

GOLDMAN SACHS GROUP INC  
Form 424B2  
January 07, 2019  
Table of Contents

Filed Pursuant to Rule 424(b)(2)  
Registration Statement No. 333-219206

**GS Finance Corp.**

\$839,000

Buffered Digital Russell 2000<sup>®</sup> Index-Linked Notes due 2022

guaranteed by

**The Goldman Sachs Group, Inc.**

**The notes do not bear interest.** The amount that you will be paid on your notes on the stated maturity date (January 10, 2022) is based on the performance of the Russell 2000<sup>®</sup> Index as measured from the trade date (January 3, 2019) to and including the determination date (January 3, 2022).

If the final index level on the determination date is *greater than or equal to* 141.5% of the initial index level of 1,330.831, you will receive the maximum settlement amount of \$1,415 for each \$1,000 face amount of your notes.

If the final index level on the determination date is *greater than or equal to* 80% of the initial index level but is *less than* 141.5% of the initial index level, you will receive the *greater* of the threshold settlement amount of \$1,100 and the \$1,000 face amount *plus* the *product* of \$1,000 *times* the index return.

If the final index level declines by more than 20% from the initial index level, the return on your notes will be negative and you will lose 1.25% of the face amount of your notes for every 1% that the final index level has declined below 80% of the initial index level. See page PS-6. **You could lose a significant portion of the face amount of your notes.**

To determine your payment at maturity, we will calculate the index return, which is the percentage increase or decrease in the final index level from the initial index level. At maturity, for each \$1,000 face amount of your notes, you will receive an amount in cash equal to:

if the index return is *greater than or equal to* 41.5% (the final index level is *greater than or equal to* 141.5% of the initial index level), the maximum settlement amount;

if the index return is *greater than or equal to -20%* but *less than 41.5%*, the *greater* of (1) the threshold settlement amount and (2) the *sum* of (i) \$1,000 *plus* (ii) the *product* of (a) \$1,000 *times* (b) the index return; or

if the index return is *negative* and is *below -20%* (the final index level is *less than* the initial index level by more than 20%), the *sum* of (i) \$1,000 *plus* (ii) the *product* of (a) the buffer rate of 125% (see page PS-6) *times* (b) the *sum* of the index return *plus 20% times* (c) \$1,000. **You will receive less than the face amount of your notes. You should read the disclosure herein to better understand the terms and risks of your investment, including the credit risk of GS Finance Corp. and The Goldman Sachs Group, Inc. See page PS-11.**

*The estimated value of your notes at the time the terms of your notes are set on the trade date is equal to approximately \$972 per \$1,000 face amount. For a discussion of the estimated value and the price at which Goldman Sachs & Co. LLC would initially buy or sell your notes, if it makes a market in the notes, see the following page.*

<b>Original issue date:</b>	January 10, 2019	<b>Original issue price:</b>	100% of the face amount
<b>Underwriting discount:</b>	0.5% of the face amount	<b>Net proceeds to the issuer:</b>	99.5% of the face amount

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense. The notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.**

**Goldman Sachs & Co. LLC**

Pricing Supplement No. 5,016 dated January 3, 2019.

## **Table of Contents**

The issue price, underwriting discount and net proceeds listed above relate to the notes we sell initially. We may decide to sell additional notes after the date of this pricing supplement, at issue prices and with underwriting discounts and net proceeds that differ from the amounts set forth above. The return (whether positive or negative) on your investment in notes will depend in part on the issue price you pay for such notes.

GS Finance Corp. may use this prospectus in the initial sale of the notes. In addition, Goldman Sachs & Co. LLC or any other affiliate of GS Finance Corp. may use this prospectus in a market-making transaction in a note after its initial sale. ***Unless GS Finance Corp. or its agent informs the purchaser otherwise in the confirmation of sale, this prospectus is being used in a market-making transaction.***

### **Estimated Value of Your Notes**

*The estimated value of your notes at the time the terms of your notes are set on the trade date (as determined by reference to pricing models used by Goldman Sachs & Co. LLC (GS&Co.) and taking into account our credit spreads) is equal to approximately \$972 per \$1,000 face amount, which is less than the original issue price. The value of your notes at any time will reflect many factors and cannot be predicted; however, the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would initially buy or sell notes (if it makes a market, which it is not obligated to do) and the value that GS&Co. will initially use for account statements and otherwise is equal to approximately the estimated value of your notes at the time of pricing, plus an additional amount (initially equal to \$28 per \$1,000 face amount).*

*Prior to July 3, 2020, the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would buy or sell your notes (if it makes a market, which it is not obligated to do) will equal approximately the sum of (a) the then-current estimated value of your notes (as determined by reference to GS&Co.'s pricing models) plus (b) any remaining additional amount (the additional amount will decline to zero on a straight-line basis from the time of pricing through July 2, 2020). On and after July 3, 2020, the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would buy or sell your notes (if it makes a market) will equal approximately the then-current estimated value of your notes determined by reference to such pricing models.*

### **About Your Prospectus**

The notes are part of the Medium-Term Notes, Series E program of GS Finance Corp. and are fully and unconditionally guaranteed by The Goldman Sachs Group, Inc. This prospectus includes this pricing supplement and the accompanying documents listed below. This pricing supplement constitutes a supplement to the documents listed below and should be read in conjunction with such documents:

Product supplement no. 1,742 dated July 10, 2017

General terms supplement no. 1,734 dated July 10, 2017

Prospectus supplement dated July 10, 2017

Prospectus dated July 10, 2017

The information in this pricing supplement supersedes any conflicting information in the documents listed above. In addition, some of the terms or features described in the listed documents may not apply to your notes.

PS-2

**Table of Contents****Buffered Digital Russell 2000® Index-Linked Notes due 2022****INVESTMENT THESIS**

You should be willing to forgo interest payments and gains greater than the maximum settlement amount of 141.5% of the face amount of your notes, and risk losing your entire investment, in exchange for the potential to earn a return equal to the greater of (i) 10% and (ii) the underlier return if the underlier return is greater than or equal to -20% and less than or equal to 41.5%.

Your maximum return on your notes will not be greater than 41.5%, and you could lose all or a portion of your investment if the underlier return is less than -20%.

**DETERMINING THE CASH SETTLEMENT AMOUNT**

At maturity, for each \$1,000 face amount, the investor will receive (in each case as a percentage of the face amount):

if the final underlier level is *greater than or equal to* 80% of the initial underlier level, the greater of (i) 110% and (ii) 100% *plus* the underlier return, subject to the maximum settlement amount of 141.5%; or

if the final underlier level is less than 80% of the initial underlier level, 100% *minus* 1.25% for every 1% that the final underlier level has declined below 80% of the initial underlier level

**If the final underlier level declines by more than 20% from the initial underlier level, the return on the notes will be negative and the investor could lose their entire investment in the notes.**

**KEY TERMS**

<b>Issuer:</b>	GS Finance Corp.
<b>Guarantor:</b>	The Goldman Sachs Group, Inc.
<b>Underlier:</b>	The Russell 2000® Index (Bloomberg symbol, RTY Index )
<b>Face Amount:</b>	\$839,000 in the aggregate; each note will have a face amount equal to \$1,000
<b>Trade Date:</b>	January 3, 2019
<b>Settlement Date:</b>	January 10, 2019
<b>Determination Date:</b>	January 3, 2022
<b>Stated Maturity Date:</b>	January 10, 2022
<b>Initial Underlier Level:</b>	1,330.831
<b>Final Underlier Level:</b>	The closing level of the underlier on the determination date
<b>Underlier Return:</b>	The <i>quotient</i> of (i) the final underlier level <i>minus</i> the initial underlier level <i>divided by</i> (ii) the initial underlier level, expressed as a positive or negative percentage

<b>Threshold Level:</b>	80% of the initial underlier level
<b>Threshold Amount:</b>	20%
<b>Threshold Settlement Amount:</b>	\$1,100
<b>Buffer Rate:</b>	The <i>quotient</i> of the initial underlier level <i>divided</i> by the threshold level, which equals 125%
<b>Maximum Settlement Amount:</b>	\$1,415
<b>Cap Level:</b>	141.5% of the initial underlier level
<b>CUSIP/ISIN:</b>	40056ERR1 / US40056ERR17

PS-3

Table of Contents**HYPOTHETICAL PAYMENT AT MATURITY**

<b>Hypothetical Final Underlier Level (as Percentage of Initial Underlier Level)</b>	<b>Hypothetical Cash Settlement Amount (as Percentage of Face Amount)</b>
200.000%	141.500%
180.000%	141.500%
155.000%	141.500%
<b>141.500%</b>	<b>141.500%</b>
124.000%	124.000%
<b>110.000%</b>	<b>110.000%</b>
108.000%	110.000%
<b>100.000%</b>	<b>110.000%</b>
99.999%	110.000%
92.000%	110.000%
<b>80.000%</b>	<b>110.000%</b>
75.000%	93.750%
50.000%	62.500%
25.000%	31.250%
<b>0.000%</b>	<b>0.000%</b>

**RISKS**

Please read the section entitled "Additional Risk Factors Specific to Your Notes" of this pricing supplement as well as the risks and considerations described in the accompanying prospectus dated July 10, 2017, in the accompanying prospectus supplement dated July 10, 2017, under "Additional Risk Factors Specific to the Underlier-Linked Digital Notes" in the accompanying product supplement no. 1,742 dated July 10, 2017, and under "Additional Risk Factors Specific to the Notes" in the accompanying general terms supplement no. 1,734 dated July 10, 2017.

PS-4

**Table of Contents****SUMMARY INFORMATION**

*We refer to the notes we are offering by this pricing supplement as the offered notes or the notes. Each of the offered notes has the terms described below. Please note that in this pricing supplement, references to GS Finance Corp., we, our and us mean only GS Finance Corp. and do not include its subsidiaries or affiliates, references to The Goldman Sachs Group, Inc., our parent company, mean only The Goldman Sachs Group, Inc. and do not include its subsidiaries or affiliates and references to Goldman Sachs mean The Goldman Sachs Group, Inc. together with its consolidated subsidiaries and affiliates, including us. Also, references to the accompanying prospectus mean the accompanying prospectus, dated July 10, 2017, references to the accompanying prospectus supplement mean the accompanying prospectus supplement, dated July 10, 2017, for Medium-Term Notes, Series E, references to the accompanying general terms supplement no. 1,734 mean the accompanying general terms supplement no. 1,734, dated July 10, 2017, and references to the accompanying product supplement no. 1,742 mean the accompanying product supplement no. 1,742, dated July 10, 2017, in each case of GS Finance Corp. and The Goldman Sachs Group, Inc. The notes will be issued under the senior debt indenture, dated as of October 10, 2008, as supplemented by the First Supplemental Indenture, dated as of February 20, 2015, each among us, as issuer, The Goldman Sachs Group, Inc., as guarantor, and The Bank of New York Mellon, as trustee. This indenture, as so supplemented and as further supplemented thereafter, is referred to as the GSFC 2008 indenture in the accompanying prospectus supplement.*

*This section is meant as a summary and should be read in conjunction with the section entitled General Terms of the Underlier-Linked Digital Notes on page S-35 of the accompanying product supplement no. 1,742 and Supplemental Terms of the Notes on page S-16 of the accompanying general terms supplement no. 1,734. Please note that certain features, as noted below, described in the accompanying product supplement no. 1,742 and general terms supplement no. 1,734 are not applicable to the notes. This pricing supplement supersedes any conflicting provisions of the accompanying product supplement no. 1,742 or the accompanying general terms supplement no. 1,734.*

**Key Terms**

**Issuer:** GS Finance Corp.

**Guarantor:** The Goldman Sachs Group, Inc.

**Underlier:** the Russell 2000<sup>®</sup> Index (Bloomberg symbol, RTY Index), as published by FTSE Russell

**Specified currency:** U.S. dollars ( \$ )

**Terms to be specified in accordance with the accompanying product supplement no. 1,742:**

type of notes: notes linked to a single underlier



exchange rates: not applicable

averaging dates: not applicable

redemption right or price dependent redemption right: not applicable

cap level: yes, as described below

buffer level: not applicable

threshold level: yes, as described below

upside participation rate: not applicable

interest: not applicable

**Face amount:** each note will have a face amount of \$1,000; \$839,000 in the aggregate for all the offered notes; the aggregate face amount of the offered notes may be increased if the issuer, at its sole option, decides to sell an additional amount of the offered notes on a date subsequent to the date of this pricing supplement

**Purchase at amount other than face amount:** the amount we will pay you at the stated maturity date for your notes will not be adjusted based on the issue price you pay for your notes, so if you acquire notes at a premium (or discount) to face amount and hold them to the stated maturity date, it could affect your investment in a number of ways. The return on your investment in such notes will be lower (or higher) than it would have been had you purchased the notes at face amount. Also, the stated threshold level would not offer the same measure of protection to your investment as would be the case if you had purchased the notes at face amount. Additionally, the cap level would be triggered at a lower (or higher) percentage return than indicated below, relative to your initial investment. See **Additional Risk Factors Specific to Your Notes** **If You Purchase Your Notes at a Premium to Face Amount, the Return on Your Investment Will Be Lower Than the Return on Notes Purchased at Face Amount**

PS-5

**Table of Contents**

and the Impact of Certain Key Terms of the Notes Will be Negatively Affected on page PS-14 of this pricing supplement.

**Supplemental discussion of U.S. federal income tax consequences:** you will be obligated pursuant to the terms of the notes in the absence of a change in law, an administrative determination or a judicial ruling to the contrary to characterize each note for all tax purposes as a pre-paid derivative contract in respect of the underlier, as described under Supplemental Discussion of Federal Income Tax Consequences on page S-42 of the accompanying product supplement no. 1,742. Pursuant to this approach, it is the opinion of Sidley Austin LLP that upon the sale, exchange or maturity of your notes, it would be reasonable for you to recognize capital gain or loss equal to the difference, if any, between the amount of cash you receive at such time and your tax basis in your notes. Pursuant to Treasury regulations, Foreign Account Tax Compliance Act (FATCA) withholding (as described in United States Taxation Taxation of Debt Securities Foreign Account Tax Compliance Act (FATCA) Withholding in the accompanying prospectus) will generally apply to obligations that are issued on or after July 1, 2014; therefore, the notes will generally be subject to the FATCA withholding rules.

**Cash settlement amount (on the stated maturity date):** for each \$1,000 face amount of your notes, we will pay you on the stated maturity date an amount in cash equal to:

if the final underlier level is *greater than or equal to* the cap level, the maximum settlement amount;

if the final underlier level is *greater than or equal to* the threshold level but *less than* the cap level, the greater of (1) the threshold settlement amount and (2) the *sum* of (i) \$1,000 *plus* (ii) the *product* of (a) \$1,000 *times* (b) the underlier return; or

if the final underlier level is *less than* the threshold level, the *sum* of (1) \$1,000 *plus* (2) the *product* of (i) \$1,000 *times* (ii) the buffer rate *times* (iii) the *sum* of the underlier return *plus* the threshold amount

**Initial underlier level:** 1,330.831

**Final underlier level:** the closing level of the underlier on the determination date, except in the limited circumstances described under Supplemental Terms of the Notes Consequences of a Market Disruption Event or a Non-Trading Day on page S-23 of the accompanying general terms supplement no. 1,734 and subject to adjustment as provided under Supplemental Terms of the Notes Discontinuance or Modification of an Underlier on page S-27 of the accompanying general terms supplement no. 1,734

**Underlier return:** the *quotient* of (1) the final underlier level *minus* the initial underlier level *divided* by (2) the initial underlier level, expressed as a percentage

**Threshold level:** 80% of the initial underlier level

**Threshold settlement amount:** \$1,100

**Cap level:** 141.5% of the initial underlier level

**Maximum settlement amount:** \$1,415

**Threshold amount:** 20%

**Buffer rate:** the quotient of the initial underlier level divided by the threshold level, which equals 125%

**Trade date:** January 3, 2019

**Original issue date (settlement date):** January 10, 2019

**Determination date:** January 3, 2022, subject to adjustment as described under Supplemental Terms of the Notes Determination Date on page S-17 of the accompanying general terms supplement no. 1,734

**Stated maturity date:** January 10, 2022, subject to adjustment as described under Supplemental Terms of the Notes Stated Maturity Date on page S-16 of the accompanying general terms supplement no. 1,734

**No interest:** the offered notes do not bear interest

**No listing:** the offered notes will not be listed on any securities exchange or interdealer quotation system

**No redemption:** the offered notes will not be subject to redemption right or price dependent redemption right

**Closing level:** as described under Supplemental Terms of the Notes Special Calculation Provisions Closing Level on page S-31 of the accompanying general terms supplement no. 1,734

**Business day:** as described under Supplemental Terms of the Notes Special Calculation Provisions Business Day on page S-30 of the accompanying general terms supplement no. 1,734

**Trading day:** as described under Supplemental Terms of the Notes Special Calculation Provisions Trading Day on page S-31 of the accompanying general terms supplement no. 1,734

PS-6

**Table of Contents**

**Use of proceeds and hedging:** as described under Use of Proceeds and Hedging on page S-40 of the accompanying product supplement no. 1,742

**ERISA:** as described under Employee Retirement Income Security Act on page S-49 of the accompanying product supplement no. 1,742

**Supplemental plan of distribution; conflicts of interest:** as described under Supplemental Plan of Distribution on page S-50 of the accompanying product supplement no. 1,742 and Plan of Distribution Conflicts of Interest on page 94 of the accompanying prospectus; GS Finance Corp. estimates that its share of the total offering expenses, excluding underwriting discounts and commissions, will be approximately \$10,000.

GS Finance Corp. has agreed to sell to Goldman Sachs & Co. LLC ( GS&Co. ), and GS&Co. has agreed to purchase from GS Finance Corp., the aggregate face amount of the offered notes specified on the front cover of this pricing supplement. GS&Co. proposes initially to offer the notes to the public at the original issue price set forth on the cover page of this pricing supplement, and to certain securities dealers at such price less a concession not in excess of 0.25% of the face amount. GS&Co. is an affiliate of GS Finance Corp. and The Goldman Sachs Group, Inc. and, as such, will have a conflict of interest in this offering of notes within the meaning of Financial Industry Regulatory Authority, Inc. (FINRA) Rule 5121. Consequently, this offering of notes will be conducted in compliance with the provisions of FINRA Rule 5121. GS&Co. will not be permitted to sell notes in this offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.

We will deliver the notes against payment therefor in New York, New York on January 10, 2019. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on any date prior to two business days before delivery will be required to specify alternative settlement arrangements to prevent a failed settlement.

We have been advised by GS&Co. that it intends to make a market in the notes. However, neither GS&Co. nor any of our other affiliates that makes a market is obligated to do so and any of them may stop doing so at any time without notice. No assurance can be given as to the liquidity or trading market for the notes.

**Calculation agent:** GS&Co.

**CUSIP no.:** 40056ERR1

**ISIN no.:** US40056ERR17

**FDIC:** the notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank

**Table of Contents****HYPOTHETICAL EXAMPLES**

The following table and chart are provided for purposes of illustration only. They should not be taken as an indication or prediction of future investment results and merely are intended to illustrate the impact that the various hypothetical underlier levels on the determination date could have on the cash settlement amount at maturity assuming all other variables remain constant.

The examples below are based on a range of final underlier levels that are entirely hypothetical; the underlier level on any day throughout the life of the notes, including the final underlier level on the determination date, cannot be predicted. The underlier has been highly volatile in the past meaning that the underlier level has changed considerably in relatively short periods and its performance cannot be predicted for any future period.

The information in the following examples reflects hypothetical rates of return on the offered notes assuming that they are purchased on the original issue date at the face amount and held to the stated maturity date. If you sell your notes in a secondary market prior to the stated maturity date, your return will depend upon the market value of your notes at the time of sale, which may be affected by a number of factors that are not reflected in the table below, such as interest rates, the volatility of the underlier, the creditworthiness of GS Finance Corp., as issuer, and the creditworthiness of The Goldman Sachs Group, Inc., as guarantor. In addition, the estimated value of your notes at the time the terms of your notes are set on the trade date (as determined by reference to pricing models used by GS&Co.) is less than the original issue price of your notes. For more information on the estimated value of your notes, see [Additional Risk Factors Specific to Your Notes – The Estimated Value of Your Notes At the Time the Terms of Your Notes Are Set On the Trade Date \(as Determined By Reference to Pricing Models Used By GS&Co.\) Is Less Than the Original Issue Price Of Your Notes](#) on page PS-12 of this pricing supplement. The information in the table also reflects the key terms and assumptions in the box below.

**Key Terms and Assumptions**

Face amount	\$1,000
Threshold settlement amount	\$1,100
Threshold level	80% of the initial underlier level
Cap level	141.5% of the initial underlier level
Maximum settlement amount	\$1,415
Buffer rate	125%
Threshold amount	20%
Neither a market disruption event nor a non-trading day occurs on the originally scheduled determination date	

No change in or affecting any of the underlier stocks or the method by which the underlier sponsor calculates the underlier

Notes purchased on original issue date at the face amount and held to the stated maturity date

For these reasons, the actual performance of the underlier over the life of your notes, as well as the amount payable at maturity, if any, may bear little relation to the hypothetical examples shown below or to the historical underlier levels shown elsewhere in this pricing supplement. For information about the historical levels of the underlier during recent

periods, see The Underlier Historical Closing Levels of the Underlier below. Before investing in the offered notes, you should consult publicly available information to determine the levels of the underlier between the date of this pricing supplement and the date of your purchase of the offered notes.

Also, the hypothetical examples shown below do not take into account the effects of applicable taxes. Because of the U.S. tax treatment applicable to your notes, tax liabilities could affect the after-tax rate of return on your notes to a comparatively greater extent than the after-tax return on the underlier stocks.

The levels in the left column of the table below represent hypothetical final underlier levels and are expressed as percentages of the initial underlier level. The amounts in the right column represent the hypothetical cash settlement amounts, based on the corresponding hypothetical final underlier level, and are expressed as percentages of the face amount of a note (rounded to the nearest one-thousandth of a percent). Thus, a hypothetical cash settlement amount of 100.000% means that the value of the cash payment that we would deliver for each \$1,000 of the outstanding face amount of the offered notes on the stated maturity date would equal 100.000% of the face amount of a note, based on the corresponding hypothetical final underlier level and the assumptions noted above.

PS-8

**Table of Contents**

<b>Hypothetical Final Underlier Level</b>	<b>Hypothetical Cash Settlement Amount</b>
<b>(as Percentage of Initial Underlier Level)</b>	<b>(as Percentage of Face Amount)</b>
200.000%	141.500%
180.000%	141.500%
155.000%	141.500%
<b>141.500%</b>	<b>141.500%</b>
124.000%	124.000%
<b>110.000%</b>	<b>110.000%</b>
108.000%	110.000%
<b>100.000%</b>	<b>110.000%</b>
99.999%	110.000%
92.000%	110.000%
<b>80.000%</b>	<b>110.000%</b>
75.000%	93.750%
50.000%	62.500%
25.000%	31.250%
<b>0.000%</b>	<b>0.000%</b>

If, for example, the final underlier level were determined to be 25.000% of the initial underlier level, the cash settlement amount that we would deliver on your notes at maturity would be 31.250% of the face amount of your notes, as shown in the table above. As a result, if you purchased your notes on the original issue date at the face amount and held them to the stated maturity date, you would lose 68.750% of your investment (if you purchased your notes at a premium to face amount you would lose a correspondingly higher percentage of your investment). If the final underlier level were determined to be 0.000% of the initial underlier level, you would lose your entire investment in the notes. In addition, if the final underlier level were determined to be 200.000% of the initial underlier level, the cash settlement amount that we would deliver on your notes at maturity would be capped at the maximum settlement amount, or 141.500% of each \$1,000 face amount of your notes, as shown in the table above. As a result, if you held your notes to the stated maturity date, you would not benefit from any increase in the final underlier level over 141.500% of the initial underlier level.

The following chart shows a graphical illustration of the hypothetical cash settlement amounts that we would pay on your notes on the stated maturity date, if the final underlier level were any of the hypothetical levels shown on the horizontal axis. The hypothetical cash settlement amounts in the chart are expressed as percentages of the face amount of your notes and the hypothetical final underlier levels are expressed as percentages of the initial underlier level. The chart shows that any hypothetical final underlier level of less than 80.000% (the section left of the 80.000% marker on the horizontal axis) would result in a hypothetical cash settlement amount of less than 100.000% of the face amount of your notes (the section below the 100.000% marker on the vertical axis) and, accordingly, in a loss of principal to the holder of the notes. The chart also shows that any hypothetical final underlier level of greater than or equal to 141.500% (the section right of the 141.500% marker on the horizontal axis) would result in a capped return on your investment.

**Table of Contents**

The cash settlement amounts shown above are entirely hypothetical; they are based on market prices for the underlier stocks that may not be achieved on the determination date and on assumptions that may prove to be erroneous. The actual market value of your notes on the stated maturity date or at any other time, including any time you may wish to sell your notes, may bear little relation to the hypothetical cash settlement amounts shown above, and these amounts should not be viewed as an indication of the financial return on an investment in the offered notes. The hypothetical cash settlement amounts on notes held to the stated maturity date in the examples above assume you purchased your notes at their face amount and have not been adjusted to reflect the actual issue price you pay for your notes. The return on your investment (whether positive or negative) in your notes will be affected by the amount you pay for your notes. If you purchase your notes for a price other than the face amount, the return on your investment will differ from, and may be significantly lower than, the hypothetical returns suggested by the above examples. Please read

Additional Risk Factors Specific to the Underlier-Linked Digital Notes The Market Value of Your Notes May Be Influenced by Many Unpredictable Factors on page S-33 of the accompanying product supplement no. 1,742.

Payments on the notes are economically equivalent to the amounts that would be paid on a combination of other instruments. For example, payments on the notes are economically equivalent to a combination of an interest-bearing bond bought by the holder and one or more options entered into between the holder and us (with one or more implicit option premiums paid over time). The discussion in this paragraph does not modify or affect the terms of the notes or the U.S. federal income tax treatment of the notes, as described elsewhere in this pricing supplement.

*We cannot predict the actual final underlier level or what the market value of your notes will be on any particular trading day, nor can we predict the relationship between the underlier level and the market value of your notes at any time prior to the stated maturity date. The actual amount that you will receive, if any, at maturity and the rate of return on the offered notes will depend on the actual final underlier level determined by the calculation agent as described above. Moreover, the assumptions on which the hypothetical returns are based may turn out to be inaccurate. Consequently, the amount of cash to be paid in respect of your notes, if any, on the stated maturity date may be very different from the information reflected in the table and chart above.*

PS-10



**Table of Contents****ADDITIONAL RISK FACTORS SPECIFIC TO YOUR NOTES**

*An investment in your notes is subject to the risks described below, as well as the risks and considerations described in the accompanying prospectus, in the accompanying prospectus supplement, under Additional Risk Factors Specific to the Notes in the accompanying general terms supplement no. 1,734 and under Additional Risk Factors Specific to the Underlier-Linked Digital Notes in the accompanying product supplement no. 1,742. You should carefully review these risks and considerations as well as the terms of the notes described herein and in the accompanying prospectus, the accompanying prospectus supplement, the accompanying general terms supplement no. 1,734 and the accompanying product supplement no. 1,742. Your notes are a riskier investment than ordinary debt securities. Also, your notes are not equivalent to investing directly in the underlier stocks, i.e., the stocks comprising the underlier to which your notes are linked. You should carefully consider whether the offered notes are suited to your particular circumstances.*

**The Estimated Value of Your Notes At the Time the Terms of Your Notes Are Set On the Trade Date (as Determined By Reference to Pricing Models Used By GS&Co.) Is Less Than the Original Issue Price Of Your Notes**

The original issue price for your notes exceeds the estimated value of your notes as of the time the terms of your notes are set on the trade date, as determined by reference to GS&Co.'s pricing models and taking into account our credit spreads. Such estimated value on the trade date is set forth above under Estimated Value of Your Notes; after the trade date, the estimated value as determined by reference to these models will be affected by changes in market conditions, the creditworthiness of GS Finance Corp., as issuer, the creditworthiness of The Goldman Sachs Group, Inc., as guarantor, and other relevant factors. The price at which GS&Co. would initially buy or sell your notes (if GS&Co. makes a market, which it is not obligated to do), and the value that GS&Co. will initially use for account statements and otherwise, also exceeds the estimated value of your notes as determined by reference to these models. As agreed by GS&Co. and the distribution participants, this excess (i.e., the additional amount described under Estimated Value of Your Notes) will decline to zero on a straight line basis over the period from the date hereof through the applicable date set forth above under Estimated Value of Your Notes. Thereafter, if GS&Co. buys or sells your notes it will do so at prices that reflect the estimated value determined by reference to such pricing models at that time. The price at which GS&Co. will buy or sell your notes at any time also will reflect its then current bid and ask spread for similar sized trades of structured notes.

In estimating the value of your notes as of the time the terms of your notes are set on the trade date, as disclosed above under Estimated Value of Your Notes, GS&Co.'s pricing models consider certain variables, including principally our credit spreads, interest rates (forecasted, current and historical rates), volatility, price-sensitivity analysis and the time to maturity of the notes. These pricing models are proprietary and rely in part on certain assumptions about future events, which may prove to be incorrect. As a result, the actual value you would receive if you sold your notes in the secondary market, if any, to others may differ, perhaps materially, from the estimated value of your notes determined by reference to our models due to, among other things, any differences in pricing models or assumptions used by others. See Additional Risk Factors Specific to the Underlier-Linked Digital Notes The Market Value of Your Notes May Be Influenced by Many Unpredictable Factors on page S-33 of the accompanying product supplement no. 1,742.

The difference between the estimated value of your notes as of the time the terms of your notes are set on the trade date and the original issue price is a result of certain factors, including principally the underwriting discount and commissions, the expenses incurred in creating, documenting and marketing the notes, and an estimate of the difference between the amounts we pay to GS&Co. and the amounts GS&Co. pays to us in connection with your

notes. We pay to GS&Co. amounts based on what we would pay to holders of a non-structured note with a similar maturity. In return for such payment, GS&Co. pays to us the amounts we owe under your notes.

In addition to the factors discussed above, the value and quoted price of your notes at any time will reflect many factors and cannot be predicted. If GS&Co. makes a market in the notes, the price quoted by GS&Co. would reflect any changes in market conditions and other relevant factors, including any deterioration in our creditworthiness or perceived creditworthiness or the creditworthiness or perceived creditworthiness of The Goldman Sachs Group, Inc. These changes may adversely affect the value of your notes, including the price you may receive for your notes in any market making transaction. To the extent that GS&Co. makes a market in the notes, the quoted price will reflect the estimated value determined by reference to GS&Co.'s pricing models at that time, plus or minus its then current bid and ask spread for similar sized trades of structured notes (and subject to the declining excess amount described above).

PS-11

## **Table of Contents**

Furthermore, if you sell your notes, you will likely be charged a commission for secondary market transactions, or the price will likely reflect a dealer discount. This commission or discount will further reduce the proceeds you would receive for your notes in a secondary market sale.

There is no assurance that GS&Co. or any other party will be willing to purchase your notes at any price and, in this regard, GS&Co. is not obligated to make a market in the notes. See **Additional Risk Factors Specific to the Underlier-Linked Digital Notes – Your Notes May Not Have an Active Trading Market** on page S-33 of the accompanying product supplement no. 1,742.

### **The Notes Are Subject to the Credit Risk of the Issuer and the Guarantor**

Although the return on the notes will be based on the performance of the underlier, the payment of any amount due on the notes is subject to the credit risk of GS Finance Corp., as issuer of the notes, and the credit risk of The Goldman Sachs Group, Inc. as guarantor of the notes. The notes are our unsecured obligations. Investors are dependent on our ability to pay all amounts due on the notes, and therefore investors are subject to our credit risk and to changes in the market's view of our creditworthiness. Similarly, investors are dependent on the ability of The Goldman Sachs Group, Inc., as guarantor of the notes, to pay all amounts due on the notes, and therefore are also subject to its credit risk and to changes in the market's view of its creditworthiness. See **Description of the Notes We May Offer – Information About Our Medium-Term Notes, Series E Program – How the Notes Rank Against Other Debt** on page S-4 of the accompanying prospectus supplement and **Description of Debt Securities We May Offer – Guarantee by The Goldman Sachs Group, Inc.** on page 42 of the accompanying prospectus.

### **The Amount Payable on Your Notes Is Not Linked to the Level of the Underlier at Any Time Other Than the Determination Date**

The final underlier level will be based on the closing level of the underlier on the determination date (subject to adjustment as described elsewhere in this pricing supplement). Therefore, if the closing level of the underlier dropped precipitously on the determination date, the cash settlement amount for your notes may be significantly less than it would have been had the cash settlement amount been linked to the closing level of the underlier prior to such drop in the level of the underlier. Although the actual level of the underlier on the stated maturity date or at other times during the life of your notes may be higher than the final underlier level, you will not benefit from the closing level of the underlier at any time other than on the determination date.

### **You May Lose Your Entire Investment in the Notes**

You can lose your entire investment in the notes. The cash payment on your notes, if any, on the stated maturity date will be based on the performance of the underlier as measured from the initial underlier level to the closing level on the determination date. If the final underlier level is *less than* the threshold level, you will have a loss for each \$1,000 of the face amount of your notes equal to the *product* of (i) the buffer rate *times* (ii) the *sum* of the underlier return *plus* the threshold amount *times* (iii) \$1,000. Thus, you may lose your entire investment in the notes, which would include any premium to face amount you paid when you purchased the notes.

Also, the market price of your notes prior to the stated maturity date may be significantly lower than the purchase price you pay for your notes. Consequently, if you sell your notes before the stated maturity date, you may receive far less than the amount of your investment in the notes.

### **Your Notes Do Not Bear Interest**

You will not receive any interest payments on your notes. As a result, even if the cash settlement amount payable for your notes on the stated maturity date exceeds the face amount of your notes, the overall return you earn on your notes may be less than you would have earned by investing in a non-indexed debt security of comparable maturity that bears interest at a prevailing market rate.

**The Potential for the Value of Your Notes to Increase Will Be Limited**

Your ability to participate in any change in the value of the underlier over the life of your notes will be limited because of the cap level. The maximum settlement amount will limit the cash settlement amount you may receive for each of your notes at maturity, no matter how much the level of the underlier may rise beyond the cap level over the life of your notes. Accordingly, the amount payable for each of your notes may be significantly less than it would have been had you invested directly in the underlier.

**You Have No Shareholder Rights or Rights to Receive Any Underlier Stock**

Investing in your notes will not make you a holder of any of the underlier stocks. Neither you nor any other holder or owner of your notes will have any rights with respect to the underlier stocks, including any voting rights, any right to receive dividends or other distributions, any rights to make a claim against the underlier stocks or any other rights of a holder of the underlier stocks. Your notes will be paid in cash and you will have no right to receive delivery of any underlier stocks.

PS-12

---

**Table of Contents**

**We May Sell an Additional Aggregate Face Amount of the Notes at a Different Issue Price**

At our sole option, we may decide to sell an additional aggregate face amount of the notes subsequent to the date of this pricing supplement. The issue price of the notes in the subsequent sale may differ substantially (higher or lower) from the original issue price you paid as provided on the cover of this pricing supplement.

**If You Purchase Your Notes at a Premium to Face Amount, the Return on Your Investment Will Be Lower Than the Return on Notes Purchased at Face Amount and the Impact of Certain Key Terms of the Notes Will Be Negatively Affected**

The cash settlement amount will not be adjusted based on the issue price you pay for the notes. If you purchase notes at a price that differs from the face amount of the notes, then the return on your investment in such notes held to the stated maturity date will differ from, and may be substantially less than, the return on notes purchased at face amount. If you purchase your notes at a premium to face amount and hold them to the stated maturity date, the return on your investment in the notes will be lower than it would have been had you purchased the notes at face amount or a discount to face amount. In addition, the impact of the threshold level, the threshold settlement amount and the maximum settlement amount on the return on your investment will depend upon the price you pay for your notes relative to face amount. For example, if you purchase your notes at a premium to face amount, the threshold settlement amount and maximum settlement amount will permit a lower positive return on your investment in the notes than would have been the case for notes purchased at face amount or a discount to face amount. Similarly, if the final underlier level is less than the threshold level, you will incur a greater percentage decrease in your investment in the notes than would have been the case for notes purchased at face amount or a discount to face amount.

**Your Notes May Be Subject to an Adverse Change in Tax Treatment in the Future**

The tax consequences of an investment in your notes are uncertain, both as to the timing and character of any inclusion in income in respect of your notes.

The Internal Revenue Service announced on December 7, 2007 that it is considering issuing guidance regarding the proper U.S. federal income tax treatment of an instrument such as your notes, and any such guidance could adversely affect the tax treatment and the value of your notes. Among other things, the Internal Revenue Service may decide to require the holders to accrue ordinary income on a current basis and recognize ordinary income on payment at maturity, and could subject non-U.S. investors to withholding tax. Furthermore, in 2007, legislation was introduced in Congress that, if enacted, would have required holders that acquired instruments such as your notes after the bill was enacted to accrue interest income over the term of such instruments even though there will be no interest payments over the term of such instruments. It is not possible to predict whether a similar or identical bill will be enacted in the future, or whether any such bill would affect the tax treatment of your notes. We describe these developments in more detail under *Supplemental Discussion of Federal Income Tax Consequences* on page S-42 of the accompanying product supplement no. 1,742. You should consult your tax advisor about this matter. Except to the extent otherwise provided by law, GS Finance Corp. intends to continue treating the notes for U.S. federal income tax purposes in accordance with the treatment described under *Supplemental Discussion of Federal Income Tax Consequences* on page S-42 of the accompanying product supplement no. 1,742 unless and until such time as Congress, the Treasury Department or the Internal Revenue Service determine that some other treatment is more appropriate.

**United States Alien Holders Should Consider the Withholding Tax Implications of Owning the Notes**

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 any amounts a United States alien holder receives upon the sale, exchange or maturity of the notes, could be collected via withholding. If these regulations were to apply to the notes, we may be required to withhold such taxes if any U.S.-source dividends are paid on the stocks included in the underlier during the term of the notes. We could also require a United States alien holder to make certifications (e.g., an applicable Internal Revenue Service Form W-8) prior to the maturity of the notes in order to avoid or minimize withholding obligations, and we could withhold accordingly (subject to the United States alien holder's 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, 2021, 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

PS-13

**Table of Contents**

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). We have determined that, as of the issue date of your notes, your notes will not be subject to withholding under these rules. In certain limited circumstances, however, you should be aware that 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. You should consult your tax advisor concerning these regulations, subsequent official guidance and regarding any other possible alternative characterizations of your notes for U.S. federal income tax purposes.

**Foreign Account Tax Compliance Act (FATCA) Withholding May Apply to Payments on Your Notes,  
Including as a Result of the Failure of the Bank or Broker Through Which You Hold the Notes to Provide  
Information to Tax Authorities**

Please see the discussion under United States Taxation Taxation of Debt Securities Foreign Account Tax Compliance Act (FATCA) Withholding in the accompanying prospectus for a description of the applicability of FATCA to payments made on your notes.

PS-14

---

**Table of Contents**

**THE UNDERLIER**

The Russell 2000<sup>®</sup> Index measures the composite price performance of stocks of 2,000 companies incorporated in the U.S., its territories and certain benefit-driven incorporation countries.

As of December 20, 2018, the 2,000 companies included in the Russell 2000<sup>®</sup> Index were divided into nine Russell Global Sectors. The Russell Global Sectors include (with the approximate percentage currently included in such sectors indicated in parentheses): Consumer Discretionary (14.69%), Consumer Staples (2.41%), Financial Services (24.02%), Health Care (13.66%), Materials & Processing (5.97%), Other Energy (3.45%), Producer Durables (13.27%), Technology (12.57%) and Utilities (4.96%). (Sector designations are determined by the underlier sponsor using criteria it has selected or developed. Index sponsors may use very different standards for determining sector designations. In addition, many companies operate in a number of sectors, but are listed in only one sector and the basis on which that sector is selected may also differ. As a result, sector comparisons between indices with different index sponsors may reflect differences in methodology as well as actual differences in the sector composition of the indices.)

In addition to the exclusions discussed under Exclusions from the Russell 2000<sup>®</sup> Index on page S-62 of the accompanying general terms supplement no. 1,734, a company with 5% or less of its voting rights in the hands of unrestricted shareholders is no longer eligible for inclusion in the Russell 2000<sup>®</sup> Index. Existing constituents of the Russell 2000<sup>®</sup> Index that do not currently have more than 5% of the company's voting rights in the hands of unrestricted shareholders have until the September 2022 review to meet this requirement.

The above information supplements the description of the underlier found in the accompanying general terms supplement no. 1,734. This information was derived from information prepared by the underlier sponsor, however, the percentages we have listed above are approximate and may not match the information available on the underlier sponsor's website due to subsequent corporate actions or other activity relating to a particular stock. For more details about the underlier, the underlier sponsor and license agreement between the underlier sponsor and the issuer, see The Underliers Russell 2000<sup>®</sup> Index on page S-61 of the accompanying general terms supplement no. 1,734.

The Russell 2000<sup>®</sup> Index is a trademark of Russell Investment Group ( Russell ) and has been licensed for use by GS Finance Corp. The securities are not sponsored, endorsed, sold or promoted by Russell, and Russell makes no representation regarding the advisability of investing in the securities.

PS-15



**Table of Contents**

**Historical Closing Levels of the Underlier**

The closing level of the underlier has fluctuated in the past and may, in the future, experience significant fluctuations. Any historical upward or downward trend in the closing level of the underlier during the period shown below is not an indication that the underlier is more or less likely to increase or decrease at any time during the life of your notes.

**You should not take the historical levels of the underlier as an indication of the future performance of the underlier.** We cannot give you any assurance that the future performance of the underlier or the underlier stocks will result in your receiving an amount greater than the outstanding face amount of your notes on the stated maturity date.

Neither we nor any of our affiliates make any representation to you as to the performance of the underlier. Before investing in the offered notes, you should consult publicly available information to determine the levels of the underlier between the date of this pricing supplement and the date of your purchase of the offered notes. The actual performance of the underlier over the life of the offered notes, as well as the cash settlement amount, may bear little relation to the historical closing levels shown below.

The graph below shows the daily historical closing levels of the underlier from January 2, 2009 through January 3, 2019. We obtained the closing levels in the graph below from Bloomberg Financial Services, without independent verification. Although the official closing levels of the Russell 2000® Index are published to six decimal places by the underlier sponsor, Bloomberg Financial Services reports the levels of the Russell 2000® Index to fewer decimal places.

**Historical Performance of the Russell 2000® Index**

PS-16

**Table of Contents**

**VALIDITY OF THE NOTES AND GUARANTEE**

In the opinion of Sidley Austin LLP, as counsel to GS Finance Corp. and The Goldman Sachs Group, Inc., when the notes offered by this pricing supplement have been executed and issued by GS Finance Corp., the related guarantee offered by this pricing supplement has been executed and issued by The Goldman Sachs Group, Inc., and such notes have been authenticated by the trustee pursuant to the indenture, and such notes and the guarantee have been delivered against payment as contemplated herein, (a) such notes will be valid and binding obligations of GS Finance Corp., enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith), provided that such counsel expresses no opinion as to the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above and (b) such related guarantee will be a valid and binding obligation of The Goldman Sachs Group, Inc., enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith), provided that such counsel expresses no opinion as to the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above. This opinion is given as of the date hereof and is limited to the laws of the State of New York and the General Corporation Law of the State of Delaware as in effect on the date hereof. In addition, this opinion is subject to customary assumptions about the trustee's authorization, execution and delivery of the indenture and the genuineness of signatures and certain factual matters, all as stated in the letter of such counsel dated July 10, 2017, which has been filed as Exhibit 5.6 to the registration statement on Form S-3 filed with the Securities and Exchange Commission by GS Finance Corp. and The Goldman Sachs Group, Inc. on July 10, 2017.

PS-17

**Table of Contents**

We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this pricing supplement, the accompanying product supplement no. 1,742, the accompanying general terms supplement no. 1,734, the accompanying prospectus supplement or the accompanying prospectus. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This pricing supplement, the accompanying product supplement no. 1,742, the accompanying general terms supplement no. 1,734, the accompanying prospectus supplement and the accompanying prospectus is an offer to sell only the notes offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this pricing supplement, the accompanying product supplement no. 1,742, the accompanying general terms supplement no. 1,734, the accompanying prospectus supplement and the accompanying prospectus is current only as of the respective dates of such documents.

## TABLE OF CONTENTS

## Pricing Supplement

	Page
<u>Summary Information</u>	PS-5
<u>Hypothetical Examples</u>	PS-8
<u>Additional Risk Factors Specific to Your Notes</u>	PS-11
<u>The Underlier</u>	PS-15
<u>Validity of the Notes and Guarantee</u>	PS-17
Product Supplement No. 1,742 dated July 10, 2017	
Summary Information	S-1
Hypothetical Returns on the Underlier-Linked Digital Notes	S-11
Additional Risk Factors Specific to the Underlier-Linked Digital Notes	S-31
General Terms of the Underlier-Linked Digital Notes	S-35
Use of Proceeds	S-40
Hedging	S-40
Supplemental Discussion of Federal Income Tax Consequences	S-42
Employee Retirement Income Security Act	S-49
Supplemental Plan of Distribution	S-50
Conflicts of Interest	S-53
General Terms Supplement No. 1,734 dated July 10, 2017	
Additional Risk Factors Specific to the Notes	S-1
Supplemental Terms of the Notes	S-16
The Underliers	S-36
S&P 500® Index	S-40
MSCI Indices	S-46
Hang Seng China Enterprises Index	S-55
Russell 2000® Index	S-61
FTSE®100 Index	S-69
EURO STOXX 50® Index	S-75
TOPIX	S-82
The Dow Jones Industrial Average®	S-87

Edgar Filing: GOLDMAN SACHS GROUP INC - Form 424B2

The iShares® MSCI Emerging Markets ETF	S-91
Use of Proceeds	S-94
Hedging	S-94
Employee Retirement Income Security Act	S-95
Supplemental Plan of Distribution	S-96
Conflicts of Interest	S-98

Prospectus Supplement dated July 10, 2017

Use of Proceeds	S-2
Description of Notes We May Offer	S-3
Considerations Relating to Indexed Notes	S-15
United States Taxation	S-18
Employee Retirement Income Security Act	S-19
Supplemental Plan of Distribution	S-20
Validity of the Notes and Guarantees	S-21

Prospectus dated July 10, 2017

Available Information	2
Prospectus Summary	4
Risks Relating to Regulatory Resolution Strategies and Long-Term Debt Requirements	8
Use of Proceeds	11
Description of Debt Securities We May Offer	12
Description of Warrants We May Offer	45
Description of Units We May Offer	60
GS Finance Corp.	65
Legal Ownership and Book-Entry Issuance	67
Considerations Relating to Floating Rate Debt Securities	72
Considerations Relating to Indexed Securities	73
Considerations Relating to Securities Denominated or Payable in or Linked to a Non-U.S. Dollar Currency	74
United States Taxation	77
Plan of Distribution	92
Conflicts of Interest	94
Employee Retirement Income Security Act	95
Validity of the Securities and Guarantees	95
Experts	96
Review of Unaudited Condensed Consolidated Financial Statements by Independent Registered Public Accounting Firm	96
Cautionary Statement Pursuant to the Private Securities Litigation Reform Act of 1995	96

**Table of Contents**

\$839,000

**GS Finance Corp.**

Buffered Digital Russell 2000® Index-Linked Notes due 2022

guaranteed by

**The Goldman Sachs Group, Inc.**

**Goldman Sachs & Co. LLC**