In the event that, as provided under Section 2.5.1 above, GSGIR advises GSI that GSGIR will cease to maintain the Underlier at all, or in substantially similar form to that described in Section 2.2 above, the Board of Directors of the Umbrella Fund shall consider whether: (i) to keep replicating, to the extent practicable, the constituents and weightings of the Index, the latter being no longer considered as an index for the purposes of the laws and regulations applicable to UCITS, but instead as a static equity basket which shall comply with the laws and regulations applicable to UCITS; (ii) to replace the Index with another index that has a similar objective and is eligible under the laws and regulations applicable to UCITS or (iii) if it is impossible or impracticable to follow options (i) or (ii), to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus.

## **4 Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors investors should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

### **Goldman Sachs Roles and Conflict of Interests**

#### **Overview of Roles**

GSI, GSGIR and GSI's affiliates (collectively, "Goldman Sachs") perform several roles in respect to the Portfolio.

GSGIR produces the Underlier in conjunction with certain research reports GSGIR produces for its clients.

GSI, as sponsor of the Index (the "Index Sponsor"), sets the parameters within which the Index operates, and liaises with Standard & Poor's (the "Index Calculation Agent"), which has been retained by GSI to administer the composition, maintenance and calculation of the Index. In certain circumstances, GSI may perform the Index Calculation Agent functions. GSI is also the Investment Administrator and the Execution Agent for the Portfolio.

While GSI generally does not exercise any material discretion in relation to the operation of the Index or the Portfolio and owes no fiduciary duties in respect of the Index or the Portfolio, GSI has discretion in

responding to limited situations, including, among others, the determination of eligibility criteria with respect to Index securities and exchanges, the value of the Investment Support Level and the existence of and response to a Market Disruption Event. The exercise by GSI of this discretion may adversely affect the value of the Portfolio and the value of products or investments linked to the Portfolio.

Goldman Sachs is a full service financial services group and, consequently, is engaged in a range of activities that could affect the value of the Portfolio and any of the Portfolio Components as further described below.

### **Potential Conflicts of Interest**

As Index Sponsor, Investment Administrator and Execution Agent, GSI has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection or other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, GSI is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement and the Execution Agency Agreement.

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect of the Index and the Portfolio. Although Goldman Sachs will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs' own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Portfolio, the Portfolio Components, the Index, the Underlier, and products or investments linked thereto and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by GSI, may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Portfolio, the Portfolio Components, the Index or the Underlier and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier, any underlying investment referenced or linked to the Portfolio, the Portfolio securities, the Index or the Underlier. These activities could adversely affect the value of the Portfolio, which could in turn affect the return on, and the value of, any product or investment linked to the Portfolio.

Goldman Sachs does and seeks to do business with companies included in the Portfolio, the Index and the Underlier. Goldman Sachs has implemented policies to manage the various conflicts of interest in connection with investment research, including, but not limited to, the segregation of research functions and dissemination of the research. The research reports on which the Underlier is based will have been published to clients of GSGIR before it is taken into account for the purposes of the Index or the Portfolio. This means that GSGIR clients or others may have traded on the basis of the GSGIR research reports before it is reflected in the Portfolio. It is likely that this will sometimes work to the disadvantage of investors in the Portfolio since it could result in the price of securities and derivatives of securities for companies included in the Underlier increasing prior to their inclusion in the Portfolio.

Although Goldman Sachs is not obliged to do so, it may elect to hedge its exposure to the Portfolio, any Portfolio securities, or any products or instruments linked thereto with an affiliate or a third party. That affiliate or third party, in turn, is likely, directly or indirectly, to hedge any of its exposure, including through transactions taking place on the futures and options markets. Where Goldman Sachs chooses to hedge its exposure, it may adjust or unwind such hedges by purchasing or selling products linked to the Portfolio or any Portfolio Components or any other product or instrument linked thereto. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments linked to the Portfolio or any Portfolio security. Any of this hedging activity may adversely affect the value of the Portfolio and of any products or instruments linked thereto.

Goldman Sachs may also engage in trading for its proprietary accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more products or instruments linked to or similar to the Portfolio or any Portfolio Component. In the course of these transactions, Goldman Sachs' customers may receive information about the Portfolio before it is made available to other investors. Any of these activities could also adversely affect the value of the Portfolio, directly or indirectly, by affecting the value of the Portfolio Components and, therefore, the market value of any products or instruments linked to the Portfolio and the amount paid on any such product or instrument at maturity.

It is possible that Goldman Sachs could receive substantial returns with respect to the above activities while the value of any underlying investments or instruments referenced to the Portfolio may decline. Any of this activity may adversely affect the value of the Portfolio and the performance of any product linked to it.

### *Separate Roles*

The roles of GSGIR in producing the Underlier, and of GSI as Index Sponsor, Investment Administrator and Execution Agent, are functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information. GSI does not independently verify the contents of the Underlier or the information on which it is based, and does not control the coverage or criteria of the Underlier, which may cease to include exposure to certain countries, sectors or companies at any time.

### **No principal protection**

The performance of the Portfolio depends primarily on the performance of the Portfolio Components. The Portfolio does not include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

### **No assurance of returns**

The performance of the Portfolio will not be consistently positive, and Goldman Sachs does not make any representation or warranty, express or implied, that they will be in the future. Furthermore, as there will be no short positions taken with respect to any Portfolio Components, the Portfolio has no built-in hedge or offset for broad movements of the market as a whole.

### **Investments with exposure to emerging markets are subject to special risks**

The Portfolio is comprised exclusively of securities and derivatives of securities of companies with significant exposure to Brazil, Russia, India, China and other 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 or inflation. 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 recognize private property rights and have at times nationalized or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalization or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of 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 an investment in those countries illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment in one of these securities or derivatives of such securities.

### **Market and exchange rate volatility**

The value of the Portfolio Components, and the level of the Portfolio, may change unpredictably due to market or foreign exchange volatility. Trading in securities and derivatives of securities of BRICs and other emerging market companies can be extremely volatile, which means that their value may increase or decrease significantly over a short period of time, often unpredictably. Rates of exchange between currencies are volatile and unpredictable and can be affected by many known and unknown factors. Because the Portfolio level is determined on the basis of the US dollar, investors may lose money if the local currency of a Portfolio security depreciates against the US dollar, even if the local currency value of that security increases. Adverse fluctuations in either individual exchange rates or the value of individual Portfolio Components may adversely affect the Portfolio level.

## **Investors in the Portfolio may be at a disadvantage compared with recipients of GSGIR research reports**

GSGIR clients and other recipients of the GSGIR research reports will receive changes to the Underlier before those changes are reflected in the Index or the Portfolio. This means that GSGIR clients or others may trade on the basis of the GSGIR research reports or updated Underlier before it is reflected in the Portfolio, which could work to the disadvantage of investors in the Portfolio. In addition, the GSGIR research reports may contain information or opinions in addition to the Underlier, which may not be made available to investors in the Portfolio. Such information may also cause movements in the prices of the Portfolio Components to the disadvantage of investors in the Portfolio, or lead to investment decisions by the recipients of such information not available to investors in the Portfolio.

## **Trading by Goldman Sachs**

Trading and other transactions by Goldman Sachs in related financial instruments may adversely affect the value of the Portfolio. Goldman Sachs may hedge obligations in respect of the Portfolio by purchasing or selling financial instruments linked to Portfolio Components, and may adjust or unwind such hedges by purchasing or selling the foregoing on or before the date of changes to the Portfolio. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments related to the Portfolio. Any of this hedging activity may adversely affect the value of the Portfolio.

Goldman Sachs may also engage in trading in financial instruments whose returns are linked to or are similar to the Portfolio or any Portfolio Components for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely affect the value of the Portfolio. Goldman Sachs may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the Portfolio or one or more Portfolio Components. By introducing such products to the marketplace, Goldman Sachs could adversely affect the value of the Portfolio.

## **No active management**

The Portfolio methodology operates in accordance with a set of predetermined rules. There will be no active management of the Portfolio or the Index so as to generate, enhance or protect returns. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Portfolio or the Index, which are not actively managed. The Portfolio only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Index; the Index in turn only adjusts its composition in limited circumstances, primarily in response to the detection of a change to the Underlier, which GSGIR manages independently of GSI and which GSGIR may cease to update, or update in accordance with different criteria, at any time. As a result, investors in the Portfolio may be exposed to more risk than an actively managed funds, and the performance of an actively managed fund may exceed the performance of the Portfolio.

The selection of companies and weightings to be included in the Underlier is maintained at the discretion of GSGIR as a provider of research, and GSGIR does not act as an investment advisor to any party and does not guarantee any result in relation to the share performance of any or all companies constituting the Underlier, nor in relation to the achievement of any investment objective. Further, GSGIR does not consider the needs of GSI, the Portfolio or any investor with exposure to the Portfolio in maintaining the Underlier, and GSGIR owes obligations only to its clients and to no other person, including investors with exposure to the Portfolio.

## **Tracking**

The performance of the Portfolio is not expected to match that of the Index. In particular, this may result from (i) differences in timing and amount between changes made to the Index and subsequent conforming trades made by the Portfolio, the impact of which includes but is not limited to differences in share prices and currency exchange rates; (ii) Portfolio brokerage costs; (iii) fees and expenses charged by the Portfolio; (iv) taxation of the Portfolio's investments; (v) timing of investment trades in respect of subscription and redemption requests; (vi) fair-valuation of the Portfolio Components and application of an alternate valuation methodology; (vii) market disruption events; (viii) holdings of cash and cash equivalents by the Portfolio; and (ix) imperfect correlation of the Portfolio Components with the components of the Index. In addition, the performance of the Index is not expected to match that of the Underlier: (i) the Index (and consequently, the Portfolio) may not include all companies included in, or represent all the countries represented by, the Underlier, and only includes one security for each company; (ii) the Index weightings are adjusted differently

as compared against those specified in the Underlier; (iii) the Index will cease to track the Underlier should the result be that fewer than 10 securities are included in the Index; and (iv) there may be a significant delay before the Index incorporates changes to the Underlier. For all of these reasons, the performance of the Index (and consequently, the Portfolio) will differ from the hypothetical performance of the Underlier. Finally, the performance of the Underlier reflects exposure to BRICs and other emerging markets, and is not a BRICs sector index, and is not designed to track any particular BRICs sector index or consistently include any particular country or sector. Therefore the performance of the Portfolio may not match, and should not be benchmarked against, an investment in any particular BRICs sector index.

#### **Investors will have no rights with respect to the Portfolio Components**

An investment referenced to the Portfolio will not make an investor a holder of, or give an investor a direct investment position in, any of the Portfolio Components.

#### **Past performance, if any, is no guide to future performance**

The actual performance of the Portfolio, the Index, the Underlier, or any Portfolio security may bear little relation to its historical performance, if any. The future performance of the Portfolio, the Index, the Underlier or any Portfolio security cannot be predicted.

#### **Information about the Portfolio is no guarantee of its performance**

Certain presentations and backtesting or other statistical analysis materials in respect of the operation and/or potential returns of the Portfolio, the Index or the Underlier that may be provided are based on simulated analyses and hypothetical circumstances to estimate how the Portfolio, the Index or the Underlier may have performed prior to its inception. Goldman Sachs does not provide any assurance or guarantee that the Portfolio, the Index or the Underlier will operate or would have operated in the past in a manner consistent with those materials. As such, any historical returns projected in such materials or any hypothetical simulations based on these analyses that are provided in relation to the Portfolio, the Index or the Underlier may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, the Portfolio, the Index or the Underlier.

#### **The Portfolio has limited historical performance data, if any**

As limited historical performance data, if any, exist with respect to the Portfolio, any investment in the Portfolio may involve greater risk than an exposure linked to indices or strategies with a proven track record.

#### **Market Disruption Events may adversely affect the Portfolio Components and the Net Asset Value of the Portfolio**

The Portfolio Components are subject to temporary distortions or other disruptions due to various factors, including, without limitation, the lack of liquidity in the markets, and government regulation and intervention. If a Market Disruption Event affects any of the Portfolio Components, the Execution Agent may delay or modify intended trades. Further, if a market disruption event affects a Portfolio Component beyond five Portfolio Trading Days, the Portfolio Component may be removed from the Portfolio and its value reduced to zero. You may suffer a loss if you redeem your investment while any of the Portfolio Components is affected by a Market Disruption Event, or as a result of a Portfolio Component being removed from the Portfolio at a reduced or zero value following an extended Market Disruption Event affecting that Portfolio Component.

#### **Counterparty risk**

The Calculation Agent of the Index and the Execution Agent of the Portfolio rely on third party information and administrative services over which it has no control or warranty. The Index and Portfolio methodologies rely on information and administrative services from external providers. Neither the Execution Agent nor the Index Calculation Agent make any warranty as to the correctness of the information or administrative services and takes no responsibility for the impact of any inaccuracy of such data or administrative services on the return produced by a particular Portfolio security or on the level of the Portfolio.

#### **The Index Sponsor, the Index Calculation Agent and the Execution Agent of the Portfolio have the authority to make determinations that could materially affect the Portfolio**

Determinations that the Index Sponsor, the Index Calculation Agent and the Execution Agent of the Portfolio may make in connection with the composition, calculation, maintenance and modification of the Index or the Portfolio may materially affect the level of the Portfolio and its performance. The Index Sponsor, the Index

Calculation Agent and the Execution Agent have no obligation to take the interests of investors in the Portfolio into consideration for any reason in carrying out their functions and have generally disclaimed all liability to the extent permitted by law.

## **Fair Market Price**

The Umbrella Fund is required to ensure that transactions entered into by the Portfolio are priced on an arm's length basis as required by Luxembourg law. Accordingly, procedures have been put in place with the Execution Agent designed to ensure that, subject to any specific instructions, transactions executed by the Execution Agent on behalf of the Portfolio are also priced on a reasonable arm's length basis in accordance with Luxembourg law. These arrangements are subject to the oversight of the trading committee appointed by the Board of Directors of the Umbrella Fund, which, in relation to the Portfolio, performs such role notwithstanding any other role of the trading committee described in the Prospectus.

## **5 Disclaimers**

**No advice or recommendation:** Goldman Sachs International and the Umbrella Fund do not make any representation or warranty, express or implied, or accept any liability or responsibility (except in the case of fraud) to the owner of any products linked to the Index or any member of the public regarding (i) the advisability of investing in securities and derivatives of securities generally, in the Portfolio, the Portfolio Components, the Index or the Underlier (ii) the ability of the Portfolio, the Portfolio Components, the Index or the Underlier to generate positive results. If investors consider acquiring any product linked to the Index or the Underlier, they should consult their own accounting, tax, investment and legal advisors before doing so. Goldman Sachs International does not act as an advisor or fiduciary.

**Exclusion of liability:** None of Goldman Sachs International, in its role as the Investment Administrator, Execution Agent and Index Sponsor, or the Umbrella Fund, or any officers, employees or agents of Goldman Sachs, as applicable, has made or will make any representation or warranty, express or implied, or accept any responsibility or liability however so arising, in contract, statute or tort (including without limitation negligence or breach of duty), except in the case of fraud, in relation to any matter in connection with the Underlier or the Index, their quality, accuracy and completeness as well as any data included therein or on which the Index or Underlier is based, or the performance of the Underlier

In any event, Goldman Sachs International in its role as Index Sponsor shall not, under any circumstances, be responsible for any person's lost profits or for any special, punitive, indirect or consequential damages (including lost profits), even if it has been advised of the possibility of such damage or loss.

**The Index and the Underlier are not designed by reference to individual needs:** The Index and the Underlier are not designed by reference to individual needs and are designed, operated and calculated by Goldman Sachs without regard to any products linked to it. Goldman Sachs does not have any obligation to, and does not, take the needs of any person into consideration in designing, operating or calculating the Portfolio, the Index or the Underlier.

This disclaimer will not exclude any liability for, or remedy in respect of, fraud or fraudulent misrepresentation.

*The BRICs Nifty 50 Developed Markets Index (the "Index") is the exclusive property of Goldman Sachs International ("GSI"), which has contracted with Standard & Poor's Financial Services LLC ("S&P") to calculate and maintain the Index. S&P's sole relationship to GSI in relation to the Index is providing such calculation services. The Index is in no way related to, based upon or in any other way derived from the S&P BRIC 40 index or the S&P CNX Nifty index. The Index is not owned, endorsed, or approved by or associated with S&P, its affiliates or their third party licensors and neither S&P, its affiliates nor their third party licensors shall have any liability in connection to the Index.*

## **6 Characteristics**

### **6.1 Characteristics of the Share classes available in the Portfolio**

#### **Available Share classes**

Class "A (USD)" Shares: class of Shares dedicated to retail investors;

Class "A (EUR Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (CHF Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (GBP Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "A (JPY Hedged)" Shares: class of Shares dedicated to retail investors;  
Class "I (USD)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (CHF Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (USD)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (EUR Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (CHF Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (GBP Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (JPY Hedged)" Shares: class of Shares dedicated to Institutional Investors;  
Class "M (USD)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (EUR Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (CHF Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (GBP Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (JPY Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (USD)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (EUR Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (CHF Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (GBP Hedged)" Shares: class of Shares dedicated to private wealth management clients only;  
Class "N (JPY Hedged)" Shares: class of Shares dedicated to private wealth management clients only.

<b>Share Class</b>	<b>Pricing Currency</b>	<b>Dividend Policy</b>	<b>ISIN Codes</b>	<b>Listing on the Luxembourg stock exchange</b>
A (USD)	USD	Accumulation	LU0505411693	None
A (EUR Hedged)	EUR	Accumulation	LU0505411776	None
A (CHF Hedged)	CHF	Accumulation	LU0505411859	None
A (GBP Hedged)	GBP	Distributing	LU0505411933	None
A (JPY Hedged)	JPY	Accumulation	LU0505412071	None
I (USD)	USD	Accumulation	LU0505412154	None
I (EUR Hedged)	EUR	Accumulation	LU0505412238	None
I (CHF Hedged)	CHF	Accumulation	LU0505412311	None
I (GBP Hedged)	GBP	Distributing	LU0505412402	None
I (JPY Hedged)	JPY	Accumulation	LU0505412584	None
C (USD)	USD	Accumulation	LU0505412667	None
C (EUR Hedged)	EUR	Accumulation	LU0505412741	None
C (CHF Hedged)	CHF	Accumulation	LU0505412824	None
C (GBP Hedged)	GBP	Distributing	LU0505413046	None
C (JPY Hedged)	JPY	Accumulation	LU0505413129	None
M (USD)	USD	Accumulation	LU0505413392	None
M (EUR Hedged)	EUR	Accumulation	LU0505413475	None
M (CHF Hedged)	CHF	Accumulation	LU0505413558	None
M (GBP Hedged)	GBP	Distributing	LU0505413632	None
M (JPY Hedged)	JPY	Accumulation	LU0505413715	None
N (USD)	USD	Accumulation	LU0505413806	None
N (EUR Hedged)	EUR	Accumulation	LU0505413988	None
N (CHF Hedged)	CHF	Accumulation	LU0505414010	None
N (GBP Hedged)	GBP	Distributing	LU0505414101	None
N (JPY Hedged)	JPY	Accumulation	LU0505414283	None

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
A (USD)	5.00%	5.00%	1.20% p.a.	USD 1,000	USD 1,000	USD 1,000
A (EUR Hedged)	5.00%	5.00%	1.20% p.a.	EUR 1,000	EUR 1,000	EUR 1,000
A (CHF Hedged)	5.00%	5.00%	1.20% p.a.	CHF 1,000	CHF 1,000	CHF 1,000
A (GBP Hedged)	5.00%	5.00%	1.20% p.a.	GBP 1,000	GBP 1,000	GBP 1,000
A (JPY Hedged)	5.00%	5.00%	1.20% p.a.	JPY 100,000	JPY 100,000	JPY 100,000
I (USD)	5.00%	5.00%	0.90% p.a.	USD 100,000	USD 100,000	USD 1,000
I (EUR Hedged)	5.00%	5.00%	0.90% p.a.	EUR 100,000	EUR 100,000	EUR 1,000
I (CHF Hedged)	5.00%	5.00%	0.90% p.a.	CHF 100,000	CHF 100,000	CHF 1,000
I (GBP Hedged)	5.00%	5.00%	0.90% p.a.	GBP 100,000	GBP 100,000	GBP 1,000
I (JPY Hedged)	5.00%	5.00%	0.90% p.a.	JPY 10,000,000	JPY 10,000,000	JPY 100,000
C (USD)	5.00%	5.00%	0.60% p.a.	USD 1,000,000	USD 1,000,000	USD 1,000
C (EUR Hedged)	5.00%	5.00%	0.60% p.a.	EUR 1,000,000	EUR 1,000,000	EUR 1,000
C (CHF Hedged)	5.00%	5.00%	0.60% p.a.	CHF 1,000,000	CHF 1,000,000	CHF 1,000
C (GBP Hedged)	5.00%	5.00%	0.60% p.a.	GBP 1,000,000	GBP 1,000,000	GBP 1,000
C (JPY Hedged)	5.00%	5.00%	0.60% p.a.	JPY 10,000,000	JPY 10,000,000	JPY 100,000
M (USD)	5.00%	5.00%	0.90% p.a.	USD 99,000	USD 99,000	USD 1,000
M (EUR Hedged)	5.00%	5.00%	0.90% p.a.	EUR 99,000	EUR 99,000	EUR 1,000
M (CHF Hedged)	5.00%	5.00%	0.90% p.a.	CHF 99,000	CHF 99,000	CHF 1,000
M (GBP Hedged)	5.00%	5.00%	0.90% p.a.	GBP 99,000	GBP 99,000	GBP 1,000
M (JPY Hedged)	5.00%	5.00%	0.90% p.a.	JPY 9,900,000	JPY 9,900,000	JPY 100,000
N (USD)	5.00%	5.00%	0.60% p.a.	USD 25,000,000	USD 25,000,000	USD 1,000
N (EUR Hedged)	5.00%	5.00%	0.60% p.a.	EUR 25,000,000	EUR 25,000,000	EUR 1,000
N (CHF Hedged)	5.00%	5.00%	0.60% p.a.	CHF 25,000,000	CHF 25,000,000	CHF 1,000
N (GBP Hedged)	5.00%	5.00%	0.60% p.a.	GBP 25,000,000	GBP 25,000,000	GBP 1,000
N (JPY Hedged)	5.00%	5.00%	0.60% p.a.	JPY 2,500,000,000	JPY 2,500,000,000	JPY 100,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items “I. Expenses” and “II. Fees” of the section “*Expenses, Fees and Costs*” of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0.265% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

## **6.2 Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

<b>Valuation Day</b>	<b>Subscription/Conversion/ Redemption Date and Cut-Off Time</b>	<b>Settlement Date</b>
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days **
	Every Luxembourg and London business day  before 4 p.m. CET Luxembourg time prior to any Valuation Day	

\* Business Day is any Luxembourg and London business day which is also a Portfolio Trading Day (as defined under Section 3.1 above).

\*\* Local Business Day is any Business Day on which commercial banks are open for business in the principal financial centers of the currencies of payment for the relevant Share class and the Base Currency of the Portfolio.

A Net Asset Value will be calculated on days different from the Valuation Day. Any such Net Asset Value published on days that are not Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out below; and (ii) based on previously available Net Asset Values with adjustments made for the expense accrual.

A (USD)	GSBNDAU LX
A (EUR Hedged)	GSBNAEH LX
A (CHF Hedged)	GSBNACH LX
A (GBP Hedged)	GSBNASH LX
A (JPY Hedged)	GSBNAJH LX
I (USD)	GSBNDIU LX
I (EUR Hedged)	GSBNIEH LX
I (CHF Hedged)	GSBNICH LX
I (GBP Hedged)	GSBNISH LX
I (JPY Hedged)	GSBNIJH LX
C (USD)	GSBNDCU LX
C (EUR Hedged)	GSBNCEH LX
C (CHF Hedged)	GSBNCCH LX
C (GBP Hedged)	GSBNCSH LX
C (JPY Hedged)	GSBNCJH LX
M (USD)	GSBNDMU LX
M (EUR Hedged)	GSBNMEH LX
M (CHF Hedged)	GSBNMCH LX
M (GBP Hedged)	GSBNMSH LX
M (JPY Hedged)	GSBNMJH LX
N (USD)	GSBNDNU LX
N (EUR Hedged)	GSBNNEH LX
N (CHF Hedged)	GSBNNCH LX
N (GBP Hedged)	GSBNNSH LX
N (JPY Hedged)	GSBNNJH LX

Investors are made aware that in case of occurrence of a Market Disruption Event on a Valuation Day the Net Asset Value may not be calculated or published for such Valuation Day (as a consequence of the occurrence of a Market Disruption Event on any Portfolio Trading Day, as detailed in the section headed “3.6.3 “Market Disruption Events”) and, as a consequence, the processing of investors’ subscription/conversion/ redemption orders will be postponed accordingly.

Nonetheless investors will be bound by any application so sent on any Luxembourg and London business day, notwithstanding the fact that the applicable Valuation Day may be postponed in case of occurrence of a Market Disruption Event.

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Redemptions in Kind***

Notwithstanding anything to the contrary in the Prospectus, no Share may be redeemed in kind and the Umbrella Fund will not accept any requests for redemption in kind.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Investment Administrator: Goldman Sachs International

### ***Targeted Investors***

The Portfolio is dedicated to retail and professional investors and Institutional Investors.

# Supplement XIX to the Prospectus

## Alternative Beta Strategies

### **Goldman Sachs Structured Investments SICAV – Goldman Sachs Alternative Beta Trend U Portfolio**

**a Portfolio of Goldman Sachs Structured Investments SICAV**

***Société d'Investissement à Capital Variable***  
**organized under the laws of the Grand Duchy of Luxembourg**

The purpose of this Supplement is to describe in more detail the Goldman Sachs Alternative Beta Trend U Portfolio (the “Portfolio”), one of the Alternative Beta Strategies Portfolios of the Umbrella Fund, which provides investors with exposure to the performance of the Goldman Sachs Alternative Beta Trend U (the “**Strategy**”) as further described below.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Umbrella Fund including a description of: the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares; the determination of the Net Asset Value; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share classes that are available as of the date of the Prospectus.

October 2010

## **Goldman Sachs Structured Investments SICAV – Goldman Sachs Alternative Beta Trend U Portfolio**

Unless the context requires otherwise, “Goldman Sachs” refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries.

The launch date of the Portfolio will be on or around 7 October 2010 at the initial price per share of USD 10 for the Shares denominated in the Base Currency of the Portfolio. For the Shares denominated in currencies other than the Base Currency of the Portfolio please refer to the Global Distributor or the Registrar and Transfer Agent of the Umbrella Fund to obtain the details of their respective initial price.

Goldman Sachs International as the Promoter of the Umbrella Fund may in its sole discretion delay or cancel the proposed launch of the Portfolio, in view of the level of subscriptions and/or market movements.

<b>Investment Objective</b>
<p>The investment objective of the Portfolio is to provide investors with exposure to the performance of the Strategy as further described below. Such exposure is obtained by the Portfolio being linked to the performance of the Strategy described below.</p> <p>The Portfolio’s ability to achieve the investment objective is subject to various independent risk factors including changes to fiscal, financial or commercial regulation, national and international political, military, terrorist and economic events and third party investment performance, as well as other risk factors as further described in this Supplement and the Prospectus. No assurance is given that the investment objective will be met.</p>
<p><b>IMPORTANT INVESTOR DISCLOSURE</b></p> <p><b>A. Key Risks related to the Portfolio</b></p> <p>Potential investors should pay particular attention to the following:</p> <p>An investment in the Portfolio carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.</p> <p>The ability for the Portfolio to meet its obligations to investors will depend upon the receipt by it of payments owed to the Portfolio by the counterparties to the Swap Agreement and the Reverse Repurchase Agreement respectively. As a result, the Portfolio will be exposed to the creditworthiness of the relevant counterparty.</p> <p>The Strategy operates in accordance with a predetermined methodology as described in this Supplement.</p> <p>The investment exposure provided by the Strategy is synthetic. Investing in Shares issued by the Portfolio will not make an investor a holder of, or give an investor a direct position in, the Strategy or any Underlying Markets (as defined below).</p> <p><b>No Principal Protection</b></p> <p>The Shares in the Portfolio are not principal protected. Neither the Portfolio, the Strategy nor any Underlying Markets includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment, and could be zero.</p> <p><b>These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a complete overview of the risks related to an investment in the Portfolio, investment risk factors to consider are set out under section “Principal</b></p>

***Risks of Investing in the Portfolio***” in this Supplement as well as under sections ***“Investment Risks”***, ***“What to Know Before You Invest in a Portfolio”*** and ***“Additional Overriding Risks”*** of the Prospectus in order to understand more fully the risks related to an investment in the Shares issued by the Portfolio and to determine the suitability of the investment for them.

## **B. Key Conflicts of Interest**

### **1. The different roles of Goldman Sachs**

Goldman Sachs has multiple roles in connection with the Portfolio, the Strategy and its Underlying Markets.

Goldman Sachs International is a subsidiary of The Goldman Sachs Group, Inc. and performs several roles in relation to the Portfolio, the Strategy and its Underlying Markets.

With respect to the Portfolio, Goldman Sachs International is acting as Investment Administrator on behalf of the Umbrella Fund. Goldman Sachs International will act as the Calculation Agent in respect of derivative transactions with the Portfolio.

Goldman Sachs International is the sponsor of the Strategy (the **“Strategy Sponsor”**) and is responsible for calculating and publishing the Strategy value from time to time (the **“Strategy Value Calculation Agent”**).

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

The counterparty to the Portfolio in relation to the Swap Agreement, (the **“Swap Counterparty”**) may be (a) Goldman Sachs International acting either (i) as principal or (ii) as agent of another counterparty, which is not subject to prudential rules equivalent to those provided by Community Law and which will act as operational counterparty, and whose payment obligations under the Swap Agreement will be guaranteed by an entity subject to prudential rules equivalent to those provided by Community Law or (b) another eligible counterparty subject to prudential rules equivalent to those provided by Community Law.

The counterparty to the Portfolio in relation to the Reverse Repurchase Agreement, (the **“Reverse Repurchase Agreement Counterparty”**) may be (a) Goldman Sachs International or (b) another eligible counterparty subject to prudential rules equivalent to those provided by Community Law or (c) a counterparty, which is not subject to prudential rules equivalent to those provided by Community Law but whose obligations under the Reverse Repurchase Agreement are guaranteed by an entity subject to prudential rules equivalent to those provided by Community Law.

### **2. Potential conflict of interests**

Potential conflicts of interest may arise in relation to the above mentioned roles. The Prospectus outlines certain information in respect of conflicts of interest in the section *“What to Know Before You Invest in a Portfolio”* as well as in the sub-section *“Other Potential Conflicts of Interest”* in the *“Additional Overriding Risks”* section of the Prospectus.

Goldman Sachs International operates arrangements in order to mitigate the above mentioned conflicts of interests and/or to facilitate that they do not affect the interests of the Umbrella Fund. In addition to that, the Umbrella Fund operates arrangements to ensure that its interests are protected. These arrangements are more fully described in the section *“The role of Goldman Sachs International as Investment Administrator and Counterparty and the management of potential conflicts of interest”* in the Prospectus.

Although Goldman Sachs International will perform its obligations in a manner that it considers commercially reasonable, it may face conflicts between the roles it performs in respect of the Portfolio, the Strategy, the Underlying Markets and its own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Strategy, any products linked to the Strategy, the Underlying Markets and the underlying investments referenced by or linked to the Underlying Markets, and may exercise remedies or take other action with respect to its interests as it deems appropriate. These actions could adversely affect the value

of the Portfolio and the Strategy. Furthermore Goldman Sachs may trade, hedge, issue or underwrite securities or trade other investments referenced to the Portfolio, the Strategy, the Underlying Markets or any underlying investment referenced by or linked to the Underlying Markets. Any of these activities could also adversely affect the Strategy value, directly or indirectly, by affecting the value of the Underlying Markets or the Portfolio and, therefore, the Net Asset Value of the Portfolio.

Goldman Sachs may have access to information relating to the Portfolio, the Strategy, the Underlying Markets or any underlying investments referenced by or linked to the Underlying Markets. Goldman Sachs is not obliged to use that information for the benefit of any person acquiring Shares of the Portfolio linked to the Strategy.

Please refer to "*Principal Risks of Investment in the Portfolio*" of this Supplement for additional information on potential conflicts of interest.

### **C. Termination of the Swap Agreement**

The Swap Agreement (as defined below) will be documented under an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Swap Agreement may be terminated by the Swap Counterparty, in case that, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) such Swap Counterparty is unable to hedge, in whole or part, the Swap Agreement, or (ii) such Swap Counterparty incurs additional costs to carry out such hedging (each such event being a "**Hedging Disruption Early Unwind Event**"). The full definition of Hedging Disruption Early Unwind Event is further detailed in the Swap Agreement. For further information on the content of the Swap Agreement, investors may obtain, free of charge, on request, a copy of the Swap Agreement.

## Investment Policy

The Portfolio seeks to achieve its investment objective by entering into (i) a reverse repurchase agreement with the Reverse Repurchase Counterparty (the "Reverse Repurchase Agreement") and (ii) a total return swap agreement with the Swap Counterparty (the "Swap Agreement") under which it will participate in the performance of the Strategy. Collateral received by the Portfolio under the Reverse Repurchase Agreement must fulfil the criteria detailed under "Reverse Repurchase Agreement Eligible Securities" below.

Within the limits set forth in the Prospectus and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of any Share classes denominated in a currency other than the base currency of the Portfolio.

### Fees

The Portfolio will charge a cost in order to effect subscriptions and redemptions. The cost is expected to be 0.2% which applies to the amounts subscribed or redeemed. The cost reflects the costs of dealing in the markets underlying the Strategy due to the relevant subscription and redemption.

### Reverse Repurchase Agreement

Reverse Repurchase Agreement Collateral Requirement: under current market conditions, the Reverse Repurchase Agreement will be collateralised within a range from 100% and 110% of its notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time;

Composition of collateral: any eligible collateral mentioned under section "Repurchase Agreements and Reverse Repurchase Agreements" of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments;

Currencies: collateral shall be delivered in each country's respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

### The Swap Agreement

The Portfolio will enter into the Swap Agreement with the Swap Counterparty which may also be the counterparty to the Reverse Repurchase Agreement. The Strategy exposure will initially be achieved by the Swap Agreement, although alternative methods may be used in the future.

The exposure of the Portfolio to the Strategy will vary over the course of time as described in this Supplement. Several factors, including subscriptions and redemptions for Shares of the Portfolio, may affect the exposure of the Portfolio to the Strategy. This means that while the Net Asset Value of a Share class within the Portfolio will be generally linked to the changes in the Strategy value (whether flat, falling or rising), subject to the applicable costs, the performance of the Portfolio as a whole may differ from the performance of the Strategy. It is highly likely that the value of the Shares in the Portfolio will be adversely affected by a decline in the value of the Underlying Markets.

See the section entitled "Particularities of the Swap Agreement and of the Reverse Repurchase Agreement" for further details of the swap agreement and the reverse repurchase agreement.

### Investments in UCITS or UCIs

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

## **Description of the Alternative Beta Trend U Strategy**

### **The Strategy**

The Strategy is a computerized mathematical strategy which analyses certain market data in order to provide computer generated trading signals on an automated basis as further described below.

The Strategy seeks to generate profit from upward and downward moves in markets underlying identified Market Sectors (referred to therein as “Underlying Markets”) by acquiring long or short futures or forwards positions in respect of the Underlying Markets based on the direction or trends in such Underlying Markets. The Strategy aims to identify such trends in the Underlying Markets by observing historical prices in the Underlying Markets over multiple time periods.

The Strategy measures the strength of identified trends in the Underlying Markets and generates signals to buy or sell futures or forward positions in the Underlying Markets based on the strength of those trends and such buy or sell signals are computed and executed on each London Business Day (subject to compliance with the allocation limits referred to below).

The Strategy Portfolio, whilst complying with the investment restrictions described in the section “*Investment Restrictions*” of the Prospectus in respect of its relevant underlyings, is subject to the following allocation limits: (i) 22.5% in each of the interest rates, bonds, equities and currencies Market Sectors; and (ii) 10% in the commodities Market Sector, through indices. The Strategy Portfolio is rebalanced on each London Business Day to ensure compliance with these allocation limits.

The Strategy shall operate in a manner which ensures that the positions acquired in respect of each Underlying Market relating to a particular Market Sector are weighted according to the liquidity of the positions acquired/taken within such Underlying Market (i.e. the more liquid an Underlying Market within a Market Sector, the higher the allocation to that Underlying Market and vice versa).

Any investments in commodity futures shall be made, through indices, implementing a systematic rolling strategy which targets a benchmark of the contracts with the highest open interest. Such systematic rolling strategy is rebalanced on a daily basis to ensure only the contracts with the highest open interest are therein represented. Under no circumstances such rolling strategy shall reference contracts whose expiry date or first notice day is shorter than 3 days. Index values reflecting the performance of such strategy are calculated daily and are available on the following respective Bloomberg pages:

<b>Ticker</b>	<b>Name</b>
GSRFCO	Goldman Sachs BRENT CRUDE Rolling Futures Excess Return Strategy
GSRFCL	Goldman Sachs WTI CRUDE Rolling Futures Excess Return Strategy
GSRFHO	Goldman Sachs HEATING OIL Rolling Futures Excess Return Strategy
GSRFNG	Goldman Sachs NATURAL GAS Rolling Futures Excess Return Strategy
GSRFXB	Goldman Sachs GASOLINE Rolling Futures Excess Return Strategy
GSRFQS	Goldman Sachs GAS OIL Rolling Futures Excess Return Strategy
GSRFHG	Goldman Sachs COPPER Rolling Futures Excess Return Strategy
GSRFGC	Goldman Sachs GOLD Rolling Futures Excess Return Strategy
GSRFLA	Goldman Sachs ALUMINIUM Rolling Futures Excess Return Strategy
GSRFLL	Goldman Sachs LEAD Rolling Futures Excess Return Strategy
GSRFLN	Goldman Sachs NICKEL Rolling Futures Excess Return Strategy
GSRFLX	Goldman Sachs ZINC Rolling Futures Excess Return Strategy
GSRFSI	Goldman Sachs SILVER Rolling Futures Excess Return Strategy
GSRFC	Goldman Sachs CORN Rolling Futures Excess Return Strategy
GSRFS	Goldman Sachs SOYBEAN Rolling Futures Excess Return Strategy
GSRFSB	Goldman Sachs SUGAR Rolling Futures Excess Return Strategy

In order to minimize the foreign exchange risk, net exposure reflecting holdings in instruments which are not expressed in USD, may be hedged against the USD. The employment of hedging instruments, if any, takes place in the sense of the implementation of the Strategy and the Investment Objective.

### **Strategy Trading Rules**

The trading rules for the Strategy are:

<b>Allocation Rules</b>	<p>Any acquisitions of long or short futures and/or positions made by the Strategy Sponsor using assets comprised in the Strategy Portfolio shall follow the allocation percentages set out below (the <b>Allocation Rules</b>):</p> <p>(i) 22.5% of the value of the futures and/or positions shall be allocated to each of the interest rates, bonds, equities and currencies Market Sectors; and</p> <p>(ii) 10% of the value of the futures and/or positions shall be allocated to the commodities Market Sector; and</p> <p>(iii) the Strategy shall operate in a manner which ensures that the positions acquired in respect of each Underlying Market relating to a particular Market Sector are weighted according to the liquidity of the positions acquired/taken within such Underlying Market. For avoidance of doubt the more liquid an Underlying Market within a Market Sector, the higher the allocation to that Underlying Market relative to the less liquid Underlying Markets will be and the less liquid an Underlying Market within a Market Sector, the lower the allocation to that Underlying Market relative to the more liquid Underlying Markets will be.</p>
<b>Trading Adjustments</b>	<p>The Strategy Sponsor shall execute notional transactions in the following scenarios (and for the avoidance of doubt, shall only acquire a future and/or position in the event there are sufficient assets within the Strategy Portfolio to do so and any acquisitions made shall be subject to the Allocation Rules):</p> <p>(i) <b>Buy Event</b>: on the occurrence of a Buy Event, the Strategy Sponsor shall notionally purchase futures and/or positions in respect of the relevant Underlying Market.</p> <p>(ii) <b>Sell Event</b>: on the occurrence of a Sell Event, the Strategy Sponsor shall notionally sell positions in respect of the relevant Underlying Market.</p> <p>(iii) <b>Risk Adjustment Event</b>: on the occurrence of a Risk Adjustment Event the Strategy Sponsor shall notionally buy or sell positions in the relevant Underlying Market to address the change in volatility.</p> <p>(iv) <b>Sector Rebalancing Event</b>: on the Occurrence of a Sector Rebalancing Event the Strategy Sponsor shall notionally buy or sell positions in respect of the relevant Underlying Markets such that the Strategy Portfolio is allocated in accordance with the Allocation Rules.</p>
<b>Trading Rules Modification</b>	<p>These Trading Rules may be modified from time to time by written agreement between the Portfolio and the Strategy Sponsor.</p>
<b>Definitions</b>	<p><b>Buy Event</b> shall occur on any Business Day on which the Strategy generates a buy signal in respect of an Underlying Market. Strategy will generate a buy signal in respect of an Underlying Market on any day on which it determines that across different time frames there is an upward trend in the value of such Underlying Market.</p> <p><b>Market Sectors</b> means interest rates, bonds, equities, commodities and currencies.</p> <p><b>Risk Adjustment Event</b> shall occur on any Business Day on which the Strategy generates a buy or sell signal caused by a change in the volatility of an Underlying Market.</p> <p><b>Sector Rebalancing Event</b> shall occur on each Business Day. On each Sector Rebalancing Date, Strategy will generate buy or sell signals such that following such rebalancing the Strategy Portfolio will be allocated in accordance with the Allocation Rules.</p>

**Sell Event** shall occur on any Business Day on which the Strategy generates a sell signal in respect of an Underlying Market. Strategy will generate a sell signal in respect of an Underlying Market on any day on which it determines that across different time frames there is a downward trend in the value of such Underlying Market.

**Strategy Portfolio** means, in respect of any day, the long or short futures or forward positions referenced by the Strategy every day.

**Strategy Sponsor** means Goldman Sachs International.

**Underlying Market** means the markets underlying each Market Sector.

### **Publication of Valuations**

The value of the Portfolio on any Alternative Beta Trend U Strategy Calculation Day (d) shall be determined according to the performance of the Strategy.

On each Alternative Beta Trend U Strategy Calculation Day (d), the Strategy Sponsor will publish the Alternative Beta Trend U Strategy Closing Value on Bloomberg ticker reference GSBITU<Index> (or any official successor thereto) (the "Relevant Screen Page"). Such value published on such Relevant Screen Page is intended as an indicative value only and therefore may not reflect the actual value of the Portfolio on any given Alternative Beta Trend U Strategy Calculation Day (d) or values at which the Investment Administrator would use for the purposes of effecting any subscription, redemption and/or conversion application in respect of the Portfolio.

### **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described under section "*Special Investment and Hedging Techniques*" of the Prospectus.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described under section "Special Investment and Hedging Techniques" of the Prospectus.

### **Principal Risks of Investing in the Portfolio**

The following are the principal risks related to any investment in the Portfolio. For a complete overview of the risk factors, investor should also read the sections "*What to Know Before You Invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus.

#### **Goldman Sachs Roles and no active management of the Portfolio:**

Goldman Sachs International performs several roles with respect to the Portfolio: it is acting as Investment Administrator on behalf of the Portfolio and it may also act as the counterparty to derivative transactions with the Portfolio and as the Calculation Agent in respect of those derivative transactions.

In particular, investors should be aware that to the extent the Portfolio trades with Goldman Sachs International as dedicated counterparty, Goldman Sachs will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

Although Goldman Sachs expects to perform its obligations in good faith and a commercially reasonable manner, it may face conflicts between these roles and its own interests.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

#### **Counterparty risk:**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed

to the Portfolio by the Swap Counterparty under the Swap Agreement and the Reverse Repurchase Counterparty under the Reverse Repurchase Agreement. As a result, the Portfolio will be exposed to the creditworthiness of the Swap Counterparty and the Reverse Repurchase Counterparty which, as at the date of this Supplement is Goldman Sachs International. Although both the Swap Agreement and the Reverse Repurchase Agreement are collateralised, the value of such collateral may decline in between collateral rebalancing dates. In addition, returns on the Reverse Repurchase Agreement and the Swap Agreement are not collateralized.

### ***Risks relating to the Strategy***

#### **No Active Management**

The Strategy employs an algorithmic trend following strategy that targets a return profile similar to that of managed futures funds which follow medium to long term trends. Individual managed futures funds themselves may perform better or worse than such returns based on the skill of their particular manager. There will be no active management of the Strategy so as to enhance returns beyond those embedded in the Strategy. In addition, managed futures funds may often adjust their investments rapidly in view of market, political, financial or other factors, whereas the Strategy follows pre-determined trading rules. As a result, the returns generated by an investment in the Strategy may be significantly different to the returns generated by an investment in the managed futures funds themselves.

#### **Trading Strategy**

Investments made in accordance with the Strategy may not take into account the particular interests of the Umbrella Fund, the Portfolio or the Shareholders. The Strategy employs a complex trading programme and relies on analytical models to trade sophisticated financial instruments. Such analytical models may be fallible which could result in losses. The Strategy may be subject to sudden, unexpected and substantial price movements. Consequently, the trading of such investments in accordance with the Strategy can lead to substantial losses as well as gains in the Net Asset Value of a Share class within a short period of time. The Underlying Markets in which the Strategy seeks to profit from may be disrupted or become illiquid, resulting in losses.

#### **Futures Trading**

Futures contract prices are highly volatile, with price movements being influenced by a multitude of factors, including: supply and demand of a particular commodity, government policies and programmes, political and economic events, interest rates and rates of inflation, currency devaluations and revaluations, and sentiment in the market place. Futures contract trading is also highly leveraged. A leveraged investment is one in which an investor can gain or loses an amount larger than the value of the margin deposited by the investor for that investment. Futures contract trading generally requires only a small margin deposit (typically between 2% - 15% of the value of the contract). Accordingly a high degree in leverage in such trading, and a relatively small movement in the price of an underlying instrument can result in substantial losses for the portfolio exposed to such instrument through its futures positions.

#### **Forward Contracts**

Forward contracts involve risks in addition to those found in futures contract markets because these contracts are not traded on exchanges and are not subject to oversight by regulatory authorities. Forward trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. Therefore, the Strategy will not benefit from exchange rules that are aimed at maintaining orderly and stable markets and protecting investors when it trades in these contracts. Unlike exchanges, forward markets have: no regulation, no limitations of daily price movements, no rules to regulate level of speculation, no daily valuation or settlement procedures, no minimum financial requirements for brokers, and no exchange or clearinghouse to require contract parties to fulfil their contractual obligations.

#### **No Assurance of Accuracy of Tracking/Replication**

For the reasons listed below, the Strategy may not track managed futures fund returns; instead, it should be viewed as an independent system that attempts to display a pattern of returns over time that broadly resembles the pattern of returns of managed futures funds as a broad asset class and it should be noted that there are no assurances that such attempts will be successful.

1) While the Strategy is based on pre-determined Market Sectors and Underlying Markets within such Market Sectors, managed futures funds may invest in a much broader range of more geographically diverse and less liquid assets;

2) The Strategy algorithm's return mapping is based on historical data regarding the Underlying Markets. Managed futures fund strategies can be dynamic and unpredictable, and the Strategy algorithm used to estimate asset allocation may not yield an accurate estimate of the then current allocation. Past and current levels of the Underlying Markets are not necessarily indicative of future returns. Furthermore, even if historic returns prove to be a reliable indicator of future returns in one or more periods during the term of the investments, the Strategy algorithm may not continue to effectively identify such returns; and

3) The Strategy calculation has a constraint on the target allocations to Market Sectors while managed futures funds are typically not so constrained in their concentration of investments, and their returns may reflect the performance of leveraged investments. Accordingly, an investment linked to the Strategy may be exposed more or less to any particular asset class and/or to more or less leverage than managed futures funds in general are then currently employing.

In addition, there can be no assurance that attempting to replicate managed futures fund performance will be an effective investment strategy.

**Trading and other transactions by Goldman Sachs International or its affiliates in related financial instruments may adversely affect the value of any product linked to the performance of the Strategy**

Goldman Sachs International may purchase or sell financial instruments linked to the components of the Strategy and may also enter into, adjust or unwind hedging transactions relating to other instruments related to the Strategy. Any of this activity may adversely affect the value of the Strategy and of any product linked to the performance of the Strategy.

Goldman Sachs International and/or its affiliates may also engage in trading in financial instruments whose returns are linked to or are similar to the Strategy and/or any Underlying Markets for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely affect the value of the Strategy and accordingly of any product linked to the performance of the Strategy. Goldman Sachs International may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the Strategy or one or more Underlying Markets. By introducing such products to the marketplace the Goldman Sachs International could adversely affect the value of the Strategy or the value of any product linked to the performance of the Strategy.

**Discretion & Adjustments**

The Strategy confers on Goldman Sachs International a degree of discretion in making determinations and in changing the methodology of calculations. The discretions conferred on Goldman Sachs International include permitting it to make amendments to and/or modify the methodology of the Strategy in certain circumstances. If any market, regulatory, juridical, financial or fiscal circumstances arise that would, in the view of Goldman Sachs International, necessitate a modification or change of the methodology of the Strategy, Goldman Sachs International shall be entitled to make such modification or change as it shall, in its reasonable discretion, consider appropriate. Goldman Sachs International may also make modifications to the terms and/or the method of calculating the Strategy in any manner that it may deem necessary or desirable to correct any manifest error or proven error or to cure, correct or supplement any defective term of the Strategy.

**Limited Track Record**

As the Strategy is relatively new and no historical performance data exists with respect to the Strategy, the investment may involve greater risk than shares linked to a strategy with a proven track record. The limited track record with respect to the Strategy is particularly significant because the algorithm underlying the Strategy is based on historical trends in returns to date that may or may not be repeated in the future.

**Limitations of Simulated Returns**

Certain presentations and back-testing or other statistical analysis materials that may have been provided in connection with explanations of the mechanics and/or potential returns of the Strategy may use simulated analysis and hypothetical circumstances to estimate how the Strategy may have performed prior to its actual existence. Goldman Sachs International provides no assurance or guarantee that the Strategy will operate or would have operated in the past in a manner consistent with those materials. As such, any historical returns projected in such material, or any hypothetical simulations based on this analysis, provided in relation to the Strategy may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, the Strategy.

**No Assurance of "Absolute" Returns**

Alternative investments such as managed futures funds may often be purchased on the basis of their potential

to produce “absolute returns”, or returns independent of the overall direction of equity and fixed income markets. However, there can be no assurance that either managed futures funds in general, or the Strategy algorithm in particular, will actually be successful at producing consistently positive returns, nor does Goldman Sachs International make any representation or warranty, express or implied, that either managed futures funds as an asset class or the Strategy algorithm will do so in the future.

#### **Proprietary Methodology**

Some details of the Strategy methodology are proprietary to Goldman Sachs International, and are likely to remain confidential even following any future investment linked to the Strategy. Accordingly, how the Strategy methodology varies the Underlying Markets over time is unlikely to be disclosed.

#### **Use of Third Party Information**

The Strategy methodology relies on information public data sources. Goldman Sachs International makes no warranty as to the correctness of that information and takes no responsibility for the accuracy of such data or the impact of any inaccuracy of such data on the level of the Strategy and the performance of the Portfolio as a result.

#### **No Constraint of Full Exposure**

The Strategy does not require the Underlying Markets to sum to 100% of the Strategy value at any time, and a portion of the Strategy return may be derived from cash returns.

#### **Concentration**

Subject to the rules of the Strategy, the Strategy is not required to limit its exposure to a particular class of assets, a particular counterparty or a particular currency, and trading risks, interest rate risks and foreign currency exchange rate risks will be increased where there is a high degree of exposure on a concentrated basis. This will have an impact on the value of the Shares.

#### **Short Exposure to the Underlying Markets**

The Strategy algorithm may also provide that the weight of an Underlying Market in the Strategy is negative, i.e. a short position in the relevant Underlying Market. Shareholders should be aware that a Strategy-linked investment is not the same as a long position in each Underlying Market, and that a Strategy-linked investment may decline in value from month to month, even if the value of any or all of the Underlying Markets increase during that timeframe.

#### **Net Asset Value Considerations**

The Share Net Asset Value is expected to fluctuate over time in line with the performance of the Strategy. A Shareholder in the Portfolio may not recover his initial investment when he chooses to redeem his Shares or upon compulsory redemption if the Share Net Asset Value at the time of such redemption is less than the amount he paid on subscription or if there remain and unamortised costs and expenses of establishing and administering the Portfolio.

#### **Fees**

The Portfolio will charge a cost in order to effect subscriptions and redemptions. The cost is expected to be 0.2% which applies to the amounts subscribed or redeemed. The cost reflects the costs of dealing in the markets underlying the Strategy due to the relevant subscription and redemption.

#### **Market Volatility**

Market volatility reflects the degree of instability and expected instability of the performance of the Shares. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro economic factors and speculation.

#### **Credit Risk**

Shareholders in the Portfolio should be aware that such an investment may involve credit risk. Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn

affect the Share Net Asset Value.

**Liquidity Risk**

Certain types of assets or securities may be difficult to buy or sell, particularly during adverse market conditions. This may affect the ability to obtain prices for the components of the underlying asset and may therefore affect the value of the underlying asset. This may in turn affect the Share Net Asset Value.

**Political and Economic Factors**

Transaction values may be influenced by a number of circumstances, including but not limited to political events, general economic conditions, government intervention, changes in balances of payments and trade, domestic and international rates of inflation, international trade restrictions and currency devaluations. Any such circumstance (or a combination of them) may cause unexpected volatility or illiquidity in the relevant markets. The Strategy may fail to take account of such events and, as a result, investment losses may occur which may in turn have an adverse effect on the performance of the Portfolio.

**Goldman Sachs International's Roles**

Goldman Sachs International and/or its affiliates perform several roles under the Strategy and Goldman Sachs International acts as Investment Administrator with respect to the Portfolio. Although Goldman Sachs International and/or its affiliates will perform their obligations in a commercially reasonable manner, Goldman Sachs International and/or its affiliates may face conflicts between these roles and their own interests. In particular, in their other businesses, Goldman Sachs and/or its affiliates may have an economic interest in the Underlying Markets and may exercise remedies or take other action with respect to their interests as they deems appropriate. Please refer to Section "*Additional Overriding Risks – Other Potential Conflicts of Interest*" of the Prospectus for further details of conflicts which may arise with respect to the Investment Administrator.

**Disclaimer**

Neither Goldman Sachs International, nor any of its officers, employees or agents, has made or will make any representation or warranty, express or implied, or accept any responsibility or liability however so arising, in contract, statute or tort (including without limitation negligence or breach of duty), except in the case of fraud, in relation to any matter in connection with the Strategy. This disclaimer will not exclude any liability for, or remedy in respect of, fraudulent misrepresentation.

## **Particularities of the Swap Agreement and of the Reverse Repurchase Agreement**

The Investment Administrator will on behalf of the Portfolio enter into (i) the Swap Agreement with the Swap Counterparty (which initially shall be Goldman Sachs International) and (ii) the Reverse Repurchase Agreement with the Reverse Repurchase Counterparty (which initially shall be Goldman Sachs International), which will be adjusted to reflect new subscriptions and redemptions.

### **Collateral**

The Reverse Repurchase Counterparty's obligations will be collateralized for at least 100% of its notional amount on a daily basis. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the Reverse Repurchase Counterparty. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian (and/or any of its affiliates) and/or any sub-custodian thereof. The Swap Agreement will be collateralized such that the Portfolio's counterparty exposure to the Swap Counterparty remains within the UCITS guidelines at all times.

The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

### **Valuations**

The Reverse Repurchase Agreement and Swap Agreement will be valued in accordance with industry standards based upon prices from the Reverse Repurchase Agreement and Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law.

In reaching pricing determinations for the Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the underlying Strategy and the remaining period until the maturity of the Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Swap Agreement. Such valuation method will be used on a consistent basis.

These valuations are taken into account by the Umbrella Fund Administrator when calculating the Net Asset Value of the Portfolio.

In case of subscription, redemption or conversion of Shares, the nominal amounts under the Swap Agreement and the Reverse Repurchase Agreement will be adjusted by the Reverse Repurchase Agreement and Swap Agreement's counterparties to such Agreements. Auditors of the Umbrella Fund will verify the valuation of the Swap Agreement and the Reverse Repurchase Agreement for each adjustment.

The returns generated to the Portfolio under the Reverse Repurchase Agreement are at the following rate: a reference rate linked to the USD-Federal Funds-H.15, as such term is defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.

The returns generated to the Portfolio under the Swap Agreement are an appreciation (if any) of the Strategy and those generated to the Swap Counterparty to such Agreement are a reference rate linked to the USD-Federal Funds-H.15, as such term is defined in the 2006 ISDA Definitions published by the International Swaps and Derivative Association, Inc.

The Swap Agreement sets out the consequences of certain events which may impact investors in the Portfolio:

### **Manifest Error in Publication**

If the Strategy value used for the making of any determination under the Swap Agreement is corrected to remedy a material error in its original publication and the correction is published by the Strategy Sponsor following the Valuation Date, but prior to the corresponding payment under the Swap Agreement the Strategy Value Calculation Agent will notify the Umbrella Fund and the Swap Counterparty of such correction; and (a)

the Strategy Value Calculation Agent under the Swap Agreement will determine and notify the Umbrella Fund and the Swap Counterparty of the amount that is payable by the Umbrella Fund or the Swap Counterparty as a result of that correction as an adjustment payment to previous amounts paid under the Swap Agreement; and (b) the Strategy Value Calculation Agent under the Swap Agreement will adjust the terms of the Swap Agreement to account for such correction. Following any such adjustment the Board of Directors of the Umbrella Fund shall consider whether any adjustments are necessary to the terms of the Shares.

Where, as the result of a miscalculation of the Net Asset Value per Share of any class, including as a result of an error in publication of the Strategy value, a Shareholder has received a payment or Shares in excess of the correct value, the beneficial holder, upon determination on behalf of the Umbrella Fund of the correct Net Asset Value of such Shares (a) agrees to repay or surrender such excess value to the Umbrella Fund and (b) in cases where excess Shares have been issued as a result of such error the Shareholder authorizes the Umbrella Fund to cancel such Shares in order to correct such error and effect such repayment.

### **Strategy Substitution and Potential Dissolving of the Portfolio**

If at any time (i) the Strategy value is not published for a period of 30 calendar days; (ii) the Strategy Sponsor discontinues the publication of the Strategy; or (iii) the Strategy Sponsor materially changes the formula for or the method of calculating the Strategy value or the nature of the Underlying Markets or in any other way materially modifies the Strategy; then the Strategy Value Calculation Agent shall, by giving not less than 30 calendar days' notice, designate a date (the "**Substitution Date**"), by which date the Umbrella Fund and the Swap Counterparty shall agree on a substitute strategy (any strategy so identified by the parties, a "**Substitute Strategy**" in relation to such Strategy).

Following identification of a Substitute Strategy, the Strategy Value Calculation Agent shall, following consultation in good faith with the Umbrella Fund and the Swap Counterparty, as of the Substitution Date make adjustments to the past levels of the Substitute Strategy so that the Substitute Strategy reflects the same historical performance as the Strategy or otherwise make adjustments such that, as of the Substitution Date, the value of the closing level of the Strategy shall be reflected in the opening level of the Substitute Strategy.

Any such substitution shall not affect any prior payments made under the Swap Agreement or to investors. Shareholders will be notified of any Substitute Strategy and will be granted with a one-month period free of charges to redeem their Shares should they disagree with the contemplated change.

If Goldman Sachs International and the Umbrella Fund are unable to identify a suitable Substitute Strategy, the Swap Agreement will terminate and the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus. If no suitable Substitute Strategy can be determined in a reasonable time period by the Calculation Agent using its discretion, the Portfolio will be liquidated and the investors will receive *pro-rata* redemption amounts following the realisation of such amounts. Investors should note that there may be a delay in realising redemption amounts due to illiquidity of the Underlying Markets referenced by the Strategy in the above circumstances.

## Characteristics

### Available Share classes

Class "A" Shares: class of Shares dedicated to retail investors;  
Class "A (EUR Hedged)" Shares: class of shares dedicated to retail investors;  
Class "A (GBP Hedged)" Shares: class of shares dedicated to retail investors;  
Class "A (CHF Hedged)" Shares: class of shares dedicated to retail investors;  
Class "A (JPY Hedged)" Shares: class of shares dedicated to retail investors;  
Class "I" Shares: class of Shares dedicated to Institutional Investors;  
Class "I (EUR Hedged)" Shares: class of shares dedicated to Institutional Investors;  
Class "I (GBP Hedged)" Shares: class of shares dedicated to Institutional Investors;  
Class "I (CHF Hedged)" Shares: class of shares dedicated to Institutional Investors;  
Class "I (JPY Hedged)" Shares: class of shares dedicated to Institutional Investors;  
Class "C" Shares: class of Shares dedicated to Institutional Investors;  
Class "C (EUR Hedged)" Shares: class of shares dedicated to Institutional Investors;  
Class "C (GBP Hedged)" Shares: class of shares dedicated to Institutional Investors;  
Class "C (CHF Hedged)" Shares: class of shares dedicated to Institutional Investors;  
Class "C (JPY Hedged)" Shares: class of shares dedicated to Institutional Investors;  
Class "M" Shares: class of Shares dedicated to private wealth management clients only;  
Class "M (EUR Hedged)" Shares: class of shares dedicated to private wealth management clients only;  
Class "N" Shares: class of Shares dedicated to private wealth management clients only; and  
Class "N (EUR Hedged)" Shares: class of shares dedicated to private wealth management clients only.

### Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange	Bloomberg Page
Class A	USD	Accumulation	LU0542430656]	None	GSABTDA LX
Class A (EUR Hedged)	EUR (Hedged)	Accumulation	LU0542430730	None	GSABAEH LX
Class A (GBP Hedged)	GBP (Hedged)	Accumulation	LU0542430813	None	GSABAGH LX
Class A (CHF Hedged)	CHF (Hedged)	Accumulation	LU0542430904	None	GSABACH LX
Class A (JPY Hedged)	JPY (Hedged)	Accumulation	LU0542431118	None	GSABAJH LX
Class I	USD	Accumulation	LU0542431209	None	GSABTDI LX
Class I (EUR Hedged)	EUR (Hedged)	Accumulation	LU0542431381	None	GSABIEH LX
Class I (GBP Hedged)	GBP (Hedged)	Accumulation	LU0542431464	None	GSABIGH LX
Class I (CHF Hedged)	CHF (Hedged)	Accumulation	LU0542431548	None	GSABICH LX
Class I (JPY Hedged)	JPY (Hedged)	Accumulation	LU0542431894	None	GSABIJH LX
Class C	USD	Accumulation	LU0542431977	None	GSABTDCLX
Class C (EUR Hedged)	EUR (Hedged)	Accumulation	LU0542432199	None	GSABCEH LX
Class C (GBP Hedged)	GBP (Hedged)	Accumulation	LU0542432272	None	GSABCGH LX
Class C (CHF Hedged)	CHF (Hedged)	Accumulation	LU0542432355	None	GSABCCH LX
Class C (JPY Hedged)	JPY (Hedged)	Accumulation	LU0542432439	None	GSABCJHX

Class M	USD	Accumulation	LU0542432512	None	GSABTDM LX
Class M (EUR Hedged)	EUR (Hedged)	Accumulation	LU0542432603	None	GSABMEHLX
Class N	USD	Accumulation	LU0542432785	None	GSABTDN LX
Class N (EUR Hedged)	EUR (Hedged)	Accumulation	LU0542432868	None	GSABNEH LX

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
Class A	5%	5%	2.00%	USD 1,000	USD 1,000	USD 1,000
Class A (EUR Hedged)	5%	5%	2.00%	EUR 1,000	EUR 1,000	EUR 1,000
Class A (GBP Hedged)	5%	5%	2.00%	GBP 1,000	GBP 1,000	GBP 1,000
Class A (CHF Hedged)	5%	5%	2.00%	CHF 1,000	CHF 1,000	CHF 1,000
Class A (JPY Hedged)	5%	5%	2.00%	JPY 100,000	JPY 100,000	JPY 100,000
Class I	5%	5%	1.75%	USD 100,000	USD 100,000	USD 1,000
Class I (EUR Hedged)	5%	5%	1.75%	EUR 100,000	EUR 100,000	EUR 1,000
Class I (GBP Hedged)	5%	5%	1.75%	GBP 100,000	GBP 100,000	GBP 1,000
Class I (CHF Hedged)	5%	5%	1.75%	CHF 100,000	CHF 100,000	CHF 1,000
Class I (JPY Hedged)	5%	5%	1.75%	JPY 10,000,000	JPY 10,000,000	JPY 100,000
Class C	5%	5%	1.50%	USD 1,000,000	USD 1,000,000	USD 1,000
Class C (EUR Hedged)	5%	5%	1.50%	EUR 1,000,000	EUR 1,000,000	EUR 1,000
Class C (GBP Hedged)	5%	5%	1.50%	GBP 1,000,000	GBP 1,000,000	GBP 1,000
Class C (CHF Hedged)	5%	5%	1.50%	CHF 1,000,000	CHF 1,000,000	CHF 1,000
Class C (JPY Hedged)	5%	5%	1.50%	JPY 100,000,000	JPY 100,000,000	JPY 100,000
Class M	5%	5%	1.75%	USD 99,000	USD 99,000	USD 1,000
Class M (EUR Hedged)	5%	5%	1.75%	EUR 99,000	EUR 99,000	EUR 1,000
Class N	5%	5%	1.50%	USD 10,000,000	USD 10,000,000	USD 1,000
Class N (EUR Hedged)	5%	5%	1.50%	EUR 10,000,000	EUR 10,000,000	EUR 1,000

\* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items I. Expenses and II. Fees of the section "Expenses, Fees and Costs" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator and to the Hedging Agent) are capped to 0.25% of the average Net Asset Value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

**Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement**

Valuation Day	Subscription/Conversion/ Redemption Date and Cut-Off Time	Settlement Date
Every Business Day*	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days**
	Every Luxembourg and London business day before 4 p.m. CET Luxembourg time prior to the relevant Valuation Day	

\* Any day on which banks are open for normal banking business in Luxembourg and London and on which the Strategy is calculated and published. Investors are made aware that the Net Asset Value of the Portfolio will not be calculated on the days when the banks are closed in Luxembourg (for the avoidance of any doubt these days are not being Business Days).

\*\* Day on which commercial banks are open for business in Luxembourg, London and in the principal financial centers of the currencies of payment for the relevant Share class and the Base Currency of the Portfolio.

Investors are made aware that in case of occurrence of a Market Disruption Event which implies a Disrupted Day (each as defined in the Swap Agreement, a copy of which may be obtained by investors, free of charge, on request) the Net Asset Value may not be calculated or published for such Disrupted Day and, as a consequence, the processing of investors' subscription/conversion/ redemption orders will be postponed accordingly.

Nonetheless investors will be bound by any application so sent on any Luxembourg Business Day, notwithstanding the fact that the applicable Valuation Day may be postponed in case of occurrence of a Market Disruption Event which implies a Disrupted Day.

### ***Payment of Subscription Proceeds and Redemption Proceeds***

Subscription proceeds must be paid within three Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within three Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within three Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and are in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund's Auditors (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

### ***Redemptions in Kind***

Notwithstanding anything to the contrary in the Prospectus, no Share may be redeemed in kind and the Umbrella Fund will not accept any requests for redemption in kind.

### ***Base Currency of the Portfolio***

USD

### ***Investment Administrator of the Portfolio***

Goldman Sachs International

### ***Targeted Investors***

The Portfolio is targeted to both retail investors and Institutional Investors.

### ***Dividend Policy***

The Portfolio does not intend to pay dividends. Income earned by the Portfolio will be reinvested.

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## Supplement XX to the Prospectus

# Goldman Sachs Structured Investments SICAV – DynaMO-CHF Portfolio

a Portfolio of Goldman Sachs Structured Investments SICAV

*Société d'Investissement à Capital Variable*

organized under the laws of the Grand Duchy of Luxembourg

The purpose of this Supplement is to describe in more detail the Goldman Sachs Structured Investments – DynaMO-CHF Portfolio (the “**Portfolio**”), which provides investors with exposure to the performance of the Goldman Sachs Dynamic Momentum Optimisation CHF Excess Return Index (“**GS DynaMO-CHF ER**” or the “**Index**”) and to the Swiss Franc (“**CHF**”) overnight interest rate as further described below.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information in relation to various aspects of the Umbrella Fund including a description of: the risks associated with an investment in the Umbrella Fund; information on the management and administration of the Umbrella Fund and in respect of those third parties providing services to the Umbrella Fund and the fees related thereto; the issue, conversion and redemption of Shares; the determination of the Net Asset Value; dividend policy; fees and expenses of the Umbrella Fund; information on the Umbrella Fund; meetings of and reports to Shareholders, taxation, information on special investment techniques and applicable investment restrictions.

Except as varied or otherwise specified in this Supplement, words and expressions contained in this Supplement shall bear the same meaning as in the Prospectus.

No subscriptions will be accepted for Shares in the Portfolio if the investor is basing its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on the Portfolio including details of the Share Classes that are available as of the date of the Prospectus.

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The Luxembourg legal adviser of the Portfolio is Linklaters LLP.

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October 2010

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## **Goldman Sachs Structured Investments SICAV – Dynamo-CHF Portfolio**

Unless the context requires otherwise, in this Supplement, “Goldman Sachs” refers to The Goldman Sachs Group, Inc. and its consolidated subsidiaries.

**The launching date of the Portfolio will be on or around 11 October 2010 at the initial price per Share of CHF 10 for the Shares denominated in the Base Currency of the Portfolio. For the Shares denominated in currencies other than the Base Currency of the Portfolio please refer to the Global Distributor or to the Registrar and Transfer Agent of the Umbrella Fund to obtain the details of their respective initial price.**

**Goldman Sachs International as the Promoter of the Umbrella Fund may in its sole discretion delay or cancel the proposed launch of the Portfolio, in view of the level of subscriptions and/or market movements.**

### **Investment Objective**

The investment objective of the Portfolio is to provide investors with exposure to the performance of the Index and to the Swiss Franc (“CHF”) overnight interest rate as further described below. Such exposure is obtained by the Portfolio being linked to the performance of the Index described in Section 2 of this Supplement.

**The Portfolio’s ability to achieve the investment objective is subject to various independent risk factors including changes to fiscal, financial or commercial regulation, national and international political, military, terrorist and economic events and third party investment performance, as well as other risk factors as further described in this Supplement and the Prospectus. No assurance is given that the investment objective will be met.**

## **IMPORTANT INVESTOR DISCLOSURE**

### **A. Key Risks related to the Portfolio**

Potential investors in the Portfolio should pay particular attention to the following:

An investment in the Portfolio carries with it a significant degree of financial risk. The value of Shares, and the return generated from them may go up or down, and an investor in the Shares may not recover the amount initially invested.

The ability for the Portfolio to meet its obligations to investors will depend upon the receipt by it of payments owed to the Portfolio by the counterparties to the Index Swap Agreement and the Reverse Repurchase Agreement respectively. As a result, the Portfolio will be exposed to the creditworthiness of the relevant counterparty.

The Index operates in accordance with a predetermined methodology as described in this Supplement.

The investment exposure provided by the Index is synthetic. Investing in Shares issued by the Portfolio will not make an investor a holder of, or give an investor a direct position in, the Index or any Underlying Assets (as defined below).

### **No principal protection**

The Shares in the Portfolio are not principal protected. None of the Portfolio, the Index and the Underlying Assets, as defined in this document, include any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

**These are just key risks designed to provide the investor with a preliminary indication of the main risks related to his/her investment. In order to have a fuller overview of the risks related to an investment in the Portfolio, Investors should read carefully section 3 entitled “*Principal Risks of Investing in the Portfolio*” in this Supplement as well as sections “*Investment Risks*”, “*What to Know Before You Invest in a Portfolio*” and “*Additional Overriding Risks*” of the Prospectus in order to understand more fully the risks related to an investment in the Shares issued by the Portfolio and to determine the suitability of the investment for them.**

## B. Key Conflicts of Interest

### 1. The different roles of Goldman Sachs

Goldman Sachs has multiple roles in connection with the Portfolio, the Index and its Underlying Assets.

Goldman Sachs International is a subsidiary of The Goldman Sachs Group, Inc. and performs several roles in relation to the Portfolio, the Index and its Underlying Assets.

With respect to the Portfolio, Goldman Sachs International is acting as Investment Administrator on behalf of the Umbrella Fund. Goldman Sachs International will act as the Calculation Agent in respect of derivative transactions with the Portfolio.

Goldman Sachs International is the sponsor of the Index (the "**Index Sponsor**") and is responsible for calculating and publishing the Index Value (as defined below) from time to time (the "**Index Value Calculation Agent**").

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

The counterparty to the Portfolio in relation to the Index Swap Agreement, which as at the date of this Supplement was Goldman Sachs International, may be replaced with another subsidiary of The Goldman Sachs Group, Inc. or with a counterparty subject to prudential rules equivalent to those provided by Community Law (the "**Index Swap Counterparty**").

The counterparty to the Portfolio in relation to the Reverse Repurchase Agreement, which as at the date of this Supplement was Goldman Sachs International, may be replaced with another subsidiary of The Goldman Sachs Group, Inc. or with a counterparty subject to prudential rules equivalent to those provided by Community Law (the "**Reverse Repurchase Counterparty**").

### 2. Potential conflict of interests

Potential conflicts of interest may arise in relation to the above mentioned situations. The Prospectus outlines certain information in respect of conflicts of interest in the section "*What to Know Before You Invest in a Portfolio*" as well as in the sub-section "*Other Potential Conflicts of Interest*" in the "*Additional Overriding Risks*" section of the Prospectus.

Goldman Sachs International operates arrangements in order to mitigate the above mentioned conflicts of interests and/or to facilitate that they do not affect the interests of the Umbrella Fund. In addition to that, the Umbrella Fund operates arrangements to ensure that its interests are protected. These arrangements are more fully described in the section "*The role of Goldman Sachs International as Investment Administrator and Counterparty and the management of potential conflicts of interest*" in the Prospectus.

Although Goldman Sachs will perform its obligations in a manner that it considers commercially reasonable, it may face conflicts between the roles it performs in respect of the Portfolio, the Index, the Underlying Assets and its own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Index, any products linked to the Index, the Underlying Assets and the underlying investments referenced by or linked to the Underlying Assets, and may exercise remedies or take other action with respect to its interests as it deems appropriate. These actions could adversely affect the value of the Portfolio and the Index. Furthermore Goldman Sachs may trade, hedge, issue or underwrite securities or trade other investments referenced to the Portfolio, the Index, the Underlying Assets or any underlying investment referenced by or linked to the Underlying Assets. Any of these activities could also adversely affect the Index Value, directly or indirectly, by affecting the value of the Underlying Assets or the Portfolio and, therefore, the NAV of the Portfolio.

Goldman Sachs may have access to information relating to the Portfolio, the Index, the Underlying Assets or any underlying investments referenced by or linked to the Underlying Assets. Goldman Sachs is not obliged to use that information for the benefit of any person acquiring Shares of the Portfolio linked to the Index.

Please refer to section 3 "*Principal Risks of Investment in the Portfolio*" of this Supplement for additional information on potential conflicts of interest.

### **3. Termination of the Index Swap Agreement**

The Index Swap Agreement (as defined below) will be documented under an International Swaps and Derivatives Association, Inc. Master Agreement and will include the standard and customary termination provisions under that Master Agreement, as well as additional termination events that are specific to the Portfolio, if any. In particular, the Index Swap Agreement may be terminated by the Index Swap Counterparty, in case that, (i) such Index Swap Counterparty is unable to hedge, in whole or part, the Index Swap Agreement, or (ii) such Index Swap Counterparty incurs material additional costs to carry out such hedging (each such event being further detailed in the 2002 ISDA Equity Derivative Definitions incorporated into the Index Swap Agreement). For further information on the content of the Index Swap Agreement, investors may obtain, free of charge, on request, a copy of the Index Swap Agreement.

# 1 Investment Policy

The Portfolio seeks to achieve its investment objective by: (i) entering into an excess return swap agreement (the “**Index Swap Agreement**”) with the Index Swap Counterparty under which it will participate in the performance of the Index; (ii) entering into a reverse repurchase agreement with the Reverse Repurchase Counterparty (the “**Reverse Repurchase Agreement**”).

Within the limits set forth in the Prospectus and this Supplement and on an ancillary basis, the Portfolio may hold cash and cash equivalents. Furthermore, the Portfolio may enter into FX transactions in respect of any Shares Classes denominated in a currency other than the base currency of the Portfolio.

## **Index Swap Agreement**

The Portfolio will enter into the Index Swap Agreement with the Index Swap Counterparty which may also be the counterparty to the Reverse Repurchase Agreement. The Portfolio will receive the returns of the Index. The Index exposure will initially be achieved by the Index Swap Agreement, although other alternative methods may be used in the future.

The exposure of the Portfolio to the Index will vary over the course of time as described in this Supplement. Several factors, including subscriptions and redemptions for Shares of the Portfolio, may affect the exposure of the Portfolio to the Index. This means that while the Net Asset Value of a Share Class within the Portfolio will be generally linked to the changes in the Index Value (whether flat, falling or rising), subject to the applicable costs, the performance of the Portfolio as a whole may differ from the performance of the Index. It is highly likely that the value of the Shares in the Portfolio will be adversely affected by a decline in the value of the Underlying Assets.

See section 4 entitled “*Particularities of the Index Swap Agreement and Reverse Repurchase Agreement*” for further details of the Index Swap Agreement and the Reverse Repurchase Agreement.

## **Reverse Repurchase Agreement**

The Reverse Repurchase Agreement will provide to the Portfolio a return linked to the CHF overnight interest rate.

Reverse Repurchase Agreement Collateral Requirement: under current market conditions, the Reverse Repurchase Agreement will be collateralised within a range of 100% to 110% of its notional amount. The level of collateralisation may vary within such range in consideration of the type of collateral posted at any time.

Composition of collateral: any eligible collateral mentioned under the section “*Repurchase Agreements and Reverse Repurchase Agreements*” of the Prospectus, as provided in the Regulatory Authority Circular 08/356 on rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments.

Currencies: collateral shall be delivered in each country’s respective currency.

***Investors may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.***

## **Investments in UCITS or UCIs**

In respect of the above investment policy, the Portfolio will not invest more than 10% of its net assets in any UCITS or UCIs at any time.

## **Use of Derivatives or Other Investment Techniques and Instruments**

The Portfolio may use derivatives for hedging and investment purposes as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

The Portfolio may also enter into securities lending and borrowing transactions as well as repurchase agreements as described in the section of the Prospectus headed “*Special Investment and Hedging Techniques*”.

## **Notice for Swiss Investors**

The investments of the Portfolio are made in line with the Investment Policy of the Portfolio and the investment restrictions applicable to the Umbrella Fund and additionally take into account the provisions of the Federal Law on Occupational Old Age, Survivors and Disability Pension Plans (LPP) and its implementing ordinances (OPP 2 and OPP 3).

## 2 The Index

*The following overview of the Index is a summary and, as such, is necessarily incomplete. This overview should be read in conjunction with, and is qualified in its entirety by, the more detailed description of GS DynaMO-CHF ER (the “**Index Description**”) that can be obtained upon request at [www.gs360.com](http://www.gs360.com). Defined terms not defined in this Supplement have the meaning ascribed to them in the Index Description.*

GS DynaMO-CHF ER is the excess return version of the Goldman Sachs Dynamic Momentum Optimisation CHF Total Return Index (the “**TR Index**”). The excess return is calculated by reference to the performance of the TR Index as compared with the return that could be earned at six-month CHF-Libor (Swiss franc Interbank Offered Rate), compounded semi-annually, on a notional cash deposit.

The TR Index is a long-only, multi-asset investment index designed to generate a synthetic exposure to the total return performance of a basket of assets. This basket comprises multiple asset classes across a range of geographical zones as represented by various indices and strategies, as well as a notional overnight cash deposit accruing compounding interest at the Swiss Franc Overnight Rate, which is referred to herein as “CHF-OVERNIGHT”. In this document, the component assets of the basket are referred to herein as the “**Underlying Assets**”.

The TR Index tracks the weighted return of the Underlying Assets and dynamically rebalances their respective weights, which can be as low as zero, monthly by applying a proprietary algorithm developed by Goldman Sachs International. Goldman Sachs International does not exercise any discretion in the rebalancing process, subject to the limited exceptions set out below. The TR Index is, therefore, not a managed index.

The circumstances in which Goldman Sachs International may exercise discretion include, but are not limited to, situations where (a) the official level of a relevant interest rate or an Underlying Asset is not available (or, in respect of a relevant interest rate, is manifestly incorrect), (b) an Underlying Asset ceases to exist or is no longer tradable, (c) law or regulation would prevent Goldman Sachs International and/or any of its affiliates from entering into transactions in respect of an Underlying Asset, (d) a market disruption event affects any Underlying Asset, (e) Goldman Sachs International determines that any Underlying Assets would cause any product linked to the Index to fail to satisfy the Swiss private savings products (“Pillar 3a”) regulations, or (f) Goldman Sachs International determines, in accordance with the procedure, and subject to the constraints, set out in Index Description, that the monthly rebalancing and/or servicing costs deducted do not accurately reflect the costs that a hypothetical investor would incur to enter into and maintain the positions necessary to provide exposure to the Underlying Assets of the Index.

The weight attributed to each Underlying Asset seeks to optimize the total return performance of the TR Index based on an analysis of the historical returns of various combinations of exposures to the Underlying Assets. At each monthly rebalancing date, the algorithm selects out of all the admissible combinations of Underlying Asset weights within a set of pre-determined investment, rebalancing and volatility constraints, the combination with the highest six-month historical return.

The TR Index is not principal protected, and its value may fall to zero. The strategy used by the TR Index has two volatility control features, one applied at each monthly rebalancing date and the other applied on a daily basis. The volatility constraint applied at each monthly rebalancing date sets a maximum limit of 8% on the annualized historic six-month realized volatility of any given combination of Underlying Asset weights and, if none of the given combinations satisfies this volatility constraint on any given monthly rebalancing date, the combination with the lowest historic six-month realized volatility at that monthly rebalancing date will be selected regardless of that combination's historic six-month performance. The daily volatility constraint has the effect of reducing the Index's exposure to the performance of the Underlying Assets by rebalancing a portion of the TR Index into the cash deleverage account if the annualized historic three-month realized volatility of the TR Index would otherwise exceed 10%.

The TR Index is denominated in Swiss francs but most of the Underlying Assets are denominated in currencies other than the Swiss francs. The TR Index therefore has an internal simulated currency hedge feature, which, through a series of synthetic transactions, seeks to offset a substantial portion of the positive or negative effects of exchange rate fluctuations in such currencies on the values of these Underlying Assets.

The TR Index is calculated so as to include deductions that synthetically reflect the costs that Goldman Sachs International would incur if it were to enter into and maintain the series of direct investment positions that would be necessary to provide the same exposure as the Index. As a result, the value of the TR Index from time to time is reduced by these deductions. Goldman Sachs International's actual costs could be lower

or higher and, if they were lower, the effect of those deductions would be to benefit Goldman Sachs International.

### Key features

The TR Index is a single proprietary index which uses a strategy designed to provide investors with a synthetic exposure to the total return performance of a dynamically rebalanced combination of the Underlying Assets, which consist of multiple asset classes across a range of geographical zones as represented by:

- (a) the following indices and strategies:
  - (i) the SMI Total Return Index;
  - (ii) the European Equity Futures Rolling Strategy Index (Total Return EUR);
  - (iii) the DAXglobal® BRIC Total Return Index (which may be replaced in the Index by a “total return net” version of the DAXglobal® BRIC Index (the “BRIC TRN Index”));
  - (iv) the European Government Bond Futures Rolling Strategy Index (Total Return EUR);
  - (v) the US Equity Futures Rolling Strategy Index (Total Return USD);
  - (vi) the Japanese Equity Futures Rolling Strategy Index (Total Return JPY);
  - (vii) the N-11-Core-5 (Total Return) Index;
  - (viii) the S&P GSCI Total Return E69 Strategy;
  - (ix) the Goldman Sachs Absolute Return Tracker Index (Total Return EUR); and
  - (x) the EPRA Total Return Index;

and

- (b) a notional overnight cash deposit accruing interest at CHF-OVERNIGHT, compounded daily using the ACT/360 day count fraction convention as defined in the 2006 ISDA Definitions.

The TR Index tracks the weighted return of the Underlying Assets and dynamically rebalances their respective weights, which can be as low as zero, monthly within a set of pre-determined investment, rebalancing and volatility constraints by applying the proprietary algorithm developed by Goldman Sachs International described below.

The other key features of the TR Index are as follows:

**Long-only Index:** Long positions are the only form of investing permitted under the Index. As a result, the TR Index provides the exposure an investor would receive by acquiring investment positions in the Underlying Assets and holding them.

**Synthetic Exposure:** The TR Index is designed to put the investor in a commercial position equivalent to holding direct investment positions in the Underlying Assets. However, investing in any product linked to the TR Index will not make an investor a holder of, or give an investor a direct investment position in, any Underlying Assets.

**Total Return:** The TR Index is a total return and not an excess return index. Total return includes all of the gains and losses on an investment (including capital gains and losses and all dividends, interest and other distributions) over a given period expressed as a percentage of the amount originally invested. Excess return measures the difference in the return that can be earned on a particular investment or portfolio as compared with the return that can be earned on another investment or portfolio.

**Underlying Asset Weights Determined by the TR Index Algorithm, Not Managed:** The respective weights of the Underlying Assets are dynamically rebalanced within the TR Index by applying the proprietary algorithm developed by Goldman Sachs International described herein. Goldman Sachs International created the algorithm which operates according to a set of pre-determined rules. Goldman Sachs International does not exercise any discretion in the rebalancing process, subject to the limited exceptions set out below. The TR Index is, therefore, not a managed index. The circumstances in which Goldman Sachs International may exercise discretion include, but are not limited to, situations where (a) the official level of a relevant interest rate or an Underlying Asset is not available (or, in respect of a relevant interest rate, is manifestly incorrect), (b) an Underlying Asset ceases to exist or is no longer tradable, (c) law or regulation would prevent Goldman Sachs International and its affiliates from entering into transactions in respect of an Underlying Asset, (d) a market disruption event affects any Underlying Asset, (e) Goldman Sachs International determines that any Underlying Assets would cause any product linked to the Index to fail to satisfy the Swiss private savings products (“Pillar 3a”) regulations, or (f) Goldman Sachs International determines, in accordance with the procedure, and subject to the constraints, set out herein, that the monthly

rebalancing and/or servicing costs deducted do not accurately reflect the costs that a hypothetical investor would incur to enter into and maintain the positions necessary to provide exposure to the Underlying Assets of the Index.

**TR Index Value:** Because the TR Index is synthetic, it was given a starting value of 100 as of 15 April 2010, which was the initial calculation date of the Index. This value then tracks over time the performance of the dynamically rebalanced combination of Underlying Assets as more fully described below. Except where the context requires otherwise, references in this document to the value of the TR Index are to that value as adjusted from time to time.

**TR Index Currency:** The TR Index is calculated in CHF.

**Hedging to CHF:** Most of the Underlying Assets in the TR Index are not denominated in CHF. As a result of this, among other things, the TR Index is subject to currency exchange rate risks. Some of these risks are sought to be mitigated through the TR Index's internal simulated currency hedge feature.

## Calculation and Publication of the TR Index Value and Index Value

**Index Business Day:** Goldman Sachs International will calculate and publish the value of the TR Index (the "TR Index Value") as described in Section 5 of the Index Description for each Index Business Day. A "Index Business Day" means a day on which (i) commercial banks and foreign currency markets settle payments and are open for general business in New York and London, and (ii) the TARGET system is open.

**Reference Levels of the Underlying Assets:** For the purposes of calculating the TR Index Value, the official level of each Underlying Asset will be determined as follows:

- the level of the S&P GSCI Total Return E69 Strategy is determined based on its official closing level as calculated and published by Goldman, Sachs & Co., as sponsor thereof;
- the level of the Goldman Sachs Absolute Return Tracker Index (EUR) is determined based on the index daily value as calculated and published by Goldman Sachs International, as sponsor thereof;
- the level of the CHF-Overnight cash deposit is determined based on the CHF level as calculated by Goldman Sachs International, as the TR Index operator; and
- the level of the other Underlying Assets is determined based on their respective closing prices as published by the Underlying Asset data sponsor or Underlying Asset sponsor (as further described in Appendix 1 of the Index Description), as the case may be.

If, however, for any given Index Business Day no official level for an Underlying Asset is published because such day is not an exchange business day (as described in Appendix 1 of the Index Description), Goldman Sachs International will use the Underlying Asset level published for the exchange business day immediately preceding that Index Business Day. Moreover, if for any given Index Business Day no official level for an Underlying Asset is published for any other reason, Goldman Sachs International may not calculate and publish any value of the TR Index for that Index Business Day.

GS DynaMO-CHF TR (i.e., the TR Index Value) is published for each Index Business Day on the Bloomberg page DYNACHFT <Index> (or any successor page). Details of the current exposure of the TR Index to each Underlying Asset is available from Goldman Sachs International upon request.

GS DynaMO-CHF ER (i.e., the "Index Value") is published for each Index Business Day on the Bloomberg page DYNACHFE <Index> (or any successor page).

## Weights and Constraints

### Overview

At any given time, the TR Index tracks the weighted return of the Underlying Assets. The respective weights of the Underlying Assets, which can be as low as zero, are rebalanced monthly within a set of pre-determined investment, rebalancing and volatility constraints by applying the TR Index algorithm. Such rebalancing of the TR Index is referred to herein from time to time as a "monthly rebalancing". On any given Index Business Day, the respective weights of the Underlying Assets may also be rateably rebalanced into the cash deleverage account as a result of the daily volatility control feature of the Index. Such rebalancing of the TR Index is referred to herein from time to time as a "daily rebalancing". Under certain circumstances described below, Goldman Sachs International may delay any monthly rebalancing or daily rebalancing in its sole discretion.

### Monthly Rebalancing

**Parameters for Monthly Rebalancings:** The weight attributed to each Underlying Asset by the TR Index algorithm at each monthly rebalancing date seeks to optimize the total return performance of the Underlying Assets based on an analysis of the historical returns of various combinations of exposures to the Underlying Assets, subject to certain constraints. At each monthly rebalancing date, the algorithm selects, out of all the combinations of admissible Underlying Asset weights within a set of investment, rebalancing and volatility constraints, the combination with the highest six-month historical return (calculated as described in Section 5 of the Index Description).

The levels of the Underlying Assets used for the purpose of monthly rebalancings, where applicable, are adjusted to reflect (i) servicing costs and (ii) the impact of the internal simulated currency hedge as further described in this document.

**The Constraints:** The investment, rebalancing and volatility constraints were specified at the inception of the TR Index and cannot be altered. The constraints are as follows:

- **Investment Constraints:** Investment constraints set a maximum weight for each Underlying Asset. Negative (that is, short) weights are not permitted in the Index, but weights can be as low as zero so that the performance of zero-weighted Underlying Assets would not be reflected in the performance of the TR Index for the relevant periods. The sum of the weights of all Underlying Assets is equal to 1.0 (with rounding effects treated as described below). Where an Underlying Asset ceases to exist or is no longer tradable and is not replaced by Goldman Sachs International in the manner described in this document, it will be deemed to have been assigned a zero weight in the Index. This may affect the exposure to the total return performance of the Underlying Assets an investor receives as a result of investing by reference to the Index. The investment constraints applicable to each Underlying Asset are set out in the table below.
- **Asset Class Constraints:** Asset class constraints set a maximum limit on the total weight for each asset class at a monthly rebalancing date. Underlying Assets are allocated to one of the three following asset classes: Equity Asset Class, Alternative Asset Class and Fixed Income Asset Class. The allocation of each Underlying Asset to the three asset classes and the applicable asset class constraints are set out in the table below.
- **Volatility Constraint:** The volatility constraint sets a maximum limit of 8% on the annualized historic six-month realized volatility (calculated as described in Section 5 of the Index Description) of any selected combination of Underlying Asset weights.

If at a monthly rebalancing date, no combination of Underlying Assets complies with the set of pre-defined investment, rebalancing and volatility constraints, then the TR Index algorithm will select from all combinations of Underlying Assets that comply with the investment and rebalancing constraints, the combination with the lowest historic six-month realized volatility, regardless of that combination's six month performance. The particular combination so selected will therefore exceed the volatility constraint. The investment and rebalancing constraints are set out in the following table:

Underlying Assets	Investment Constraints (maximum weights)	Asset Class Constraints (maximum weights)
SMI Total Return Index	20%	Equity Asset Class 50%
European Equity Futures Rolling Strategy Index (Total Return EUR)	20%	
US Equity Futures Rolling Strategy Index (Total Return USD)	20%	
Japanese Equity Futures Rolling Strategy Index (Total Return JPY)	20%	
DAXglobal® BRIC Total Return Index	30%	
N-11-Core-5 (Total Return) Index	30%	
EPRA Total Return Index	20%	
S&P GSCI Total Return E69 Strategy	10%	Alternative Asset Class 15%
Goldman Sachs Absolute Return Tracker Index (Total Return EUR)	10%	
European Government Bond Futures Rolling Strategy Index (Total Return EUR)	35%	Fixed Income Asset Class 100%
CHF-Overnight (compounded) cash deposit	100%	

**The Effect of Rounding:** The weight of each Underlying Asset computed at each monthly rebalancing date is rounded to the nearest three decimal places with 0.05% (0.0005) being rounded upward. For example, if the optimal weight is 12.36% (0.1236), it would be rounded up to 12.4% (0.124). The effect of rounding is

that the sum of the rounded weights may not add up to 100% (1) anymore. For this reason, at each monthly rebalancing date, the sum of the rounded weights is deducted from 1. If the resulting excess weight is positive, it is added to the Underlying Asset with the highest six-month historical return regardless of whether this might cause the weight of that Underlying Asset to exceed any of the constraints specified above. If the resulting excess weight is negative, its absolute value is subtracted from the weight of the Underlying Asset that had the lowest six-month historical return and a weight higher than the absolute value of the excess amount being deducted regardless of whether this might cause the weight of the Underlying Asset to exceed any of the constraints specified above.

**Six-Month Period:** The six-month period relevant for calculating the six-month historical return and historic six-month realized volatility of each combination of Underlying Assets is the period from (and including) the Index Business Day six months before the Reference Day(t) (business day convention: previous) to (and including) the Index Business Day immediately preceding the Reference Day(t). The Reference Day(t) is the second Index Business Day prior to the given Index Business Day(t). The daily performance figures for the respective Underlying Asset are calculated by measuring the daily returns following each Index Business Day during the six-month period.

### ***Daily Volatility Control***

**Overview:** The TR Index has a daily volatility control feature. This feature has the effect of reducing the TR Index exposure to the performance of the Underlying Assets by rebalancing a portion of the TR Index into cash (as described below) if the annualized historic three-month realized volatility of the TR Index would otherwise exceed a certain volatility level on any Index Business Day. The TR Index exposure is reduced by allocating a portion of the TR Index exposure to a notional cash account, which accrues interest at CHF-Overnight compounded daily using the ACT/360 day count fraction convention as defined in the 2006 ISDA Definitions. This account is referred to herein as the “cash deleverage account”.

**Base TR Index and Daily Weight of the Base TR Index:** As a result of the daily volatility control, the daily value of the TR Index is a function of both (i) the performance of the dynamically rebalanced combination of Underlying Assets and (ii) the performance of the cash deleverage account, each weighted by a coefficient representing the respective proportion of the combination of Underlying Assets and the cash deleverage account in the Index. The dynamically rebalanced combination of Underlying Assets (as opposed to the combination including the cash deleverage account) is referred to herein as the “Base TR Index”. The proportion by which the Base TR Index is represented in the Index, computed daily, is referred to herein as the “daily weight of the Base TR Index”. Calculation of the value of the Base TR Index and the daily weight of the Base TR Index is described in Section 5 of the Index Description.

**Mechanism of the Daily Volatility Control:** To operate the daily volatility control, the annualized historic three-month realized volatility (computed as described in Section 5 on of the Index Description) of the Base TR Index is calculated on each Index Business Day. As long as on any given Index Business Day such calculated volatility is equal to or less than 10%, the daily weight of the Base TR Index will be set to 100% on that Index Business Day. However, if on any given Index Business Day such calculated volatility exceeds 10%, the exposure of the Base TR Index is partially rebalanced into the cash deleverage account for that Index Business Day to the extent necessary to reduce the historic three-month realized volatility down to 10%. This partial rebalancing is effected by reducing the daily weight of the Base TR Index. As a result, the respective effective weights of the Underlying Assets included in the Base TR Index will be rateably reduced.

### ***Delayed Rebalancing of the TR Index***

**Index Valuation Day:** In this document, a “Index Valuation Day” means a Index Business Day:

- (i) (a) for which the official levels (as described under the heading Calculation and Publication of the Index in Section 1 – What the Index Does of the Index Description) of all non-zero-weighted Underlying Assets are available and (b) on which no market disruption event (as defined in Appendix 2 of the Index Description) occurs or is continuing with respect to any non-zero weighted Underlying Asset; or
- (ii) for which the conditions described under sub-paragraph (i) above are not satisfied but on which (a) Goldman Sachs International does not postpone a monthly rebalancing or daily rebalancing, as applicable, in the circumstances described in the next following paragraph but determines in its sole discretion to rebalance the TR Index or (b) Goldman Sachs International rebalances the TR Index because that Index Business Day is the sixth Index Business Day following the originally scheduled rebalancing as described in the next following paragraph.

**Delayed Monthly or Daily Rebalancing:** If a monthly rebalancing or a daily rebalancing of the TR Index, as applicable, has to be effected on a Index Business Day that is not a Index Valuation Day, Goldman Sachs International, in its sole discretion, may postpone the monthly rebalancing date or the daily rebalancing, as applicable, to the next day that is a Index Valuation Day. If such monthly rebalancing date or daily rebalancing is postponed to the sixth Index Business Day following the originally scheduled rebalancing and such date would not be a Index Valuation Day pursuant to the conditions described in sub-paragraph (i) of the definition of a Index Valuation Day, such rebalancing will take place on that sixth Index Business Day.

If, on any given Index Business Day, Goldman Sachs International does not postpone a monthly rebalancing or daily rebalancing, as applicable, in the circumstances described above but determines in its sole discretion to rebalance the TR Index or rebalances the TR Index because that Index Business Day is the sixth Index Business Day following the originally scheduled rebalancing, then Goldman Sachs International will determine the level of each Underlying Asset for which the official level is not available and/or is subject to a market disruption event as of such date in its sole discretion.

**Value of the TR Index Where a Rebalancing Is Delayed:** It is possible that, on any given Index Business Day where Goldman Sachs International postpones any monthly or daily rebalancing in the manner described above, the value of the TR Index calculated and published for that Index Business Day may not reflect a value at which Goldman Sachs International and/or any other member of the Goldman Sachs Group would be willing to issue or trade any products linked to the Index.

#### **The Effect on the TR Index of Deductions Representing Costs and Expenses**

**Overview:** The TR Index is calculated so as to include deductions that synthetically replicate the transaction costs and servicing costs that Goldman Sachs International would incur if it were to enter into and maintain the series of direct investment positions that would be necessary to provide the same exposure as the Index. The value of the TR Index from time to time is therefore reduced by these deductions. Goldman Sachs International's actual costs could be lower or higher and, if they were lower, the effect of those deductions would be to benefit Goldman Sachs International.

**Transaction Costs:** Transaction costs comprise (i) monthly rebalancing costs, which are linked to the monthly rebalancing of the Index, and (ii) daily rebalancing costs, which are linked to any rebalancing of the TR Index based on the daily volatility control, as the case may be.

**Monthly Rebalancing Costs:** Monthly rebalancing costs are deducted each time the TR Index is rebalanced. At each monthly rebalancing, monthly rebalancing costs will be deducted in an amount equal to the sum of the figures representing, for each Underlying Asset, the product of (i) the monthly rebalancing cost for the relevant Underlying Asset (as identified below), multiplied by (ii) the absolute difference between its new weight computed as of that monthly rebalancing date and its actual weight as it existed immediately before that rebalancing, multiplied by (iii) the value of the TR Index before deducting monthly rebalancing costs. The monthly rebalancing cost of each Underlying Asset (other than the CHF-Overnight cash deposit, for which the monthly rebalancing cost is 0 bps) is 20 bps. These rebalancing costs (for each Underlying Asset other than the CHF-Overnight cash deposit) are subject to amendment by Goldman Sachs International as described under Amendment of Costs below.

**Daily Rebalancing Costs:** The calculation of the daily rebalancing costs deducted from the value of the TR Index is different from the calculation of the monthly rebalancing costs described above. The calculation of the daily rebalancing costs is unaffected by the value of the monthly rebalancing costs and the weights of the Underlying Assets within the Base TR Index. On each Index Business Day where the daily weight of the Base TR Index is adjusted as a result of the daily volatility control feature, daily rebalancing costs are deducted from the value of the TR Index in an amount equal to 20 bps of the product of (i) the absolute difference between the new daily weight of the Base TR Index as of that Index Business Day and the actual daily weight of the Base TR Index as it existed immediately before that daily rebalancing; multiplied by (ii) the value of the TR Index as of that Index Business Day before deducting any daily rebalancing costs.

**Servicing Costs:** Servicing costs synthetically reflect the costs of maintaining positions in and synthetically replicating the performance of the Underlying Assets. They are therefore ongoing costs applied to the level of the respective Underlying Assets as a whole and reduce the level of the Underlying Assets used for purposes of determining the value of the Index.

The annual rates of the servicing costs are as follows:

Underlying Asset	Annual Rate (bps)
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SMI Total Return Index	50
European Equity Futures Rolling Strategy Index (Total Return EUR)	0
DAXglobal® BRIC Total Return Index	100
European Government Bond Futures Rolling Strategy Index (Total Return EUR)	10
US Equity Futures Rolling Strategy Index (Total Return USD)	0
Japanese Equity Futures Rolling Strategy Index (Total Return JPY)	0
N-11-Core-5 (Total Return) Index	200
S&P GSCI Total Return E69 Strategy	80
Goldman Sachs Absolute Return Tracker Index ((Total Return EUR)	100
EPRA Total Return Index	0
CHF-OVERNIGHT cash deposit	0

The servicing costs (for each Underlying Asset other than the CHF-OVERNIGHT cash deposit) are subject to amendment by Goldman Sachs International as described under Amendment of Costs below. The servicing costs are continuously compounded and are deducted from the level of each Underlying Asset on each Index Business Day using the ACT/360 day count fraction convention as defined in the 2006 ISDA Definitions. Calculation of servicing costs is further described in Section 5 of the Index Description.

**Amendment of Costs:** Goldman Sachs International, acting in a commercially reasonable manner and subject to the conditions described in this and the following paragraphs, reserves the right to amend the monthly rebalancing costs and/or servicing costs (described above under Monthly Rebalancing Costs and Servicing Costs, such costs as so described, the “Original Cost Amounts”) for any of the Underlying Assets if it determines, based on the average of at least three quotes (each from an independent broker for a notional amount equal to one hundred million U.S. dollars (\$100,000,000) (the “Target Quotation Amount”)), that the costs that a hypothetical investor would incur in the relevant markets with respect to the Benchmark Index (as defined below) relating to the Underlying Asset whose Original Cost Amount would be amended, is at least 25 percent higher than the deductions (representing the hypothetical cost) reached using the relevant Underlying Asset’s Original Cost Amount; provided that, in the event that Goldman Sachs International is unable to obtain at least three such quotes for a notional amount equal to the Target Quotation Amount despite using its commercially reasonable efforts to do so but is able to obtain at least one such quote for any notional amount, the monthly rebalancing costs and/or servicing costs may be amended in accordance with the procedure described in this and the following paragraphs based on the average of at least three quotes (or such fewer number of quotes as Goldman Sachs International is able to obtain) for the notional amounts closest to (but not exceeding) the Target Quotation Amount as are available.

The “Benchmark Index” for the S&P GSCI Total Return E69 Strategy is the S&P GSCI®; and each quote obtained in relation to the S&P GSCI® shall be increased (a) by 20 bps for purposes of any determination of whether the conditions described in the previous paragraph for amending the monthly rebalancing costs applicable to the S&P GSCI Total Return E69 Strategy have been satisfied; and (b) by 60 bps for purposes of any determination of whether the conditions described in the previous paragraph for amending the servicing costs applicable to the S&P GSCI Total Return E69 Strategy have been satisfied.

The Benchmark Index for the N-11-Core-5 (Total Return) Index is the S&P BRIC 40 Net TR Index; and each quote obtained in relation to the S&P BRIC 40 Net TR shall be increased (a) by 50 bps for purposes of any determination of whether the conditions described above for amending the monthly rebalancing costs applicable to the N-11-Core-5 (Total Return) Index have been satisfied; and (b) by 200 bps for purposes of any determination of whether the conditions described above for amending the servicing costs applicable to the N-11-Core-5 (Total Return) Index have been satisfied.

For each of the equity futures strategy indices, the Benchmark Index is the total return index that underlies such equity futures strategy index. For the European Government Bond Futures Rolling Strategy Index, the Benchmark Index is the Bloomberg/EFFAS EUR Bond EUGATR Index.

For each of the other Underlying Assets, the Benchmark Index is the Underlying Asset itself.

In the event that the monthly rebalancing costs and/or servicing costs are determined in accordance with the preceding paragraphs to have increased by at least twenty-five percent, then Goldman Sachs International may increase the Original Cost Amount by an Equivalent Percentage (as defined in the following sentence).

The “Equivalent Percentage” is the percentage by which the relevant costs are determined to have increased in accordance with the preceding two paragraphs, rounded down to the nearest twenty-five percent. Goldman Sachs International will notify investors by way of a published notice at the GS DynaMO-CHF section of <https://360.gs.com/gs/portal/products/equityall/optionsandvolatility/> (or any successor) of the increased amount of the relevant costs (the “Increased Cost Amount”). The Increased Cost Amount would be effective at the immediately next monthly rebalancing date and apply for one year, and for all periods thereafter will revert back to the Original Cost Amount (unless the above qualification of higher cost still applies). The Increased Cost Amount may only be amended and increased in the same manner and pursuant to the same restrictions as the amendments to the Original Cost Amounts.

## Currency Hedge Methodology

**Overview:** In respect of non-CHF denominated Underlying Assets, the TR Index has an internal simulated currency hedge feature, which, through a series of synthetic transactions entered into in respect of each valuation period (as further described below), seeks to offset a substantial portion of the positive or negative effects of exchange rate fluctuations in such currencies on the values of these Underlying Assets.

**Methodology:** On each Index Business Day, the internal currency hedge feature synthetically determines the performance of non-Swiss franc denominated Underlying Assets for the period from the last monthly rebalancing date to such given Index Business Day. The performance of each non-Swiss franc denominated Underlying Asset for this period will be: (a) the performance over such period of a notional cash deposit in Swiss franc accruing interest at the CHF-Overnight interest rate, plus (b) the performance over such period of an investment in the non-Swiss franc denominated Underlying Asset and which is converted each day into Swiss franc at the applicable currency exchange rate in effect on that day, minus (c) the performance over such period of a notional cash deposit in the non-Swiss franc currency which accrues interest at the relevant overnight interest rate and which is converted each day into Swiss franc at the applicable currency exchange rate in effect on that day. By synthetically executing this series of transactions, the TR Index seeks to mitigate the exposure to the exchange rate fluctuations of the relevant currency.

**Applicable Exchange Rates:** The applicable exchange rates for converting Swiss franc into other currencies and for converting other currencies into Swiss franc is calculated as follows:

- for U.S. dollars, the U.S. dollar-to-Swiss franc exchange rate is equal to the Swiss franc closing spot mid rate per one unit of U.S. dollar published by WM Performance Services or any successor company on Reuters page USDCHFFIXM=WM; and
- for Euro, the Euro-to-Swiss franc exchange rate is equal to Swiss franc closing spot mid rate per one unit of Euro published by WM Performance Services or any successor company on Reuters page EURCHFFIXM=WM; and
- for Japanese yen, the Japanese yen-to-Swiss franc exchange rate is equal to the ratio of (i) the 8 a.m. LDN intraday Swiss franc spot mid rate per unit of dollar published by WM Performance Services or any successor company on Reuters page USDCHFFIXMP=WM and (ii) the 8 a.m. LDN intraday Japanese yen spot mid rate per unit of U.S. dollars published by WM Performance Services or any successor company on Reuters page USDJPYFIXMP=WM

The days on which the above exchange rates are usually fixed and published by WM Performance Services or any successor company are referred to herein as “fixing days”. If for a fixing day, any of the applicable exchange rates is not available at the respective time indicated above, Goldman Sachs International will use another spot fixing time as established and published by WM Performance Services (or any successor company) for such fixing day.

If a Index Business Day is not a fixing day or if an exchange rate disruption event (as further described in Appendix 2 of the Index Description) has occurred or is continuing on a Index Business Day, Goldman Sachs International will use the applicable exchange rate as of the previous fixing date for the purpose of calculating the value of the Index. If any exchange rate is not available for longer than three Index Business Days, Goldman Sachs International will determine the fair value of the relevant exchange rate in its sole discretion.

**Overnight Interest Rates:** The overnight interest rate references used for the computation of the level of the overnight cash deposits, which is also referred to herein from time to time as the “level of the money markets” in this document, and the business days for the respective overnight interest rates are as follows:

Currencies	Overnight Interest Rate	Overnight Interest Rate
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	<b>References</b>	<b>Business Days</b>
CHF	TOIS (as provided by Reuters)	Business days in Zurich
EUR	EUR-EONIA (as provided by Reuters on EONIA RSF.REC.EONIA=.NaE)	Business days as per TARGET system
USD	USD-FEDERAL-FUNDS-H15 (as provided by Reuters on RSF.REC.USONFFE=.NaE)	U.S. Fedwire business days
JPY	JPY-BOJ-TONAT (as provided by Reuters on RSF.REC.JPONMU=RR.NaE)	Business days in Tokyo

If for any given Index Business Day an overnight interest rate is not published on the relevant overnight interest rate business day or, if published, an overnight interest rate is, in the reasonable judgment of Goldman Sachs International, manifestly incorrect, Goldman Sachs International will use the overnight interest rate published on the immediately preceding overnight interest rate business day. If no value is published (or if published, is manifestly incorrect) for an overnight interest rate for a period longer than three Index Business Days, Goldman Sachs International will determine the fair value of that overnight interest rate on the relevant days in its sole discretion.

### 3 Principal Risks of Investing in the Portfolio

Prospective investors should be aware of the risks associated with an investment in the Portfolio and are advised to consult with their professional advisers such as lawyers, financial advisers and accountants when determining whether an investment in the Portfolio is suitable for them. The following are certain risks related to any investment in the Portfolio. For a fuller overview of the risk factors associated with an investment in the Portfolio investors should also read the sections "*What to Know Before You invest in a Portfolio*" and "*Additional Overriding Risks*" of the Prospectus. A more detailed description of the risk factors specific to the Index can be found in Part C of the Index Description. Whilst the risks set out in this Supplement and the Prospectus should be carefully considered by prospective investors, they do not purport to be an exhaustive list of the risks associated with an investment in the Portfolio.

#### **Need for Independent Analysis**

Prospective investors should conduct such independent investigation and analysis regarding the Shares, the Portfolio, the parties to the Index Swap Agreement and the Reverse Repurchase Agreement as they deem appropriate to evaluate the merits and risks of an investment in the Portfolio. Goldman Sachs does not make any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied in connection with the Portfolio and does not accept any responsibility or liability therefore.

#### **Suitability of Investment**

An investment in the Portfolio is only suitable for sophisticated investors who are capable of understanding the risks involved. Prospective investors must obtain such advice as they deem necessary from their own advisors as to the risks and merits of purchasing Shares and of any regulatory, accounting and/or tax consequences thereof. Neither Goldman Sachs nor the Umbrella Fund is providing investment, regulatory, accounting, or tax advice to any Shareholder or prospective Shareholder.

#### **Performance is Not Guaranteed**

Many factors influence the performance of the Shares and none of the Umbrella Fund nor the counterparties to the Index Swap Agreement and the Repurchase Agreement guarantee that Shareholders will receive any amount in excess of the amount originally invested upon maturity of their Shares. The performance of the Shares may not compare favourably with interest rates on deposits prevailing between the date such Shares were issued and their maturity or redemption. The market value of the Shares may be influenced by factors including but not limited to (i) the creditworthiness of the counterparties to the Index Swap Agreement and the Repurchase Agreement and the Goldman Sachs Group; (ii) interest rates; (iii) currency exchange rates; (iv) time remaining to maturity; (v) nature and liquidity of any hedge positions; (vi) nature and liquidity of any embedded derivatives; (vii) market perception; (viii) general economic and financial conditions and (ix) the occurrence of market disruption, among others factors.

#### **Goldman Sachs Roles and Conflict of Interests**

##### **Overview of Roles**

Goldman Sachs International performs several roles in respect to the Portfolio. It is acting as Investment Administrator on behalf of the Portfolio and it may also act as initially as the counterparty for the derivative transactions and the Reverse Repurchase Agreement with the Portfolio or as the agent of the counterparty to derivative transactions and the Reverse Repurchase Agreement with the Portfolio and as the Calculation Agent in respect of those derivative transactions. Goldman Sachs International, as Index Value Calculation Agent, is responsible for calculating and publishing the Index Value from time to time.

Goldman Sachs International is the Index Sponsor, sets the parameters within which the Index operates including selection of the Underlying Assets. Goldman Sachs International is responsible for the composition, calculation and maintenance of the Index and has a determinative influence over its composition, calculation and maintenance. While Goldman Sachs International generally does not exercise any material discretion in relation to the operation of the Index and owes no fiduciary duties in respect of the Index, Goldman Sachs International has discretion in responding to limited situations, including, among others, the determination of whether an Underlying Asset has ceased or is likely to stop meeting the eligibility criteria, the existence of a Market Disruption Event, the Index Value when Underlying Assets are affected by Market Disruption. Goldman Sachs International will not take into account the interests of investors or the Portfolio when exercising such discretion and the exercise by Goldman Sachs International of this discretion may adversely affect the Index Value and the value of products or investments linked or referable to the Index.

Goldman Sachs is a full service financial services group and, consequently, is engaged in a range of activities that could affect the Index Value and any of the Underlying Assets as further described below.

## **Potential Conflicts of Interest**

Investors should be aware that to the extent the Portfolio trades with Goldman Sachs International or with vehicles established by the latter as dedicated counterparty, they will make a profit from the price of the derivative instruments, which may not be the best price available in the market.

As Investment Administrator, Goldman Sachs International has a limited role in connection with the Portfolio, which is defined by its contractual obligations. As such, it is not carrying out active stock selection, underlying fund or investment manager selection and other functions that might be conducted by an investment manager that was subject to overriding fiduciary duties by operation of law. Therefore, Goldman Sachs International is limiting its fiduciary duties owed to the Umbrella Fund to such duties as are defined by the arrangements agreed between the parties as set out in the Investment Administrator Agreement.

Potential conflicts of interest may arise in relation to the several roles Goldman Sachs performs in respect to the Index. Although Goldman Sachs International will perform its obligations in a manner that it considers to be commercially reasonable, it may face conflicts between these roles and Goldman Sachs' own interests. In particular, in its other businesses, Goldman Sachs may have an economic interest in the Index, the Underlying Assets and products or investments linked or referable to the Index and the Underlying Assets and may exercise remedies or take other action with respect to its interests as it deems appropriate. The role played by Goldman Sachs International, may, in particular, create a conflict of interest since Goldman Sachs may also invest in the underlying investments referenced or linked to the Underlying Assets and act as arranger for products or investments backed by the same Underlying Assets and may also trade, hedge, issue, underwrite or arrange securities or financial or derivative instruments referenced or linked to the Index and any underlying investment referenced or linked to the Underlying Assets. These activities could adversely affect the Index Value, which could in turn affect the return on, and the value of, any product or investment linked to the Index.

Although Goldman Sachs is not obliged to do so, it may elect to hedge its exposure to the Index, any products or instruments linked thereto, any Underlying Assets or any underlying investments referenced by the Underlying Assets with an affiliate or a third party. That affiliate or third party, in turn, is likely, directly or indirectly, to hedge any of its exposure, including through transactions taking place on the futures and options markets. Where Goldman Sachs chooses to hedge its exposure, it may adjust or unwind such hedges by purchasing or selling products linked to the Index, Underlying Assets, any underlying investments referenced by the Underlying Assets or any other product or instrument on or before the date the Index Value is determined for purposes of any overlying investment products or instruments referenced to the Index. Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to other instruments linked to the Index or any Underlying Asset. Any of this hedging activity may adversely affect the Index Value and of any products or instruments linked thereto.

Goldman Sachs may also engage in trading for its proprietary accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more products or instruments linked to or similar to the Index, any Underlying Asset and/or any underlying investments referenced by the Underlying Assets. In the course of these transactions, Goldman Sachs' customers may receive information about the Index before it is made available to other investors. Any of these activities could also adversely affect the Index Value, directly or indirectly, by affecting the value of the Underlying Assets or the investments or instruments referenced by or linked to the Underlying Assets and, therefore, the market value of any products or instruments linked to the Index and the amount paid on any such product or instrument at maturity.

It is possible that Goldman Sachs could receive substantial returns with respect to the above activities while the value of any underlying investments or instruments referenced to the Index may decline.

Goldman Sachs International, as Calculation Agent under the Index Swap Agreement, and the Umbrella Fund will also have the authority to identify any other suitable index which will closely approximate the investment characteristics of the Index in the event of any circumstances under which the Index is no longer available.

### **Separate Roles**

Whilst the roles of (i) Index Sponsor, (ii) Index Value Calculation Agent, (iii) Index Swap Counterparty, (iv) Reverse Repurchase Counterparty, and (v) Investment Administrator may be carried out by either of the legal entities Goldman Sachs International and/or Goldman Sachs Asset Management, these roles are functionally separate; they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information.

### **Counterparty risk**

The ability of the Portfolio to meet its obligations to investors will depend on the receipt by it of payments owed to the Portfolio by the Index Swap Counterparty and the Reverse Repurchase Counterparty, respectively. As a result, the Portfolio will be exposed to the creditworthiness of the relevant counterparty.

In addition to the extent that the obligations of the Index Swap Counterparty and the Reverse Repurchase Counterparty will be collateralised by a portfolio composed of cash and transferable securities, the collateral will be subject to market risk and may be adversely effected by changes in the level of volatility of market rates or prices such as equity prices, interest rates, credit spreads and foreign exchange rates. As each portfolio is marked-to-market, in the event the value of any portfolio declines, a counterparty will be obligated to deliver additional collateral under certain margin maintenance provisions. However, if a counterparty fails to perform its obligations or becomes insolvent, the Portfolio may recover significantly less than the then current notional amount outstanding and suffer a loss.

### **No Active Management**

The Index methodology operates in accordance with an algorithm operating within a set of predetermined rules. Accordingly, the Index and the Underlying Assets will not provide any form of managed exposure and there will be no active management of the Index so as to generate, enhance or protect returns beyond those embedded in the Index. Operation of the algorithm may result in negative performance including returns that deviate materially from historical performance, both actual and pro-forma, and in such circumstances there will not be any form of active management to amend the algorithm or otherwise attempt to mitigate loss. Market participants often adjust their investment promptly in view of market, political, financial or other factors. An actively managed investment may potentially respond more directly and appropriately to immediate market, political, financial or other factors than the Index, which is not actively managed. The aforementioned potential consequences of the absence of active management within the Index could be further exacerbated during abnormal market conditions that may not have been taken into account in the construction of the algorithm. Further, the Index should not be expected to have the same performance as an actively managed portfolio, which may produce differing amounts of alpha since the Investment Administrator shall not carry out any active management of the Portfolio and therefore is not providing an additional value to the management of the underlyers.

The Index and the respective weights allocated to each Underlying Asset are rebalanced from time to time in view of various macroeconomic and market conditions. Such rebalancing may either improve or diminish the overall performance of the Index.

### **GS DynaMO-CHF ER is an Excess Return, not a Total Return Index**

GS DynaMO-CHF ER is the excess return version of the TR Index. It does not include the return that could be earned at six month CHF LIBOR, compounded semi-annually, on a notional cash deposit

### **No principal protection**

The Index Value depends on the performance of the Underlying Assets, each of which may increase or decrease in value. Neither the Index, nor any Underlying Asset, includes any element of capital protection or guaranteed return. Investors may lose all or a portion of the amount originally invested and may receive no interest on their investment. Therefore, the value of the investment at any time could be significantly lower than the initial investment and could be zero.

### **Volatility**

The Index and the Underlying Assets can be highly volatile, which means that their value may increase or decrease significantly over a short period of time. In particular, strategies or indices of some Underlying Assets are highly volatile in terms of performance because such strategies or indices may combine long and/or short positions in liquid instruments across the market. It is impossible to predict the future performance of the Underlying Assets based on their historical performance. The return on an investment linked to the Index may vary substantially from time to time. Volatility in one or more Underlying Assets will increase the risk of an adverse effect on such a return caused by a fluctuation in the value of one or more of the Underlying Assets.

**Trading and other transactions by the Index Sponsor or its affiliates in related financial instruments may adversely affect the value of any product linked to the performance of the Index.**

The Index Sponsor may hedge obligations in respect of the Index by purchasing or selling financial instruments linked to the Underlying Assets, and may adjust or unwind such hedges by purchasing or selling the foregoing on or before the date of determinations of the Index Value. The Index Sponsor may also enter into, adjust or unwind hedging transactions relating to other instruments related to the Index. Any of this hedging activity may adversely affect the Index Value and of any product linked to the performance of the Index.

The Index Sponsor and/or its affiliates may also engage in trading in financial instruments whose returns are linked to or are similar to the Index and/or any Underlying Assets for proprietary accounts, for other accounts under their management or to facilitate transactions on behalf of customers. Any of these activities could adversely affect the Index Value and accordingly the value of any product linked to the performance of the Index. The Index Sponsor may also issue or underwrite other securities or financial or derivative or other products whose returns are linked to the Index or one or more of the Underlying Assets. By introducing such products to the marketplace the Index Sponsor could adversely affect the Index Value or the value at maturity of any product linked to the performance of the Index.

**No assurance of accuracy of tracking**

The performance of the Portfolio may not track and may diverge from that of the Index. Moreover:

- 1) past and current levels of the Underlying Assets returns are not necessarily indicative of future returns. If historic returns prove to be a reliable indicator of future returns in one or more periods during the term of the investment, the Index Methodology may not continue to track such returns;
- 2) the Index's volatility is not fully controlled and may be lower or higher than a diversified portfolio; and
- 3) subscription and redemption requests received by the Portfolio may affect the exposure of the Portfolio to the Index and therefore affect its performance.

**Value of the Index and of the Underlying Assets**

The Index Value may rise or fall, including below its initial value, due to the risks to which it is subject. Similarly, Underlying Assets may involve exposure to speculative and extremely volatile underlying investments. Such investments may be affected by a variety of factors that are unpredictable, including, without limitation, weather, governmental programs and policies, national and international political, military, terrorist and economic events, changes in supply and demand relationships, changes in interest and exchange rates and changes, suspensions or disruptions of market trading activities in the underlying investments and related contracts. Such factors may have a differing effect on the Index Value and the value of any product linked thereto; and different factors may cause the value and volatility of different Underlying Assets to move in inconsistent directions and at inconsistent rates.

An investment in the Index involves a risk of fluctuation because the Underlying Assets will change over time.

**Suspensions or disruptions of market trading may adversely affect the value of the Net Asset Value of the Shares**

The Index and the Underlying Assets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity in the markets, participation of speculators and government regulation and intervention. If the Index Value Calculation Agent provides a replacement value for the Index, the value of the Index, and/or the value of the Portfolio, may be lower than in the absence of a suspension or disruption.

In addition, if the value for the Index may not be provided due to market disruptions, the settlement cycle for any subscription, conversion and redemption order may be postponed accordingly up to 30 calendar days and thereafter the Portfolio may be liquidated. In such circumstances, there may be a delay in distributing the redemption amounts due to the illiquidity of the underlying assets referenced by the Index.

**Foreign Exchange Hedging**

The Index is denominated in Swiss franc while Share Classes might have different denominations. The Portfolio shall enter into foreign exchange transactions for hedging purposes. Investors in the Shares should be aware that currency exchange rates are volatile and unpredictable and can be affected by many factors, including unpredictable factors, which may have an effect on the Net Asset Value of the Portfolio. **Investors will have no rights with respect to the Underlying Assets or any underlying assets.**

The investment exposure provided by the Index Swap Agreement is synthetic, reflecting the calculated result of hypothetical transactions involving the Underlying Assets. An investment referenced to the Index will

therefore not make an investor a holder of, or give an investor a direct investment position in, any Underlying Asset or any of the underlying assets or investments to which the Underlying Assets refer.

### **Use of Third Party Information**

The Index methodology relies on information from external sources to monitor performance of the Underlying Assets. Goldman Sachs makes no warranty as to the correctness of that information and takes no responsibility for the impact of any inaccuracy of such data on the return produced by a particular Underlying Asset, on the Index Value or on the value of an investment or product referenced or linked to the Index Value.

### **Market Disruption Events that may affect the Underlying Assets**

Underlying Assets may be subject to Market Disruption Events that could affect their business, as further described in Appendix 2 of the Index Description. Upon the occurrence of a Market Disruption Event in respect to an Underlying Asset, the Index Value Calculation Agent will have the authority to remove the affected Underlying Asset from the Index and there may be a delay in payments by the Portfolio.

### **Market Disruption Events may have a positive or negative impact on the Net Asset Value of the Portfolio**

As more fully detailed in section 4 entitled *"Particularities of the Index Swap Agreement and of the Reverse Repurchase Agreement"*, if a Market Disruption Event occurs on a Valuation Day, the Index Value Calculation Agent, for the purpose of determining the amount payable under the Index Swap Agreement may determine the level of the Index based on procedures which are different to those set out below for determining the Index Value on which the Disrupted Value of the Index Swap Agreement - and consequently, the Net Asset Value of the Portfolio will be based. The differences between the procedures for determining the Index Value for the purpose of calculating the amount payable under the Index Swap Agreement and those for determining the Index Value, as calculated to determine the Disrupted Value of the Index Swap Agreement on which the Net Asset Value of the Portfolio is based, may result in the payments under the Index Swap Agreement not precisely matching the return the Portfolio shall pay or receive in respect of the shares in the Portfolio for the relevant Valuation Day. The Net Asset Value calculated on such a Valuation Day on which a Market Disruption Event is occurring will, however, be final (even if the Index Value determined for such purpose may contain values for the Underlying Assets affected by such Market Disruption Event that have been estimated by the Index Value Calculation Agent), and will not be recalculated by the Index Value Calculation Agent in the event that the Index Value, as calculated to determine the Disrupted Value of the Index Swap Agreement on which the Net Asset Value of the Portfolio will be based, does not (due to the different calculation procedures being applied to determine the Index Value for the purpose of determining the Net Asset Value and the amount payable under the Index Swap Agreement) match the Index Value determined under the Index Swap Agreement and on which the calculation of the net weekly payment will be based.

Subscribing and/or redeeming investors in the Portfolio are therefore made aware that they might be subscribing/redeeming on a Valuation Day affected by a Market Disruption Event, and that, if so, the Net Asset Value of the Portfolio that will be used to process such subscriptions and/or redemptions will be based on a Disrupted Value of the Index Swap Agreement, which contains estimates of the level for any affected component, as determined by the Index Value Calculation Agent in its reasonable judgment. In addition, a mismatch may arise as a result of different procedures being applied for determining the Index Value for the purpose of calculating the Disrupted Value of the Index Swap Agreement on which the Net Asset Value is based and for the purpose of calculating the amount payable under the Index Swap Agreement.

Investors are consequently made aware that, should the above mentioned mismatch arise upon the occurrence of a Market Disruption Event on a Valuation Day, the Portfolio will not be compensated, meaning that the latter may potentially incur a loss or a profit, as the case may be, which may then have a negative or positive impact on any subsequent Net Asset Value of the Portfolio and in turn any investor who is still invested in the Portfolio following settlement of any such subscription and/or redemption on such Valuation Day. Such subscribing and/or redeeming investors may therefore be advantaged or disadvantaged, as the case may be, in case that the Valuation Day relating to their subscription/redemption requests is affected by a Market Disruption Event and in the case of any subscribing and/or redeeming investor is disadvantaged by any mismatch arising as a result of such Market Disruption Event, no compensation will be paid to it by the Portfolio.

### **Liquidity issues affecting the Underlying Assets**

The Underlying Assets may have different liquidity and settlement cycles from those of the Portfolio. Although the Portfolio will not invest in the Underlying Constituents directly, any discrepancies in settlement cycles may cause the Portfolio, by virtue of the Index Swap Agreement, to have an increased or decreased exposure to the swap counterparty. Consequently, the value of the Shares and the liquidity of the Portfolio may be affected by the liquidity and settlement cycles of the Underlying Assets.

**No Assurance of “Absolute” Returns**

Shares in the Portfolio should not be purchased on the basis of a potential to produce “absolute returns”. There can be no assurance that the Index will actually be successful at producing consistently positive returns.

**No Representation**

Neither Goldman Sachs nor the Umbrella Fund makes any representations as to the expected performance of the Shares, the Portfolio, the Index or any Underlying Asset. Materials prepared by, or based on information provided by, the Umbrella Fund and any information contained therein, will not have been verified or approved by Goldman Sachs.

**Use of Simulated Returns**

Back-testing and other statistical analyses material that is provided in connection with explanations of the mechanics and/or potential returns of the Index use simulated analysis and hypothetical circumstances to estimate how the product may have performed prior to its actual existence. Goldman Sachs provides no assurance or guarantee that the Index will operate or would have operated in the past in a manner consistent with these materials. As such, any historical returns projected, or any hypothetical simulations based on analyses provided in relation to the Index, may not reflect actual performance and is no guarantee or assurance in respect of the future performance, or returns of, an investment in any product linked to the Index.

**Past Index performance is no guide to future performance**

The actual performance of the Index may bear little relation to the historical performance. The future performance of the Index cannot be predicted.

## 4 Particularities of the Index Swap Agreement and of the Reverse Repurchase Agreement

The Portfolio will enter into (i) an Index Swap Agreement with the Index Swap Counterparty (which initially shall be Goldman Sachs International) under which the Portfolio will participate in the performance of the Index and (ii) the Reverse Repurchase Agreement with the Reverse Repurchase Counterparty (which initially shall be Goldman Sachs International).

### Collateral

The Reverse Repurchase Counterparty's obligations will be collateralised for at least 100% of its notional amount on a daily basis. Coupons/dividends earned on the securities held under the Reverse Repurchase Agreement will be paid by the Portfolio to the Reverse Repurchase Counterparty. The collateral received by the Portfolio will be held for its benefit by the Custodian. The Umbrella Fund for the account of the Portfolio, will at all times remain the legal and beneficial owner of the collateralized securities kept by the Custodian (and/or any of its affiliates) and/or any sub-custodian thereof. The Index Swap Agreement will be collateralized such that the Portfolio's counterparty exposure remains within the UCITS guidelines at all times. The portion of the collateral relating to the Reverse Repurchase Agreement will be adjusted daily in order to reflect current market values.

### Valuations

The Reverse Repurchase Agreement and Index Swap Agreement will be valued by the Calculation Agent in accordance with industry standards based upon prices from Reverse Repurchase Agreement and Index Swap Agreement's counterparties under the overall control and supervision of the Umbrella Fund Administrator and the Management Company under applicable law.

In reaching pricing determinations for the Index Swap Agreement, the following factors will be considered, amongst others: the strike price, the market risk free interest rate, the market level of the underlying Index and the remaining period until the maturity of the Index Swap Agreement. Goldman Sachs International approved valuation and pricing models will be used for the valuation of the Index Swap Agreement. Such valuation method will be used on a consistent basis.

These valuations are taken into account by the Umbrella Fund Administrator when calculating the Net Asset Value of the Portfolio.

The Index Swap Agreement sets out the consequences of certain events which may impact investors in the Portfolio:

#### *Adjustments to Index*

If the Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent (as defined in the Index Swap Agreement), or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

#### *Index Adjustment Event*

If (i) on or prior to any Valuation Date (as defined in the Index Swap Agreement), the Index Sponsor announces that it will make a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent stock and capitalisation and other routine events) (an "Index Modification") or permanently cancels the Index and no Successor Index exists (an "Index Cancellation") or (ii) on any Valuation Date, the Index Sponsor or Index Value Calculation Agent fails to calculate or announce the Index (an "Index Disruption" and, together with an Index Modification and an Index Cancellation, each an "Index Adjustment Event"), then as the consequence of any such Index Adjustment Event, the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Index Swap Agreement and, if so, shall make the relevant calculations using, in lieu of a published level for the Index, the level of the Index as at that Valuation Date as determined by the Calculation Agent in accordance with the formula for and method of calculating the Index last in effect prior to the change, failure or cancellation but using only those Underlying Assets that comprised the Index immediately prior to the relevant Index Adjustment Event.

Notwithstanding the above, the Index Swap Counterparty, after consultation with the Umbrella Fund and Calculation Agent, may require the Calculation Agent to take the following actions:

(a) Substitute the Index in which case the Calculation Agent shall, no later than 2 Business Days following the Index Swap Counterparty's demand to substitute the Index, designate a date (the "Substitution Date") on

which the Umbrella Fund and the Index Swap Counterparty shall agree on a similar substitute Index (the "Substitute Index"). For the purpose of determining the Substitute Index, the Substitution Date will be deemed to fall no later than the fourth Business Day immediately following its announcement. Following the Substitution Date, Calculation Agent shall make such adjustments as it deems necessary to maintain the present value of the Index Swap Agreement, including, but not limited to, Initial Price, Settlement Price, Strike Price and Strategy Price (each as defined in the Index Swap Agreement). Any such substitution shall not affect any prior payments made under the Index Swap Agreement or to investors. Shareholders will be notified of any Substitute Index and will be granted with a one-month period free of charges to redeem their Shares should they disagree with the contemplated change.

(b) If the Index Swap Counterparty and the Umbrella Fund are unable to identify a suitable Substitute Index, the Index Swap Agreement may be terminated in whole, but not in part. For the avoidance of doubt the Calculation Agent will determine the termination amount for the Index Swap Agreement, in its sole and absolute discretion, being an amount in CHF and being the fair value of the Transaction based on the market conditions prevailing at the date of determination. The termination amount shall be adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements. Following such termination the Board of Directors of the Umbrella Fund shall consider whether to dissolve the Portfolio and liquidate the assets thereof in accordance with the provisions of the Prospectus. Where the Portfolio is liquidated the investors will receive *pro-rata* redemption amounts following the realisation of such amounts. Investors should note that there may be a delay in realising redemption amounts due to illiquidity of the Underlying Assets referenced by the Index in the above circumstances.

#### *Hedging Disruption and Increased Cost of Hedging*

If (i) the Index Swap Counterparty is unable to hedge, in whole or part, the Index Swap Agreement, or (ii) the Index Swap Counterparty incurs material additional costs to carry out such hedging (each such event being further detailed in the 2002 ISDA Equity Derivative Definitions incorporated into the Index Swap Agreement) the Index Swap Counterparty, after consultation with the Calculation Agent, may require the Calculation Agent to terminate the Index Swap Agreement in whole, but not in part. For the avoidance of doubt the Calculation Agent will determine the termination amount for the Index Swap Agreement, in its sole and absolute discretion, being an amount in CHF and being the fair value of the Index Swap Agreement based on the market conditions prevailing at the date of determination. The termination amount shall be adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements.

## 5 Characteristics

### 5.1 Characteristics of the Shares classes available in the Portfolio

Share Class	Pricing Currency	Dividend Policy	ISIN Codes	Listing on the Luxembourg stock exchange	Bloomberg Page
A	CHF	Accumulation	LU0530943769	None	GSDYCHA LX
I	CHF	Accumulation	LU0530943843	None	GSDYCHI LX
C	CHF	Accumulation	LU0530943926	None	GSDYCHC LX

Share Class	Maximum Sales Charge	Maximum Deferred Sales Charge*	Maximum Investment Administrator Fee	Minimum Initial Investment	Minimum Holding	Minimum Subsequent Investment
A	5%	5%	1.00% p.a.	CHF 100	CHF 100	CHF 100
I	5%	5%	0.75% p.a.	CHF 100,000	CHF 100,000	CHF 1,000
C	5%	5%	0.50% p.a.	CHF 1,000,000	CHF 1,000,000	CHF 1,000

- \* A deferred sales charge may be imposed if Shareholders redeem Shares within a specific period of time for the Portfolio. Redemption of Shares within the Portfolio may be subject to a maximum deferred sales charge of 5.0% if redemption occurs within the first seven years.

Further detail on fees, charges and expenses, including other fees that are attributable to the Shares of the Umbrella Fund, can be found in the Prospectus. Investors should note that the Fees and Expenses referred to under items "I. Expenses" and "II. Fees" of the section "*Expenses, Fees and Costs*" of the Prospectus attributable to the Portfolio (except fees payable to the Investment Administrator) are capped to 0.25% of the average net asset value per annum of the Portfolio. The Promoter of the Umbrella Fund will bear any fees and expenses that exceed this fee cap.

Please refer to section "*Introduction*" of the Prospectus for more details on the type of classes of Shares or currency in which a class of Shares may be launched.

### 5.2 Subscriptions, Conversions and Redemptions in the Portfolio: Pricing and Settlement

Valuation Day	Subscription/Conversion/Redemption Date and Cut-Off Time (D)***	Settlement Date
Every Business Day which is also a Index Valuation Day**)	Subscription, Redemption and Conversion within the Portfolio and into another Portfolio	Valuation Day + 3 Local Business Days ****
	Every Luxembourg and London Business Day before 4 p.m. CET Luxembourg time prior to any Valuation Day	

- \* Business Day is any day on which banks are open for normal banking business in Luxembourg ("Luxembourg Business Day") and on which banks are open for normal banking business in London ("London Business Day").

- \*\* Index Valuation Day as defined in section 2 of this Supplement.

- \*\*\* D is any day on which the subscription, redemption and conversion applications are accepted by the Registrar and Transfer Agent.

\*\*\*\* Local Business Day is any Business Day on which commercial banks are open for business in the principal financial centers of the currencies of payment for the relevant Share Class

Investors should be aware that the Net Asset Value calculated as of each Valuation Day will be published one Luxembourg Business Day after the relevant Valuation Day.

An Additional Net Asset Value will be calculated on each Business Day, on days different from the Valuation Day. Any such Additional Net Asset Value published on days that are not Valuation Days will be (i) indicative only and made available solely for information purposes on the Bloomberg pages as set out above; and (ii) based on previously available Net Asset Values with adjustments made for the expense accrual.

Investors are made aware that in case of occurrence of a Market Disruption Event which implies an Affected Valuation Day the Net Asset Value may not be calculated or published for such Affected Valuation Day (as detailed in the section headed “Particularities of the Index Swap Agreement and of the Reverse Repurchase Agreement” and, as a consequence, the processing of investors’ subscription/conversion/ redemption orders will be postponed accordingly.

Nonetheless investors will be bound by any application so sent on any Luxembourg Business Day, notwithstanding the fact that the applicable Valuation Day may be postponed in case of occurrence of a Market Disruption Event which implies an Affected Valuation Day.

#### ***Payment of Subscription Proceeds and Redemption Proceeds***

Subscription proceeds must be paid within 3 Local Business Days from the relevant Valuation Day. Redemptions proceeds are normally paid within 3 Local Business Days from the relevant Valuation Day. However, investors should be aware that different settlement procedures may apply in certain jurisdictions in which the Umbrella Fund is registered for public distribution, due to local constraints. The Umbrella Fund or the Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system. If, in specific circumstances and for whatever reason, redemption proceeds cannot be paid within the 3 Local Business Days from the relevant Valuation Day, the payment will be made as soon as reasonably practicable thereafter. Investors should therefore contact their local paying agent to know the exact timeframe applicable to the settlement of their redemptions proceeds.

#### ***Subscriptions in Kind***

The Umbrella Fund may in its discretion accept payment for subscriptions in the Portfolio in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Portfolio and are in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Umbrella Fund’s Auditors (*réviseur d’entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Umbrella Fund or its duly appointed delegate.

#### ***Redemptions in Kind***

Notwithstanding anything to the contrary in the Prospectus, no Share may be redeemed in kind and the Umbrella Fund will not accept any requests for redemption in kind.

#### ***Base Currency of the Portfolio***

CHF

#### ***Investment Administrator of the Portfolio***

Investment Administrator: Goldman Sachs International

#### ***Targeted Investors***

The Portfolio is dedicated to retail, institutional and professional investors wishing to get exposure to a long-only multi-asset investment strategy.

#### ***Dividend Policy***

The Portfolio does not intend to pay dividends. Income earned by the Portfolio will be reinvested.