

Final Terms dated April 11, 2011

**GOLDMAN SACHS INTERNATIONAL**

Programme for the issuance of Warrants, Notes and Certificates

**Issue of EUR 2'000'000 One-Year Worst of Autocallable Certificates  
on a US Share Basket, due April 11, 2012 (the "Certificates" or "Securities")**

**Guaranteed by The Goldman Sachs Group, Inc. ("GSG")**

The Securities are not bank deposits and are not insured or guaranteed by the United States Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other governmental agency. The Securities are guaranteed (the "GSG Guaranty") by GSG and the GSG Guaranty will rank *pari passu* with all other unsecured and unsubordinated indebtedness of GSG.

**INVESTING IN THE CERTIFICATES PUTS YOUR CAPITAL AT RISK. YOU MAY LOSE SOME OR ALL OF YOUR INVESTMENT.**

**DESCRIPTION OF THE MAIN FEATURES OF THE CERTIFICATES**

The description below contains selective information about the certificates and the underlying assets and is an introduction to these final terms. Any decision to invest in the certificates should be based on a consideration of these final terms and the base prospectus (defined below) as a whole, including the documents incorporated by reference.

<b>ISIN</b>	XS0479182270	<b>Initial Valuation Date</b>	April 4, 2011
<b>Common Code</b>	047918227	<b>Valuation Dates</b>	May 4, 2011, June 6, 2011, July 5, 2011, August 4, 2011, September 6, 2011, October 4, 2011, November 4, 2011, December 5, 2011, January 4, 2012, February 6, 2012, March 5, 2012 and April 4, 2012
<b>Valoren</b>	04294746	<b>First Valuation Date</b>	The Valuation Date scheduled to fall on May 4, 2011
<b>Settlement Currency</b>	EUR	<b>Final Valuation Date</b>	The Valuation Date scheduled to fall on April 4, 2012
<b>Issue Date</b>	April 11, 2011	<b>Maturity Date</b>	April 11, 2012
<b>Aggregate Nominal Amount</b>	EUR 2'000'000	<b>Automatic Redemption Dates</b>	<b>Early</b> June 13, 2011, July 12, 2011, August 11, 2011, September 13, 2011, October 12, 2011, November 14, 2011, December 12, 2011, January 11, 2012, February 13, 2012, and March 12, 2012
<b>Specified Denomination</b>	EUR 1'000	<b>Interest Payment Dates</b>	Each of (i) May 11, 2011, (ii) each Automatic Early Redemption Date, and (iii) the Maturity Date
<b>Issue Price</b>	100 per cent. of the Aggregate Nominal Amount	<b>Trigger Level</b>	In respect of each Underlying Asset, as specified in the table below, being 95 per cent. of the Reference Price (Initial) of such Underlying Asset, as determined by the Calculation Agent
<b>Reference Price</b>	In respect of each Underlying Asset and any relevant day, the official closing price of such Underlying Asset on the Exchange on such day, as determined by the Calculation Agent	<b>Barrier Level</b>	In respect of each Underlying Asset, as specified in the table below, being 50 per cent. of the Reference Price (Initial) of such Underlying Asset, as determined by the Calculation Agent
<b>Final Underlying</b>	In respect of each Underlying Asset and	<b>Coupon Level</b>	In respect of each Underlying Asset,

<b>Performance</b>	the Final Valuation Date, an amount determined by the Calculation Agent to be the <i>quotient</i> of (i) the Reference Price (Final) of such Underlying Asset, <i>divided</i> by (ii) the Reference Price (Initial) of such Underlying Asset					as specified in the table below, being 50 per cent. of the Reference Price (Initial) of such Underlying Asset, as determined by the Calculation Agent				
<b>Worst Performing Share</b>	The Underlying Asset with the lowest Final Underlying Performance, as determined by the Calculation Agent, provided that, in the event that two or more of the Underlying Assets have the same lowest Final Underlying Performance, then the Calculation Agent shall determine in its sole and absolute discretion which of such Underlying Assets shall be the Worst Performing Share					<b>Reference Price (Final)</b>	In respect of each Underlying Asset and the Final Valuation Date, the Reference Price of such Underlying Asset on the Final Valuation Date, as determined by the Calculation Agent			
<b>Observation Date (closing valuation)</b>	In respect of each Underlying Asset, each Scheduled Trading Day for such Underlying Asset which is not a Disrupted Day falling in the Observation Period					<b>Minimum Performance</b>	<b>Share</b>	The Final Underlying Performance of the Worst Performing Share		
<b>Observation Period</b>							The period commencing on, but excluding, April 4, 2011 and ending on, and including, the Final Valuation Date			
<b>Underlying Asset</b>	<b>ISIN</b>	<b>Bloomberg Ticker</b>	<b>Reuters Code</b>	<b>Reference Exchange</b>	<b>Reference Currency</b>	<b>Reference Price (Initial)</b>	<b>Trigger Level</b>	<b>Barrier Level</b>	<b>Coupon Level</b>	
The ordinary shares of Finisar Corporation	US31787A5074	FNSR UW	FNSR.OQ	NASDAQ Global Select Market	USD	23.41	22.2395	11.705	11.705	
The ordinary shares of International Coal Group, Inc.	US45928H1068	ICO UN	ICO.N	New York Stock Exchange	USD	11.23	10.6685	5.615	5.615	
The ordinary shares of Power-One, Inc.	US73930R1023	PWER UW	PWER.OQ	NASDAQ Global Select Market	USD	8.51	8.0845	4.255	4.255	
The ordinary shares of Salix Pharmaceuticals, Ltd.	US7954351067	SLXP UW	SLXP.OQ	NASDAQ Global Select Market	USD	34.79	33.0505	17.395	17.395	
<b>AUTOMATIC EARLY REDEMPTION</b>										
If the Reference Price in respect of each Underlying Asset for a Valuation Date (other than the First Valuation Date and the Final Valuation Date) is greater than or equal to its respective Trigger Level, each Certificate (of the Specified Denomination) will be automatically redeemed on the Automatic Early Redemption Date immediately following such Valuation Date, and you will receive for each Certificate (of the Specified Denomination) an amount in the Settlement Currency equal to the Specified Denomination (in addition to the Interest Amount payable on the Interest Payment Date falling on such Automatic Early Redemption Date).										
<b>CALCULATION OF INTEREST AMOUNTS</b>										
Unless there is automatic early redemption of your Certificates or the Certificates are otherwise redeemed early or adjusted in accordance with the Conditions, in respect of each Valuation Date and for each Certificate (of the Specified Denomination) that you hold, if the Reference Price of each Underlying Asset is equal to or greater than its respective Coupon Level on such Valuation Date, you will receive on the Interest Payment Date scheduled to fall immediately after such Valuation Date an amount in the Settlement Currency equal to the <i>product</i> of (i) Specified Denomination, <i>multiplied</i> by (ii) 3.13 per cent. (3.13%) (expressed as 0.0313).										
<b>CALCULATION OF SETTLEMENT AMOUNT AT MATURITY</b>										
Unless there is automatic early redemption of your Certificates or the Certificates are otherwise redeemed early or adjusted in accordance with the Conditions, you will receive the Settlement Amount on the Maturity Date for each Certificate (of the Specified Denomination) that you hold, which will be:										
(i) if the Reference Price in respect of each Underlying Asset on each Observation Date (closing valuation) during the Observation Period is greater than its respective Barrier Level, an amount in the Settlement Currency equal to the Specified Denomination, i.e., EUR 1'000; or										
(ii) if the Reference Price in respect of any Underlying Asset on any Observation Date (closing valuation) during the Observation Period is less than or equal to its respective Barrier Level, an amount in the Settlement Currency equal to the <i>product</i> of (a) the Specified Denomination, <i>multiplied</i> by (b) the Minimum Share Performance. <b>This means that you could lose some or all of your original invested amount.</b>										
A fee may be payable in respect of the transaction, details of which are available on request.										

PLEASE ALSO REFER TO THE SECTION ENTITLED "RISK FACTORS" BELOW

## SCENARIO ANALYSIS

**THE FIGURES PRESENTED BELOW ARE FOR ILLUSTRATIVE PURPOSES ONLY. THE INTEREST AMOUNTS (IF ANY), AUTOMATIC EARLY REDEMPTION AMOUNT (IF APPLICABLE) AND THE SETTLEMENT AMOUNT IN RESPECT OF EACH CERTIFICATE (OF THE SPECIFIED DENOMINATION) WILL BE CALCULATED IN ACCORDANCE WITH THE TERMS OF THE CERTIFICATES AS SET OUT IN THE GENERAL INSTRUMENT CONDITIONS AND THESE FINAL TERMS.**

The Specified Denomination per Certificate is EUR 1'000, the Aggregate Nominal Amount is EUR 2'000'000, and the Issue Price per Certificate (of the Specified Denomination) is 100 per cent. (100%) of the Specified Denomination.

### **Scenario 1**

**The Reference Price in respect of each Underlying Asset for the Valuation Date scheduled to fall on May 4, 2011 is 50 per cent. (50%) of its respective Reference Price (Initial).**

An Interest Amount of 3.13 per cent. (3.13%) of the Specified Denomination, i.e., EUR 31.30, will be payable on the Interest Payment Date immediately following such Valuation Date.

### **Scenario 2**

**The Reference Price in respect of one Underlying Asset for the Valuation Date scheduled to fall on May 4, 2011 is 49 per cent. (49%) of its respective Reference Price (Initial) and the Reference Price in respect of each other Underlying Asset for such Valuation Date is 100 per cent. (100%) of its respective Reference Price (Initial).**

No Interest Amount will be payable on the Interest Payment Date immediately following such Valuation Date.

### **Scenario 3**

**The Reference Price in respect of each Underlying Asset for the Valuation Date scheduled to fall on June 6, 2011 is 95 per cent. (95%) of its respective Reference Price (Initial).**

The Certificates will be redeemed on the Automatic Early Redemption Date immediately following such Valuation Date, and the Automatic Early Redemption Amount payable per Certificate (of the Specified Denomination) will be 100 per cent. (100%) of the Specified Denomination, i.e., EUR 1'000. Additionally, an Interest Amount of 3.13 per cent. (3.13%) of the Specified Denomination, i.e., EUR 31.30, will be payable on the Interest Payment Date falling on such Automatic Early Redemption Date.

### **Scenario 4**

**The Reference Price in respect of one Underlying Asset for the Valuation Date scheduled to fall on June 6, 2011 is 90 per cent. (90%) of its respective Reference Price (Initial) and the Reference Price in respect of each other Underlying Asset for such Valuation Date is 95 per cent. (95%) of its respective Reference Price (Initial).**

The Certificates will not be redeemed on the Automatic Early Redemption Date immediately following such Valuation Date. An Interest Amount of 3.13 per cent. (3.13%) of the Specified Denomination, i.e., EUR 31.30, will be payable on the Interest Payment Date falling on such Automatic Early Redemption Date.

### **Scenario 5**

**The Reference Price in respect of one Underlying Asset for the Valuation Date scheduled to fall on June 6, 2011 is 49 per cent. (49%) of its respective Reference Price (Initial) and the Reference Price in respect of each other Underlying Asset for such Valuation Date is 95 per cent. (95%) of its respective Reference Price (Initial).**

The Certificates will not be redeemed on the Automatic Early Redemption Date immediately following such Valuation Date. No Interest Amount will be payable on the Interest Payment Date falling on such Automatic Early Redemption Date.

### Scenario 6

**The Certificates have not been redeemed on an Automatic Early Redemption Date and the Reference Price (Final) in respect of each Underlying Asset is 100 per cent. (100%) of its respective Reference Price (Initial), and the Reference Price for each Underlying Asset on each Observation Date (closing valuation) has been above 50 per cent. (50%) of its respective Reference Price (Initial).**

The Certificates will be redeemed on the Maturity Date, and the Settlement Amount payable per Certificate (of the Specified Denomination) will be 100 per cent. (100%) of the Specified Denomination, i.e., EUR 1'000. Additionally, an Interest Amount of 3.13 per cent. (3.13%) of the Specified Denomination, i.e., EUR 31.30, will be payable on the Interest Payment Date falling on the Maturity Date.

### Scenario 7

**The Certificates have not been redeemed on an Automatic Early Redemption Date and the Reference Price (Final) in respect of one Underlying Asset is 75 per cent. (75%) of its respective Reference Price (Initial) and the Reference Price (Final) in respect of each other Underlying Asset is 100 per cent. (100%) of its respective Reference Price (Initial), and the Reference Price for any Underlying Asset on any Observation Date (closing valuation) has been at or below 50 per cent. (50%) of its respective Reference Price (Initial).**

The Certificates will be redeemed on the Maturity Date, and the Settlement Amount payable per Certificate (of the Specified Denomination) will be EUR 750. Additionally, an Interest Amount of 3.13 per cent. (3.13%) of the Specified Denomination, i.e., EUR 31.30, will be payable on the Interest Payment Date falling on the Maturity Date. **In this scenario, an investor who purchased the Certificates at the Issue Price will sustain a partial loss of the amount invested in the Certificates (apart from any Interest Amount paid on and prior to the Maturity Date).**

### Scenario 8

**The Certificates have not been redeemed on an Automatic Early Redemption Date and the Reference Price (Final) in respect of one Underlying Asset is 49 per cent. (49%) of its respective Reference Price (Initial) and the Reference Price (Final) in respect of each other Underlying Asset is 100 per cent. (100%) of its respective Reference Price (Initial), and the Reference Price for any Underlying Asset on any Observation Date (closing valuation) has been at or below 50 per cent. (50%) of its respective Reference Price (Initial).**

The Certificates will be redeemed on the Maturity Date, and the Settlement Amount payable per Certificate (of the Specified Denomination) will be EUR 490. No Interest Amount will be payable on the Interest Payment Date falling on the Maturity Date. **In this scenario, an investor who purchased the Certificates at the Issue Price will sustain a partial loss of the amount invested in the Certificates (apart from any Interest Amount paid prior to the Maturity Date).**

### Scenario 9

**The Certificates have not been redeemed on an Automatic Early Redemption Date and the Reference Price (Final) in respect of one Underlying Asset is zero per cent. (0%) of its respective Reference Price (Initial) and the Reference Price (Final) in respect of each other Underlying Asset is 100 per cent. (100%).**

The Certificates will be redeemed on the Maturity Date, and the Settlement Amount payable per Certificate (of the Specified Denomination) will be zero. No Interest Amount will be payable on the Interest Payment Date falling on the Maturity Date. **In this scenario, an investor will sustain a total loss of the amount invested in the Certificates (apart from any Interest Amount paid prior to the Maturity Date).**

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Certificates in any Member State of the European Economic Area which has implemented the Prospectus Directive (Directive 2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Certificates. Accordingly any person making or intending to make an offer in that Relevant Member State of the Certificates may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. The Issuer has not authorised, nor does it authorise, the making of any offer of Certificates in any other circumstances.

The Certificates will not be offered to the public in or from Switzerland and neither these Final Terms nor any other document relating to the Certificates may be publicly distributed in Switzerland in connection with any such offering or distribution. The Certificates will be offered in Switzerland without any public promotion or advertisement only to qualified investors as defined in the Swiss Federal Act on Collective Investment Schemes and its implementing ordinance.

## CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Instrument Conditions set forth in the base prospectus dated July 15, 2010 (the "**Base Prospectus**") and the supplements to the Base Prospectus dated July 20, 2010, August 10, 2010, September 24, 2010, October 21, 2010, November 9, 2010, January 25, 2011, February 4, 2011, March 4, 2011 and March 28, 2011 (and any further supplements up to, and including, the Issue Date) which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Certificates described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer, the Guarantor and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the supplements to the Base Prospectus are available for viewing at [www.bourse.lu](http://www.bourse.lu) and during normal business hours at the registered office of the Issuer, and copies may be obtained from the specified office of the Programme Agent in Luxembourg.

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| 1. | (i) <b>Issuer:</b>   | Goldman Sachs International.                   |
|    | (ii) <b>Guarantor:</b>   | The Goldman Sachs Group, Inc.                  |
| 2. | (i) <b>ISIN:</b>   | XS0479182270.                                  |
|    | (ii) <b>Common Code:</b>                                       | 047918227.                                     |
|    | (iii) <b>Valoren:</b>  | 04294746.                                      |
|    | (iv) <b>Series Number:</b>                                     | A10016.  |
|    | (v) <b>Tranche Number:</b>                                     | One.   |
|    | (vi) <b>PIPG Tranche Number:</b>                               | 9816.  |
| 3. | <b>Settlement Currency:</b>                                    | Euro (" <b>EUR</b> ").                         |
| 4. | <b>Aggregate Nominal Amount of Certificates in the Series:</b> |  |
|    | (i) Series:  | EUR 2'000'000.                                 |
|    | (ii) Tranche:  | EUR 2'000'000.                                 |
| 5. | <b>Issue Price:</b>  | 100 per cent. of the Aggregate Nominal Amount. |

Where:

**"Aggregate Nominal Amount"** means EUR 2'000'000.

**"Specified Denomination"** means EUR 1'000.

6. **Inducements, commissions and/or other fees:** A selling commission of up to 0.7 per cent. (0.7%) of the Issue Price has been paid by the Issuer. Further details are available on request.
7. **Issue Date:** April 11, 2011.
8. **Maturity Date:** If an Automatic Early Redemption Event does not occur, the Maturity Date shall be April 11, 2012 (the **"Scheduled Maturity Date"**), provided that the definition of "Maturity Date" in General Instrument Condition 2(a) shall be amended by replacing each reference to the "Valuation Date" in paragraph (i) with a reference to the "Final Valuation Date", and the definition of "Number of Settlement Period Business Days" in General Instrument Condition 2(a) shall be amended by replacing the reference to the "Valuation Date" with a reference to the "Final Valuation Date".
- The **"Strike Date"** is April 4, 2011.
9. **Underlying Asset(s):** The Shares (as defined in paragraph 34 below).

#### VALUATION PROVISIONS

10. **Valuation Date(s):** In respect of each Share:
- (i) May 4, 2011;
  - (ii) June 6, 2011;
  - (iii) July 5, 2011;
  - (iv) August 4, 2011;
  - (v) September 6, 2011;
  - (vi) October 4, 2011;
  - (vii) November 4, 2011;
  - (viii) December 5, 2011;
  - (ix) January 4, 2012;
  - (x) February 6, 2012;
  - (xi) March 5, 2012; and
  - (xii) April 4, 2012,

and each such date shall be subject to adjustment in accordance with Share Linked Provision 1.6 (*Share Basket and Reference Dates – Common Scheduled Trading Day and Common*

*Disrupted Day*).

The Valuation Date scheduled to fall on:

- (a) May 4, 2011 shall be the "**First Valuation Date**"; and
- (b) April 4, 2012 shall be the "**Final Valuation Date**".

11. **Initial Valuation Date:** April 4, 2011.

12. **Averaging Dates:** Not Applicable.

13. **Initial Averaging Date(s):** Not Applicable.

## INTEREST PROVISIONS

14. **Interest linked to one or more Underlying Assets Provisions:** Yes – General Instrument Condition 13 is applicable, save that General Instrument Condition 13(c) shall be deleted and replaced with the following for the purpose of these Certificates (and General Instrument Condition 13 shall be amended accordingly):

*"Calculation of Interest:* Unless the Certificates are automatically or otherwise redeemed early, are purchased and cancelled, or are adjusted, in each case in accordance with the Conditions, in respect of each Certificate (of the Specified Denomination) and each Interest Payment Date:

- (i) if the Calculation Agent determines that the Reference Price of each Share on the immediately preceding Valuation Date is equal to or greater than its respective Coupon Level, the Interest Amount shall be payable on such Interest Payment Date; or
- (ii) if the Calculation Agent determines that the Reference Price of any Share on the immediately preceding Valuation Date is less than its respective Coupon Level, no Interest Amount shall be payable on such Interest Payment Date.

Where "**Coupon Level**" means, in respect of each Share in the Share Basket, 50 per cent. (50%) of the Reference Price (Initial) of such Share.

(i) Notional Amount per EUR 1'000 per Certificate.

(ii) Interest Amount: In respect of each Certificate (of the Specified Denomination), an amount in the Settlement Currency determined by the Calculation Agent equal to the *product* of (i) the Specified Denomination, *multiplied* by (ii) the Coupon Value. The definition of "Interest Amount" in General Instrument Condition 2(a) (*Definitions*) shall be amended accordingly.



Where "**Coupon Value**" means, in respect of each Valuation Date, 3.13 per cent. (3.13%) (expressed as 0.0313).

- (iii) Day Count Fraction: Not Applicable.
- (iv) Interest Valuation Date(s): Not Applicable.
- (v) Interest Commencement Date: Not Applicable.
- (vi) Interest Payment Date: The Interest Payment Dates shall be each of:
  - (i) May 11, 2011 (the "**Scheduled First Interest Payment Date**"), provided that if the First Valuation Date is adjusted in accordance with the Conditions, the Interest Payment Date in respect of the First Valuation Date will instead be the day falling the number of Business Days equal to the Number of First Interest Payment Settlement Period Business Days after the First Valuation Date;
  - (ii) each Automatic Early Redemption Date; and
  - (iii) the Maturity Date,

provided that the final Interest Payment Date shall be the Automatic Early Redemption Date immediately following the Valuation Date (if any) on which an Automatic Early Redemption Event has occurred.

Where "**Number of First Interest Payment Settlement Period Business Days**" means the number of Business Days falling (or, if different, the number of Business Days which the Calculation Agent anticipates, as at the Strike Date, shall fall) in the period commencing on, but excluding, the Scheduled Valuation Date corresponding to the First Valuation Date and ending on, and including, the Scheduled First Interest Payment Date, as determined by the Calculation Agent.

- (vii) Business Day Convention: Not Applicable.

## SETTLEMENT PROVISIONS

- 15. **Settlement:** Cash Settlement.
- 16. **Call Option:** Not Applicable.
- 17. **Automatic Early Redemption:** Applicable – General Instrument Condition 15 is applicable in respect of each Valuation Date other than the First Valuation Date and the Final Valuation Date.
  - (i) Automatic Early Redemption Event: The Reference Price in respect of each Share in respect of a Valuation Date (other than the First Valuation Date and the Final Valuation Date) is greater than or equal to its respective Trigger Level (as determined by the Calculation Agent) (in

which case an "**Automatic Early Redemption Event**" shall be deemed to have occurred on such Valuation Date).

Where:

"**Reference Price**" means, in respect of each Share in the Share Basket and any relevant day, the official closing price on the Exchange of such Share on such day, as determined by the Calculation Agent;

"**Reference Price (Initial)**" means, in respect of each Share in the Share Basket, the Reference Price of such Share on the Initial Valuation Date, as determined by the Calculation Agent; and

"**Trigger Level**" means, in respect of each Share in the Share Basket, an amount equal to 95 per cent. (95%) of the Reference Price (Initial) of such Share, as determined by the Calculation Agent.

(ii) Automatic Early Redemption Date: The Automatic Early Redemption Dates are:

- (i) June 13, 2011;
- (ii) July 12, 2011;
- (iii) August 11, 2011;
- (iv) September 13, 2011;
- (v) October 12, 2011;
- (vi) November 14, 2011;
- (vii) December 12, 2011;
- (viii) January 11, 2012;
- (ix) February 13, 2012; and
- (x) March 12, 2012

(each a "**Scheduled Automatic Early Redemption Date**"), provided that if the Valuation Date for which the Scheduled Valuation Date falls immediately before the Scheduled Automatic Early Redemption Date corresponding to an Automatic Early Redemption Date (other than the First Valuation Date and Final Valuation Date) is adjusted in accordance with the Conditions, such Automatic Early Redemption Date will instead be the day falling the Number of Early Redemption Settlement Period Business Days after such Valuation Date.

Where "**Number of Early Redemption Settlement Period Business Days**" means the number of Business Days falling

(or, if different, the number of Business Days that the Calculation Agent anticipates, as at the Strike Date, shall fall) in the period commencing on, but excluding, the Scheduled Valuation Date corresponding to the relevant Valuation Date and ending on, and including, the corresponding Scheduled Automatic Early Redemption Date in respect of such Valuation Date, as determined by the Calculation Agent.

- (iii) Automatic Early Redemption Amount: In respect of each Certificate (of the Specified Denomination) and the Automatic Early Redemption Date following the first Valuation Date on which an Automatic Early Redemption Event occurs, an amount equal to 100 per cent. (100%) of the Specified Denomination.

18. **Settlement Amount:**

Unless an Automatic Early Redemption Event has occurred on a Valuation Date (other than the First Valuation Date and the Final Valuation Date), each Certificate (of the Specified Denomination) shall be redeemed on the Maturity Date in accordance with paragraph (i) or (ii) below:

- (i) if the Reference Price in respect of each Share in the Share Basket on each Observation Date (closing valuation) during the Observation Period is greater than its respective Barrier Level (as determined by the Calculation Agent), the Settlement Amount payable in respect of each Certificate (of the Specified Denomination) shall be an amount in the Settlement Currency equal to the Specified Denomination; or
- (ii) if the Reference Price in respect of any Share in the Share Basket on any Observation Date (closing valuation) during the Observation Period is less than or equal to its respective Barrier Level (as determined by the Calculation Agent), the Settlement Amount payable in respect of each Certificate (of the Specified Denomination) shall be an amount in the Settlement Currency determined by the Calculation Agent to be equal to the *product* of (a) the Specified Denomination, *multiplied* by (b) the Minimum Share Performance.

Where:

**"Barrier Level"** means, in respect of each Share in the Share Basket, an amount equal to 50 per cent. (50%) of the Reference Price (Initial) of such Share, as determined by the Calculation Agent;

**"Final Underlying Performance"** means, in respect of each Share in the Share Basket, an amount determined by the Calculation Agent in accordance with the following formula:

$$\frac{\text{Reference Price (Final)}}{\text{Reference Price (Initial)}};$$

**"Minimum Share Performance"** means the Final Underlying Performance of the Worst Performing Share;

**"Reference Price (Final)"** means in respect of each Share in the Share Basket and the Final Valuation Date, the Reference Price of such Share on the Final Valuation Date, as determined by the Calculation Agent; and

**"Worst Performing Share"** means the Share in the Share Basket with the lowest Final Underlying Performance, as determined by the Calculation Agent. In the event that two or more Shares in the Share Basket have the same lowest Final Underlying Performance, then the Calculation Agent shall determine in its sole and absolute discretion which of the Shares shall be the Worst Performing Share, and such Share as so selected shall be deemed the Worst Performing Share.

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| 19. <b>Physical Settlement:</b>                  | Not Applicable.   |
| 20. <b>Non-scheduled Early Repayment Amount:</b> | Adjusted to account fully for any reasonable expenses and costs of the Issuer and/or its affiliates, including those relating to the unwinding of any underlying and/or related hedging and funding arrangements as determined by the Issuer in its sole and absolute discretion. |

#### **EXERCISE PROVISIONS**

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| 21. <b>Exercise Style of Certificates:</b> | The Certificates are European Style Instruments. General Instrument Condition 7(b) is applicable.   |
| 22. <b>Exercise Period:</b>                | Not Applicable.   |
| 23. <b>Specified Exercise Dates:</b>       | Not Applicable.   |
| 24. <b>Expiration Date:</b>                | The Final Valuation Date. The Expiration Date shall not be subject to postponement to the next Business Day, and the definition of "Expiration Date" in General Instrument Condition 2(a) shall be amended accordingly. |
| 25. <b>Automatic Exercise:</b>             | Yes – General Instrument Condition 7(k) is applicable, save that General Instrument Condition 7(k)(ii) is not applicable.   |
| 26. <b>Multiple Exercise:</b>              | Not Applicable.   |
| 27. <b>Minimum Exercise Number:</b>        | Not Applicable.   |
| 28. <b>Permitted Multiple:</b>             | Not Applicable.   |
| 29. <b>Maximum Exercise Number:</b>        | Not Applicable.   |

30. **Strike Price:** Not Applicable.
31. **Yield or Share Certificates:** Not Applicable.
32. **Closing Value:** Not Applicable.

**SHARE LINKED INSTRUMENT / INDEX LINKED INSTRUMENT / COMMODITY LINKED INSTRUMENT / FX LINKED INSTRUMENT / INFLATION LINKED INSTRUMENT / OTHER VARIABLE LINKED INSTRUMENT PROVISIONS**

33. **Type of Certificates:** The Certificates are Share Linked Instruments – the Share Linked Provisions are applicable (as amended below).
34. **Share Linked Instruments:** Applicable.
- (i) Single Share or Share Basket: Share Basket.
- (ii) Name of Share(s): The ordinary shares of:
- (i) Finisar Corporation (*ISIN: US31787A5074; Bloomberg Ticker: FNSR UW Equity; Reuters Code: FNSR.OQ*) (the "**Finisar Share**");
- (ii) International Coal Group, Inc. (*ISIN: US45928H1068; Bloomberg Ticker: ICO UN Equity; Reuters Code: ICO.N*) (the "**ICO Share**");
- (iii) Power-One, Inc. (*ISIN: US73930R1023; Bloomberg Ticker: PWER UW Equity; Reuters Code: PWER.OQ*) (the "**Power Share**"); and
- (iv) Salix Pharmaceuticals, Ltd. (*ISIN: US7954351067; Bloomberg Ticker: SLXP UW Equity; Reuters Code: SLXP.OQ*) (the "**Salix Share**")
- (collectively, the "**Shares**", and each, a "**Share**"). See also the Annex (*Information Relating to the Underlying Assets*) hereto.
- (iii) Exchange(s): In respect of:
- (i) each of the Finisar Share, the Power Share and the Salix Share, the NASDAQ Global Select Market; and
- (ii) the ICO Share, the New York Stock Exchange.
- (iv) Related Exchange(s): In respect of each Share, All Exchanges.
- (v) Options Exchange: In respect of each Share, Related Exchange.
- (vi) Valuation Time: In respect of each Share, as specified in Share Linked Provision 8 (*Definitions*).
- (vii) Market Disruption Events: In respect of each Share, as specified in Share Linked Provision 8 (*Definitions*).

- |   |   |
|---|---|
| (viii) Single Share and Reference Dates – Consequences of Disrupted Days:   | Not Applicable.   |
| (ix) Single Share and Averaging Reference Dates – Consequences of Disrupted Days:   | Not Applicable.   |
| (x) Share Basket and Reference Dates – Basket Valuation (Individual Scheduled Trading Day and Individual Disrupted Day):            | Not Applicable.   |
| (xi) Share Basket and Averaging Reference Dates – Basket Valuation (Individual Scheduled Trading Day and Individual Disrupted Day): | Not Applicable.   |
| (xii) Share Basket and Reference Dates – Basket Valuation (Common Scheduled Trading Day but Individual Disrupted Day):              | Not Applicable.   |
| (xiii) Share Basket and Reference Dates – Basket Valuation (Common Scheduled Trading Day and Common Disrupted Day):                 | Applicable – as specified in Share Linked Provision 1.6.  |
| (a) Maximum Days of Disruption:   | As specified in Share Linked Provision 8 ( <i>Definitions</i> ), provided that the definition of "Maximum Days of Disruption" be amended such that the word "Common" be inserted immediately prior to each reference to "Scheduled Trading Days". |
| (b) No Adjustment:  | Not Applicable.   |
| (xiv) Fallback Valuation Date:  | Not Applicable.   |
| (xv) Observation Period:  | Applicable.   |
| (a) Observation Period Start Date:  | April 4, 2011 (and such date shall be excluded from the Observation Period).  |
| (b) Observation Period End Date:  | Final Valuation Date (and such date shall be included in the Observation Period).   |
| (c) Observation Date  | Applicable – as specified in Share Linked Provision 8 ( <i>Definitions</i> ). The Final Valuation Date shall be deemed to be  |

(closing valuation):	an Observation Date (closing valuation) for the purpose of the Certificates.
(d) Observation Date (intra-day valuation):	Not Applicable.
(xvi) Change in Law:	Applicable.
(xvii) Extraordinary Event – Share Substitution:	Applicable.
(xviii) Correction of Share Price:	Applicable.
(xix) Correction Cut-off Date:	In respect of each Share and: <ul style="list-style-type: none"> <li>(i) the First Valuation Date, the second Business Day prior to the Interest Payment Date immediately following the First Valuation Date;</li> <li>(ii) each Valuation Date (other than the First Valuation Date and the Final Valuation Date), the second Business Day prior to the Automatic Early Redemption Date immediately following such Valuation Date; and</li> <li>(iii) each Observation Date (closing valuation) and the Final Valuation Date, the second Business Day prior to the Maturity Date.</li> </ul>
(xx) Depositary Receipts Provisions:	Not Applicable.
(xxi) Dividend Amount Provisions:	Not Applicable.
35. <b>Index Linked Instruments:</b>	Not Applicable.
36. <b>Commodity Linked Instruments (Single Commodity or Commodity Basket):</b>	Not Applicable.
37. <b>Commodity Linked Instruments (Commodity Index or Commodity Strategy):</b>	Not Applicable.
38. <b>FX Linked Instruments:</b>	Not Applicable.
39. <b>Inflation Linked Instruments:</b>	Not Applicable.
40. <b>Other Variable Linked Instruments:</b>	Not Applicable.

#### GENERAL PROVISIONS APPLICABLE TO THE CERTIFICATES

41. <b>FX Disruption Event:</b>	Not Applicable.
42. <b>Additional Business Centre(s):</b>	TARGET and, for the avoidance of doubt, New York City.
43. <b>Form of Certificates:</b>	Euroclear/Clearstream Instruments.

44. **Minimum Trading Number:** 200 (corresponding to a nominal amount of EUR 200'000).
45. **Permitted Trading Multiple:** One (corresponding to a nominal amount of EUR 1'000).
46. **Date of Board approval for issuance of Instruments obtained:** Not Applicable.
47. **Other final terms:** Not Applicable.

## **DISTRIBUTION**

48. **Method of distribution:** Non-syndicated.
- (i) If syndicated, names and addresses of Managers and underwriting commitments: Not Applicable.
- (ii) Date of Subscription Agreement: Not Applicable.
- (iii) Stabilising Manager(s) (if any): Not Applicable.
- (iv) If non-syndicated, name and address of Dealer: Goldman Sachs International of Peterborough Court  
133 Fleet Street, London EC4A 2BB, England
49. **Additional selling restrictions:** Not Applicable.
50. **Non-exempt Offer:** Not Applicable.

## **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue, and admission to trading on the regulated market of the London Stock Exchange, of the Certificates described herein pursuant to the Programme for the issuance of Warrants, Notes and Certificates of Goldman Sachs International, Goldman Sachs (Jersey) Limited, Goldman, Sachs & Co. Wertpapier GmbH and Goldman Sachs Bank (Europe) plc.

## **RESPONSIBILITY**

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer and the Guarantor (which have taken all reasonable care to ensure that such is the case) the information contained in the Base Prospectus, as completed and/or amended by these Final Terms in relation to the Series of Certificates referred to above, is true and accurate in all material respects and, in the context of the issue of this Series, there are no other material facts the omission of which would make any statement in such information misleading.

**Information about the past and future performance of the underlying asset and its volatility can be obtained from the Reuters or Bloomberg pages (or their respective successors) as specified in the table relating to the underlying asset on the second page of this document. Past performance of the underlying asset is not an indication of the future performance of the underlying asset.**

**Neither the Issuer nor the Guarantor has independently verified any such information, and neither accepts any responsibility for errors or omissions contained in such information. For the avoidance of doubt, such information is not incorporated by reference in, and does not form part of, the Base Prospectus or these Final Terms. Prospective purchasers of the Certificates may acquire such further**



**information as they deem necessary in relation to the Underlying Assets from such publicly available information as they deem appropriate. Investors should make their own investment, hedging and trading decisions (including decisions regarding the suitability of this investment), based upon their own judgement and upon advice from such advisers as such investors deem necessary and not upon any view expressed by the Issuer or the Guarantor.**

**In deciding whether or not to purchase Certificates, investors should form their own view of the merits of the Certificates based upon their own investigations and not in reliance upon the above information.**

**A fee may be paid in respect of this transaction, details of which are available on request.**

## **REPRESENTATION**

Each Holder will be deemed to have agreed that it will not offer, sell or deliver the Certificates in any jurisdiction except under circumstances that will result in compliance with the applicable laws thereof, and that such Holder will take at its own expense whatever action is required to permit its purchase and resale of the Certificates. European Economic Area standard selling restrictions apply.

Signed on behalf of Goldman Sachs International:

By: .....

Duly authorised

## OTHER INFORMATION

**LISTING AND ADMISSION TO TRADING** Application has been made by the Issuer (or on its behalf) for the Certificates to be listed on the Official List and admitted to trading on the regulated market of the London Stock Exchange with effect from, at the earliest, the Issue Date. No assurances can be given that such application for listing and admission to trading will be granted (or, if granted, will be granted by the Issue Date).

## INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in the risk factor, "Risks associated with conflicts of interest between Goldman Sachs and purchasers of Securities", so far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.

## REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- |       |                           |                 |
|-------|---------------------------|-----------------|
| (i)   | Reasons for the offer:    | Not Applicable. |
| (ii)  | Estimated net proceeds:   | Not Applicable. |
| (iii) | Estimated total expenses: | Not Applicable. |

## PERFORMANCE OF SHARE/INDEX/COMMODITY/FX RATE/INFLATION INDEX/OTHER VARIABLE, AND OTHER INFORMATION CONCERNING THE UNDERLYING

Information about the past and further performance of the Shares can be obtained from Bloomberg<sup>®</sup> and Reuters.

The Issuer does not intend to provide post-issuance information, except if required by any applicable laws and regulations.

See also "Description of the Main Features of the Certificates" and "Scenario Analysis".

## OPERATIONAL INFORMATION

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable.

Delivery: Delivery against payment.

Names and addresses of additional Programme Agent(s) (if any): Not Applicable.

Operational contact(s) for Principal Programme Agent: eq-sd-operations@gs.com.

*The following has been extracted from the Base Prospectus "Risk Factors" section (with minor changes for formatting only) for ease of reference.*

## **RISK FACTORS**

**In this section, "GSI" or the "Issuer" means Goldman Sachs International, "Securities" means the Certificates and "Underlying Assets" or "Shares" means the Finisar Share, the ICO Share, the Power Share and the Salix Share (and "Underlying Asset" or "Share" shall be construed accordingly).**

### **1. Risks relating to loss of investment and suitability of Securities**

#### **1.1 Purchasers of Securities may receive back less than the original invested amount**

**PURCHASERS OF SECURITIES MAY LOSE THE VALUE OF THEIR ENTIRE INVESTMENT OR PART OF IT, AS THE CASE MAY BE, TOGETHER WITH ANY TRANSACTION COSTS INCURRED, AS A RESULT OF THE OCCURRENCE OF ANY ONE OF THE FOLLOWING EVENTS:**

- (i) THE TERMS OF THE SECURITIES (AS SET FORTH IN THESE FINAL TERMS) DO NOT PROVIDE FOR FULL REPAYMENT OF THE INITIAL PURCHASE PRICE UPON FINAL MATURITY AND/OR MANDATORY EARLY REDEMPTION OF SUCH SECURITIES AND THE RELEVANT UNDERLYING ASSET(S) PERFORM IN SUCH A MANNER THAT THE SETTLEMENT AMOUNT AND/OR MANDATORY EARLY REPAYMENT AMOUNT IS LESS THAN THE INITIAL PURCHASE PRICE;**
- (ii) THE SECURITIES ARE SOLD BY THE PURCHASER PRIOR TO THE SCHEDULED MATURITY OF SUCH SECURITIES FOR AN AMOUNT LESS THAN THE PURCHASER'S INITIAL INVESTMENT;**
- (iii) THE BANKRUPTCY OR INSOLVENCY OF THE ISSUER AND/OR THE GUARANTOR OR OTHER EVENTS ADVERSELY AFFECTING THE ISSUER'S OR THE GUARANTOR'S ABILITY TO MEET ITS PAYMENT AND OTHER OBLIGATIONS UNDER THE SECURITIES;**
- (iv) THE SECURITIES ARE SUBJECT TO UN-SCHEDULED EARLY REDEMPTION (E.G., FOR CHANGE OF APPLICABLE LAW OR DUE TO AN EVENT IN RELATION TO THE RELEVANT UNDERLYING ASSET(S)) AND THE EARLY REDEMPTION AMOUNT IS LESS THAN THE ORIGINAL INVESTED AMOUNT; OR**
- (v) THE TERMS AND CONDITIONS OF THE SECURITIES ARE ADJUSTED IN A MATERIALLY ADVERSE WAY (IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE SECURITIES, INCLUDING THE SHARE LINKED PROVISIONS AND THE PROVISIONS OF THESE FINAL TERMS).**

#### **1.2 Suitability of Securities for purchase**

Before purchasing Securities, each purchaser must ensure that the nature, complexity and risks inherent in the Securities are suitable for his or her objectives in the light of his or her circumstances and financial position. No person should purchase the Securities unless that person understands the extent of that person's exposure to potential loss. Each prospective purchaser of Securities should consult his or her own legal, tax, accountancy, regulatory, investment or other professional advisers to assist them in determining whether the Securities are a suitable investment for them or to clarify any doubt about the contents of the Base Prospectus (including for the avoidance of doubt, each document incorporated by reference in the Base Prospectus) and these Final Terms.

Neither the Issuer nor the Guarantor has given, and does not give, to any prospective purchaser of Securities (either directly or indirectly) any assurance or guarantee as to the merits, performance or suitability of such Securities to any potential purchaser, and the purchaser should be aware that the Issuer is acting as an arm's-length contractual counterparty and not as an advisor or fiduciary.

### **2. Risks associated with all Securities**

## **2.1 Valuation of the Securities; Inducements and/or commissions and/or fees**

Assuming no changes in market conditions or Goldman Sachs' creditworthiness and other relevant factors, the value of the Securities on the date of these Final Terms (as determined by reference to pricing models used by Goldman Sachs and taking into account Goldman Sachs' credit spreads) may be significantly less than the original issue price. In addition, purchasers of Securities should be aware that the issue price may include inducements and/or commissions and/or other related fees paid by the Issuer to distribution partners as payment for distribution services. This can cause a difference between the issue price of the Securities and any bid and offer prices quoted by the Issuer, any Goldman Sachs affiliate or any third party. Such differences may be greater when the Securities are initially traded on any secondary markets and may gradually decline in value during the term of the Securities. Information with respect to the amount of these inducements, commissions and fees will be included in these Final Terms and/or may be obtained from the Issuer upon request.

## **2.2 Limited liquidity of Securities**

Unless otherwise communicated by the Issuer or any Goldman Sachs affiliate to the purchaser of the Securities, or to the extent that the rules of any stock exchange on which the Securities are listed and admitted to trading require the Issuer or any Goldman Sachs affiliate to provide liquidity in respect of such Securities, the Securities may have no liquidity or the market for such Securities may be limited and this may adversely impact their value or the ability of the purchaser of Securities to dispose of them.

A secondary market is unlikely to develop and, even if a secondary market does develop, it is not possible to predict the price at which Securities will trade in such secondary market. Neither the Issuer nor any Goldman Sachs affiliate is under an obligation, and neither the Issuer nor any Goldman Sachs affiliate makes any commitment, to make a market in or to repurchase the Securities. If the Issuer or any Goldman Sachs affiliate does make a market for the Securities, it may cease to do so at any time without notice. Investors should therefore not assume that the Securities can be sold at a specific time or at a specific price during their life, in particular, the Issuer is under no obligation and makes no commitment to repurchase Securities.

Although application may be made for the Securities to be admitted to trading on a stock exchange, there is no assurance that such application will be accepted and that the Securities will be so admitted, or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Securities.

## **2.3 Price discrepancies in secondary market**

The value or quoted price of the Securities at any time will reflect many factors and cannot be predicted, and if a purchaser sells his or her Security prior to its maturity, such purchaser may receive less than its issue price. Such factors, most of which are beyond the control of Goldman Sachs, will influence the market price of the Securities, and will include national and international economic, financial, regulatory, political, terrorist, military and other events that affect securities generally, interest and yield rates in the market, the time remaining until the Securities mature, the creditworthiness of the Issuer and the Guarantor, and, if applicable, the performance of any Underlying Asset. If the Issuer or any Goldman Sachs affiliate does make a market in the Securities, the price quoted by such Goldman Sachs entity for the Securities would reflect any changes in market conditions and other relevant factors, including a deterioration in Goldman Sachs creditworthiness or perceived creditworthiness whether measured by Goldman Sachs credit ratings or other measures. These changes may adversely affect the market price of the Securities, including the price an investor may receive for its Securities in any market making transaction. In addition, even if Goldman Sachs creditworthiness does not decline, the value of the Securities on the trade date may be significantly less than the original price taking into account Goldman Sachs credit spreads on that date. The quoted price could be higher or lower than the original issue price, and may be higher or lower than the value of the Securities as determined by reference to pricing models used by Goldman Sachs.

If at any time a third party dealer quotes a price to purchase the Securities or otherwise values the Securities, that price may be significantly different (higher or lower) than any price quoted by any Goldman Sachs affiliate. Furthermore, if any purchaser sells their Securities, the purchaser will likely be charged a commission for secondary market transactions, or the price will likely reflect a dealer discount.

## **2.4 Change of applicable law, Early Redemption and Reinvestment Risk**

Upon the Issuer becoming aware of (i) the adoption of, or change in, any applicable law or (ii) the promulgation of, or any change in, the interpretation of any applicable law by a court, tribunal or regulatory authority with competent jurisdiction, which has the effect that its performance under the Securities has become unlawful or impracticable in whole or in part for any reason, the Issuer may (a) amend the terms of the Securities to cure such unlawfulness or impracticability or (b) redeem the Securities. In the case of early redemption, if permitted by applicable law, the Issuer shall pay the purchaser of such Securities an amount equal to the non-scheduled early repayment amount of such Securities notwithstanding such illegality, as determined by the Calculation Agent in its sole and absolute discretion. A purchaser of Securities should be aware that this non-scheduled early repayment amount may be less than the purchaser's initial investment, and in such case see risk factor, "*1.1 Purchasers of Securities may receive back less than the original invested amount*". Following any such early redemption of Securities, the purchasers of such Securities may not be able to reinvest the redemption proceeds at any effective interest rate as high as the interest rate or yield on the Securities being redeemed and may only be able to do so at a significantly lower rate. Purchasers of Securities should consider reinvestment risk in light of other investments available at that time.

## **2.5 Change in Tax Law**

Tax law and practice is subject to change, possibly with retrospective effect and this could adversely affect the value of the Securities to the Holder and/or the market value of the Securities. Any such change may (i) cause the tax treatment of the relevant Securities to change from what the investor understood the position to be at the time of purchase; (ii) render the statements in the Base Prospectus concerning relevant tax law and practice in relation to Securities under the Programme to be inaccurate or to be inapplicable in some or all respect to certain Securities or to not include material tax considerations in relation to certain Securities; or (iii) give the Issuer the right to amend the terms of the Securities, or redeem the Securities, if such change has the effect that the Issuer's performance under the Securities is unlawful or impracticable (see risk factor, "*2.4 Change of applicable law, Early Redemption and Reinvestment Risk*"). Prospective purchasers of any Securities should consult their own tax advisers in relevant jurisdictions about the tax implications of holding any Security and of any transaction involving any Security.

## **2.6 Amendments to the Securities bind all holders of Securities**

The terms and conditions of the Securities may be amended by the Issuer, (i) in certain circumstances, without the consent of the holders of the Securities and (ii) in certain other circumstances, with the required consent of a defined majority of the holders of such Securities. The terms and conditions of the Securities contain provisions for purchasers to call and attend meetings to consider and vote upon matters affecting their interests generally. Resolutions passed at such meetings can bind all purchasers, including purchasers who did not attend and vote at the relevant meeting and purchasers who voted in a manner contrary to the majority.

## **2.7 Substitution of the Issuer**

The Issuer may be substituted as principal obligor under such Securities with any company from the Goldman Sachs Group of companies. Whilst the new issuer will provide an indemnity in favour of the purchasers of such Securities in relation to any additional tax or duties that become payable solely as a result of such substitution, purchasers will not have the right to consent to such substitution.

## **3. Risks associated with Securities that reference the Underlying Assets**

### **3.1 Performance of the Securities is linked to the performance of the Underlying Assets**

As the Securities reference the Underlying Assets, the purchasers of such Securities are exposed to the performance of the Underlying Assets. The price, performance or investment return of the Underlying Assets may be subject to unpredictable change over time and this degree of change is known as "volatility". The volatility of an Underlying Asset may be affected by national and international 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 the Securities. Volatility does not imply direction of the price, performance or investment returns, though an Underlying Asset that is more volatile is likely to increase or decrease in value more often and/or to a

greater extent than one that is less volatile.

As the performance of the Underlying Assets in relation to the Securities is calculated on a "European basis", i.e., a comparison is made between the Underlying Assets' price on a start date and a future date to determine performance, investors will not benefit from any increase in the Underlying Assets' price from the start date up to, but excluding, the specified date on which the Underlying Assets' price will be determined for the purpose of the relevant Securities.

### **3.2 Past performance of the Underlying Assets is not indicative of future performance**

Any information about the past performance of the Underlying Assets at the time of the issuance of the Securities should not be regarded as indicative of the range of, or trends in, fluctuations in such Underlying Assets that may occur in the future.

### **3.3 No rights of ownership in any Underlying Asset**

The purchasers of Securities should be aware that the Underlying Assets will not be held by the Issuer for the benefit of the purchasers of such Securities, and as such, purchasers will not obtain any rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to any Underlying Asset referenced by such Securities.

### **3.4 Postponement or alternative provisions for valuation of the Underlying Assets**

If the Calculation Agent determines that any form of disruption event in relation to any Underlying Asset has occurred which affects the valuation of such Underlying Asset, the Calculation Agent may apply any consequential postponement of, or any alternative provisions for, valuation of such Underlying Asset provided in the terms and conditions of the Securities, including a determination of the value of such Underlying Asset by the Calculation Agent in its discretion, acting in good faith and in a commercially reasonable manner, each of which may have an adverse effect on the value of the Securities. In the event that the valuation day of the Underlying Assets is postponed, the maturity date on which cash settlement is made will be postponed.

### **3.5 Calculation Agent determination in respect of the Underlying Assets, adjustment to or early termination of the Securities and reinvestment risk following such early termination**

If the Calculation Agent determines that any form of adjustment event in relation to an Underlying Asset has occurred, the Calculation Agent may adjust the terms and conditions of the Securities (without the consent of the purchasers) or may procure the early termination of such Securities prior to their scheduled maturity date, in each case, in accordance with such terms and conditions. In the event of such early redemption the Issuer will repay such Securities at a non-scheduled early repayment amount, which will be determined on the basis of market quotations obtained from qualified financial institutions, or where insufficient market quotations are obtained, at an amount determined by the Calculation Agent equal to the fair market value of such Securities immediately prior (and ignoring the circumstances leading to) such early redemption. A purchaser of such Securities should be aware that it is likely that this non-scheduled early repayment amount will be less than the purchaser's initial investment, and in such case see risk factor, "*1.1 Purchasers of Securities may receive back less than the original invested amount*". Following any such early termination of Securities, the purchasers of such Securities will generally not be able to reinvest the redemption proceeds at any effective interest rate as high as the interest rate or yield on the Securities being redeemed and may only be able to do so at a significantly lower rate. Purchasers of Securities should consider reinvestment risk in light of other investments available at that time.

### **3.6 Risks associated with the Shares as Underlying Assets**

#### **(i) Factors affecting the performance of the Shares**

The performance of the Shares is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

#### **(ii) Action by issuer of a Share may adversely affect the Securities**

The issuer of a Share will have no involvement in the offer and sale of the Securities and will have no obligation to any purchaser of such Securities. The issuer of a Share may take any actions in respect of such Share without regard to the interests of the purchasers of the Securities, and any of these actions could adversely affect the market value of the Securities.

(iii) **Potential Adjustment Events, Extraordinary Events and Change in Law**

The adjustment events referred to in risk factor, "3.5 Calculation Agent determination in respect of the Underlying Assets, adjustment to or early termination of the Securities and reinvestment risk following such early termination" include, in respect of Shares, Potential Adjustment Events, Extraordinary Events and Change in Law. Potential Adjustment Events include (a) a sub-division, consolidation or re-classification of Shares; (b) an extraordinary dividend; (c) a call of shares that are not fully paid; (d) a repurchase by the issuer, or an affiliate thereof, of the Shares; (e) a separation of rights from Shares; or (f) any event having a dilutive or concentrative effect on value of Shares. Extraordinary Events include (I) a delisting of Shares on an exchange; (II) an insolvency or bankruptcy of the issuer of the Shares; (III) a merger event entailing the consolidation of Shares with those of another entity; (IV) a nationalisation of the issuer of the Shares or transfer of Shares to a governmental entity; or (V) a tender offer or takeover offer that results in transfer of Shares to another entity. A Change in Law results in the Issuer incurring material costs for performing its obligations under the Securities.

**3.7 Risks associated with baskets comprised of various constituents as Underlying Assets**

(i) **Exposure to performance of basket and its underlying constituents**

Where the Securities reference a basket of assets as Underlying Assets, the purchasers of such Securities are exposed to the performance of such basket. The purchasers will bear the risk that such performance cannot be predicted and is determined by macroeconomic factors relating to the constituents that comprise such basket, see risk factor, "3.6 Risks associated with the Shares as Underlying Assets".

(ii) **Fewer number of basket constituents**

The performance of a basket that includes a fewer number of basket constituents will be more affected by changes in the value of any particular basket constituent included therein than a basket that includes a greater number of basket constituents.

(iii) **Unequal weighting of basket constituents**

The performance of a basket that gives greater weight to some basket constituents will be more affected by changes in the value of any such particular basket constituent included therein than a basket that gives relatively equal weight to each basket constituent.

(iv) **High correlation of basket constituents could have a significant effect on amounts payable**

Correlation of the basket constituents indicates the level of interdependence among the individual basket constituents with respect to their performance. Correlation has a value ranging from "-1" to "+1", whereby a correlation of "+1", i.e., a high positive correlation, means that the performance of the basket constituents always moves in the same direction. A correlation of "-1", i.e., a high negative correlation, means that the performance of the basket constituents is always diametrically opposed. A correlation of "0" indicates that it is not possible to make a statement on the relationship between the basket constituents. If, for example, all of the basket constituents originate from the same sector and the same country, a high positive correlation can generally be assumed. Correlation may fall however, for example when the company whose shares are included in the basket are engaged in intense competition for market shares and the same markets. Where the Securities are subject to high correlation, any move in the performance of the basket constituents will exaggerate the performance of the Securities.

(v) **Negative performance of a basket constituent may outweigh a positive performance of one or more basket constituents**

Purchasers of Securities must be aware that even in the case of a positive performance of one or

more basket constituents, the performance of the basket as a whole may be negative if the performance of the other basket constituents is negative to a greater extent.

(vi) **Change in composition of basket**

Where the Securities grant the Calculation Agent the right, in certain circumstances, to adjust the composition of the basket after the Securities have been issued, the purchaser may not assume that the composition of the basket will remain constant during the term of the Securities. Purchasers should be aware that the replacement basket constituent may perform differently to the outgoing basket constituent, which may have an adverse effect on the performance of the basket.

**4. Risks associated with the creditworthiness of the Issuer and The Goldman Sachs Group, Inc. as the Guarantor**

Each of, the Issuer and, The Goldman Sachs Group, Inc. ("GSG") as Guarantor in respect of the Securities, is a member of the Goldman Sachs Group of companies, and as such may be affected by uncertain or unfavourable economic, market, legal and other conditions that are likely to affect the Goldman Sachs Group of companies as a whole, including GSG's ability to perform its payment obligations as a Guarantor. The risks relating to GSG have been incorporated by reference and can be found in "Risk Factors" in Part I, Item 1A (pages 26 to 38) of GSG's 2009 Form 10-K. A deterioration in GSG's creditworthiness or perceived creditworthiness whether measured by actual or anticipated changes in the credit ratings of GSG may adversely affect the value of the Securities.

**5. Risks associated with conflicts of interest between Goldman Sachs and purchasers of Securities**

Goldman Sachs will be subject to various conflicts of interest in respect of an issuance of Securities as set out below:

**5.1 Taking positions in or dealing with the Underlying Assets**

Certain affiliates of the Issuer and the Guarantor may from time to time in the ordinary course of business, whether or not there will be any secondary market making activities, advise the issuer of any Underlying Asset regarding transactions to be entered into by them, or engage in long or short transactions involving any Underlying Asset for their proprietary accounts and for other accounts under their management or hold long or short positions in any Underlying Asset or related derivatives or enter into one or more hedging transactions with respect to any Underlying Asset or related derivatives. Any such transactions may have a positive or negative effect on the price, liquidity or value of an Underlying Asset and therefore on the value of the Securities to which they relate, which could be adverse to the interests of the relevant purchasers of Securities.

**5.2 Confidential information relating to the Underlying Assets and the Securities**

Certain affiliates of the Issuer and the Guarantor may from time to time, by virtue of their status as underwriter, advisor or otherwise, possess or have access to information relating to the Securities, the Underlying Assets and any derivative instruments referencing them. Such Goldman Sachs affiliates will not be obliged to disclose any such information to a purchaser of the Securities.

**5.3 Acting as a hedge counterparty to the Issuer's and Guarantor's obligations under the Securities**

Certain affiliates of the Issuer and the Guarantor may be the counterparty to the hedge of the Issuer's and the Guarantor's obligations under an issue of Securities. Accordingly, certain conflicts of interest may arise both among these affiliates and between the interests of these affiliates and the interests of purchasers of Securities.

**5.4 The Calculation Agent is the same entity as the Issuer**

As the Calculation Agent is the same entity as the Issuer and is an affiliate of the Guarantor, potential conflicts of interest may exist between the Calculation Agent and the purchasers, including with respect to the exercise of the very broad discretionary powers of the Calculation Agent. The Calculation Agent has the authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to the Securities have occurred, and (ii) to determine any resulting adjustments and calculations as described in such conditions. Prospective purchasers should be aware that any



determination made by the Calculation Agent may have an impact on the value and financial return of the Securities. Any such discretion exercised by, or any calculation made by, the Calculation Agent (in the absence of manifest or proven error) shall be binding on the Issuer and all purchasers of the Securities.

## **ANNEX**

### **INFORMATION RELATING TO THE UNDERLYING ASSETS**

Information on the Shares can be obtained from, in the case of the Finisar Share, <http://www.finisar.com> and <http://www.nasdaq.com>, in the case of the ICO Share, <http://www.intlcoal.com> and <http://www.nyse.com>, in the case of the Power Share <http://www.power-one.com> and <http://www.nasdaq.com>, and in the case of the Salix Share <http://www.salix.com> and <http://www.nasdaq.com> (and the information appearing on such websites does not form part of these Final Terms).