



Goldman Sachs Bank USA Certificates of Deposit

TERMS OF SALE

The following terms may apply to the Certificates of Deposit (the "CDs") that Goldman Sachs Bank USA may offer to sell from time to time. This disclosure statement describes some of the general terms that may apply to the CDs and the general manner in which they may be offered. The specific terms of any CDs to be offered, and the specific manner in which they may be offered, will be described in the applicable supplement to this disclosure statement.

- generally, stated maturity of 12 months or longer and, for indexed CDs, stated maturity of six months or longer
- fixed or floating interest rate, zero-coupon or issued with original issue discount; a floating interest rate may be based on:
 - CMS rate;
 - CMT rate;
 - federal funds rate;
 - LIBOR; and
 - such other rate specified in your supplement
- contingent coupons or supplemental payment may be determined by reference to one or more underlying indices, commodities, securities or other measures or instruments ("underliers")
- may be issued in master certificate form only
- may be subject to redemption at the option of Goldman Sachs Bank USA or repayment at the option of the holder
- interest on fixed rate CDs and floating rate CDs paid monthly, quarterly, semi-annually or annually
- denominations of \$1,000 and integral multiples of \$1,000 in excess thereof, unless otherwise specified in your supplement
- denominated in U.S. dollars
- settlement in immediately available funds

We cannot assure you that the CDs offered hereby will be sold or that there will be a secondary market for the CDs. Even if a secondary market develops, the secondary market price you receive in exchange for your CDs may be less than the price you paid for the CDs.

For purposes of early withdrawal upon your death or adjudication of incompetence, we will limit the combined aggregate principal amount of (i) these CDs and (ii) any other CDs of Goldman Sachs Bank USA subject to this withdrawal limit to the FDIC insurance coverage amount applicable to each insurable capacity in which such CDs are held. Please contact us or the applicable dealer if you have any questions concerning the application of the limit on early withdrawal to your CDs.

The CDs evidence deposit liabilities of Goldman Sachs Bank USA, which are covered, with respect to the face amount, any accrued and unpaid interest and any accrued and unpaid contingent coupon only (or in the case of zero-coupon or original issue discount CDs, the original purchase price plus any accrued earnings only), by federal deposit insurance within the limits and to the extent set forth in the Federal Deposit Insurance Act ("FDIA") and the rules, regulations and interpretations of the Federal Deposit Insurance Corporation ("FDIC"), some of which are described herein (as of the date of this disclosure statement, up to a maximum limit of \$250,000 per depositor, or \$250,000 per participant in the case of certain retirement accounts). These maximum limits are the total protection available for your CDs, together with any other deposit accounts you may hold at Goldman Sachs Bank USA in the same right and insurable capacity. In addition, the FDIC has taken the position that any supplemental payment on the CDs referable to any underlier, if applicable, is not insured by the FDIC in most instances until finally ascertained and accrued, and any contingent coupons are not insured by the FDIC prior to the coupon determination date for that coupon. FDIC insurance does not, however, cover any interest or contingent coupon that would otherwise accrue on or after the date, if any, that the FDIC is appointed Goldman Sachs Bank USA's conservator or receiver. Thus, the FDIC would insure the principal amount plus any ascertainable interest accrued as of the date of the FDIC's appointment as Goldman Sachs Bank USA's conservator or receiver. In addition, FDIC insurance may not cover the CDs following any regulatory or statutory change that renders the CDs ineligible for FDIC insurance coverage. Further, if Goldman Sachs Bank USA's status as an insured depository institution is terminated or suspended by the FDIC (including as a result of our actions) or terminated by us, during the period of temporary insurance following the termination or suspension the FDIC insurance may not cover any amounts in excess of the face amount of the CDs and interest accrued through the date of such termination or suspension. Also, FDIC insurance does not cover any losses attributable to the sale of your CDs prior to maturity, and any secondary market premium paid by you above the face amount of the CDs is not insured by the FDIC. Thus, the amount of any CD that will be insured by the FDIC will depend upon the particular terms of the CD, and may be less than the full amount that would otherwise be payable on the CD. For more information about the limits of FDIC insurance that apply to the CDs and the ranking of the CDs relative to other obligations of Goldman Sachs Bank USA, see "Status of Certificates of Deposit". The information contained in this disclosure statement, including any statements with respect to the rules, regulations and

interpretations of the FDIC, is current only as of the date of this disclosure statement.

In making an investment decision, investors must rely on their own examination of Goldman Sachs Bank USA and the terms of the offering, including the merits and risks involved. We encourage you to read "Risk Factors" beginning on page 14 and the risks described in the applicable supplement.

The CDs are obligations solely of Goldman Sachs Bank USA, and are not obligations of The Goldman Sachs Group, Inc. or any other affiliate of Goldman Sachs Bank USA. In addition, the CDs are not guaranteed by The Goldman Sachs Group, Inc. or any other affiliate of Goldman Sachs Bank USA.

The CDs have not been nor will they be registered under the Securities Act of 1933 (the "Securities Act"), and are not required to be so registered. Neither the Securities and Exchange Commission (the "SEC") nor any other regulatory body has approved or disapproved of the CDs or passed upon the accuracy or adequacy of this disclosure statement, which has not been filed with the SEC. Any representation to the contrary is a criminal offense.

Goldman Sachs Bank USA may offer and sell the CDs to or through one or more initial purchasers, dealers or directly to purchasers, on a continuous or delayed basis.

Goldman Sachs & Co. LLC or any other affiliate of Goldman Sachs Bank USA may use this disclosure statement in a market-making transaction in any CD after its initial sale. **If the CDs are purchased from Goldman Sachs & Co. LLC or any other affiliate of Goldman Sachs Bank USA, this disclosure statement is being used in a market-making transaction, unless the purchaser is informed otherwise in the confirmation of sale.**

Disclosure Statement dated May 17, 2018.

Goldman Sachs & Co. LLC and other affiliates of Goldman Sachs Bank USA may make a market in the CDs after the initial offering and purchase and sell CDs as principal, but neither Goldman Sachs & Co. LLC, nor any such other affiliate of Goldman Sachs Bank USA, will have any obligation to do so and any such market-making, if commenced, may be discontinued at any time without notice. If a holder sells a CD to Goldman Sachs Bank USA, Goldman Sachs & Co. LLC or any other affiliate of Goldman Sachs Bank USA after such holder purchases and pays for it, such holder will receive less than the principal amount and accrued interest on the CD, as determined at the time. Without limitation of other adjustments to the purchase price, if Goldman Sachs Bank USA, Goldman Sachs & Co. LLC or any other affiliate of Goldman Sachs Bank USA purchases CDs in the secondary market within six days after the date of initial issuance of those CDs, the purchase price will be reduced by an early withdrawal penalty of 50 basis points. Thus, if you sell a CD to Goldman Sachs Bank USA, or any of its affiliates, shortly after you purchase and pay for it, you may receive a reduced price for your CD. See "Plan of Distribution".

The CDs may not be offered or sold outside of the United States.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF GOLDMAN SACHS BANK USA, THE FDIC AND THE TERMS OF THE OFFERED CDS, INCLUDING THE MERITS AND RISKS INVOLVED. THE CDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY. FURTHERMORE, NO SUCH AUTHORITY HAS CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. THE CDS HAVE NOT BEEN REGISTERED, AND THIS DISCLOSURE STATEMENT HAS NOT BEEN FILED, WITH THE SEC. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

ANY INSURANCE COMPANY OR FIDUCIARY OF A PENSION PLAN OR OTHER EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO THE PROHIBITED TRANSACTION RULES OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, INCLUDING AN IRA OR A KEOGH PLAN (OR A GOVERNMENTAL PLAN TO WHICH SIMILAR PROHIBITIONS APPLY), AND THAT IS CONSIDERING PURCHASING THE CDS WITH THE ASSETS OF THE INSURANCE COMPANY OR THE ASSETS OF SUCH A PLAN, SHOULD CONSULT WITH ITS COUNSEL REGARDING WHETHER THE PURCHASE OR HOLDING OF THE CDS COULD BECOME A "PROHIBITED TRANSACTION" UNDER ERISA, THE INTERNAL REVENUE CODE OR ANY SIMILAR PROHIBITION INCLUDING IN LIGHT OF THE REPRESENTATIONS A PURCHASER OR HOLDER IN ANY OF THE ABOVE CATEGORIES IS DEEMED TO MAKE BY PURCHASING AND HOLDING THE CDS. THIS IS DISCUSSED IN MORE DETAIL UNDER "EMPLOYEE RETIREMENT INCOME SECURITY ACT" BELOW.

AVAILABLE INFORMATION

Information about Goldman Sachs Bank USA

Call Reports

Goldman Sachs Bank USA submits quarterly to its primary federal regulator certain reports called "Consolidated Reports of Condition and Income" (the "call reports") on Federal Financial Institutions Examination Council ("FFIEC") Form 031. Each call report consists of a balance sheet, income statement, changes in equity capital and other supporting schedules as of the end of the period to which such call report relates. The call reports are prepared in accordance with generally accepted accounting principles; however, reporting classifications used in the preparation of the reports differ, in some cases, from reporting classifications that are used to prepare the consolidated financial statements of The Goldman Sachs Group, Inc. While the call reports are supervisory and regulatory documents, they are not primarily accounting documents. The call reports are not audited and do not provide a complete range of financial disclosure about Goldman Sachs Bank USA. Nevertheless, the call reports provide important information concerning the financial condition and results of operations of Goldman Sachs Bank USA. Certain portions of the call reports are not publicly available. The publicly available portions of each call report filed by Goldman Sachs Bank USA for the quarterly period ended March 31, 2018 and for the quarterly periods in the years ended December 31, 2017, December 31, 2016 and December 31, 2015, and any amendment or supplement thereto, are incorporated by reference into this disclosure statement. The publicly available portions of any call report filed by Goldman Sachs Bank USA with the FDIC subsequent to the date of this disclosure statement and until we complete our offering of the CDs, or if later, the date on which any of our affiliates ceases offering and selling the CDs, shall be incorporated by reference into this disclosure statement from the date of the filing of such call report. The publicly available portions of the call reports of Goldman Sachs Bank USA are on file with, and publicly available upon written request to, the FDIC, 3501 North Fairfax Drive, Room E-1002, Arlington, Virginia 22226, Attention: Public Information Center, or by calling the FDIC Public Information Center at 877-275-3342 or 703-562-2200. The call reports are also available on the website of the FFIEC at cdr.ffiec.gov/public.

Annual and Periodic Reports

Goldman Sachs Bank USA currently makes annual and periodic reports publicly available on its website at goldmansachs.com/investor-relations/financials/current/subsidiary-financial-info/gsbank-usa/index.html. These reports include consolidated financial statements of Goldman Sachs Bank USA and notes thereto, prepared in accordance with generally accepted accounting principles, a description of Goldman Sachs Bank USA's business, a description of the regulations applicable to Goldman Sachs Bank USA, risk factors relating to Goldman Sachs Bank USA and management's discussion and analysis of Goldman Sachs Bank USA's financial condition and results of operations, and may include other additional disclosure. The reports made available by Goldman Sachs Bank USA on the aforementioned website for the quarterly period ended March 31, 2018 and for the year ended December 31, 2017, and any amendment or supplement thereto, are incorporated by reference into this disclosure statement. The reports made available by Goldman Sachs Bank USA on the aforementioned website subsequent to the date of this disclosure statement and until we complete our offering of the CDs, or if later, the date on which any of our affiliates ceases offering and selling the CDs, shall be incorporated by reference into this disclosure statement from the date such report is made publicly available on the aforementioned website. Although Goldman Sachs Bank USA has historically prepared annual and semi-annual reports (beginning with its report for the year ended December 31, 2015), and has prepared a report for the quarterly period ended March 31, 2018 and a report for the year ended December 31, 2017, in the future Goldman Sachs Bank USA may cease to prepare reports on a quarterly basis, on a semi-annual basis, on an annual basis or at all. In this case, it is possible that only the call reports of Goldman Sachs Bank USA will be available to you when making an investment decision.

Incorporation by Reference of Call Reports and the Annual and Periodic Reports

Goldman Sachs Bank USA “incorporates by reference” information into this disclosure statement, which means that Goldman Sachs Bank USA discloses important information to you by referring you to another document. The information incorporated by reference is deemed a part of this disclosure statement, except for any information superseded by information contained directly in this disclosure statement, the applicable supplement or future call reports and annual and periodic reports incorporated by reference.

As specified above, Goldman Sachs Bank USA incorporates by reference into this disclosure statement the following documents:

1. The publicly available portions of each call report filed by Goldman Sachs Bank USA for the quarterly period ended March 31, 2018 and for the quarterly periods in the years ended December 31, 2017, December 31, 2016 and December 31, 2015.
2. The quarterly report of Goldman Sachs Bank USA for the quarterly period ended March 31, 2018 and the annual report for the year ended December 31, 2017.
3. The publicly available portions of any call report filed by Goldman Sachs Bank USA with the FDIC subsequent to the date of this disclosure statement.
4. All reports of Goldman Sachs Bank USA made available by Goldman Sachs Bank USA through the following website subsequent to the date of this disclosure statement (including its future financial statements as and when such documents are made available), in each case as of the date such annual or periodic report is made so available:
goldmansachs.com/investor-relations/financials/current/subsidiary-financial-info/gsbank-usa/index.html.

Goldman Sachs Bank USA will provide without charge to each person to whom this disclosure statement is delivered, upon his or her request, a copy of any or all documents referred to above which have been incorporated by reference into this disclosure statement. You can request those documents from Investor Relations, 200 West Street, New York, NY 10282, telephone +1 (212) 902-0300. A copy of those documents can also be obtained without charge from the office of Goldman Sachs Bank USA, 200 West Street, New York, NY 10282.

Because we are incorporating by reference future call reports and future annual and periodic reports, this disclosure statement is continually updated and those future reports will modify or supersede some of the information included in or incorporated by reference into this disclosure statement.

NOTICE TO INVESTORS

The CDs have not been nor will they be registered under the Securities Act, and are not required to be so registered, and thus are not entitled to the protections of the Securities Act that would apply if the CDs were registered.

Any person making the decision to acquire the CDs shall be deemed, on behalf of itself and the holder, by acquiring and holding the CDs or exercising any rights related thereto, to represent that:

(i) the funds that the holder is using to acquire the CDs are not the assets of an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), a plan described in and subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the “Code”), a governmental plan subject to any federal, state or local law that is similar to the provisions of Section 406 of ERISA or Section 4975 of the Code, or an entity whose underlying assets include “plan assets” by reason of Department of Labor regulation section 2510.3-101, as modified by

Section 3(42) of ERISA, or otherwise; or

(ii) (A) the holder will receive no less and pay no more than “adequate consideration” (within the meaning of Section 408(B)(17) of ERISA and Section 4975(F)(10) of the Code) in connection with the purchase and holding of the CDs; (B) none of the purchase, holding or disposition of the CDs or the exercise of any rights related to the CDs will result in a non-exempt prohibited transaction under ERISA or the Code (or with respect to a governmental plan, under any similar applicable law or regulation); (C) neither Goldman Sachs Bank USA nor any of its affiliates is a “fiduciary” (within the meaning of Section 3(21) of ERISA or, with respect to a governmental plan, under any similar applicable law or regulation) with respect to the purchaser or holder in connection with such person’s acquisition, disposition or holding of the CDs, or as a result of any exercise by The Goldman Sachs Bank USA or any of its affiliates of any rights in connection with the CDs; (D) the person making the decision to acquire the CDs in any initial offering on behalf of the holder (1) is a fiduciary under ERISA or Section 4975 of the Code, or both (or other applicable law with respect to a governmental plan), with respect to the decision to invest in the CDs; (2) is responsible for exercising independent judgment in evaluating the investment in the CDs offered hereby; (3) is independent of Goldman Sachs Bank USA and its affiliates; and (4) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies, including the decision to invest in the CDs; (E) with respect to a holder or purchaser that acquires the CDs in any initial offering that is subject to the fiduciary responsibility provisions of ERISA or Section 4975 of the Code, the conditions of the exception for “independent fiduciaries with financial expertise” as set forth in 29 C.F.R. § 2510.3-21(c)(1) are satisfied; and (F) neither Goldman Sachs Bank USA nor any of its affiliates is undertaking, or has undertaken, to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the decision of the purchaser to invest in the CDs or otherwise.

GOLDMAN SACHS BANK USA

Goldman Sachs Bank USA, a New York State-chartered bank and a member of the Federal Reserve System and the FDIC, is supervised and regulated by the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”), the FDIC, the New York State Department of Financial Services (the “NYDFS”) and the Consumer Financial Protection Bureau (“CFPB”), and is subject to minimum capital requirements that are calculated in a manner similar to those applicable to bank holding companies. A number of The Goldman Sachs Group, Inc.’s businesses are now conducted partially or entirely through Goldman Sachs Bank USA and its subsidiaries, including: origination of bank loans; personal loans and mortgages; interest rate, credit, currency, commodity, equity and other derivatives; leveraged finance; deposit-taking; and agency lending. The CDs will be issued by Goldman Sachs Bank USA through its principal office in New York. All of the capital stock of Goldman Sachs Bank USA is owned, directly or indirectly, by its ultimate parent, The Goldman Sachs Group, Inc.

The annual audited financial statements of Goldman Sachs Bank USA are available at the following website: goldmansachs.com/investor-relations/financials/current/subsidiary-financial-info/index.html.

THE GOLDMAN SACHS GROUP, INC.

Goldman Sachs Bank USA is a wholly-owned subsidiary of The Goldman Sachs Group, Inc. The Goldman Sachs Group, Inc. is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in all major financial centers around the world. The firm’s principal executive offices are located at 200 West Street, New York, New York 10282, telephone (212) 902-1000. The Goldman Sachs Group, Inc. is a bank holding company and a financial holding company regulated by the Federal Reserve Board.

The CDs evidence liabilities of Goldman Sachs Bank USA, and are not obligations of or entitled to the benefits of any guarantee of The Goldman Sachs Group, Inc. or any other affiliate of Goldman

Sachs Bank USA or any other entity. Without limiting the foregoing, the CDs will not be entitled to the benefit of the Amended and Restated General Guarantee Agreement, dated November 21, 2011, made by The Goldman Sachs Group, Inc. (the "Group Guarantee"). Each purchaser of the CDs will be deemed by the acquisition of the CDs to have waived any right that a purchaser may have had under the Group Guarantee. Purchasers of the CDs must look solely and exclusively to Goldman Sachs Bank USA for repayment.

SUPERVISION AND REGULATION

General

As a New York State-chartered bank, Goldman Sachs Bank USA is supervised and examined by the NYDFS. Goldman Sachs Bank USA is a member bank of the Federal Reserve System and, as such, is also regulated by the Federal Reserve Board and supervised and examined by the Federal Reserve Bank of New York. The deposits of Goldman Sachs Bank USA are insured up to the applicable limits set forth in the FDIA and is subject to the rules, regulations and interpretations of the FDIC. The nature and impact on Goldman Sachs Bank USA of future changes in economic conditions and regulatory, monetary and fiscal policies, both foreign and domestic, are not predictable. **The information contained in this disclosure statement, including any statements with respect to the rules, regulations and interpretations of the FDIC, is current only as of the date of this disclosure statement.**

Depositor Preference

Under the FDIA, insured depositors are paid from the Deposit Insurance Fund up to applicable limits in the event of a liquidation or other resolution of an insured depository institution. The claims of holders of uninsured deposit liabilities of such an institution (and the claims of the FDIC, as the subrogee of holders of insured deposits), although subordinated in right to the claims of a receiver of such bank for administrative expenses, are entitled to priority over the claims of general unsecured creditors of such institution (and of secured creditors to the extent the amount of the secured creditor's claims exceeds the value of its collateral). By the terms of such law, the federal depositor preference statute does not supersede the law of any state, except to the extent such state law is inconsistent with such statute, and then only to the extent of such inconsistency.

Payments of Uninsured Deposits by the FDIC in Connection with the Insolvency of an Insured Depository Institution

If Goldman Sachs Bank USA becomes insolvent and the FDIC is appointed its conservator or receiver, the amount actually paid by the FDIC in this capacity on the claims of holders of the CDs in excess of the amount insured by the FDIC and paid under FDIC insurance would depend upon, among other factors, the amount of conservatorship or receivership assets available for the payment of claims of deposit liabilities. See "—Depositor Preference" above and "Status of Certificates of Deposit" below.

The FDIC as conservator or receiver may transfer to a new obligor any of Goldman Sachs Bank USA assets and liabilities, including the CDs, without the approval of Goldman Sachs Bank USA's creditors, including holders of the CDs.

In its resolution of the problems of an insured depository institution in default or in danger of default, the FDIC is generally obligated to satisfy its obligations to insured depositors at the least possible cost to the deposit insurance fund. In addition, the FDIC may not take any action that would have the effect of increasing the losses to the deposit insurance fund by protecting depositors for more than the insured portion of deposits. The FDIA authorizes the FDIC to settle all uninsured and unsecured claims in the insolvency of an insured bank by making a final settlement payment after the declaration of insolvency.

Such a payment would constitute full payment and disposition of the FDIC's obligations to claimants. The rate of such final settlement payment is to be a percentage rate determined by the FDIC reflecting an average of the FDIC's recovery experience for the receivership.

Each insured depository institution "controlled" (as defined in the U.S. Bank Holding Company Act of 1956, as amended) by the same bank holding company can be held liable to the FDIC for any loss incurred, or reasonably expected to be incurred, by the FDIC due to the default of any other insured depository institution controlled by that holding company and for any assistance provided by the FDIC to any of those banks that is in danger of default. Such a "cross-guarantee" claim against a depository institution is generally superior in right of payment to claims of the holding company and its affiliates against that depository institution. At this time, The Goldman Sachs Group, Inc. controls only one insured depository institution for this purpose, namely Goldman Sachs Bank USA. However, if, in the future, The Goldman Sachs Group, Inc. were to control other insured depository institutions, such cross-guarantee would apply to all such insured depository institutions.

STATUS OF CERTIFICATES OF DEPOSIT

Goldman Sachs Bank USA is a member of the FDIC, an independent agency of the United States government established in 1933 to insure bank deposits and thereby help maintain sound conditions in the nation's banking system. The FDIC pays the claims of depositors of a failed insured bank within the limits and to the extent set forth in the FDIA and the rules, regulations and interpretations of the FDIC, some of which are described herein (up to a maximum limit of \$250,000 per depositor, or in the case of deposits in certain retirement accounts, \$250,000 per participant), from a deposit insurance fund that is supported by assessments against the FDIC's member banks. Any accounts or deposits a holder maintains directly with Goldman Sachs Bank USA in the same legal capacity as such holder maintains its CDs would be aggregated with such CDs for purposes of the \$250,000 per depositor limit or the \$250,000 per participant limit in the case of certain retirement accounts, as applicable. In addition, claims in excess of deposit insurance limits are paid as described above under "Supervision and Regulation — Depositor Preference" and "Supervision and Regulation — Payments of Uninsured Deposits by the FDIC in Connection with the Insolvency of an Insured Depository Institution".

Applicability of FDIC Insurance to Future Payments, Contingent Coupons and Other Supplemental Payments

The CDs evidence deposit liabilities of Goldman Sachs Bank USA and are insured, with respect to only the face amount, any accrued and unpaid interest and any accrued and unpaid contingent coupon (or in the case of zero-coupon or original issue discount CDs, the original purchase price plus any accrued earnings only), up to applicable limits set forth in the rules, regulations and interpretations of the FDIC. In addition, claims in excess of deposit insurance limits are paid as described above under "Supervision and Regulation — Depositor Preference" and "Supervision and Regulation — Payments of Uninsured Deposits by the FDIC in Connection with the Insolvency of an Insured Depository Institution". The ultimate determination of the insurability and priority of the CDs would be made by the FDIC in response to claims of depositors. FDIC insurance may not cover amounts payable on the CDs if there is a regulatory or statutory change in the future that renders CDs with terms similar to the CDs ineligible for FDIC insurance. Further, if Goldman Sachs Bank USA's status as an insured depository institution is terminated or suspended by the FDIC (including as a result of our actions) or is terminated by us, during the period of temporary insurance following the termination or suspension the FDIC insurance may not cover any amounts in excess of the face amount of the CDs and interest accrued through the date of such termination or suspension. In addition, the availability of FDIC insurance to an owner of a beneficial interest in a master certificate representing CDs may be dependent upon, among other things, whether such interest and any intermediary interests are accurately and adequately disclosed on the records of the depository, direct participants and persons that hold interests directly or indirectly through such participants. Accordingly, no assurance can be given as to the availability of FDIC insurance to

owners of a beneficial interest in the CDs.

For the purposes of calculating the insured amount with respect to zero-coupon or original issue discount CDs, the amount insured (subject to the applicable limit) will be the original purchase price plus the amount of earnings accrued to the date of default of Goldman Sachs Bank USA, calculated by compounding interest annually at the rate necessary to increase the original purchase price to the maturity value over the life of the CDs.

Although FDIC insurance coverage includes principal, any accrued and unpaid interest and any accrued and unpaid contingent coupon to the date of default of Goldman Sachs Bank USA (or in the case of zero-coupon or original issue discount CDs, the original purchase price plus any accrued earnings only), subject to the applicable limit, if the FDIC was appointed conservator or receiver of Goldman Sachs Bank USA prior to the determination date of the CDs, the FDIC has taken the position that any supplemental payment on the CDs referable to any underlier, if applicable, between the date of deposit and the date the FDIC was appointed receiver or conservator is not insured because such supplemental payment is not calculated until the determination date of the CDs and would not be reflected as accrued interest on the books of Goldman Sachs Bank USA at the time of such appointment. For similar reasons, any contingent coupon that has not already accrued on the books of Goldman Sachs Bank USA at the time of such appointment will not be insured. Thus, if a supplemental payment payable on any CD at maturity is to be determined by reference to any underlier, or the CD bears a contingent coupon, the amount insured by the FDIC with respect to that CD may be substantially less than the amount that would otherwise be payable on the CD (and could be less than the applicable FDIC insurance limits). See “Supervision and Regulation — Payments of Uninsured Deposits by the FDIC in Connection with the Insolvency of an Insured Depository Institution” above. Similarly, FDIC insurance would not cover any interest that was not accrued on the books and records of Goldman Sachs Bank USA through the date of the FDIC’s appointment as receiver or conservator. Any amounts payable on the CDs in respect of any redemption or repurchase option, to the extent that such payments exceed the principal, any accrued and unpaid interest and any accrued and unpaid contingent coupon only, will not be covered by FDIC insurance. In addition, FDIC insurance may not cover amounts payable on the CDs if there is a regulatory or statutory change in the future that renders CDs with terms similar to the CDs ineligible for FDIC insurance. Further, if Goldman Sachs Bank USA’s status as an insured depository institution is terminated or suspended by the FDIC (including as a result of our actions) or is terminated by us, during the period of temporary insurance following the termination or suspension the FDIC insurance may not cover any amounts in excess of the face amount of the CDs and interest accrued through the date of such termination or suspension. In addition, the FDIC takes the position that any secondary market premium paid by you above the face amount of the CDs is not insured by the FDIC. **If you sell your CDs prior to maturity, FDIC insurance will not cover any resulting losses.**

For the reasons described above, the maximum amount of any CD that will be insured by the FDIC will depend in part on the particular terms of the CD and may be substantially less than the amount otherwise payable on the CD (and could be less than the applicable FDIC insurance limits). You should refer to the applicable supplement to this disclosure statement for a description of the particular terms of your CD for more information about the application of FDIC insurance limits to that CD.

Goldman Sachs Bank USA will not be obligated to make any payments to any holder in satisfaction of any loss such holder might incur, including losses that result from (i) a delay in insurance payouts applicable to its CDs, (ii) its receipt of a decreased rate of return on the reinvestment of the proceeds received as a result of a payment on the CDs prior to its stated maturity or (iii) payment in cash of the face amount, any accrued and unpaid interest and any accrued and unpaid contingent coupon only (or in the case of zero-coupon or original issue discount CDs, the original purchase price plus any accrued earnings only) prior to maturity in connection with the liquidation of an insured institution or the assumption of all or a portion of its deposit liabilities at a lower interest rate.

No broker will be obligated to any holder for amounts not covered by FDIC insurance nor will they be obligated to make any payments to any holder in satisfaction of any loss such holder might incur, including losses that result from (i) a delay in insurance payouts applicable to its CDs, (ii) its receipt of a decreased rate of return on the reinvestment of the proceeds received as a result of a payment on the CDs prior to its stated maturity, (iii) payment in cash of the face amount, any accrued and unpaid interest and any accrued and unpaid contingent coupon only (or in the case of zero-coupon or original issue discount CDs, the original purchase price plus any accrued earnings only) prior to maturity in connection with the liquidation of an insured institution or the assumption of all or a portion of its deposit liabilities at a lower interest rate or (iv) its receipt of a decreased rate of return as compared to the terms of the CDs.

In the event Goldman Sachs Bank USA's status as an insured depository institution is terminated by the FDIC or Goldman Sachs Bank USA, the insured deposits of each depositor in Goldman Sachs Bank USA on the date of such termination, less all subsequent withdrawals from such deposits by such depositor, will continue to be insured pursuant to temporary insurance for a period of at least six months or up to two years, within the discretion of the FDIC. No additional deposits made by a depositor with Goldman Sachs Bank USA following the date of such termination would be insured.

FDIC Insurance in Cases of Merger or Consolidation

If the CDs of a holder at Goldman Sachs Bank USA are assumed by another depository institution pursuant to a merger, consolidation, other statutory assumption or contract, such CDs will continue to be separately insured from the deposits that such holder might have established with the acquirer until at least the expiration of a six-month grace period from the date of the acquisition. CDs of a holder at Goldman Sachs Bank USA that mature more than six months after such merger or consolidation would be separately insured until the earliest maturity date after the end of the six-month grace period. Any such CDs that mature during the six-month grace period and are renewed for the same term and in the same dollar amount (either with or without accrued interest, if any) would continue to be separately insured until the first maturity date after the six-month grace period. If such CDs mature during the six-month grace period and are renewed on any other basis, they would be separately insured only until the end of the six-month grace period. Thereafter, any assumed deposits will be aggregated with the existing deposits with the acquirer held in the same legal capacity for purposes of FDIC insurance. Any deposit opened at the acquired institution after the acquisition will be aggregated with deposits established with the acquirer for purposes of FDIC insurance. The same rules apply if Goldman Sachs Bank USA assumes the deposits of another depository institution.

In the event Goldman Sachs Bank USA merges, consolidates or sells its assets substantially as an entirety and the successor entity is not an insured depository institution, FDIC insurance on the CDs will be terminated and the CDs will be redeemed as described under "Description of Certificates of Deposit We May Offer — Redemption—Mandatory Redemption" below, unless otherwise specified in your supplement. The payment amount you receive upon a redemption due to the termination of FDIC insurance may be less than the amount you would have received on the stated maturity date.

Aggregation of Accounts: Applicability of FDIC Insurance, Examples of Ownership Determination

Each holder is responsible for monitoring the total amount of its deposits in order to determine the extent of FDIC insurance coverage available to it on such deposits, including the CDs. In circumstances in which FDIC insurance coverage is needed, (a) the FDIC, in its corporate capacity as insurer, will not be responsible for the uninsured portion of the CDs or any other deposits, (b) the FDIC will determine the insured portion of the CDs or any other deposits and (c) no broker will be responsible for any insured or uninsured portion of the CDs or any other deposits. Persons considering the purchase, ownership or disposition of the CDs should consult their legal advisors concerning the applicability of FDIC insurance to the CDs.

For purposes of determining the amount of deposits held in a bank by a depositor, the FDIC's regulations provide standards for aggregating all deposits held by a person in the same right and capacity

and for allocating the beneficial ownership of deposits registered in the name of certain types of collective entities such as pension funds.

Any accounts or deposits a holder maintains directly with Goldman Sachs Bank USA in the same legal capacity as such holder maintains its CDs would be aggregated with such CDs for purposes of the \$250,000 per depositor limit or the \$250,000 per participant limit in the case of certain retirement accounts, as applicable.

The application of the FDIC insurance limitation per depository institution in certain common factual situations is illustrated below. **Please also refer to fdic.gov for a full explanation and examples of deposit coverage for the account ownership types below as the following information, including the \$250,000 FDIC insurance limit per depositor, is intended to be a general summary and is not a complete statement of the FDIC insurance coverage limits.** We are not incorporating by reference the above website or any material it includes in this disclosure statement.

Individual Customer Accounts. Funds owned by an individual and held in an account in the name of an agent or nominee of such individual (such as CDs held in a brokerage account) are not treated as owned by the agent or nominee, but are added to other deposits of such individual held in the same legal capacity and are insured up to \$250,000 in the aggregate.

Custodial Accounts. Funds in accounts held by a custodian, guardian or conservator (for example, under the Uniform Gifts to Minors Act) are not treated as owned by the custodian, but are added to other deposits of the minor or other beneficiary held in the same legal capacity and are insured up to \$250,000 in the aggregate.

Joint Accounts. The interests of each co-owner in funds in an account held under any form of joint ownership valid under applicable state law may be insured up to \$250,000 in the aggregate, separately and in addition to the \$250,000 allowed on other deposits individually owned by any of the co-owners of such account (hereinafter referred to as a "joint account"). Joint accounts will be insured separately from such individually owned accounts only if each of the co-owners is an individual person and has a right of withdrawal on the same basis as the other co-owners. If the joint account meets the foregoing criteria then it shall be deemed to be jointly owned; *provided* that the account records of Goldman Sachs Bank USA are clear and unambiguous as to the ownership of the account. However, if the account records are ambiguous or unclear as to the manner in which the account is owned, then the FDIC may consider evidence other than such account records to determine ownership. The names of two or more persons on a deposit account shall be conclusive evidence that the account is a joint account unless the deposit records as a whole are ambiguous and some other evidence indicates that there is a contrary ownership category.

In the event an individual has an interest in more than one joint account and different co-owners are involved, his interest in all of such joint accounts (subject to the limitation that such individual's insurable interest in any one account may not exceed \$250,000 divided by the number of owners of such account) is then added together and insured up to \$250,000 in the aggregate, with the result that no individual's insured interest in the joint account category can exceed \$250,000. For FDIC insurance purposes, the co-owners of any joint account are deemed to have equal interests in the joint account unless otherwise stated in Goldman Sachs Bank USA's records.

Entity Accounts. The deposit accounts of any corporation, partnership or unincorporated association that is operated primarily for some purpose other than to increase FDIC insurance are added together and insured up to \$250,000 in the aggregate per depository institution.

Revocable Trust Accounts. Funds owned by an individual and deposited into a deposit account with respect to which the individual evidences an intention that upon his/her death the funds will belong to a natural person, charity or other nonprofit (each, a "qualifying beneficiary") are insured in the name of the

owner up to \$250,000 multiplied by the number of qualifying beneficiaries, separately from any other deposit accounts of the owner or any other qualifying beneficiary. However, if the amount in the deposit account exceeds \$1,250,000 and there are more than five qualifying beneficiaries, then the amount of insurance will equal the greater of \$1,250,000 or the aggregate amount of all the qualifying beneficiaries' interests up to \$250,000 per qualifying individual. The owner's intention must be manifested in the title of the account, by using such terms as "in trust for" or "payable upon death to", and the qualifying beneficiaries must be named in the deposit account records of the depository institution. A joint revocable trust account established by a husband and wife that names the husband and wife as sole beneficiaries will be treated as a joint account and insured as described above under "*Joint Accounts.*"

Irrevocable Trust Accounts. Funds in an account for an irrevocable trust (as determined under applicable state law) will be insured for up to \$250,000 for the interest of each beneficiary, provided that (i) the insured bank's deposit account records disclose the existence of the trust relationship, (ii) the beneficiaries and their interests in the trust are identifiable from the bank's deposit account records, or from the trustee's records, (iii) the beneficiary's interest in the account is non-contingent (i.e., capable of determination without evaluation of contingencies) and (iv) the trust is valid under state law. The FDIC insurance of each beneficiary's interest is separate from the coverage provided for other accounts maintained by the beneficiary, the grantor, the trustee or beneficiaries. The interests of a beneficiary in all irrevocable trust accounts at Goldman Sachs Bank USA created by the same grantor will be aggregated and insured up to \$250,000. When a bankruptcy trustee commingles the funds of two or more bankruptcy estates in the same trust account, the funds of each bankruptcy estate will receive separate pass-through coverage for up to \$250,000.

Retirement Plans and Accounts – General. The CDs may be held in retirement plans and accounts, subject to certain limitations and exceptions regarding prohibited transactions as discussed in more detail under "Employee Retirement Income Security Act" below. There are many types of plans and accounts. The amount of FDIC insurance each will be entitled to and whether the CDs held by the plan or account will be considered separately or aggregated with the CDs of Goldman Sachs Bank USA held in other plans or accounts in determining the amount of FDIC insurance such accounts are entitled to will vary depending on the type of plan or account. It is therefore important to understand the type of plan or account holding the CDs. The following sections entitled "*Individual Retirement Accounts*" and "*Employee Benefit Plans*" discuss the rules that apply to deposits of retirement plans and accounts.

Individual Retirement Accounts. Deposits made in a depository institution in connection with any individual retirement account ("IRAs") described in section 408(a) of the Internal Revenue Code of 1986, as amended (the "Code") are insured, in aggregate, for up to \$250,000 as of April 1, 2006. However, deposits in IRAs are aggregated with the depositor's interests in deposits, including the CDs, of eligible deferred compensation programs described in section 457 of the Code, and with individual account plans as defined in section 3(34) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and plans described in section 401(d) of the Code to the extent that participants and beneficiaries under such plans have the right to direct the investment of assets held in individual accounts maintained on their behalf by the plans, in applying the \$250,000 FDIC insurance coverage limit. As discussed in "United States Taxation," you cannot use the tax summaries herein for the purpose of avoiding penalties that may be asserted against you under the Code.

Employee Benefit Plans. With certain limitations and exceptions, any deposit of an employee benefit plan (as defined below) is insured, on a "pass-through" basis, up to \$250,000 for the vested and non-contingent interest in such deposit of each employee benefit plan participant, provided that the records of the depository institution indicate that the deposit is held for the benefit of each employee benefit plan participant, and provided further that the employee benefit plan participants can be identified from the records of the employee benefit plan administrator. This FDIC insurance coverage is separate from, and in addition to, the coverage to which each participant is entitled for deposits held in the same depository institution but in other capacities. As discussed in "United States Taxation," you cannot use the tax

summaries herein for the purpose of avoiding penalties that may be asserted against you under the Code.

For this purpose, the term “employee benefit plan” has the meaning given such term in section 3(3) of ERISA and also includes any plan described in section 401(d) of the Code, and any eligible deferred compensation plan described in section 457 of the Code.

“Pass-through” insurance means that, instead of the employee benefit plan’s deposits at one depository institution being entitled to only \$250,000 of insurance in total per institution, each participant in the Employee Benefit Plan is entitled to insurance of his or her interest in the employee benefit plan’s deposits of up to \$250,000 per institution (subject to the exceptions and limitations noted below).

This general rule regarding pass-through insurance is subject to the following limitations and exceptions:

- *Total Coverage Might Not Equal \$250,000 Times Number of Participants.* Each deposit held by an employee benefit plan may not necessarily be insured for an amount equal to the number of participants multiplied by \$250,000. For example, suppose an employee benefit plan owns \$500,000 in the CDs at Goldman Sachs Bank USA. Suppose, further, that the employee benefit plan has two participants, one with a vested non-contingent interest of \$300,000 and one with a vested non-contingent interest of \$200,000. The individual with the \$300,000 interest would be insured up to the \$250,000 limit and the individual with the \$200,000 interest would be insured up to the full value of such interest.
- *Aggregation.* An individual’s non-contingent interests in funds deposited with the same depository institution by different employee benefit plans of the same employer or employee organization are aggregated for purposes of applying this pass-through of up to \$250,000 per participant FDIC insurance limit, and are insured in aggregate only up to \$250,000 per participant.
- *Contingent Interests/Overfunding.* Any portion of an employee benefit plan’s deposits that is not attributable to the non-contingent interests of employee benefit plan participants is not eligible for pass-through FDIC insurance coverage, and is insured, in aggregate, only up to \$250,000.

The foregoing examples are based on rules issued by the FDIC, which rules are subject to change from time to time and in certain instances additional terms and conditions may apply which are not described above. Accordingly, such examples are qualified in their entirety by such rules, and the holder is urged to discuss with its attorney the insurance coverage afforded to any CD that it may purchase.

Additionally, questions about how the CDs will be insured may be addressed to your broker. Holders may also write to the following address: FDIC Division of Supervision and Consumer Protection, Office of Consumer Affairs, 550 17th Street, N.W., Washington, D.C. 20429.

To the extent that a purchaser of the CDs expects its beneficial interest in the CDs to be fully covered, with respect to the principal amount, any accrued and unpaid interest and any accrued and unpaid contingent coupon only (or in the case of zero-coupon or original issue discount CDs, the original purchase price plus any accrued earnings only) by FDIC insurance, such purchaser, by purchasing the CDs, is deemed to represent to Goldman Sachs Bank USA and its broker that its beneficial interest (or if it is an agent, nominee, custodian or other person who is purchasing the CDs for its beneficial owners, that each beneficial owner’s beneficial interest) in other deposits in Goldman Sachs Bank USA, when aggregated with the beneficial interest in the CDs so purchased, to the extent that aggregation is required in determining insurance of accounts under the federal deposit insurance regulations, does not exceed the applicable maximum federal deposit insurance limits.

Deposit Insurance in the Event of Death of a Depositor

Under certain circumstances, if you become the owner of deposits at a depository institution because another depositor dies, beginning six months after the death of the depositor, the FDIC will aggregate those deposits with any other time deposits or deposits that you own in the same legal ownership category at the depository institution. Examples of accounts that may be subject to this FDIC policy include joint accounts, "payable on death" accounts and certain trust accounts. The FDIC provides the six month "grace period" to permit you to restructure your deposits to obtain the maximum amount of FDIC insurance for which you are eligible.

As with all deposits, if it becomes necessary for FDIC insurance payments to be made on the CDs, there is no specific time period during which the FDIC must make insurance payments available.

Establishing Ownership

As explained above, the applicable maximum limit of FDIC insurance applies to the face amount, any accrued and unpaid interest and any accrued and unpaid contingent coupon only (or in the case of zero-coupon or original issue discount CDs, the original purchase price plus any accrued earnings only) on all CDs and other deposit accounts maintained by you at Goldman Sachs Bank USA in the same legal ownership category. The records maintained by Goldman Sachs Bank USA and your broker regarding ownership of CDs will be used to establish your eligibility for FDIC insurance payments. In addition, you may be required to provide certain documentation to the FDIC and to your broker before insurance payments are released to you. For example, if you hold CDs as trustee for the benefit of trust participants, the title in which you hold the CD must evidence that you hold the CDs as trustee and you may also be required to furnish an affidavit to that effect; you may be required to furnish other affidavits and provide indemnities regarding an insurance payment.

Consequences If the FDIC Transfers Your Account

As an alternative to a direct FDIC insurance payment from the FDIC, the FDIC as conservator or receiver may also transfer to another insured depository institution any of the insolvent institution's assets and liabilities, including deposit liabilities such as the CDs (or only the insured portion thereof), without the approval or consent of the beneficial owners of the CDs. The transferee depository institution would be permitted to offer beneficial owners of the CDs (or the insured portion thereof so transferred) the choice of (i) repayment of the amount so transferred or (ii) substitute terms which may be less favorable. If a CD is paid off prior to its stated maturity date, either by a transferee depository institution or the FDIC, its beneficial owner may not be able to reinvest the funds at the same rate of return as the rate on the original CD.

Subrogation Rights

In the event of a liquidation or other resolution of Goldman Sachs Bank USA and payment on the CDs by the FDIC under FDIC insurance, the FDIC will be subrogated to all rights of holders of the CDs against Goldman Sachs Bank USA under the CDs to the extent of such payment. The CDs will be deposit liabilities of Goldman Sachs Bank USA. Except to the extent FDIC insurance is available from the FDIC, no entity other than Goldman Sachs Bank USA (or its receiver or conservator, if applicable, to the extent of any available remaining assets of Goldman Sachs Bank USA) will have any obligation, contingent or otherwise, to make any payments in respect of the CDs.

Goldman Sachs Bank USA assumes no responsibility for the effect of the FDIC's current regulations, or changes therein, upon the entitlement of any person to the benefits of FDIC insurance. If the amount of CDs held by any person, when added to any other deposits held by such person in the same right and capacity in Goldman Sachs Bank USA under the FDIC regulations, exceeds the

maximum limit of \$250,000 per depositor, or \$250,000 per participant in the case of certain retirement accounts, the excess will not be insured by the FDIC.

USE OF PROCEEDS

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

We will receive the net proceeds only from sales of the CDs made in connection with their original issuance. We have not received, and do not expect to receive, any proceeds from resales of the CDs by Goldman Sachs & Co. LLC ("GS&Co.") or any of our other affiliates in market-making transactions. We expect our affiliates to retain the proceeds of their market-making resales and not to pay the proceeds to us.

RISK FACTORS

An investment in your CDs is subject to the risks described below as well as the risks described in the applicable supplement. You should carefully consider whether the CDs are suited to your particular circumstances. When we refer to "Goldman Sachs" in this disclosure statement, we mean The Goldman Sachs Group, Inc., together with its consolidated subsidiaries and affiliates.

Your CDs May Pay Interest at a Low Rate or They May Pay No Interest At All

The applicable supplement will state whether your CDs pay interest. If your CDs are indexed CDs, as described below, your CDs may pay no interest at all. If your CDs do pay interest, they may do so at a rate that is below the prevailing market rate for our CDs that are not linked to an underlier. Consequently, unless the amount payable on your CDs on the stated maturity date substantially exceeds the amount you paid for your CDs, the overall return you earn on your CDs could be less than what you would have earned by investing in non-indexed CDs that bear interest at prevailing market rates.

Investors in Indexed CDs May Not Receive More Than the Face Amount of Their CDs at Maturity

The amount payable on indexed CDs will be determined in part by reference to the price, value or level of one or more underliers. The direction and magnitude of the change in the price, value or level of the relevant underlier will determine the amount payable on indexed CDs. The terms of particular indexed CDs may or may not include a minimum return greater than the face amount at maturity or a minimum interest rate. Thus, if you purchase indexed CDs that do not provide a minimum return greater than the face amount you invested, at maturity you may receive only the face amount.

Any Supplemental Payment on Your CDs Linked to an Underlier and Any Interest or Contingent Coupon Not Accrued Will Not Be Covered by FDIC Insurance in Most Instances

The FDIC has taken the position that any supplemental payment on an indexed CD referable to any underlier between the trade date or date of deposit and the date the FDIC was appointed receiver or conservator is not insured because such supplemental payment is not calculated until the maturity of the CDs and would not be reflected as accrued interest on the books of Goldman Sachs Bank USA at the time of such appointment. Also, any contingent coupon does not accrue on the books and records of Goldman Sachs Bank USA prior to the coupon determination date for that coupon. FDIC insurance covers only any contingent coupon and any interest that is fully ascertainable and has accrued on the books and records of Goldman Sachs Bank USA through the date the FDIC was appointed conservator or receiver. FDIC insurance does not cover any interest or contingent coupon that would otherwise accrue on or after the date the FDIC is appointed Goldman Sachs Bank USA's conservator or receiver. As a result, the amount you could receive pursuant to FDIC insurance may be less than the full amount that would otherwise be payable on the CD.

All Payments on Your CDs and Any Interest or Contingent Coupon on Your CDs May Not Be Covered by FDIC Insurance in Some Instances

If Goldman Sachs Bank USA's status as an insured depository institution is terminated by the FDIC, us or as a result of our actions, during the period of temporary insurance following the termination FDIC insurance may not cover any amounts in excess of the face amount of the CDs and interest accrued through the date of such termination. In addition, if, in the future, the regulations or statutes governing the provision of FDIC insurance are changed such that CDs with terms similar to your CDs are not eligible for FDIC insurance, it is unclear whether FDIC insurance would continue to apply to your CDs.

As a result, if Goldman Sachs Bank USA's status as an insured depository institution is terminated or if the FDIC is appointed as receiver or conservator, the amount you could receive pursuant to FDIC insurance may be less than the full amount that would otherwise be payable on the CD and, if the CDs are rendered ineligible for FDIC insurance in the future, you may not receive any amount pursuant to FDIC insurance at all.

The Issuer of a Security That Serves as an Underlier Could Take Actions That May Adversely Affect Indexed CDs

The issuer of a security that serves as an underlier or part of an index for an indexed CD will have no involvement in the offer and sale of the indexed CDs and no obligations to the holder of the indexed CDs. The issuer may take actions, such as a merger or sale of assets, without regard to the interests of the holder. Any of these actions could adversely affect the value of CDs indexed to that security or to an index of which that security is a component.

Indexed CDs May Be Linked to a Volatile Underlier, Which May Adversely Affect Your Investment

Some underliers are highly volatile, which means that their value may change significantly, up or down, over a short period of time. It is impossible to predict the future performance of an underlier based on its historical performance. The supplemental payment or contingent coupon that can be expected to become payable on indexed CDs may vary substantially from time to time. Because the amounts payable with respect to indexed CDs are generally calculated based on the price, value or level of the relevant underlier on a specified date or over a limited period of time, volatility in the underlier increases the risk that the return on the indexed CDs may be adversely affected by a fluctuation in the level of the relevant underlier.

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

An Index to Which CDs Are Linked Could Be Changed or Become Unavailable

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

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

Some indexed CDs are linked to indices that are not commonly used or that have been developed only recently. The lack of a trading history may make it difficult to anticipate the volatility or other risks

associated with indexed CDs of this kind. In addition, trading in these indices or their underlying stocks, commodities or currencies or other instruments or measures, or options or futures contracts on these stocks, commodities or currencies or other instruments or measures, may be limited, which could increase their volatility and decrease the value of the related indexed CDs or the rates of return on them.

Information About an Underlier May Not Be Indicative of Future Performance

If we issue indexed CDs, we may include historical information about the relevant underlier or underliers in the applicable supplement. Any information about underliers that we may provide will be furnished as a matter of information only, and you should not regard the information as indicative of the range of, or trends in, fluctuations in the relevant underlier or underliers that may occur in the future. We cannot predict the future performance of the underliers.

Other Investors in the CDs May Not Have the Same Interests as You

Other investors in the CDs are not required to take into account the interests of any other investors in the CDs. The interests of other investors may, in some circumstances, be adverse to your interests. For example, certain investors may take short positions (directly or indirectly through derivative transactions) on assets that are the same or similar to your CDs, or the underliers to which your CDs may be linked, which may adversely impact the market for, or value of, your CDs.

Regulation and Reform of “Benchmarks”, Including LIBOR and Other Interest Rate, Equity, Foreign Exchange Rate and Other Types of Benchmarks May Cause such “Benchmarks” to Perform Differently Than in the Past, or to Disappear Entirely, or Have Other Consequences Which Cannot be Predicted

The London Interbank Offered Rate (“LIBOR”) and other interest rate, equity, foreign exchange rate and other types of indices which are deemed to be “benchmarks” are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such “benchmarks” to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any CDs linked to such a “benchmark”.

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of “benchmarks” could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain “benchmarks”, trigger changes in the rules or methodologies used in certain “benchmarks” or lead to the disappearance of certain “benchmarks”. The disappearance of a “benchmark” or changes in the manner of administration of a “benchmark” could result in discretionary valuation by the calculation agent or other consequence in relation to CDs linked to such “benchmark”. Any such consequence could have a material adverse effect on the value of and return on any such CDs.

U.K. Regulators Will No Longer Persuade or Compel Banks to Submit Rates for Calculation of LIBOR After 2021; Interest Rate Benchmark May Be Discontinued

On July 27, 2017, the Chief Executive of the U.K. Financial Conduct Authority (FCA), which regulates LIBOR, announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021. Such announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. Notwithstanding the foregoing, it appears highly likely that LIBOR will be discontinued or modified by 2021. It is not possible to predict the effect that this announcement or any such discontinuance or modification will have on LIBOR, rates that reference LIBOR such as the CMS rate or any CDs linked to LIBOR or the CMS rate.

If the calculation agent determines on the relevant interest determination date that LIBOR or the CMS rate has been discontinued, then the calculation agent will use a substitute or successor base rate that it has determined in its sole discretion is most comparable such LIBOR rate or CMS rate, as applicable, provided that if the calculation agent determines there is an industry-accepted successor base rate, then the calculation agent shall use such successor base rate. If the calculation agent has determined a substitute or successor base rate in accordance with the foregoing, the calculation agent in its sole discretion may determine the applicable business day convention, the applicable business days and the applicable interest determination dates to be used, and any other term specified in your supplement as subject to determination in this context, and any other relevant methodology for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to the LIBOR rate or the CMS rate, as applicable, in a manner that is consistent with industry-accepted practices for such substitute or successor base rate. See “Description of Certificates of Deposit We May Offer — Interest Rates — CMS Rate Certificates of Deposit” on page 26 and “Description of Certificates of Deposit We May Offer — Interest Rates — LIBOR Certificates of Deposit” on page 29.

Our Affiliate’s Anticipated Hedging Activities May Negatively Impact Investors in the CDs and Cause Our Interests and Those of Our Clients and Counterparties to be Contrary to Those of Investors in the CDs

We, through our affiliate GS&Co., expect to hedge our obligations under indexed CDs by purchasing futures and/or other instruments linked to the indices, commodities, securities or other measures or instruments to which your CDs may be linked. GS&Co. may also expect to adjust hedges by, among other things, purchasing or selling any of the foregoing, and perhaps other instruments linked to the indices, commodities, securities or other measures or instruments to which your CDs may be linked, as applicable, at any time and from time to time, and to unwind the hedge by selling any of the foregoing on or before the determination date for your CDs. GS&Co. may also enter into, adjust and unwind hedging transactions relating to other indexed CDs whose returns are linked to changes in the indices, commodities, securities or other measures or instruments to which your CDs may be linked.

In addition to entering into such transactions itself, GS&Co. and one or more of its affiliates, which we refer to collectively as Goldman Sachs, may structure such transactions for its clients or counterparties, or otherwise advise or assist clients or counterparties in entering into such transactions. These activities may be undertaken to achieve a variety of objectives, including: permitting other purchasers of the CDs or other securities to hedge their investment in whole or in part; facilitating transactions for other clients or counterparties that may have business objectives or investment strategies that are inconsistent with or contrary to those of investors in the CDs; hedging the exposure of Goldman Sachs to the CDs including any interest in the CDs that it reacquires or retains through its market-making activities or otherwise; enabling Goldman Sachs to comply with its internal risk limits or otherwise manage firmwide, business unit or product risk; and/or enabling Goldman Sachs to take directional views as to relevant markets on behalf of itself or its clients or counterparties that are inconsistent with or contrary to the views and objectives of the investors in the CDs.

Any of these hedging or other activities may adversely affect the levels of the indices, commodities, securities or other measures or instruments to which your CDs may be linked — directly or indirectly by affecting the price of the indices, commodities, securities or other measures or instruments to which your CDs may be linked— and therefore the market value of your CDs and the amount we will pay on your CDs, if any, at maturity. In addition, you should expect that these transactions will cause Goldman Sachs or its clients or counterparties to have economic interests and incentives that do not align with, and that may be directly contrary to, those of an investor in the CDs. Goldman Sachs will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions based on the potential effect on an investor in the CDs, and may receive substantial returns on hedging or other activities while the value of your CDs declines. See the applicable supplement for a further discussion of transactions in which Goldman Sachs may engage.

Trading and Investment Activities for Its Own Account or for Its Clients, Could Negatively Impact Investors in the CDs

Goldman Sachs is a global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals. As such, it acts as an investor, investment banker, research provider, investment manager, investment advisor, market maker, trader, prime broker and lender. In those and other capacities, Goldman Sachs purchases, sells or holds a broad array of investments, actively trades securities, derivatives, loans, commodities, currencies, credit default swaps, indices, baskets and other financial instruments and products for its own account or for the accounts of its customers, and will have other direct or indirect interests, in the global fixed income, currency, commodity, equity, bank loan and other markets. Any of Goldman Sachs' financial market activities may, individually or in the aggregate, have an adverse effect on the market for your CDs, and you should expect that the interests of Goldman Sachs or its clients or counterparties will at times be adverse to those of investors in the CDs.

Goldman Sachs regularly offers a wide array of securities, financial instruments and other products into the marketplace, including existing or new products that are similar to your CDs. Investors in the CDs should expect that Goldman Sachs will offer securities, financial instruments, and other products that will compete with the CDs for liquidity, research coverage or otherwise.

Goldman Sachs' Market-Making Activities Could Negatively Impact Investors in the CDs

Goldman Sachs actively makes markets in, and trades financial instruments for, its own account and for the accounts of customers. These financial instruments include debt and equity securities, currencies, commodities, bank loans, indices, baskets and other products. Goldman Sachs' activities include, among other things, executing large block trades and taking long and short positions directly and indirectly, through derivative instruments or otherwise. The securities and instruments in which Goldman Sachs takes positions, or expects to take positions, include securities and instruments linked to the indices, commodities, securities or other measures or instruments to which your CDs may be linked. Market making is an activity where Goldman Sachs buys and sells on behalf of customers, or for its own account, to satisfy the expected demand of customers. By its nature, market making involves facilitating transactions among market participants that have differing views of securities and instruments. As a result, you should expect that Goldman Sachs will take positions that are inconsistent with, or adverse to, the investment objectives of investors in the CDs.

If Goldman Sachs becomes a holder of any securities that may be related to your CDs, in its capacity as a market-maker or otherwise, any actions that it takes in its capacity as securityholder, including voting or provision of consents, will not necessarily be aligned with, and may be inconsistent with, the interests of investors in the CDs.

You Should Expect That Goldman Sachs Personnel Will Take Research Positions, or Otherwise Make Recommendations, Provide Investment Advice or Market Color or Encourage Trading Strategies that Might Negatively Impact Investors in the CDs

Goldman Sachs and its personnel, including its sales and trading, investment research and investment management personnel, regularly make investment recommendations, provide market color or trading ideas, or publish or express independent views in respect of a wide range of markets, issuers, securities and instruments. They regularly implement, or recommend to clients that they implement, various investment strategies relating to these markets, issuers, securities and instruments. These strategies include, for example, buying or selling credit protection against a default or other event involving an issuer or financial instrument. Any of these recommendations and views may be negative with respect to the indices, commodities, securities or other measures or instruments to which your CDs may be linked, or other securities or instruments similar to or linked to the foregoing or result in trading strategies that have a negative impact on the market for any such securities or instruments, particularly

in illiquid markets. In addition, you should expect that personnel in the trading and investing businesses of Goldman Sachs will have or develop independent views of the indices, commodities, securities or other measures or instruments to which your CDs may be linked, or to the relevant industry or other market trends, which may not be aligned with the views and objectives of investors in the CDs.

Goldman Sachs Regularly Provides Services to, or Otherwise Has Business Relationships with, a Broad Client Base, Which May Include the Sponsors of Indices or Constituent Indices, as Applicable, to Which Your CDs May Be Linked, or the Issuers of the Index Stocks or Other Entities that Are Involved in the Transaction

Goldman Sachs regularly provides financial advisory, investment advisory and transactional services to a substantial and diversified client base, and you should assume that Goldman Sachs will, at present or in the future, provide such services or otherwise engage in transactions with, among others, the sponsors of the indices or constituent indices, as applicable, to which your CDs may be linked, or the issuers of the stocks that compose the index, which we refer to as the index stocks, or transact in securities or instruments or with parties that are, directly or indirectly, related to the foregoing. These services could include making loans to or equity investments in those companies, providing financial advisory or other investment banking services, or issuing research reports. You should expect that Goldman Sachs, in providing such services, engaging in such transactions, or acting for its own account, may take actions that have direct or indirect effects on the indices, constituent indices or index stocks, as applicable, and that such actions could be adverse to the interests of investors in the CDs. In addition, in connection with these activities, certain Goldman Sachs personnel may have access to confidential material non-public information about these parties that would not be disclosed to Goldman Sachs employees that were not working on such transactions as Goldman Sachs has established internal information barriers that are designed to preserve the confidentiality of non-public information. Therefore, any such confidential material non-public information would not be shared with Goldman Sachs employees involved in structuring, selling or making markets in the CDs or with investors in the CDs.

In any offering of CDs, as well as in all other circumstances in which Goldman Sachs receives any fees or other compensation in any form relating to services provided to or transactions with any other party, no accounting, offset or payment in respect of the CDs will be required or made; Goldman Sachs will be entitled to retain all such fees and other amounts, and no fees or other compensation payable by any party or indirectly by holders of the CDs will be reduced by reason of receipt by Goldman Sachs of any such other fees or other amounts.

The Offering of the CDs May Reduce an Existing Exposure of Goldman Sachs or Facilitate a Transaction or Position that Serves the Objectives of Goldman Sachs or Other Parties

A completed offering may reduce Goldman Sachs' existing exposure to the indices, commodities, securities or other measures or instruments to which your CDs may be linked, securities and instruments similar to or linked to the foregoing or the currencies in which they are denominated, including exposure gained through hedging transactions in anticipation of this offering. An offering of CDs will effectively transfer a portion of Goldman Sachs' exposure (and indirectly transfer the exposure of Goldman Sachs' hedging or other counterparties) to investors in the CDs.

The terms of the offering (including the selection of the indices, commodities, securities or other measures or instruments to which your CDs may be linked, and the establishment of other transaction terms) may have been selected in order to serve the investment or other objectives of Goldman Sachs or another client or counterparty of Goldman Sachs. In such a case, Goldman Sachs would typically receive the input of other parties that are involved in or otherwise have an interest in the offering, transactions hedged by the offering or related transactions. The incentives of these other parties would normally differ from, and in many cases be contrary to, those of investors in the CDs.

DESCRIPTION OF CERTIFICATES OF DEPOSIT WE MAY OFFER

Please note that in this section entitled “Description of Certificates of Deposit We May Offer”, references to “we”, “our” and “us” refer only to Goldman Sachs Bank USA.

Information About Our Certificates of Deposit

This section summarizes the material terms that will apply generally to the CDs. Each particular CD will have financial and other terms specific to it, and the specific terms of each CD will be described in a supplement that will accompany this disclosure statement. Those terms may vary from the terms described here.

As you read this section, please remember that the specific terms of your CDs as described in your supplement will supplement and, if applicable, may modify or replace the general terms described in this section. If your supplement is inconsistent with this disclosure statement, your supplement will control with regard to your CDs. Thus, the statements we make in this section may not apply to your CDs.

When we refer to your supplement, we mean the disclosure statement supplement describing the specific terms of the CDs you purchase. The terms we use in any supplement that we also use in this document will have the meanings we give them in this disclosure statement, unless we say otherwise in your supplement.

How the CDs Rank Against Other Deposit Liabilities or Debts of Goldman Sachs Bank USA

The CDs evidence deposit liabilities of Goldman Sachs Bank USA, which are insured, with respect to the face amount, any accrued and unpaid interest and any accrued and unpaid contingent coupon only (or in the case of zero-coupon or original issue discount CDs, the original purchase price plus any accrued earnings only), up to the applicable limits by the FDIC. Claims in excess of deposit insurance limits are paid as described above under “Supervision and Regulation — Depositor Preference” and “Supervision and Regulation — Payments of Uninsured Deposits by the FDIC in Connection with the Insolvency of an Insured Depository Institution”. The ultimate determination of the priority of the CDs would be made by the FDIC in response to claims of depositors.

In addition, the CDs will rank *pari passu* with all other deposit liabilities of Goldman Sachs Bank USA, including any CDs that may be issued in the future, except that the CDs will be subordinate to deposits that are required by law to be secured and subject to any statutory preference.

Features Common to All Certificates of Deposit

Principal Amount, Stated Maturity, Maturity and Original Issue Date

The principal amount of a CD means its face amount.

The term “stated maturity” with respect to any CD means the day on which the principal amount of such CD is scheduled to become due. The principal may become due sooner, by reason of redemption or otherwise in accordance with the terms of the CDs. The day on which the principal actually becomes due, whether at the stated maturity or earlier, is called the maturity of the principal. You will receive the principal amount at maturity unless your supplement specifies another amount.

We also use the terms “stated maturity” and “maturity” to refer to the days when other payments become due. For example, we may refer to a regular interest payment date when an installment of

interest is scheduled to become due as the “stated maturity” of that installment. When we refer to the “stated maturity” or the “maturity” of a CD without specifying a particular payment, we mean the stated maturity or maturity, as the case may be, of the principal.

The term “original issue date” or “settlement date” with respect to a CD refers to the date on which such CD is issued by us.

The amount you will be paid on your CDs if held to their stated maturity date will not be less than the face amount of such CDs.

Currency of Denomination and Payment

Your CDs will be denominated in, and all payments will be made in, U.S. dollars.

Governing Law

The CDs will be governed by New York law.

Types of Certificates of Deposit

We may issue any of the three types of CDs described below. CDs may have elements of each of the three types of CDs described below. For example, CDs may bear interest at a fixed rate for some periods and at a floating rate in others. Similarly, CDs may provide for a payment of principal at maturity that includes a supplemental payment that is based on the performance of an underlier and also may bear interest at a fixed or floating rate. In addition, CDs may bear interest at a fixed or floating rate and also pay contingent coupons based on the performance of an underlier.

Fixed Rate Certificates of Deposit

CDs of this type will bear interest at a fixed rate described in the applicable supplement, and as described below under “— Interest Rates”. This type includes zero-coupon CDs, which bear no interest and are instead issued at a price lower than the principal amount. See “— Original Issue Discount CDs” below for more information about zero-coupon and other original issue discount CDs.

If your CDs are zero-coupon CDs, your supplement may specify the original issue discount and the information necessary to determine the accreted value. The accreted value will be (1) as of any date prior to the stated maturity, an amount equal to the sum of (A) the original issue price of your CDs and (B) the portion of the excess of the principal amount of your CDs over the original issue price that shall have been accreted from the original issue price on a daily basis and compounded annually on a date specified in the applicable supplement, up to and including the stated maturity, at a rate that will be specified in the applicable supplement from the original issue date, computed on the basis of an Actual/365 (Fixed) day count convention; and (2) as of any date on or after the stated maturity, the principal amount of your CDs.

Floating Rate Certificates of Deposit

CDs of this type will bear interest at rates that are determined by reference to an interest rate formula described in this disclosure statement or in the applicable supplement, and as described below under “— Interest Rates”. In some cases, the rates may also be adjusted by adding or subtracting a spread or multiplying by a spread multiplier and may be subject to a minimum rate or a maximum rate. The various interest rate formulas and these other features are described below under “— Interest Rates — Floating Rate Certificates of Deposit”. If your CDs are floating rate CDs, the formula and any adjustments that apply to the interest rate will be specified in your supplement.

Indexed Certificates of Deposit

CDs of this type provide that the supplemental payment payable at maturity or the contingent coupons payable on specified coupon payment dates will be determined, subject to any required regulatory approvals, by reference to:

- securities of one or more issuers;
- one or more currencies;
- one or more commodities;
- one or more indices;
- any other financial, economic or other measure or instrument, including the occurrence or nonoccurrence of any event or circumstance; and/or
- one or more baskets of the items described above.

If you are a holder of indexed CDs, you may receive an amount at maturity that is equal to or greater than the face amount of your CDs depending upon the formula used to determine the amount payable and the value of the applicable underlier at maturity. The value of the applicable underlier will fluctuate over time. If contingent coupons are payable on your CD, you may receive a coupon payment on each coupon payment date, which depends upon the formula used to determine the amount payable and the value of the applicable underlier on such coupon payment date. Unless otherwise specified in your supplement, for each coupon period, the calculation agent will calculate the amount payable on the relevant coupon payment date by multiplying the face amount of the floating rate CD by the coupon, without regard to a day count convention.

An indexed CD may also bear interest at a fixed or floating rate, if specified in your supplement. Unless otherwise indicated in your supplement, indexed CDs that bear interest at a fixed rate will bear interest as described above under “ — Types of Certificates of Deposit — Fixed Rate Certificates of Deposit” and indexed debt securities that bear interest at a floating rate will bear interest as described above under “ — Types of Certificates of Deposit — Floating Rate Certificates of Deposit”.

Any indexed CDs that we issue will be cash-settled only.

If you purchase indexed CDs, your supplement will include information about the relevant underlier, about how amounts that are to become payable will be determined by reference to the price or value of that underlier and about the terms on which the CDs may be settled. We have initially appointed GS&Co. as our calculation agent for any indexed CDs. The calculation agent may exercise significant discretion in calculating amounts payable with respect to the indexed CDs. We may specify a different calculation agent in your supplement. See “Risk Factors” for more information about risks of investing in CDs of this type.

Original Issue Discount CDs

Fixed rate CDs or floating rate CDs may be original issue discount CDs. CDs of this type are issued at a price lower than their principal amount and provide that, upon redemption, an amount less than their principal amount will be payable. Original issue discount CDs may be zero-coupon CDs. CDs issued at a discount to their principal may, for U.S. federal income tax purposes, be considered original issue discount CDs, regardless of the amount payable upon redemption. See “United States Taxation — United States Holders — Original Issue Discount” below for a brief description of the U.S. federal income tax consequences of owning original issue discount CDs.

Information in the Supplement

Your supplement will describe one or more of the following terms of your CD:

- the aggregate principal amount of your CDs;
- the stated maturity;
- the issue price at which we originally issue your CDs, expressed as a percentage of the principal amount, and the original issue date;
- whether your CDs are fixed rate CDs, floating rate CDs or indexed CDs;
- if your CDs are fixed rate CDs, the rate per annum at which your CDs will bear interest, if any, and the interest payment dates, all of which we describe under “— Interest Rates — Fixed Rate Certificates of Deposit”;
- if your CDs are floating rate CDs, the interest rate basis, which may be one of the base rates described in “— Interest Rates — Floating Rate Certificates of Deposit” below or any other rate as specified in your supplement; any applicable index currency or index maturity, spread or spread multiplier or initial base rate, maximum rate or minimum rate; the interest reset, determination, calculation and payment dates; the day count convention used to calculate interest payments for any period; if the interest rate basis for your CDs is the CMT rate, the designated CMT Reuters screen page; if there is more than one source or variation for your interest rate, which source or variation applies to your CDs; the business day convention; and the interest reset, determination, calculation and payment dates, all of which we describe under “— Interest Rates — Floating Rate Certificates of Deposit” below;
- if your CDs are indexed CDs, the supplemental payment, interest or contingent coupons, if any, we will pay you at maturity, on an interest payment date or on a coupon payment date or the formulas we will use to calculate these amounts, if any; and the interest periods, coupon periods, interest determination dates, coupon determination dates, interest payment dates and coupon payment dates, if applicable;
- if your CDs are original issue discount CDs, the yield to maturity;
- the circumstances under which your CDs may be redeemed, which we describe under “— Redemption” below;
- the authorized denominations of your CDs; and
- any other terms of your CDs, which could be different from those described in this disclosure statement.

Market-Making Transactions

If you purchase your CDs in a market-making transaction, you will receive information about the issue price you pay and your trade and settlement dates in a separate confirmation of sale. A market-making transaction is one in which GS&Co. or another of our affiliates resells CDs that it has previously acquired from another holder. A market-making transaction in particular CDs occurs after the original sale of the CDs. If you sell a CD to us or any of our affiliates after you purchase and pay for it, you will receive less than the principal amount and accrued interest on the CD, as determined at the time. Without limitation of other adjustments to the purchase price, if we, GS&Co. or any other affiliate of ours purchases CDs in the secondary market within six days after the date of initial issuance of those CDs, the purchase price will be reduced by an early withdrawal penalty of 50 basis points. Thus, if you sell a CD to us or any of our

affiliates shortly after you purchase and pay for it, you may receive a reduced price for your CD. See “Plan of Distribution” below.

Interest Rates

This subsection describes the different kinds of interest rates that, subject to any laws or regulations requiring otherwise, may apply to your CDs, if they bear interest.

Fixed Rate Certificates of Deposit

Fixed rate CDs will bear interest at a fixed rate described in your supplement. This type includes zero-coupon CDs, which bear no interest and are instead issued at a price lower than the principal amount. Interest due on each interest payment date (as it may be adjusted due to the applicable business day convention) and at maturity will be calculated using the Actual/365 (Fixed) day count convention as described below under “Calculation of Interest on CDs”, in each case unless otherwise specified in your supplement. For fixed rate CDs that bear interest, we will pay interest as described under “Legal Ownership and Payment” below.

Floating Rate Certificates of Deposit

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

Each floating rate CD will bear interest from its original issue date or from the most recent date to which interest on the CDs has been paid or made available for payment. Interest will accrue on the principal of a floating rate CD at a rate per annum determined according to the interest rate formula stated in the applicable supplement, until the principal is paid or made available for payment. We will pay interest on floating rate CDs in accordance with the timing, accrual, calculation and other provisions described below. We will make payments on those CDs in the manner described below under “Legal Ownership and Payment” below.

For each floating rate CD, interest will accrue, and we will compute and pay accrued interest, as described under “Calculation of Interest on CDs” and “Legal Ownership and Payment” below, unless otherwise specified in your supplement. In addition, the following will apply to floating rate CDs.

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

- CMS rate;
- CMT rate;
- federal funds rate; and
- LIBOR.

We describe each of these base rates in further detail below in this subsection. Your CDs may also bear interest at a different floating rate that will be described in your supplement.

If you purchase floating rate CDs, your supplement will specify the type of base rate that applies to your CDs and whether your CDs are subject to a spread, spread multiplier, minimum rate or maximum rate.

Day Count Convention. Unless otherwise specified in your supplement, the CDs will be subject to the Actual/365 (Fixed) day count convention, as described under “Calculation of Interest on CDs” below.

Initial Base Rate. Unless otherwise specified in the applicable supplement, for any floating rate CD, the base rate in effect from, and including, the original issue date to but excluding the first interest reset date will be the initial base rate. We will specify the initial base rate in the applicable supplement.

Spread or Spread Multiplier. In some cases, the base rate for floating rate CDs may be adjusted:

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

If you purchase floating rate CDs, your supplement will specify whether a spread or spread multiplier will apply to your CDs and, if so, the amount of the applicable spread or spread multiplier.

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

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

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

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

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

Interest Determination Dates. The interest rate that takes effect on an interest reset date will be determined by the calculation agent for certain base rates by reference to a particular date called an interest determination date. Except as otherwise specified in the applicable supplement:

- For CMS rate CDs and CMT rate CDs, the interest determination date relating to a particular interest reset date will be the second **U.S. Government Securities business day** before the interest reset date.
- For LIBOR CDs, the interest determination date relating to a particular interest reset date will be the second **London business day** preceding the interest reset date. We refer to an interest determination date for LIBOR CDs as a LIBOR interest determination date.

Sources and Corrections. If we refer to a rate as set forth on a display page, other published source, information vendor or other vendor officially designated by the sponsor of that rate, if there is a successor source for the display page, other published source, information vendor or other official vendor,

we refer to that successor source as applicable as determined by the calculation agent. When we refer to a particular heading or headings on any of those sources, those references include any successor or replacement heading or headings as determined by the calculation agent.

If the applicable rate is based on information obtained from a Reuters screen, that rate will be subject to the corrections, if any, published on that Reuters screen within one hour of the time that rate was first displayed on such source. If the applicable rate is based on information obtained from H.15 Daily Update, that rate will be subject to the corrections, if any, published by that source within 30 days of the day that rate was first published in that source.

CMS Rate Certificates of Deposit

If you purchase CMS rate CDs, your CDs will bear interest at a base rate equal to the CMS rate subject to adjustment as specified in your supplement.

The CMS rate for the relevant interest reset date will be the rate appearing on the Reuters screen ICESWAP1 page for U.S. dollar swaps having a maturity equal to the index maturity specified in your supplement as of approximately 11:00 A.M., New York City time, on the relevant CMS interest determination date.

If the calculation agent determines on the applicable CMS interest determination date that the CMS rate has been discontinued, then the calculation agent will use a substitute or successor base rate that it has determined in its sole discretion is most comparable to the CMS rate, provided that if the calculation agent determines there is an industry-accepted successor base rate, then the calculation agent shall use such successor base rate. If the calculation agent has determined a substitute or successor base rate in accordance with the foregoing, the calculation agent in its sole discretion may determine the applicable business day convention, the applicable business days and the applicable interest determination dates to be used, any other term specified in your supplement as subject to determination in this context, and any other relevant methodology for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to the CMS rate, in a manner that is consistent with industry-accepted practices for such substitute or successor base rate. Unless the calculation agent uses a substitute or successor base rate as so provided:

If the CMS rate cannot be determined in this manner, then:

- The CMS rate for the relevant interest reset date will be determined on the basis of the mid-market semi-annual swap rate quotations provided by five leading swap dealers in the New York City interbank market at approximately 11:00 A.M., New York City time, on the relevant CMS interest determination date. For this purpose, the semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 (ISDA) day count basis, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to the specified index maturity, commencing on the relevant interest reset date, with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 (ISDA) day count basis, is equivalent to the index rate that is then used in the calculation of the CMS rate. The calculation agent will select the five swap dealers in its sole discretion and will request the principal New York City office of each of those dealers to provide a quotation of its rate.
- If at least three quotations are provided, the CMS rate for that interest reset date will be the arithmetic mean of the quotations described above, eliminating the highest and lowest quotations or, in the event of equality, one of the highest and one of the lowest quotations.
- If fewer than three quotations are provided, the calculation agent will determine the CMS rate in its sole discretion.

CMT Rate Certificates of Deposit

If you purchase CMT rate CDs, your CDs will bear interest at a base rate equal to the CMT rate subject to adjustment as specified in your supplement.

The manner in which the CMT rate is determined for the relevant interest reset date will depend on the **designated CMT Reuters screen page** that is specified for your CDs in the applicable supplement. If no designated CMT Reuters screen page is specified, Reuters screen FRBCMT page will be the designated CMT Reuters screen page for your CDs.

- If the designated CMT Reuters screen page for your CDs is FRBCMT, the CMT rate for the relevant interest reset date will be the yield for Treasury securities at “constant maturity” for a period of the **designated CMT index maturity** as published by the Federal Reserve System Board of Governors, or its successor, on its website or in another recognized electronic source, in each case as determined by the calculation agent in its sole discretion, as such yield is displayed on the designated CMT Reuters screen page on the CMT interest determination date. If the applicable rate described above is not displayed on the designated CMT Reuters screen page, then the CMT rate will be the treasury constant maturity rate for the designated CMT index maturity as published by the Federal Reserve System Board of Governors, or its successor, on its website or in another recognized electronic source, in each case as determined by the calculation agent in its sole discretion.
- If the rate described in the preceding paragraph does not appear on the website of the Federal Reserve System Board of Governors or in another recognized electronic source, in each case as determined by the calculation agent in its sole discretion, then the CMT rate for the relevant interest reset date will be the treasury constant maturity rate for the designated CMT index maturity that:
 - is published by the Board of Governors of the Federal Reserve System or the U.S. Department of the Treasury; *and*
 - is determined by the calculation agent to be comparable to the applicable rate that would otherwise have been published on the website of the Federal Reserve System Board of Governors or in another recognized electronic source, in each case as determined by the calculation agent in its sole discretion.
- If, on the relevant CMT interest determination date, the rate described in the preceding paragraph is not published by the Board of Governors of the Federal Reserve System or the U.S. Department of Treasury, then the CMT rate for the relevant interest reset date will be the yield to maturity of the arithmetic mean of the secondary market bid rates for the most recently issued U.S. Treasury securities having an original maturity of approximately the designated CMT index maturity and a remaining term to maturity of not less than the designated CMT index maturity *minus* one year, and in a representative amount, as of approximately 3:30 P.M., New York City time, on the relevant CMT interest determination date, quoted by three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent will request quotations from five primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. If fewer than five but more than two such bid rates are provided, the CMT rate will be based on the arithmetic mean of the bid prices provided, and neither the highest nor lowest of such quotations will be eliminated.
- If the calculation agent is unable to obtain three quotations of the kind described in the preceding paragraph, the CMT rate for the relevant interest reset date will be the yield to

maturity of the arithmetic mean of the secondary market bid rates for U.S. Treasury securities with an original maturity longer than the designated CMT index maturity, with a remaining term to maturity closest to the designated CMT index maturity and in a representative amount, as of approximately 3:30 P.M., New York City time, on the relevant CMT interest determination date, of three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent will request quotations from five of these primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. If fewer than five but more than two of these primary dealers are quoting, then the CMT rate for the relevant interest reset date will be based on the arithmetic mean of the bid rates so obtained, and neither the highest nor the lowest of those quotations will be disregarded. If two U.S. Treasury securities with an original maturity longer than the designated CMT index maturity have remaining terms to maturity that are equally close to the designated CMT index maturity, the calculation agent will obtain quotations for the U.S. Treasury securities with the shorter original term to maturity.

- If two or fewer primary dealers selected by the calculation agent are quoting as described in the preceding paragraph, the CMT rate for the relevant interest reset date will be the rate determined by the calculation agent in its sole discretion, after consulting such sources as it deems comparable to any of the foregoing quotations or display page, or any such source as it deems reasonable from which to estimate the rate for U.S. Treasury securities at constant maturity or any of the foregoing bid rates.

If the designated CMT Reuters screen page for your CDs is FEDCMT, the CMT rate for the relevant interest reset date will be the one-week average yield for Treasury securities at “constant maturity” for a period of the designated CMT index maturity as set forth on the website of the Federal Reserve System Board of Governors or in another recognized electronic source, in each case as determined by the calculation agent in its sole discretion, for the week preceding the relevant interest reset date, as such average is displayed on the designated CMT Reuters screen page for the week preceding the relevant interest reset date.

- If the applicable average described above is not displayed on the designated CMT Reuters screen page, then the CMT rate for the relevant interest reset date will be the one-week average yield for Treasury securities at “constant maturity” for a period of the designated CMT index maturity and for the week preceding the relevant interest reset date as published on the website of the Federal Reserve System Board of Governors or in another recognized electronic source, in each case as determined by the calculation agent in its sole discretion.
- If the applicable average described in the preceding paragraph does not appear on the website of the Federal Reserve System Board of Governors or in another recognized electronic source, in each case as determined by the calculation agent in its sole discretion, then the CMT rate for the relevant interest reset date will be the one-week average yield for Treasury securities at “constant maturity” for a period equal to the designated CMT index maturity as otherwise announced by the Federal Reserve Bank of New York for the week preceding the relevant interest reset date.
- If for the week preceding the relevant interest reset date the Federal Reserve Bank of New York does not publish a one-week average yield for Treasury securities at “constant maturity” for a period equal to the designated CMT index maturity for the preceding week, then the CMT rate for the relevant interest reset date will be the yield to maturity of the arithmetic mean of the secondary market bid rates for the most recently issued U.S. Treasury securities having an original maturity of approximately the designated CMT index maturity and a remaining term to maturity of not less than the designated CMT index maturity *minus* one year, and in a representative amount, as of approximately 3:30 P.M., New York City time, on the relevant CMT interest determination date, quoted by three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent

will request quotations from five primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. If fewer than five but more than two such bid rates are provided, the CMT rate will be based on the arithmetic mean of the bid prices provided, and neither the highest nor lowest of such quotations will be eliminated.

- If the calculation agent is unable to obtain three quotations of the kind described in the preceding paragraph, the CMT rate for the relevant interest reset date will be the yield to maturity of the arithmetic mean of the secondary market bid rates for U.S. Treasury securities with an original maturity longer than the designated CMT index maturity, with a remaining term to maturity closest to the designated CMT index maturity and in a representative amount, as of approximately 3:30 P.M., New York City time, on the relevant CMT interest determination date, of three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent will request quotations from five of these primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. If fewer than five but more than two of these primary dealers are quoting, then the CMT rate for the relevant interest reset date will be based on the arithmetic mean of the bid rates so obtained, and neither the highest nor the lowest of those quotations will be disregarded. If two U.S. Treasury securities with an original maturity longer than the designated CMT index maturity have remaining terms to maturity that are equally close to the designated CMT index maturity, the calculation agent will obtain quotations for the U.S. Treasury securities with the shorter original term to maturity.
- If two or fewer primary dealers selected by the calculation agent are quoting as described in the preceding paragraph, the CMT rate for the relevant interest reset date will be the rate determined by the calculation agent in its sole discretion, after consulting such sources as it deems comparable to any of the foregoing quotations or display page, or any such source as it deems reasonable, from which to estimate the one-week average for U.S. Treasury securities at constant maturity or any of the foregoing bid rates.

Federal Funds Rate Certificates of Deposit

If you purchase federal funds rate CDs, your CDs will bear interest at a base rate equal to the federal funds (effective) rate, subject to adjustment as specified in your supplement.

The federal funds rate will be the rate for U.S. dollar federal funds on the relevant interest reset date, as set forth in H.15 Daily Update opposite the heading “Federal funds (effective)”, as that rate is displayed on the Reuters screen FEDFUNDS1 page for that day.

- If, by approximately 5:00 P.M., New York City time, on the day that is one New York City banking day following the relevant interest reset date, the federal funds (effective) rate for the relevant interest reset date does not appear on Reuters screen FEDFUNDS1 page, then the federal funds (effective) rate, for that interest reset date, will be the rate published in H.15 Daily Update, or another recognized electronic source used for displaying that rate, under the heading “Federal funds (effective)”.
- If the rate cannot be determined as described in the preceding paragraph, then the federal funds (effective) rate for the relevant interest reset date will be the rate for the first day preceding the relevant interest reset date for which such rate is set forth in H.15 Daily Update opposite the heading “Federal funds (effective)”, as such rate is displayed on the Reuters Screen FEDFUNDS1 page.

LIBOR Certificates of Deposit

If you purchase LIBOR CDs, your CDs will bear interest at a base rate equal to LIBOR subject to

adjustment as specified in your supplement. LIBOR, with respect to any interest reset date, will be the London interbank offered rate for deposits in U.S. dollars or any other index currency, as specified in your supplement, for the index maturity specified in your supplement, appearing on the **Reuters screen LIBOR page** as of approximately 11:00 A.M., London time, on the relevant LIBOR interest determination date.

If the calculation agent determines on the applicable LIBOR interest determination date that the LIBOR rate has been discontinued, then the calculation agent will use a substitute or successor base rate that it has determined in its sole discretion is most comparable to the LIBOR rate, provided that if the calculation agent determines there is an industry-accepted successor base rate, then the calculation agent shall use such successor base rate. If the calculation agent has determined a substitute or successor base rate in accordance with the foregoing, the calculation agent in its sole discretion may determine the applicable business day convention, the applicable business days and the applicable interest determination dates to be used, any other term specified in your supplement as subject to determination in this context, and any other relevant methodology for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to the LIBOR rate, in a manner that is consistent with industry-accepted practices for such substitute or successor base rate. Unless the calculation agent uses a substitute or successor base rate as so provided, the following will apply:

- If the rate described above does not so appear on the Reuters screen LIBOR page, then LIBOR will be determined on the basis of the rates at which deposits in U.S. dollars or any other index currency, as specified in your supplement, are offered by four major banks in the London interbank market selected by the calculation agent at approximately 11:00 A.M., London time, on the relevant LIBOR interest determination date, to prime banks in the London interbank market for a period of the specified index maturity, beginning on the relevant interest reset date, and in a representative amount. The calculation agent will request the principal London office of each of these major banks to provide a quotation of its rate. If at least two quotations are provided, LIBOR, for the relevant interest reset date, will be the arithmetic mean of the quotations.
- If fewer than two of the requested quotations described above are provided, LIBOR, for the relevant interest reset date, will be the arithmetic mean of the rates quoted by major banks in New York City or, if the specified index currency is not U.S. dollars, in the principal financial center for the country issuing the index currency, selected by the calculation agent, at approximately 11:00 A.M., New York City time (or the time in the relevant principal financial center), on the relevant LIBOR interest determination date, for loans in U.S. dollars (or the index currency) to leading European banks for a period of the specified index maturity, beginning on the relevant interest reset date, and in a representative amount.
- If no quotation is provided as described in the preceding paragraph, then the calculation agent, after consulting such sources as it deems comparable to any of the foregoing quotations or display page, or any such source as it deems reasonable from which to estimate LIBOR or any of the foregoing lending rates, shall determine LIBOR for that interest reset date in its sole discretion.

Business Days

One or more of the following business day definitions may apply to any CD, as specified in the applicable supplement:

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

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

“U.S. Government securities business day” means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income department of its members be closed for the entire day for purposes of trading in U.S. government securities.

Additional business days or alternative business day definitions not specified above may apply to any CD and, if applicable, will be described in your supplement.

Special Rate Calculation Terms

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

The term **“designated CMT index maturity”** means the index maturity for CMT rate CDs and will be the original period to maturity of a U.S. treasury security — either 1, 2, 3, 5, 7, 10, 20 or 30 years — specified in your supplement. If no such original maturity period is so specified, the designated CMT index maturity will be 2 years.

The term **“designated CMT Reuters screen page”** means the Reuters screen page specified in your supplement that displays treasury constant maturities as published by the Federal Reserve System Board of Governors, or its successor, on its website. If no Reuters screen page is so specified, then the applicable page will be the Reuters screen FRBCMT page.

“H.15 Daily Update” means the daily statistical release designated as such published by the Federal Reserve System Board of Governors, or its successor, available through the website of the Board of Governors of the Federal Reserve System at federalreserve.gov/releases/h15/, or any successor site or publication.

The term **“index maturity”** means, with respect to floating rate CDs, the period to maturity of the instrument or obligation on which the interest rate formula is based, as specified in the applicable supplement.

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

“Reuters screen” means the display on the Thomson Reuters Eikon service, or any successor or replacement service, on the page or pages specified in this disclosure statement or the applicable supplement, or any successor or replacement page or pages on that service.

“Reuters screen LIBOR page” means, unless otherwise specified in your supplement, the display on the Reuters screen LIBOR01 page or any replacement page or pages on which London interbank rates of major banks for U.S. dollars are displayed.

If, when we use the terms “designated CMT Reuters screen page”, “H.15 Daily Update”, “Reuters screen LIBOR page”, or “Reuters screen”, we refer to a particular heading or headings on any of those pages, those references include any successor or replacement heading or headings as determined by the calculation agent.

Additions and Withdrawals

Unless required by applicable law, and except as provided under “— Redemption”, we will not be obligated (and no holder will have the right to require us) to redeem, repay or withdraw the obligations evidenced by the CDs before maturity, but this will not prohibit us, if we wish to do so, from engaging in any open market or other transaction in which we agree to repurchase or repay the CDs before maturity. The obligations represented by the CDs will not be renewed at maturity, and no additions may be made to the CDs at any time; provided that the foregoing shall not prevent Goldman Sachs Bank USA from reopening the CDs by issuing additional CDs having the same terms.

Calculation of Interest on CDs

Interest Rates and Interest. Fixed rate CDs will have the interest rate stated in the applicable supplement.

For each floating rate CD, the calculation agent will determine, on the corresponding interest calculation or interest determination date, as described in the applicable supplement, the interest rate that takes effect on each interest reset date. Upon the request of the holder of any floating rate CD, the calculation agent will provide for that CD the interest rate then in effect — and, if determined, the interest rate that will become effective on the next interest reset date. The calculation agent's determination of any interest rate, and its calculation of the amount of interest for any interest period, will be final and binding in the absence of manifest error. In determining the base rate that applies to a floating rate CD during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as described in the applicable supplement. Those reference banks and dealers may include the calculation agent itself and its affiliates, and they may include affiliates of The Goldman Sachs Group, Inc.

The reference below to the 2006 ISDA Definitions refers to the referenced provisions as published by the International Swaps and Derivatives Association, without regard to any subsequent amendments or supplements (the "2006 ISDA Definitions").

The calculation agent (in the case of floating rate CDs) or the paying agent (in the case of fixed rate CDs) will calculate the amount of interest that has accrued during each interest period — *i.e.*, the period from and including the original issue date, or the last date to which interest has been paid (which may be an interest payment date, depending on the business day convention that applies to your CDs), to but excluding the next date to which interest will be paid (which may be an interest payment date, depending on the business day convention that applies to your CDs, as described under "— Business Day Conventions" below). For each interest period, the agent will calculate the amount of accrued interest by multiplying the principal amount or face amount of the CD, as applicable, by an accrued interest factor for the interest period. The accrued interest factor will be determined by multiplying the per annum fixed rate or floating rate, as applicable, by a factor resulting from the Actual/365 (Fixed) day count convention, unless otherwise specified in your supplement. When "Actual/365 (Fixed)", "Act/365 (Fixed)", "A/365 (Fixed)" or "A365F" is specified, the factor will be equal to the actual number of days in the interest period divided by 365, as described in Section 4.16(d) of the 2006 ISDA Definitions.

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

Interest Reset Dates and Determining the New Rate. The rate of interest on floating rate CDs will be reset daily, weekly, monthly, quarterly, semi-annually or annually, depending on your rate and the terms of your CD. The date on which the interest rate resets and the new interest rate becomes effective is called the interest reset date. Interest reset dates are subject to adjustment, as described below under "— Business Day Conventions".

The interest rate that takes effect on a particular interest reset date will be determined by the calculation agent for certain base rates by reference to a particular date called an interest determination date and, in any event, no later than the business day prior to the interest reset date. Except as otherwise specified in the applicable supplement:

- For CMS rate CDs and CMT rate CDs, the interest determination date relating to a particular interest reset date will be the second **U.S. Government Securities business day** before the interest reset date.

- For LIBOR CDs, the interest determination date relating to a particular interest reset date will be the second **London business day** preceding the interest reset date. We refer to an interest determination date for LIBOR CDs as a LIBOR interest determination date.

The calculation agent need not wait until the business day prior to the reset date to determine the interest rate if the rate information it needs to make the determination is available from the relevant sources sooner. The base rate in effect from and including the original issue date to but excluding the first interest reset date will be the initial base rate, which will be specified in your supplement.

Interest Payment Dates. Subject to any applicable business day convention as described under “— Business Day Conventions” below, interest on your CDs will be paid on the interest payment dates. The interest payment dates will be specified in your supplement. If CDs are originally issued after the regular record date and before the date that would otherwise be the first interest payment date, the first interest payment date will be the date that would otherwise be the second interest payment date. We have defined the term “regular record date” under “Legal Ownership and Payment — Who Receives Payment? — Payment and Record Dates for Interest and Coupons” below.

Business Day Conventions. If your supplement specifies that one of the following business day conventions is applicable to your CD, the interest payment dates, interest reset dates and interest periods for your CDs will be affected (and, consequently, may be adjusted) as described below, except that any payment due at maturity (including any interest payment) will not be affected as described below:

- “**Following business day convention**” means, for any relevant date other than the maturity, if such date would otherwise fall on a day that is not a business day, then such date will be postponed to the next day that is a business day.
- “**Modified following business day convention**” means, for any relevant date other than the maturity, if such date would otherwise fall on a day that is not a business day, then such date will be postponed to the next day that is a business day, except that, if the next business day falls in the next calendar month, then such date will be advanced to the immediately preceding day that is a business day.
- “**Following unadjusted business day convention**” means, for any interest payment date, other than the maturity, that falls on a day that is not a business day, any payment due on such interest payment date will be postponed to the next day that is a business day; provided that interest due with respect to such interest payment date shall not accrue from and including such interest payment date to and including the date of payment of such interest as so postponed. Interest reset dates and interest periods also are not adjusted for non-business days.
- “**Modified following unadjusted business day convention**” means, for any interest payment date, other than the maturity, that falls on a day that is not a business day, any payment due on such interest payment date will be postponed to the next day that is a business day; *provided* that interest due with respect to such interest payment date shall not accrue from and including such interest payment date to and including the date of payment of such interest as so postponed, and *provided further* that, if such day would fall in the next succeeding calendar month, the date of payment with respect to such interest payment date will be advanced to the business day immediately preceding such interest payment date. Interest reset dates and interest periods also are not adjusted for non-business days.

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

Calculation Agent. Calculations relating to interest on floating rate CDs will be made by the calculation agent, an institution that we appoint as our agent for this purpose. That institution may include an affiliate of

ours, such as GS&Co. The supplement for a particular floating rate CD or series of CDs will name the institution that we have appointed to act as the calculation agent for that CD as of its original issue date. Unless otherwise specified in the applicable supplement, we have initially appointed GS&Co. as calculation agent for all the floating rate CDs that we may issue hereunder. We may appoint a different institution to serve as calculation agent from time to time after the original issue date of the CD without your consent and without notifying you of the change. Absent manifest error, all determinations of the calculation agent will be final and binding on you and us, without any liability on the part of the calculation agent.

Redemption

Your CDs will not be entitled to the benefit of any sinking fund — that is, we will not deposit money on a regular basis into any separate custodial account to repay your CDs. In addition, we will not be entitled to redeem your CDs before their stated maturity unless your supplement specifies otherwise. You will not be entitled to require us to buy your CDs from you before their stated maturity unless your supplement specifies otherwise.

If your supplement specifies that we will be entitled to redeem your CDs before their stated maturity date, your supplement will also specify the dates on which, or the beginning or commencement date on or following which, we can redeem your CDs and one or more redemption prices, which may be expressed as a percentage of the principal amount of your CDs. It may also specify one or more redemption periods during which the redemption prices relating to a redemption of CDs during those periods will apply. If your supplement specifies that you will be entitled to require us to buy your CDs from you, your supplement will also specify one or more repayment dates and one or more repayment prices. In either case, your supplement may provide additional terms and conditions relating to our redemption or your repayment right.

If your supplement specifies that we are entitled to redeem your CDs, we will do so at the specified redemption price for the applicable date or period, together with interest accrued to the redemption date. If your supplement specifies that you are entitled to require us to repay your CDs, we will repay your CDs on the specified repayment date at the specified repayment price, together with interest accrued to the repayment date.

If we exercise an option to redeem any CDs, we will give to the holder written notice of the principal amount of CDs to be redeemed, not less than 30 days nor more than 60 days before the applicable redemption date unless your supplement provides a different notice period. We will give the notice in the manner described in “Legal Ownership and Payment — Notices” below.

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

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

We or our affiliates may purchase CDs from investors who are willing to sell from time to time in private transactions at negotiated prices. CDs that we or they purchase may, at our discretion, be held, resold or canceled. If a holder sells a CD to us or any of our affiliates after such holder purchases and pays for it, such holder will receive less than the principal amount and accrued interest on the CD, as determined at the time. Without limitation of other adjustments to the purchase price, if we, GS&Co. or any other affiliate of ours purchases CDs in the secondary market within six days after the date of initial issuance of those CDs, the purchase price will be reduced by an early withdrawal penalty of 50 basis points. Thus, if you sell a CD to us or any of our affiliates shortly after you purchase and pay for it, you may receive a reduced price for your CD.

Mandatory Redemption

Unless otherwise specified in your supplement, to the extent permitted by law and regulation, and

as further described in your supplement, we will redeem the CDs, unless they mature prior to the redemption date, if our insured status is terminated by the FDIC or us or as a result of our actions or if regulatory or statutory changes in the future render CDs with terms similar to your CDs ineligible for FDIC insurance. This commitment to redeem your CDs may not be enforceable under certain circumstances, such as if the FDIC has been appointed receiver or conservator of the bank. If we are required to redeem the CDs due to the termination of our insured status by the FDIC or us or a future regulatory or statutory change, we will provide to each holder written notice of such redemption promptly, or as otherwise required by the FDIC, after we receive notification of such termination or change. Your supplement will describe the manner for determining the redemption payment you will receive on the redemption date, which will also be described in your supplement. In the event we redeem your CDs due to such termination or change, you may receive less than the amount that would be otherwise payable on your CDs at maturity. For example, in the case of an indexed CD, you may not receive the amount of any supplemental payment or contingent coupons that might otherwise be payable on the CD at maturity or on the coupon payment dates.

Redemption Upon Death or Adjudication of Incompetence

If a beneficial owner of a CD dies or is determined to be legally incompetent by a court or an administrative body with the appropriate authority to do so, the authorized representative of the beneficial owner will have the option to request redemption of the CD. We call this right of redemption the “estate feature” of the CDs. This section describes the estate feature, how it works, what the authorized representative would receive on redemption, and the requirements with which an authorized representative would need to comply in order to redeem a CD that is eligible for redemption under the estate feature.

For purposes of early withdrawal pursuant to the estate feature, we will limit the combined aggregate principal amount of (i) the CDs being redeemed and (ii) any other CDs of Goldman Sachs Bank USA subject to this withdrawal limit to the FDIC insurance coverage amount applicable to each insurable capacity in which such CDs are held.

Who is an authorized representative? An authorized representative could be a personal representative, a court appointed representative or another person who is authorized to represent the beneficial owner of the CD and who has the right to sell, transfer or otherwise dispose of an interest in the CD and the right to receive the proceeds of the CD and any amounts payable to the beneficial owner of the CD under the laws of the applicable jurisdiction.

A surviving joint owner of a joint account with a beneficial owner who has died or been adjudicated incompetent will be entitled to redeem a CD only if such joint owner was a member of the same household with the deceased or incompetent beneficial owner at the time of such beneficial owner's death or declaration of legal incompetency, or if such joint owner is related to the deceased or incompetent beneficial owner, including by blood, marriage or adoption. Any other joint accountholder shall have no right to the estate feature. A joint owner so entitled to redeem a CD shall hold all of the rights to take actions with respect to such CD that are granted to an authorized representative with respect to the estate feature.

What events qualify a beneficial owner's CDs for redemption under the estate feature? Any of the following events will give rise to the authorized representative's right to request redemption of the beneficial owner's CDs:

- a declaration of legal incompetency or death of a person holding a beneficial ownership interest in a CD as a joint tenant or tenant by the entirety with another person, a tenant in common with the deceased holder's spouse or a tenant in common with a person other than such deceased person's spouse;
- a declaration of legal incompetency or death of a person who, at the time of his or her death, was

a beneficiary of a revocable or irrevocable trust that holds a beneficial ownership interest in such CD; or

- a declaration of legal incompetency or death of a person who, at the time of his or her death, was entitled to substantially all of the beneficial ownership interests in a CD under applicable law (including under certain custodial, trust and nominee arrangements).

A declaration of legal incompetency of a person must be made by a court or other administrative body with appropriate authority, sometimes called having “competent jurisdiction”, to do so.

What will an authorized representative receive upon redemption of a CD pursuant to the estate feature? The amount the authorized representative will receive pursuant to an estate feature redemption will depend on the type of CD and when the redemption request is received and accepted for payment by us.

- Upon acceptance for payment by us of a redemption request, the authorized representative will receive the face amount on the redemption date, which will occur not more than 45 days after the date of acceptance for payment of the request for redemption.
- If the CD pays a fixed interest rate or floating interest rate and the redemption request is accepted for payment, on the redemption date the authorized representative also will receive any interest accrued during the period from and including the interest payment date immediately preceding the redemption date to but excluding the redemption date.
- If the CD provides for contingent coupons, on the redemption date the authorized representative will receive only the face amount of the CD unless the request for redemption is accepted for payment on a day that is on or after a coupon determination date but before the coupon payment date associated with such coupon determination date, in such case the authorized representative will also receive the coupon, if any, in respect of that coupon determination date on the coupon payment date for such coupon (and will receive the face amount on the redemption date).
- If the CD provides for variable coupons, on the redemption date the authorized representative will receive only the face amount of the CD unless the request for redemption is accepted for payment on a day that is on or after a coupon determination date but before the coupon payment date associated with such coupon determination date, in such case the authorized representative will receive the coupon in respect of that coupon determination date on the coupon payment date for such coupon (and will receive the face amount on the redemption date).
- If the CD provides for an automatic call feature and for payments to be made on call payment dates, on the redemption date the authorized representative will receive only the face amount of the CD unless the request for redemption is accepted for payment on a day that is on or after a call observation date but before the call payment date associated with such call observation date. In such case, if the CD is automatically called on such call observation date, the authorized representative will instead receive the payment that would otherwise be due on the corresponding call payment date (and in such case, the redemption date will be no later than such corresponding call payment date).
- In no event will the authorized representative receive any amount with respect to a supplemental payment payable at maturity of the CDs.

What does it mean for a redemption request to be accepted for payment? There are requirements and procedures that govern whether and how an authorized representative may request an estate feature redemption. Please see “What does an authorized representative need to do to request redemption pursuant to the estate feature?” below. We, together with the paying agent when applicable, will review promptly all redemption requests we receive and, if the requirements and procedures have been met, we will accept those requests for payment.

If I am an authorized representative for someone who is deceased or who has been declared legally incompetent, should I redeem the CDs pursuant to the estate feature? Given the limitations on the amounts an authorized representative may receive upon redemption of a CD, and the fact that you would not receive future payments on the CDs if they are redeemed, you should consider carefully whether you should sell the CDs in the secondary market, if one exists for the CDs. In some cases, the secondary market sale price (if there is a secondary market) may be higher than the amount that would be received upon redemption. Authorized representatives may contact the beneficial owner's broker to determine the secondary market price of the CDs and the amount of fees or commissions that would be payable in a secondary market transaction, and should carefully consider whether to sell the CDs to the beneficial owner's broker or another market participant rather than redeem the CDs pursuant to a request for redemption. GS&Co. is under no obligation to maintain a secondary market for the CDs.

What does an authorized representative need to do to request redemption pursuant to the estate feature? The authorized representative cannot submit an estate feature redemption request directly to us or the paying agent. Rather, the request must be submitted through the broker of the person who is deceased or who has been declared legally incompetent. The authorized representative of the deceased or incapacitated beneficial owner will be required to provide the beneficial owner's broker with the following items:

- a written request for redemption signed by the authorized representative of the deceased or incapacitated beneficial owner with the signature guaranteed by a member firm of a registered national securities exchange or of the Financial Institution Regulatory Authority, Inc. (FINRA) or a commercial bank or trust company having an office or correspondent in the United States and a written instruction to notify the depository of the authorized representative's desire to obtain redemption pursuant to exercise of the estate feature;
- appropriate evidence satisfactory to the broker:
 - a) that the deceased or incapacitated beneficial owner was the beneficial owner of the CD at the time of death,
 - b) that the death or adjudication of incompetence of the beneficial owner has occurred, including a certified copy of the death certificate or declaration or order of incompetency as applicable,
 - c) of the date of death or adjudication of incompetence of the beneficial owner, and
 - d) that the representative has authority to act on behalf of the beneficial owner; and if applicable, a properly executed assignment or endorsement;
- tax waivers and any other instruments or documents that the broker or Goldman Sachs Bank USA may reasonably require in order to establish the validity of the beneficial ownership of the CD and the claimant's entitlement to payment;
- any additional information that the broker may reasonably require to evidence satisfaction of any conditions to the exercise of the estate feature or to document beneficial ownership or authority to make the election and to cause the redemption of the CD; and
- if the interest in the CD is held by a nominee of the deceased beneficial owner, a certificate satisfactory to the broker from the nominee attesting to the deceased's beneficial ownership of the CD.

What happens after the authorized representative provides the information to the broker? After the authorized representative provides the information set forth above to the beneficial owner's broker, the broker will then deliver, under the depository's applicable procedures, the death certificate or declaration

or order of incompetency, as applicable, and a redemption request in the form specified in the annex to this disclosure statement to the depository, together with evidence satisfactory to the depository from the broker stating that it represents the deceased or legally incompetent beneficial owner.

If we, the paying agent or the depository has questions regarding the eligibility or validity of any exercise of the estate feature, the redemption request will be returned to the broker for clarification. All questions regarding the eligibility or validity of any exercise of the estate feature will be determined by us, in our sole discretion, which determination will be final and binding on all parties. Furthermore, we may waive any applicable limitations with respect to a particular deceased or incompetent beneficial owner, but that does not require us to make the same or similar waivers with respect to any other deceased or incompetent beneficial owner.

Can the authorized representative withdraw a redemption request once it is made? The beneficial owner's broker may withdraw any redemption request by delivering a written request for withdrawal to the depository not less than 15 days before the redemption date. A written request must specify:

- the date on which the redemption request was submitted to the depository,
- the face amount and the CUSIP number of the CDs that were to be redeemed, and
- that the authorized representative has instructed the broker to withdraw the redemption request.

Goldman Sachs Bank USA has no responsibility for the actions of the depository or any broker, or any other financial institution through which any interest in the CDs may be held, with regard to redemption requests or withdrawal requests, including any failure to make, or any delay in making, such a request on the part of the depository, any broker or any such other institution.

Evidence of the Certificates of Deposit

The CDs will be evidenced by one or more master certificates issued by us, each representing a number of individual CDs. These master certificates will be held by or on behalf of DTC, a sub-custodian which is in the business of performing such custodial services. No evidence of ownership, such as a passbook or a certificate, will be provided to you. Your broker, as custodian, keeps records of the ownership of each CD and will provide you with a written confirmation of your purchase. You should retain the confirmation and the account statement(s) for your records. Because you will not be provided with a certificate evidencing your CD, the purchase of a CD is not recommended for persons who wish to take physical possession of a certificate. For further information about the payment mechanics for the CDs, see "Legal Ownership and Payment" below.

LEGAL OWNERSHIP AND PAYMENT

In this section, we describe special considerations that will apply to CDs issued in master certificate form and describe how payments will be made on the CDs.

Who Is the Legal Owner of a Certificate of Deposit?

Each CD will be represented by one or more master certificates representing the entire issuance of CDs. We refer to those who have CDs registered in their own names, on the books that we or an agent maintain for this purpose, as the “holders” of those CDs. These persons are the legal holders of the CDs. We refer to those who, indirectly through others, own beneficial interests in CDs that are not registered in their own names as indirect owners of those CDs. As we discuss below, indirect owners are not legal holders, and investors in CDs issued in master certificate form will be indirect owners.

Each CD issued in master certificate form will be deposited with, and registered in the name of, one or more financial institutions or clearing systems, or their nominees, which we select. A financial institution or clearing system that we select for any CD for this purpose is called the “depository” for that CD. A CD will usually have only one depository but it may have more. Each CD will have the following as the depository, unless otherwise specified in your supplement: The Depository Trust Company, New York, New York, which is known as “DTC”.

A master certificate may not be transferred to or registered in the name of anyone other than the depository or its nominee, unless the master certificate is terminated. As a result of these arrangements, the depository, or its nominee, will be the sole registered owner and holder of all CDs represented by a master certificate, and investors will be permitted to own only indirect interests in a master certificate. Indirect interests must be held by means of an account with a broker, bank or other financial institution that in turn has an account with the depository or with another institution that does. Thus, an investor whose CDs are represented by a master certificate will not be a holder of the CDs, but only an indirect owner of an interest in the master certificate.

The CDs will be represented by a master certificate at all times unless and until the master certificate is terminated, which we do not expect to occur. If such a termination does occur, we may issue the CDs through another depository or clearing system or decide that the CDs may no longer be held through any depository or clearing system.

Legal Holders

Our obligations, and the obligations, if any, of any third parties employed by us or any other agent, run only to the holders of the CDs. We do not have any obligations to investors who hold beneficial interests in CDs.

For example, we will make all payments on the CDs to the depository or to a paying agent appointed by us, who will make payments to the depository. The depository passes along the payments it receives to its participants, which in turn pass the payments along to their customers who are the beneficial owners. The depository and its participants do so under agreements they have made with one another or with their customers; they are not obligated to do so under the terms of the CDs. We therefore have no further responsibility for that payment or notice even if that holder is required, under agreements with depository participants or customers or by law, to pass it along to the indirect owners but does not do so.

When we refer to “you” in this disclosure statement, we mean those who invest in the CDs being offered by this disclosure statement, whether they are the holders, or only indirect owners, of those CDs. When we refer to “your CDs” in this disclosure statement, we mean the CDs in which you will hold a direct or indirect interest.

Special Considerations for Indirect Owners

You should check with your own institution to find out:

- how it handles securities payments and notices;
- whether it imposes fees or charges;
- whether and how you can instruct it to exercise any rights to purchase or sell CDs;
- how it would handle a request for the holders' consent, if ever required;
- how it would exercise rights under the CDs if there were a default; and
- how the depository's rules and procedures will affect these matters.

You also should be aware of the following:

- An investor cannot cause the CDs to be registered in his or her own name, and cannot obtain certificates for his or her interest in the CDs;
- An investor may not be able to sell interests in the CDs to some insurance companies and other institutions that are required by law to own their securities directly;
- An investor may not be able to pledge his or her interest in a master certificate in circumstances where certificates representing the CDs must be delivered to the lender or other beneficiary of the pledge in order for the pledge to be effective;
- The depository's policies will govern payments, deliveries, transfers, exchanges, notices and other matters relating to an investor's interest in a master certificate, and those policies may change from time to time. We will have no responsibility for any aspect of the depository's policies, actions or records of ownership interests in a master certificate. We also do not supervise the depository in any way;
- The depository will require that those who purchase and sell interests in a master certificate use immediately available funds and your broker or bank may require you to do so as well; and
- Financial institutions that participate in the depository through which an investor indirectly holds its interest in the master certificate may also have their own policies affecting payments, deliveries, transfers, exchanges, notices and other matters relating to the CDs, and those policies may change from time to time. There may be more than one financial intermediary in the chain of ownership for an investor. We do not monitor and are not responsible for the policies or actions or records of ownership interests of any of those intermediaries.

Each CD constitutes a direct obligation of Goldman Sachs Bank USA and is not, either directly or indirectly, an obligation of any broker, The Goldman Sachs Group, Inc. or any of our affiliates. You will have the ability to enforce your rights in a CD directly against Goldman Sachs Bank USA. No deposit relationship shall be deemed to exist prior to the receipt and acceptance of your funds by Goldman Sachs Bank USA.

If you choose to remove your broker as your agent with respect to your CD, you may (i) transfer your CD to another agent so long as that agent is a member of DTC (most major brokerage firms are members; many FDIC-insured depositories are not) or (ii) request that ownership of your CDs be evidenced directly on the books of Goldman Sachs Bank USA, subject

to applicable law and provided that all required information, including any information required to open an account, is provided to Goldman Sachs Bank USA.

Who Receives Payment?

If interest or a contingent coupon is due on a CD on an interest payment date or coupon payment date, we will pay the interest or contingent coupon to the person in whose name the CDs are registered at the close of business on the regular record date relating to the interest payment date or coupon payment date, as described below under “— Payment and Record Dates for Interest and Coupons”. If interest or a contingent coupon is due at maturity but on a day that is not an interest payment date or coupon payment date, we will pay the interest or contingent coupon to the person entitled to receive the principal of the CDs. If principal or another amount besides interest is due on a CD at maturity, we will pay the amount to the holder of the CDs in accordance with the policies of DTC.

Payment and Record Dates for Interest and Coupons

The dates on which interest or coupons will be payable will be specified in your supplement. Unless we specify otherwise in the applicable supplement, the record date for any payment date will be the day immediately prior to the day on which an interest payment or coupon payment is to be made (as such payment date may be adjusted under the applicable business day convention, if any). This prior day will be the record date whether or not it is a business day.

Unless we specify otherwise in this disclosure statement or in the applicable supplement, the term “days” refers to calendar days.

Method of Payment

We or our paying agent will make payments on the CDs in accordance with the applicable policies as in effect from time to time of the depository. The Depository Trust Company, New York, New York, known as “DTC”, will be the depository for all CDs. Under those policies, we or our paying agent will pay directly to the depository, or its nominee, and not to any indirect owners who own beneficial interests in the CDs. An indirect owner’s right to receive those payments will be governed by the rules and practices of the depository and its participants, as described above.

Paying Agent

We may appoint one or more financial institutions to act as our paying agents. The paying agent will be responsible for remitting to the depository any payments provided by us to it that are due on the CDs and for notifying us of any requests for redemption made pursuant to the estate feature described above. We may add, replace or terminate paying agents from time to time. We may also choose to act as our own paying agent. Initially, we have appointed The Bank of New York Mellon, at its corporate trust office in New York City, as the paying agent.

Notices

Notices to be given to holders of a CD will be given only to the depository, in accordance with its applicable policies as in effect from time to time.

Investors should consult their banks or brokers for information on how they will receive notices.

UNITED STATES TAXATION

This section describes the material United States federal income tax consequences of owning the CDs we are offering and it is the opinion of Sidley Austin LLP, United States tax counsel to Goldman Sachs Bank USA and The Goldman Sachs Group, Inc. It applies to you only if you hold your CDs as capital assets for tax purposes. This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

- a dealer in securities or currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank;
- a life insurance company;
- a thrift institution;
- a regulated investment company;
- a tax-exempt organization;
- a person that owns a CD as a hedge or that is hedged against interest rate or currency risks;
- a person that purchases or sells a CD as part of a wash-sale for tax purposes;
- a person that owns a CD as part of a straddle or conversion transaction for tax purposes; or
- a United States holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar.

This section is based on the U.S. Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations under the Internal Revenue Code, published rulings and court decisions, all as currently in effect. These laws are subject to change, possibly on a retroactive basis.

If a partnership holds the CDs, the United States federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the CDs should consult its tax advisor with regard to the United States federal income tax treatment of an investment in the CDs.

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

United States Holders

This subsection describes the tax consequences to a United States holder. You are a United States holder if you are a beneficial owner of a CD for United States federal income tax purposes and you are:

- a citizen or resident of the United States;
- a domestic corporation;
- an estate whose income is subject to United States federal income tax regardless of its source; or
- a trust, if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

If you are not a United States holder, this subsection does not apply to you and you should refer to “— United States Alien Holders” below.

Payments of

Interest General

Except as described below in the case of interest on a discount CD that is not qualified stated interest, each as defined below under “— Original Issue Discount — General”, you will be taxed on any interest on your CD as ordinary income at the time you receive the interest or when it accrues, depending on your method of accounting for tax purposes.

Original Issue

Discount General

If you own a CD, other than a CD with a term of one year or less, it will be treated as a discount CD issued at an original issue discount (“OID”) if the amount by which the CD's stated redemption price at maturity exceeds its issue price is more than a de minimis amount. Generally, a CD's issue price will be the first price at which a substantial amount of CDs included in the issue of which the CD is a part is sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers. A CD's stated redemption price at maturity is the total of all payments provided by the CD that are not payments of qualified stated interest. Generally, an interest payment on a CD is qualified stated interest if it is one of a series of stated interest payments on a CD that are unconditionally payable at least annually at a single fixed rate, with certain exceptions for lower rates paid during some periods, applied to the outstanding principal amount of the CD. There are special rules for variable rate CDs that are discussed below under “— Variable Rate Certificates of Deposit”.

In general, your CD is not a discount CD if the amount by which its stated redemption price at maturity exceeds its issue price is less than the de minimis amount of $\frac{1}{4}$ of 1 percent of its stated redemption price at maturity multiplied by the number of complete years to its maturity. Your CD will have de minimis OID if the amount of the excess is less than the de minimis amount. If your CD has de

minimis OID, you must include the de minimis amount in income as stated principal payments are made on the CD, unless you make the election described below under “— Election to Treat All Interest as Original Issue Discount”. You can determine the includible amount with respect to each such payment by multiplying the total amount of your CD’s de minimis OID by a fraction equal to:

- the amount of the principal payment made

divided by:

- the stated principal amount of the CD.

Generally, if your discount CD matures more than one year from its date of issue, you must include OID in income before you receive cash attributable to that income. The amount of OID that you must include in income is calculated using a constant-yield method, and generally you will include increasingly greater amounts of OID in income over the life of your CD. More specifically, you can calculate the amount of OID that you must include in income by adding the daily portions of OID with respect to your discount CD for each day during the taxable year or portion of the taxable year that you hold your discount CD. You can determine the daily portion by allocating to each day in any accrual period a pro rata portion of the OID allocable to that accrual period. You may select an accrual period of any length with respect to your discount CD and you may vary the length of each accrual period over the term of your discount CD. However, no accrual period may be longer than one year and each scheduled payment of interest or principal on the discount CD must occur on either the first or final day of an accrual period.

You can determine the amount of OID allocable to an accrual period by:

- multiplying your discount CD’s adjusted issue price at the beginning of the accrual period by your CD’s yield to maturity, and then
- subtracting from this figure the sum of the payments of qualified stated interest on your CD allocable to the accrual period.

You must determine the discount CD’s yield to maturity on the basis of compounding at the close of each accrual period and adjusting for the length of each accrual period. Further, you determine your discount CD’s adjusted issue price at the beginning of any accrual period by:

- adding your discount CD’s issue price and any accrued OID for each prior accrual period, and then
- subtracting any payments previously made on your discount CD that were not qualified stated interest payments.

If an interval between payments of qualified stated interest on your discount CD contains more than one accrual period, then, when you determine the amount of OID allocable to an accrual period, you must allocate the amount of qualified stated interest payable at the end of the interval, including any qualified stated interest that is payable on the first day of the accrual period immediately following the interval, pro rata to each accrual period in the interval based on their relative lengths. In addition, you must increase the adjusted issue price at the beginning of each accrual period in the interval by the amount of any qualified stated interest that has accrued prior to the first day of the accrual period but that is not payable until the end of the interval. You may compute the amount of OID allocable to an initial short accrual period by using any reasonable method if all other accrual periods, other than a final short accrual period, are of equal length.

The amount of OID allocable to the final accrual period is equal to the difference between:

- the amount payable at the maturity of your CD, other than any payment of qualified stated interest, and
- your CD's adjusted issue price as of the beginning of the final accrual period.

Acquisition Premium

If you purchase your CD for an amount that is less than or equal to the sum of all amounts, other than qualified stated interest, payable on your CD after the purchase date but is greater than the amount of your CD's adjusted issue price, as determined above under “— General”, the excess is acquisition premium. If you do not make the election described below under “— Election to Treat All Interest as Original Issue Discount”, then you must reduce the daily portions of OID by a fraction equal to:

- the excess of your adjusted basis in the CD immediately after purchase over the adjusted issue price of the CD

divided by:

- the excess of the sum of all amounts payable, other than qualified stated interest, on the CD after the purchase date over the CD's adjusted issue price.

Pre-Issuance Accrued Interest

An election may be made to decrease the issue price of your CD by the amount of pre-issuance accrued interest if:

- a portion of the initial purchase price of your CD is attributable to pre-issuance accrued interest,
- the first stated interest payment on your CD is to be made within one year of your CD's issue date, and
- the payment will equal or exceed the amount of pre-issuance accrued interest.

If this election is made, a portion of the first stated interest payment will be treated as a return of the excluded pre-issuance accrued interest and not as an amount payable on your CD.

Certificates of Deposit Subject to Contingencies Including Optional Redemption

Your CD is subject to a contingency if it provides for an alternative payment schedule or schedules applicable upon the occurrence of a contingency or contingencies, other than a remote or incidental contingency, whether such contingency relates to payments of interest or of principal. In such a case, you must determine the yield and maturity of your CD by assuming that the payments will be made according to the payment schedule most likely to occur if:

- the timing and amounts of the payments that comprise each payment schedule are known as of the issue date and
- one of such schedules is significantly more likely than not to occur.

If there is no single payment schedule that is significantly more likely than not to occur, you must include income on your CD in accordance with the general rules that govern contingent payment debt instruments, as described below under “—Indexed and Other Certificates of Deposit”.

Notwithstanding the general rules for determining yield and maturity, if your CD is subject to contingencies, and either you or we have an unconditional option or options that, if exercised, would require payments to be made on the CD under an alternative payment schedule or schedules, then:

- in the case of an option or options that we may exercise, we will be deemed to exercise or not exercise an option or combination of options in the manner that minimizes the yield on your CD, and
- in the case of an option or options that you may exercise, you will be deemed to exercise or not exercise an option or combination of options in the manner that maximizes the yield on your CD.

If both you and we hold options described in the preceding sentence, those rules will apply to each option in the order in which they may be exercised. You may determine the yield on your CD for the purposes of those calculations by using any date on which your CD may be redeemed or repurchased as the maturity date and the amount payable on the date that you chose in accordance with the terms of your CD as the principal amount payable at maturity.

If a contingency, including the exercise of an option, actually occurs or does not occur contrary to an assumption made according to the above rules then, except to the extent that a portion of your CD is repaid as a result of this change in circumstances and solely to determine the amount and accrual of OID, you must redetermine the yield and maturity of your CD by treating your CD as having been retired and reissued on the date of the change in circumstances for an amount equal to your CD's adjusted issue price on that date.

Election to Treat All Interest as Original Issue Discount

You may elect to include in gross income all interest that accrues on your CD using the constant-yield method described above under “— General”, with the modifications described below. For purposes of this election, interest will include stated interest, OID, de minimis OID, market discount, de minimis market discount and unstated interest, as adjusted by any amortizable bond premium, described below under “— Certificates of Deposit Purchased at a Premium,” or acquisition premium.

If you make this election for your CD, then, when you apply the constant-yield method:

- the issue price of your CD will equal your cost,
- the issue date of your CD will be the date you acquired it, and
- no payments on your CD will be treated as payments of qualified stated interest.

Generally, this election will apply only to the CD for which you make it; however, if the CD has amortizable bond premium, you will be deemed to have made an election to apply amortizable bond premium against interest for all debt instruments with amortizable bond premium, other than debt instruments the interest on which is excludible from gross income, that you hold as of the beginning of the taxable year to which the election applies or any taxable year thereafter. Additionally, if you make this election for a market discount CD, you will be treated as having made the election discussed below under “— Market Discount” to include market discount in income currently over the life of all debt instruments having market discount that you acquire on or after the first day of the first taxable year to which the election applies. You may not revoke any election to apply the constant-yield method to all interest on a CD or the deemed elections with respect to amortizable bond premium or market discount CDs without the consent of the United States Internal Revenue Service.

Variable Rate Certificates of Deposit

Your CD will be a variable rate CD if:

- your CD's issue price does not exceed the total non-contingent principal payments by more than the lesser of:
 - *.015 multiplied by the product of the total non-contingent principal payments and the number of complete years to maturity from the issue date, or*
 - 15 percent of the total non-contingent principal payments; and
- your CD provides for stated interest, compounded or paid at least annually, only at:
 - one or more qualified floating rates,
 - a single fixed rate and one or more qualified floating rates,
 - a single objective rate, or
 - a single fixed rate and a single objective rate that is a qualified inverse floating rate.

Your CD will have a variable rate that is a qualified floating rate if:

- variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds; or
- the rate is equal to such a rate multiplied by either:
 - a fixed multiple that is greater than 0.65 but not more than 1.35; or
 - a fixed multiple greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate; and
- the value of the rate on any date during the term of your CD is set no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

If your CD provides for two or more qualified floating rates that are within 0.25 percentage points of each other on the issue date or can reasonably be expected to have approximately the same values throughout the term of the CD, the qualified floating rates together constitute a single qualified floating rate.

Your CD will not have a qualified floating rate, however, if the rate is subject to certain restrictions, including caps, floors, governors, or other similar restrictions, unless such restrictions are fixed throughout the term of the CD or are not reasonably expected to significantly affect the yield on the CD.

Your CD will have a variable rate that is a single objective rate if:

- the rate is not a qualified floating rate,
- the rate is determined using a single, fixed formula that is based on objective financial or economic information that is not within the control of or unique to the circumstances of the issuer or a related party, and

- the value of the rate on any date during the term of your CD is set no earlier than three months before the first day on which that value is in effect and no later than one year following that first day.

Your CD will not have a variable rate that is an objective rate, however, if it is reasonably expected that the average value of the rate during the first half of your CD's term will be either significantly less than or significantly greater than the average value of the rate during the final half of your CD's term.

An objective rate, as described above, is a qualified inverse floating rate if:

- the rate is equal to a fixed rate *minus* a qualified floating rate, and
- the variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the cost of newly borrowed funds.

Your CD will also have a single qualified floating rate or an objective rate if interest on your CD is stated at a fixed rate for an initial period of one year or less followed by either a qualified floating rate or an objective rate for a subsequent period, and either:

- the fixed rate and the qualified floating rate or objective rate have values on the issue date of the CD that do not differ by more than 0.25 percentage points; or
- the value of the qualified floating rate or objective rate is intended to approximate the fixed rate.

In general, if your variable rate CD provides for stated interest at a single qualified floating rate or objective rate, or one of those rates after a single fixed rate for an initial period, all stated interest on your CD is qualified stated interest. In this case, the amount of OID, if any, is determined by using, in the case of a qualified floating rate or qualified inverse floating rate, the value as of the issue date of the qualified floating rate or qualified inverse floating rate, or, for any other objective rate, a fixed rate that reflects the yield reasonably expected for your CD.

If your variable rate CD does not provide for stated interest at a single qualified floating rate or a single objective rate, and also does not provide for interest payable at a fixed rate other than a single fixed rate for an initial period, you generally must determine the interest and OID accruals on your CD by:

- determining a fixed rate substitute for each variable rate provided under your variable rate CD,
- constructing the equivalent fixed rate debt instrument, using the fixed rate substitute described above,
- determining the amount of qualified stated interest and OID with respect to the equivalent fixed rate debt instrument, and
- adjusting for actual variable rates during the applicable accrual period.

When you determine the fixed rate substitute for each variable rate provided under the variable rate CD, you generally will use the value of each variable rate as of the issue date or, for an objective rate that is not a qualified inverse floating rate, a rate that reflects the reasonably expected yield on your CD.

If your variable rate CD provides for stated interest either at one or more qualified floating rates or at a qualified inverse floating rate, and also provides for stated interest at a single fixed rate other than at a single fixed rate for an initial period, you generally must determine interest and OID accruals by using the method described in the previous paragraph. However, your variable rate CD will be treated, for purposes of the first three steps of the determination, as if your CD had provided for a qualified floating

rate, or a qualified inverse floating rate, rather than the fixed rate. The qualified floating rate, or qualified inverse floating rate, that replaces the fixed rate must be such that the fair market value of your variable rate CD as of the issue date approximates the fair market value of an otherwise identical debt instrument that provides for the qualified floating rate, or qualified inverse floating rate, rather than the fixed rate.

Short-Term Certificates of Deposit

In general, if you are an individual or other cash basis United States holder of a CD with a term of one year or less, a “short-term CD”, you are not required to accrue OID, as specially defined below for the purposes of this paragraph, for United States federal income tax purposes unless you elect to do so, although it is possible that you may be required to include any stated interest in income as you receive it. If you are an accrual basis taxpayer, a taxpayer in a special class, including, but not limited to, a regulated investment company, common trust fund, or a certain type of pass-through entity, or a cash basis taxpayer who so elects, you will be required to accrue OID on short-term CDs on either a straight-line basis or under the constant-yield method, based on daily compounding. If you are not required and do not elect to include OID in income currently, any gain you realize on the sale or retirement of your short-term CD will be ordinary income to the extent of the accrued OID, which will be determined on a straight-line basis unless you make an election to accrue the OID under the constant-yield method, through the date of sale or retirement. However, if you are not required and do not elect to accrue OID on your short-term CDs, you will be required to defer deductions for interest on borrowings allocable to your short-term CDs in an amount not exceeding the deferred income until the deferred income is realized.

When you determine the amount of OID subject to these rules, you must include all interest payments on your short-term CD, including stated interest, in your short-term CD’s stated redemption price at maturity.

Market Discount

You will be treated as if you purchased your CD, other than a short-term CD and a contingent payment debt obligation as defined under “—Indexed and Other Certificates of Deposit”, at a market discount, and your CD will be a market discount CD if the difference between the CD’s stated redemption price at maturity or, in the case of a discount CD, the CD’s revised issue price, and the price you paid for your CD is equal to or greater than $\frac{1}{4}$ of 1 percent of your CD’s stated redemption price at maturity or revised issue price, respectively, *multiplied* by the number of complete years to the CD’s maturity. To determine the revised issue price of your CD for these purposes, you generally add any OID that has accrued on your CD to its issue price.

If your CD’s stated redemption price at maturity or, in the case of a discount CD, its revised issue price, exceeds the price you paid for the CD by less than $\frac{1}{4}$ of 1 percent *multiplied* by the number of complete years to the CD’s maturity, the excess constitutes de minimis market discount, and the rules discussed below are not applicable to you.

You must treat any gain you recognize on the maturity or disposition of your market discount CD as ordinary income to the extent of the accrued market discount on your CD. Alternatively, you may elect to include market discount in income currently over the life of your CD. If you make this election, it will apply to all debt instruments with market discount that you acquire on or after the first day of the first taxable year to which the election applies. You may not revoke this election without the consent of the United States Internal Revenue Service. If you own a market discount CD and do not make this election, you will generally be required to defer deductions for interest on borrowings allocable to your CD in an amount not exceeding the accrued market discount on your CD until the maturity or disposition of your CD.

You will accrue market discount on your market discount CD on a straight-line basis unless you elect to accrue market discount using a constant-yield method. If you make this election, it will apply only to the CD with respect to which it is made and you may not revoke it.

Certificates of Deposit Purchased at a Premium

If you purchase your CD, other than a contingent payment debt obligation as defined under “— Indexed and Other Certificates of Deposit”, for an amount in excess of its principal amount, you may elect to treat the excess as amortizable bond premium. If you make this election, you will reduce the amount required to be included in your income each year with respect to interest on your CD by the amount of amortizable bond premium allocable to that year, based on your CD’s yield to maturity. If you make an election to amortize bond premium, it will apply to all debt instruments, other than debt instruments the interest on which is excludible from gross income, that you hold at the beginning of the first taxable year to which the election applies or that you thereafter acquire, and you may not revoke it without the consent of the United States Internal Revenue Service. See also “— Original Issue Discount — Election to Treat All Interest as Original Issue Discount”.

Indexed and Other Certificates of Deposit

Certain CDs that are treated as “contingent payment debt instruments” are subject to special rules. The applicable supplement will indicate whether we intend to treat a CD as a contingent payment debt instrument. A contingent payment debt instrument is treated as issued with OID in an amount that is determined and accrued under the “noncontingent bond method”.

Under the noncontingent bond method, for each accrual period, you must accrue OID equal to the product of (1) the “comparable yield” (adjusted for the length of the accrual period) and (2) the “adjusted issue price” of the CDs at the beginning of the accrual period. This amount is ratably allocated to each day in the accrual period and is includible as ordinary interest income for each day in the accrual period on which you hold the contingent payment debt instrument, whether or not the amount of any payment is fixed or determinable in the taxable year. Thus, the noncontingent bond method may result in recognition of income prior to the receipt of cash.

In general, the comparable yield of a contingent payment debt instrument is equal to the yield at which we would issue a fixed rate debt instrument with terms and conditions similar to those of the contingent payment debt instrument, including level of subordination, term, timing of payments, and general market conditions. For example, if a hedge of the contingent payment debt instrument is available that, if integrated with the contingent payment debt instrument, would produce a “synthetic debt instrument” with a specific yield to maturity, the comparable yield will be equal to the yield of the synthetic debt instrument. However, if such a hedge is not available, but we have similar fixed rate debt instruments that are traded at a price that reflects a spread above a benchmark rate, the comparable yield is the sum of the benchmark rate on the issue date and the spread. We will provide the comparable yield of any contingent payment debt instrument in the applicable supplement.

The adjusted issue price at the beginning of each accrual period is generally equal to the issue price of the CD (as defined under “— Original Issue Discount — General”) plus the amount of OID previously includible in your gross income less any noncontingent payment and the projected amount of any contingent payment contained in the projected payment schedule (as described below) previously made on the contingent payment debt instrument.

In addition to the determination of a comparable yield, the noncontingent bond method requires the construction of a projected payment schedule. The projected payment schedule includes all noncontingent payments and projected amounts for each contingent payment we will make under the contingent payment debt instrument, adjusted to produce the comparable yield. We will provide the projected payment schedule of any contingent payment debt instrument in the applicable supplement. The projected payment schedule remains fixed throughout the term of the contingent payment debt instrument. You are required to use our projected payment schedule to determine its interest accruals and adjustments, unless you determine that our projected payment schedule is unreasonable, in which case you must disclose your own projected payment schedule in connection with your federal income tax return and the reason(s) why you are not using our projected payment schedule.

If the actual amounts of contingent payments are different from the amounts reflected in the projected payment schedule, you are required to make adjustments to your accruals under the noncontingent bond method described above when those amounts are paid. Adjustments arising from contingent payments that are greater than the assumed amounts of those payments are referred to as "positive adjustments"; adjustments arising from contingent payments that are less than the assumed amounts are referred to as "negative adjustments". Positive and negative adjustments are netted for each taxable year with respect to each CD. You should treat any net positive adjustment for a taxable year as additional OID income. Any net negative adjustment reduces any OID on the CD for the taxable year that you would otherwise accrue. You should treat any excess as a current-year ordinary loss to the extent of OID accrued in prior years. The balance, if any, is treated as a negative adjustment in subsequent taxable years. Finally, to the extent that it has not previously been taken into account, an excess negative adjustment reduces the amount realized upon a sale, exchange, redemption or other taxable disposition of the CD.

It is possible that any Form 1099-OID you receive in respect of the contingent payment debt instrument may not take net negative or positive adjustments into account and therefore may overstate or understate your interest inclusions. You should consult your tax advisor as to whether, and how, adjustments should be made to the amounts reported on any Form 1099-OID.

Notwithstanding the rules described above, special rules apply to a contingent payment debt instrument where all the remaining contingent payments on such instrument become fixed more than six months before all of the contingent payments on such instrument become due. These rules are complex and, in certain circumstances, unclear. If relevant, they will be discussed further in an applicable supplement.

If you purchase a contingent payment debt instrument for an amount that differs from the instrument's adjusted issue price (as defined above) at the time of the purchase, you must determine the extent to which the difference between the price that was paid for the contingent payment debt instrument and the adjusted issue price of the contingent payment debt instrument at the time of purchase is attributable to a change in expectations as to the projected payment schedule, a change in interest rates, or both, and allocate the difference accordingly.

If you purchase a contingent payment debt instrument for an amount that is less than the adjusted issue price of that contingent payment debt instrument, you must (1) make positive adjustments increasing the amount of interest that would otherwise be accrued and include in income each year to the extent of amounts allocated to a change in interest rates under the preceding paragraph, and (2) make positive adjustments increasing the amount of ordinary income (or decreasing the amount of loss) that would otherwise be recognized upon the receipt, if any, of each remaining contingent payment with respect to the contingent payment debt instrument to the extent of amounts allocated to a change in expectations as to the projected payment schedule under the preceding paragraph. If you purchase a contingent payment debt instrument for an amount that is greater than the adjusted issue price of that contingent payment debt instrument, you must (1) make negative adjustments decreasing the amount of interest that would otherwise be accrued and include in income each year to the extent of amounts allocated to a change in interest rates under the preceding paragraph, and (2) make negative adjustments decreasing the amount of ordinary income (or increasing the amount of loss) that would otherwise be recognized upon the receipt, if any, of each remaining contingent payment with respect to the contingent payment debt instrument to the extent of amounts allocated to a change in expectations as to the projected payment schedule under the preceding paragraph. Adjustments allocated to the interest amount are not made until the date the daily portion of interest accrues.

Because any Form 1099-OID that you receive in respect of the contingent payment debt instrument will not reflect the effects of positive or negative adjustments resulting from your purchase of that contingent payment debt instrument at a price other than the adjusted issue price determined for tax purposes, you are urged to consult your tax advisor as to whether, and how, adjustments should be made to the amounts reported on any Form 1099-OID.

Purchase, Sale and Retirement of the Certificates of Deposit

General

Your tax basis in your CD will generally be the U.S. dollar cost, as defined below, of your CD, adjusted by:

- adding any OID market discount, de minimis OID and de minimis market discount previously included in income with respect to your CD, and then
- subtracting any payments on your CD that are not qualified stated interest payments and any amortizable bond premium applied to reduce interest on your CD.

You will generally recognize gain or loss on the sale or retirement of your CD equal to the difference between the amount you realize on the sale or retirement and your tax basis in your CD.

You will recognize capital gain or loss when you sell or retire your CD, except to the extent:

- described above under “— Original Issue Discount — Short-Term Certificates of Deposit” or “— Market Discount”,
- attributable to accrued but unpaid interest, or
- the rules governing contingent payment debt instruments apply.

Capital gain of a non-corporate United States holder is generally taxed at preferential rates where the property is held for more than one year.

Sale of Contingent Payment Debt Instruments

You will recognize a gain or loss on the sale or retirement of a CD that is treated as a contingent payment debt instrument in an amount equal to the difference between the amount you receive for the contingent payment debt instrument and your adjusted basis in such instrument. In general, your adjusted basis in a contingent payment debt instrument will equal the amount you paid for such instrument, increased by the amount of interest you previously accrued with respect to the contingent payment debt instrument (in accordance with the comparable yield for the contingent payment debt instrument), reduced by the amount of any noncontingent payments and the projected amount of any contingent payments previously made with respect to the instrument. In addition, your basis in a contingent payment debt instrument will be increased or decreased by the amount of any positive or negative adjustments, if any, that you are required to make under the rules described above if the contingent payment debt instrument was purchased for an amount that differed from the adjusted issue price of that contingent payment debt instrument.

Gain on the sale or redemption of a contingent payment debt instrument generally is treated as ordinary income. Loss, on the other hand, is treated as ordinary only to the extent of your prior net OID inclusions (i.e., reduced by the total net negative adjustments you were previously allowed as an ordinary loss) and capital to the extent in excess thereof. The deductibility of a capital loss realized on the sale, exchange or other taxable disposition of a CD is subject to limitations.

Medicare Tax

A U.S. person that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will be subject to a 3.8% tax on the lesser of (1) the U.S. person's "net investment income" for the relevant taxable year and (2) the excess of the U.S. person's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between \$125,000 and \$250,000, depending on the individual's circumstances). Your net investment income will generally include your interest income and your net gains from the disposition of CDs, unless such interest payments or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are a U.S. person that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the CDs.

Recent Tax Legislation

Pursuant to recently enacted legislation, for taxable years beginning after December 31, 2017, with respect to a debt instrument with market discount, and for taxable years beginning after December 31, 2018, with respect to a debt instrument issued with original issue discount, an accrual method taxpayer that reports revenues on an applicable financial statement generally must recognize income for U.S. federal income tax purposes no later than the taxable year in which such income is taken into account as revenue in an applicable financial statement of the taxpayer. For this purpose, an "applicable financial statement" generally means a financial statement certified as having been prepared in accordance with generally accepted accounting principles or that is made on the basis of international financial reporting standards and which is used by the taxpayer for various specified purposes. This rule could potentially require such a taxpayer to recognize income for U.S. federal income tax purposes with respect to certain CDs prior to the time such income would be recognized pursuant to the rules described above. Potential investors in the CDs should consult their tax advisors regarding the potential applicability of these rules to their investment in the CDs.

United States Alien Holders

This subsection describes the tax consequences to a United States alien holder. You are a United States alien holder if you are the beneficial owner of a CD and are, for United States federal income tax purposes:

- a nonresident alien individual,
- a foreign corporation, or
- an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain from a CD.

You are not a United States alien holder for purposes of this discussion if you are an individual present in the United States for 183 days or more in the taxable year of disposition of a CD. In this case, you should consult your own tax adviser regarding the U.S. federal income tax consequences of the sale, exchange or other disposition (including retirement or early redemption) of a CD.

Under United States federal income tax law, and subject to the discussion of backup withholding and foreign account tax compliance below, if you are a United States alien holder of a CD we and other U.S. payors generally will not be required to deduct United States withholding tax from payments of principal, premium, if any, and interest including OID, to you.

In addition, a CD held by an individual who at death is not a citizen or resident of the United States will not be includible in the individual's gross estate for United States federal estate tax purposes if the income on the CD would not have been effectively connected with a U.S. trade or business of the

decedent at the time of the decedent's death.

Dividend Equivalent Withholding

The Treasury Department has issued regulations under which amounts paid or deemed paid on certain financial instruments ("871(m) financial instruments") that are treated as attributable to U.S.-source dividends could be treated, in whole or in part depending on the circumstances, as a "dividend equivalent" payment that is subject to tax at a rate of 30% (or a lower rate under an applicable treaty), which in the case of amounts you receive upon the sale, exchange, redemption or maturity of the CDs, could be collected via withholding. If these regulations were to apply to the CDs, we may be required to withhold such taxes if any U.S.-source dividends are paid on a U.S. equity, or a U.S. equity included in an index or basket, to which the CDs are linked during the term of the CDs. We could also require you to make certifications (e.g., an applicable Internal Revenue Service Form W-8) prior to the maturity of the CDs in order to avoid or minimize withholding obligations, and we could withhold accordingly (subject to your potential right to claim a refund from the Internal Revenue Service) if such certifications were not received or were not satisfactory. If withholding was required, we would not be required to pay any additional amounts with respect to amounts so withheld. These regulations generally will apply to 871(m) financial instruments (or a combination of financial instruments treated as having been entered into in connection with each other) issued (or significantly modified and treated as retired and reissued) on or after January 1, 2019, but will also apply to certain 871(m) financial instruments (or a combination of financial instruments treated as having been entered into in connection with each other) that have a delta (as defined in the applicable Treasury regulations) of one and are issued (or significantly modified and treated as retired and reissued) on or after January 1, 2017. In addition, these regulations will not apply to financial instruments that reference a "qualified index" (as defined in the regulations). In certain limited circumstances, it is possible for United States alien holders to be liable for tax under these rules with respect to a combination of transactions treated as having been entered into in connection with each other even when no withholding is required. The applicable supplement will discuss whether your CDs are subject to withholding under these rules.

Foreign Account Tax Compliance Act (FATCA) Withholding

A U.S. law enacted in 2010 (commonly known as "FATCA") could impose a withholding tax of 30% on interest income (including OID) and other periodic payments on CDs paid to you or any non-U.S. person or entity that receives such income (a "non-U.S. payee") on your behalf, unless you and each such non-U.S. payee in the payment chain comply with the applicable information reporting, account identification, withholding, certification and other FATCA-related requirements. This withholding tax could also apply to all payments made upon maturity, redemption, or sale of CDs by a non-compliant payee. In the case of a payee that is a non-U.S. financial institution (for example, a clearing system, custodian, nominee or broker), withholding generally will not be imposed if the financial institution complies with the requirements imposed by FATCA to collect and report (to the U.S. or another relevant taxing authority) substantial information regarding such institution's U.S. account holders (which would include some account holders that are non-U.S. entities but have U.S. owners). Other payees, including individuals, may be required to provide proof of tax residence or waivers of confidentiality laws and/or, in the case of non-U.S. entities, certification or information relating to their U.S. ownership.

Withholding may be imposed at any point in a chain of payments if the payee is not compliant. A chain may work as follows, for example: The payment is transferred through a paying agent to a clearing system, the clearing system makes a payment to each of the clearing system's participants, and finally the clearing system participant makes a payment to a non-U.S. bank or broker through which you hold the CDs, who credits the payment to your account. Accordingly, if you receive payments through a chain that includes one or more non-U.S. payees, such as a non-U.S. bank or broker, the payment could be subject to withholding if, for example, your non-U.S. bank or broker through which you hold the CDs fails to comply with the FATCA requirements and is subject to withholding. This would be the case even if you would not otherwise have been directly subject to withholding.

A number of countries have entered into, and other countries are expected to enter into, agreements with the U.S. to facilitate the type of information reporting required under FATCA. While the existence of such agreements will not eliminate the risk that CDs will be subject to the withholding described above,

these agreements are expected to reduce the risk of the withholding for investors in (or investors that indirectly hold debt securities through financial institutions in) those countries.

The withholding tax described above could currently apply to all interest, including OID, and other periodic payments made on the CDs. In addition, the withholding tax described above could apply to payments made upon the sale, exchange, redemption or maturity of the CDs on or after January 1, 2019. We will not pay any additional amounts in respect of this withholding tax, so if this withholding applies, you will receive less than the amount that you would have otherwise received.

Depending on your circumstances, you may be entitled to a refund or credit in respect of some or all of this withholding. However, even if you are entitled to have any such withholding refunded, the required procedures could be cumbersome and significantly delay your receipt of any withheld amounts. You should consult your tax advisor regarding FATCA. You should also consult your bank or broker through which you would hold the CDs about the likelihood that payments to it (for credit to you) may become subject to withholding in the payment chain.

In addition, your CDs may also be subject to other U.S. withholding tax as described herein.

Backup Withholding and Information Reporting

United States Holders

In general, if you are a noncorporate United States holder, we and other payors are required to report to the United States Internal Revenue Service all payments of principal, any premium and interest on your CD, and the accrual of OID on a discount CD. In addition, we and other payors are required to report to the United States Internal Revenue Service any payment of proceeds of the sale of your CD before maturity within the United States. Additionally, backup withholding will apply to any payments, including payments of OID, if you fail to provide an accurate taxpayer identification number, or you are notified by the United States Internal Revenue Service that you have failed to report all interest and dividends required to be shown on your federal income tax returns.

United States Alien Holders

In general, if you are a United States alien holder, payments of principal, premium or interest, including OID, made by us and other payors to you will not be subject to backup withholding and information reporting. However, we and other payors will report payments of interest, including OID, on Internal Revenue Service Form 1042-S (but will not backup withhold) if you supply an Internal Revenue Service Form W-8 or acceptable substitute that lists a permanent address in Canada, or we or other payors have actual knowledge that you reside in Canada. Payment of the proceeds from the sale of CDs effected at a United States office of a broker will not be subject to backup withholding and information reporting, provided that:

- the broker does not have actual knowledge or reason to know that you are a United States person and you have furnished to the broker:
 - an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form upon which you certify, under penalties of perjury, that you are not a United States person, or
 - other documentation upon which it may rely to treat the payment as made to a person who is not a United States person that is, for United States federal income tax purposes, the beneficial owner of the payment on the CDs in accordance with U.S. Treasury regulations, or
- you otherwise establish an exemption.

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

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

- the proceeds are transferred to an account maintained by you in the United States,
- the payment of proceeds or the confirmation of the sale is mailed to you at a United States address, or
- the sale has some other specified connection with the United States as provided in U.S. Treasury regulations,

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

In addition, payment of the proceeds from the sale of CDs effected at a foreign office of a broker will be subject to information reporting if the broker is:

- a United States person,
- a controlled foreign corporation for United States tax purposes,
- a foreign person, 50% or more of whose gross income is effectively connected with the conduct of a United States trade or business for a specified three-year period, or
- a foreign partnership, if at any time during its tax year:
 - one or more of its partners are “U.S. persons”, as defined in U.S. Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership, or
 - such foreign partnership is engaged in the conduct of a United States trade or business,

unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above, relating to a sale of CDs effected at a United States office of a broker, are met or you otherwise establish an exemption. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that you are a United States person.

EMPLOYEE RETIREMENT INCOME SECURITY ACT

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

The U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and the U.S. Internal Revenue Code of 1986, as amended (the “Code”), prohibit certain transactions (“prohibited transactions”) involving the assets of an employee benefit plan that is subject to the fiduciary responsibility provisions of ERISA or Section 4975 of the Code (including individual retirement accounts, Keogh plans and other plans described in Section 4975(e)(1) of the Code) (a “Plan”) and certain persons who are “parties in interest” (within the meaning of ERISA) or “disqualified persons” (within the meaning of the Code) with respect to the Plan; governmental plans may be subject to similar prohibitions unless an exemption applies to the transaction. The assets of a Plan may include assets held in the general account of an insurance company that are deemed “plan assets” under ERISA or assets of certain investment vehicles in which the Plan invests. Each of Goldman Sachs Bank USA and certain of its affiliates may be considered a “party in interest” or a “disqualified person” with respect to many Plans, and, accordingly, prohibited transactions may arise if the CDs are acquired by or on behalf of a Plan unless those CDs are acquired and held pursuant to an available exemption. In general, available exemptions are: transactions effected on behalf of that Plan by a “qualified professional asset manager” (prohibited transaction exemption 84-14) or an “in-house asset manager” (prohibited transaction exemption 96-23), transactions involving insurance company general accounts (prohibited transaction exemption 95-60), transactions involving insurance company pooled separate accounts (prohibited transaction exemption 90-1), transactions involving bank collective investment funds (prohibited transaction exemption 91-38) and transactions with service providers under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code where the Plan receives no less and pays no more than “adequate consideration” (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code). The person making the decision on behalf of a Plan or a governmental plan shall be deemed, on behalf of itself and the plan, by purchasing and holding the CDs, or exercising any rights related thereto, to represent that (a) the plan will receive no less and pay no more than “adequate consideration” (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code) in connection with the purchase and holding of the CDs, (b) none of the purchase, holding or disposition of the CDs or the exercise of any rights related to the CDs will result in a non-exempt prohibited transaction under ERISA or the Code (or, with respect to a governmental plan, under any similar applicable law or regulation), (c) neither Goldman Sachs Bank USA nor any of its affiliates is a “fiduciary” (within the meaning of Section 3(21) of ERISA or, with respect to a governmental plan, under any similar applicable law or regulation) with respect to the purchaser or holder in connection with such person’s acquisition, disposition or holding of the CDs, or as a result of any exercise by Goldman Sachs Bank USA or any of its affiliates of any rights in connection with the CDs, (d) the person making the decision to acquire the CDs in any initial offering on behalf of a Plan or a governmental plan (1) is a fiduciary under ERISA or Section 4975 of the Code, or both (or other applicable law with respect to a governmental plan), with respect to the decision to invest in the CDs, (2) is responsible for exercising independent judgment in evaluating the investment in the CDs offered hereby, (3) is independent of Goldman Sachs Bank USA and its affiliates, and (4) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies, including the decision to invest in the CDs, (e) with respect to a Plan that acquires the CDs in any initial offering, the conditions of the exception for “independent fiduciaries with financial expertise” as set forth in 29 C.F.R. § 2510.3-21(c)(1) are satisfied, and (f) neither Goldman Sachs Bank USA nor any of its affiliates is undertaking, or has undertaken, to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the decision of the purchaser to invest in the CDs or otherwise.

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

PLAN OF DISTRIBUTION

Under the arrangements we have entered into with certain dealers, who will sell the CDs from time to time, the dealers will receive a placement fee in connection with your purchase of the CDs. The supplement for your CDs will disclose the placement fee applicable to your CDs. In addition, a CD sold in the secondary market may have been purchased from us by a dealer upon issuance and held by such dealer until the secondary market sale.

CDs may be sold to the public, in one or more transactions, either:

- at a fixed price or prices, which may be changed;
- at market prices prevailing at the time of sale;
- at prices related to prevailing market prices; or
- at negotiated prices.

Goldman Sachs Bank USA has reserved the right to sell CDs directly to investors on its own behalf in those jurisdictions where it is authorized to do so. No selling commission will be payable nor will a selling discount be allowed on any sales made directly by Goldman Sachs Bank USA. Goldman Sachs Bank USA will have the sole right to accept offers to purchase CDs and may reject any such offer, in whole or in part.

The purchase price of the CDs will be required to be paid in immediately available funds in New York City.

The CDs have not been nor will they be registered under the Securities Act.

The dealers, as well as their associates, may be customers of or lenders to, and may engage in transactions with and perform services for, Goldman Sachs Bank USA and its affiliates in the ordinary course of business.

A FINRA member is not permitted to sell CDs in an offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.

Market-Making Resales by Affiliates

This disclosure statement may be used by GS&Co. in connection with offers and sales of the CDs in market-making transactions. In a market-making transaction, GS&Co. may resell CDs it acquires from other holders, after the original offering and sale of the CD. Resales of this kind may occur in the open market or may be privately negotiated, at prevailing market prices at the time of resale or at related or negotiated prices. In these transactions, GS&Co. may act as principal or agent, including as agent for the counterparty in a transaction in which GS&Co. acts as principal, or as agent for both counterparties in a transaction in which GS&Co. does not act as principal. GS&Co. may receive compensation in the form of discounts and commissions, including from both counterparties in some cases.

If a holder sells a CD to Goldman Sachs Bank USA, GS&Co. or any other affiliate of Goldman Sachs Bank USA after such holder purchases and pays for it, such holder will receive less than the principal amount and accrued interest on the CD, as determined at the time. Without limitation of other adjustments to the purchase price, if Goldman Sachs Bank USA, GS&Co. or any other affiliate of Goldman Sachs Bank USA purchases CDs in the secondary market within six days after the date of initial issuance of those CDs, the purchase price will be reduced by an early withdrawal penalty of 50 basis points. Thus, if you sell a CD to us or any of our affiliates shortly after you purchase and pay for it,

you may receive a reduced price for your CD.

Goldman Sachs Bank USA does not expect to receive any proceeds from market-making transactions. Goldman Sachs Bank USA does not expect that GS&Co. or any other affiliate that engages in these transactions will pay any proceeds from its market-making resales to Goldman Sachs Bank USA.

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

If the CDs are purchased from GS&Co. or any other affiliate of Goldman Sachs Bank USA, you are purchasing your CDs in a market-making transaction, unless the purchaser is informed otherwise in the confirmation of sale.

Matters Relating to Initial Offering and Market-Making Resales

Each CD will be a new issue, and there will be no established trading market for any CD prior to its original issue date. The dealers or GS&Co. may make a market in the CDs. However, neither GS&Co. nor any dealer that makes a market is obligated to do so, and any of them may stop doing so at any time without notice. No assurance can be given as to the liquidity or trading market for any of the CDs.

In this disclosure statement, an offering of CDs refers to the initial offering of the CDs made in connection with their original issuance, and does not refer to any subsequent resales of CDs in market-making transactions.

Conflicts of Interest

GS&Co. is an affiliate of The Goldman Sachs Group, Inc. and, as such, will have a “conflict of interest” in any offering of the CDs within the meaning of Financial Industry Regulatory Authority, Inc. (FINRA) Rule 5121. Consequently, any offering of the CDs will be conducted in compliance with the provisions of Rule 5121. GS&Co. will not be permitted to sell CDs in any offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.

ANNEX

[Form of Request for Redemption in the Event of Death or Adjudication of Incompetence]

Depository Trust and Clearing Corporation
ATTN. James Prochaska
Reorganization Department
55 Water Street, 25th floor
New York, NY 10041
Tel. (212) 855-7210

GOLDMAN SACHS BANK USA

CERTIFICATES OF DEPOSIT

[Insert title of CD] (the “Linked CDs”)

CUSIP no. []

The undersigned (the “Participant”) is, or is acting on behalf of, the beneficial owner of a portion of the Linked CDs specified above, which portion has an outstanding face amount equal to the amount set forth at the end of this redemption request notice. The undersigned hereby elects to exercise the Estate Feature as described in the disclosure statement, dated as of [_____], with respect to the Linked CDs (the “Disclosure Statement”).

The undersigned, _____, does hereby certify, pursuant to the provisions set forth in the Disclosure Statement, to The Bank of New York Mellon, as paying agent (the “Paying Agent”), to The Depository Trust Company (the “Depository”) and Goldman Sachs Bank USA (the “Issuer”) that:

[[Name of deceased Beneficial Owner] is deceased.][An adjudication of incompetence by a court or other administrative body of competent jurisdiction has been obtained with respect to [Name of incapacitated Beneficial Owner.]]

[Name of deceased/ incapacitated Beneficial Owner] had a \$ _____ beneficial interest in the above-referenced Linked CDs.

[Name of Authorized Representative] is [Beneficial Owner’s [personal representative/other person authorized to represent the estate of the Beneficial Owner/surviving joint tenant/surviving tenant by the entirety/trustee of a trust] [the court appointed authorized representative] of [Name of deceased/ incapacitated Beneficial Owner] and has delivered to the undersigned a request for redemption in form satisfactory to the undersigned, requesting that \$ _____ principal amount of such Linked CDs be redeemed in accordance with the terms of the Disclosure Statement. The amount in the preceding sentence represents the Beneficial Owner’s entire interest in the Linked CDs. The documents accompanying this request, all of which are in proper form, are in all respects satisfactory to the undersigned, and the undersigned is satisfied that [Name of Authorized Representative] is entitled to make this redemption request.

The Participant holds the beneficial interest in the outstanding face amount of the Linked CDs indicated at the end of this redemption request notice with respect to which this redemption request is being made on behalf of [Name of deceased/incapacitated Beneficial Owner].

The Participant hereby certifies that it will indemnify and hold harmless the Depository, the Paying Agent and the Issuer (including their respective officers, directors, agents, attorneys and employees), against all damages, loss, cost, expense (including reasonable attorneys' and accountants' fees), obligations, claims or liability incurred by the indemnified party or parties as a result of or in connection with the redemption of, or failure to redeem, the Linked CD to which this redemption request notice relates. The Participant will, at the request of the Issuer, forward to the Issuer a copy of the documents submitted by [Name of Authorized Representative] in support of the request for redemption.

The undersigned hereby represents that it has been duly authorized by the Authorized Representative to act on behalf of the [deceased][incapacitated] Beneficial Owner. The undersigned further represents that it has informed [Name of Authorized Representative] that, as an alternative to the redemption option, [Name of Authorized Representative] may seek to sell the Linked CDs in the secondary market for a price that may potentially be higher than the redemption amount.

The undersigned represents that it has examined the certified copy of the [certificate of death][order reflecting the adjudication of incompetence] and believes it to be genuine.

Terms used and not defined in this redemption request notice have the meanings given to them in the Disclosure Statement. The redemption of the Linked CDs will be governed by the terms of the Linked CDs.

Face amount of Linked CDs to be redeemed:

\$_ (must be the full face amount)

IN WITNESS WHEREOF, the undersigned has executed this redemption request as
of _____, 20 .

[PARTICIPANT NAME]

By: _____
Name:

(Title)

(Telephone No.)

(Fax No.)

(DTC participant account
number, if any)

Medallion guarantee by:

(Note: The Medallion must be guaranteed by a brokerage firm or financial institution that is a member firm of a Stock Transfer Association approved Medallion program)

Attachment: [Certified Certificate of Death][Certified Order in Adjudication of Incompetence]

We have not authorized anyone to provide any information or to make any representations other than those contained in or incorporated by reference in this disclosure statement. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This disclosure statement is an offer to sell only the CDs offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this disclosure statement is current only as of the date of this disclosure statement.

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Goldman Sachs Bank USA

Certificates of Deposit

