



INFORMATION CIRCULAR: THE GOLDMAN SACHS GROUP, INC.

TO: Head Traders, Technical Contacts, Compliance Officers, Heads of ETF Trading, Structured Products Traders

FROM: Nasdaq / BX / PHLX Listing Qualifications Department

DATE: April 3, 2018

EXCHANGE-TRADED PRODUCT

SYMBOL **CUSIP #**

Large Cap Growth Index-Linked ETNs due 2028

FRLG 362273302

INFORMATION ON THE SECURITIES

The Goldman Sachs Group, Inc. (the “Issuer”) has issued Large Cap Growth Index-Linked ETNs (“ETNs” or “Notes” or “Securities”) due April 3, 2028 that are linked to the performance of the Russell 1000 Growth Total Return Index (the “Index”). The ETNs do not bear interest and returns are based on leveraged performance of the Index.

The Notes are part of the Medium-Term Notes, Series E program of GS Finance Corp., and are guaranteed by the Issuer. Although the return on the Notes will be based on the performance of the Index, the payment of any amount due on the Notes is subject to the credit risk of the Issuer.

Unlike conventional debt securities, the Notes do not pay interest and do not repay a fixed amount of principal at maturity or upon any redemption. Instead, the Notes offer a payment at maturity or upon any redemption based on the two times leveraged performance, compounded at least quarterly, of the Index, less significant applicable fees, as described in the prospectus for the Notes. The Notes will mature on April 3, 2028 and are subject to redemption at the option of the Issuer, redemption at the option of the holder and automatic redemption, as described in the prospectus for the Notes.

The Notes are designed to reset to approximately 2 times leveraged exposure to the Index on each rebalancing date as described in the prospectus. Rebalancing dates occur quarterly and each time the closing level of the Index falls by an amount that is 20% or more of the closing level of the Index on the prior rebalancing date.

Accordingly, the Notes generally depreciate in value as the level of the Index decreases and appreciate in value as the level of the Index increases, provided that, with respect to an increase in the level of the Index, such increase is sufficient to offset the negative effect of the daily investor fee and any applicable rebalancing fee and settlement fee (the fees account for the costs to finance the leveraged exposure and to hedge the Issuer’s obligations under the Notes).

The Notes are very sensitive to changes in the performance of the Index, and returns on the Notes may be negatively impacted in complex and unpredictable ways by the volatility of the Index. As the Notes are designed to achieve their stated investment objective on a quarterly basis, their performance over longer periods of time is affected by compounding and Index performance and can differ significantly from their stated quarterly objective. The Notes are riskier than securities that have intermediate- or long-term investment objectives that do not have quarterly compounding.

Any decision to invest in the Notes, and to hold for longer than one quarter, should be made with extreme caution. These Notes are not appropriate for long-term or passive investors or investors who lack experience investing in leveraged products.

Please see the prospectus for the Notes for more details regarding the calculations and details regarding the Index.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

Trading in the Notes on NASDAQ is on a UTP basis and is subject to NASDAQ equity trading rules. Trading in the Notes on BX is on a UTP basis and is subject to BX equity trading rules. Trading in the Notes on PHLX's PSX system is on a UTP basis and is subject to PHLX rules. The Notes will trade on NASDAQ from 7:00 a.m. until 8:00 p.m. Eastern Time. The Notes will trade on BX from 8:00 a.m. until 7:00 p.m. Eastern Time. The Notes will trade on PSX from 9:00 a.m. until 5:00 p.m. Eastern Time. For trading during each market's pre-market and post-market sessions, market participants should note that additional risks may exist with respect to trading the Notes during these sessions, when the underlying index's value or similar value may not be disseminated.

NASDAQ will halt trading in the Notes in accordance with NASDAQ Rule 4120. BX will halt trading in the Notes in accordance with BX Equity Rule 4120. PHLX will halt trading in the Notes in accordance with PHLX Rule 3100. The grounds for a halt under each of these rules include a halt by the primary market because the value of the underlying index or a similar value is not being disseminated as required, or a halt for other regulatory reasons. In addition, NASDAQ, BX and PHLX will also stop trading the Notes if the primary market delists the Notes.

Trading of the Notes on NASDAQ is subject to the provisions of NASDAQ Rule 2310. Trading of the Notes on BX is subject to the provisions of BX Rule 2310. Members recommending transactions in the Notes to customers should make a determination that the securities are suitable for the customer. In addition, members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in the NASDAQ Conduct Rules and BX Conduct Rules.

Members and member organizations recommending transactions in the Notes to customers should make a determination that the recommendation is suitable for the customer, as provided by PHLX Rule 763.

Nasdaq members, BX members and PHLX members and member organizations should also review NASD Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection

with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

This Information Circular is not a statutory prospectus. NASDAQ members, BX members and PHLX members and member organizations should consult the registration statement or prospectus for the Notes for additional information.

Inquiries regarding this Information Circular should be directed to:

- Ben Haskell, Listing Qualifications, at 301.978.8092
- NASDAQ / BX/ PSX Market Sales at 800.846.0477