

## PROSPECTUS

# Goldman Sachs Real Estate Diversified Income Fund

Class A Shares (GSRDX), Class C Shares (GSREX), Class I Shares (GSRHX), Class L Shares (GSRJX), and Class W Shares (GSRQX) of Beneficial Interest  
January 28, 2025

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Goldman Sachs Real Estate Diversified Income Fund, a Delaware statutory trust (the “Fund”), is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a diversified, closed-end management investment company. The Fund is offering common shares of beneficial interest (the “Shares”).

**Investment Objective.** The Fund’s investment objective is to seek to produce income and achieve capital appreciation with low to moderate volatility and low to moderate correlation to the broader equity markets.

**Interval Fund.** The Fund operates as an “interval fund” (defined below) pursuant to which it will, subject to applicable law, conduct quarterly repurchase offers for between 5% and 25% of the Fund’s outstanding Shares at net asset value (“NAV”). The Fund will not be required to repurchase Shares at a shareholder’s option nor will Shares be exchangeable for units, interests or shares of any investment of the Fund. The Fund currently expects that such quarterly repurchase offers will be for 5% of the Fund’s outstanding Shares at NAV, which is the minimum amount permitted. It is possible that a repurchase offer may be oversubscribed, with the result that shareholders may only be able to have a portion of their Shares repurchased. There is no guarantee that investors will be able to sell their Shares in the quantity that they desire. The Fund does not currently intend to list its Shares for trading on any national securities exchange. For this reason, the Shares are not readily marketable. Although the Fund will make quarterly repurchase offers to repurchase a portion of the Shares to try to provide liquidity to shareholders, investors should consider the Shares to be illiquid. The Fund will make repurchase offers in the months of March, June, September and December. **See “Principal Risks of the Fund—Repurchase Offers Risk.”**

The Board will establish the deadline by which the Fund must receive repurchase requests in response to a repurchase offer. The Fund anticipates that the pricing date for each repurchase offer will normally be the same date as the repurchase request deadline for that repurchase offer. In any case, there will be a maximum 14 calendar day period (or the next business day if the 14th calendar day is not a business day) between the repurchase request deadline and the repurchase pricing date. The Fund normally will repurchase Shares that are tendered by the repurchase request deadline and accepted for repurchase at the NAV determined as of the Fund’s close of business (which is generally the close of business of The New York Stock Exchange, normally 4:00 p.m. Eastern time) on the repurchase pricing date (minus any applicable contingent deferred sales charge). Repurchase proceeds will be paid to shareholders no later than seven days after the repurchase pricing date. **See “Shareholder Guide—How to Sell Shares”** for additional discussion of the Fund’s repurchase policies.

**Principal Investment Strategies.** The Fund pursues its investment objective by investing, under normal circumstances, at least 80% of its Managed Assets (as defined herein) (measured at the time of purchase) in a portfolio of equity and debt investments in issuers that are primarily engaged in or related to the real estate industry (“real estate industry companies”). An issuer is primarily engaged in or related to the real estate industry if it derives at least 50% of its gross revenues or net profits from

the ownership, development, construction, financing, management or sale of commercial, industrial or residential real estate or interests therein. Real estate industry companies may include publicly traded real estate investment trusts and their foreign equivalents (“Public REITs”); real estate operating companies (“REOCs”); private real estate investment funds that invest in real estate equity (“Private Real Estate Equity Funds”) and private real estate investment funds that invest in real estate credit (“Private Real Estate Credit Funds”) managed by unaffiliated institutional asset managers (collectively, “Private Real Estate Investment Funds”); non-traded publicly registered real estate investment trusts (“Non-Traded REITs”); affiliated or unaffiliated SEC-registered investment companies that invest principally in real estate industry companies, including exchange-traded funds (“ETFs”), mutual funds (including index funds and actively-managed funds), and closed-end funds (collectively, “Public Investment Funds,” and together with Private Real Estate Investment Funds, “Underlying Funds”); and commercial mortgage-backed securities (“CMBS”). Real estate investment trusts (“REITs”) are pooled investment vehicles that invest primarily in income-producing real estate or real estate-related loans or interests; and REOCs are companies that invest in real estate and whose shares may trade on public exchanges. CMBS are a type of mortgage-backed security that is secured by a single commercial mortgage loan or a pool of commercial real estate loans. The Fund may invest up to 35% of its Managed Assets in CMBS. “Managed Assets” means the total assets of the Fund (including any assets attributable to borrowings for investment purposes) minus the sum of the Fund’s accrued liabilities (other than liabilities representing borrowings for investment purposes).

*(continued on inside front cover)*

**An investment in the Fund is speculative with a substantial risk of loss. Investors should consider their investment goals, time horizons and risk tolerance before investing in the Fund. An investment in the Fund is not appropriate for all investors, and the Fund is not intended to be a complete investment program. Before buying any of the Fund’s Shares, you should read the discussion of the principal risks of investing in the Fund, which are summarized in the section entitled “Principal Risks of the Fund” beginning on page 115.**

**Neither the Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

**The Shares are not listed on any securities exchange, and no market for the Shares exists or is expected to develop. Accordingly:**

- **An investment in the Fund is not suitable for investors who need certainty about their ability to access all of the money they invest in the short term.**
- **Although the Fund will make quarterly repurchase offers for its outstanding Shares (expected to be 5% per quarter, which is the minimum amount permitted), investors should consider Shares of the Fund to be an illiquid investment.**
- **There is no guarantee that you will be able to sell your Shares at any given time or in the quantity that you desire.**

**There is no assurance that the Fund will be able to maintain a certain level of distributions to shareholders. The amount of distributions that the Fund may pay, if any, is uncertain. The Fund may pay distributions in significant part from sources that may not be available in the future and that are unrelated to the Fund’s performance, such as from offering proceeds, and borrowings. A portion or all of any distribution of the Fund may consist of a return of capital.**

	<u>Per Class A Share</u>	<u>Per Class C Share</u>	<u>Per Class I Share</u>
Public offering price .....	Current NAV, plus sales load	Current NAV	Current NAV
Sales load <sup>(1)</sup> .....	5.75%	None	None
Proceeds, after expenses, to the Fund .....	\$ amount invested at current NAV	\$ amount invested at current NAV	\$ amount invested at current NAV
	<u>Per Class L Share</u>	<u>Per Class W Share</u>	<u>Total</u>
Public offering price .....	Current NAV, plus sales load	Current NAV	Unlimited
Sales load <sup>(1)</sup> .....	4.25%	None	N/A
Proceeds, after expenses, to the Fund .....	\$ amount invested at current NAV	\$ amount invested at current NAV	Unlimited

<sup>(1)</sup> For Class A and Class L shares, the maximum sales charge is 5.75% and 4.25% of the amount invested, respectively. Class C, I, and W shares are not subject to front-end sales charges. The minimum initial investment for each share class is \$2,500, which may be reduced for certain investors. The table assumes the maximum sales load is charged. While Class I shares do not impose a front-end sales charge, if you purchase Class I shares through certain financial intermediaries, they may directly charge you transaction or other fees in such amount as they may determine. Please consult your financial intermediary for additional information.

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**Investment Adviser.** Goldman Sachs Asset Management, L.P. (“GSAM”) serves as the Fund’s investment adviser. The principal executive offices of GSAM are located at 200 West Street, New York, New York 10282. GSAM has been registered as an investment adviser with the SEC since 1990 and is a subsidiary of The Goldman Sachs Group, Inc., a bank holding company, and an affiliate of Goldman Sachs.

**Securities Offered.** The Fund is offering an unlimited number of shares of beneficial interest. For Class A and Class L shares, the maximum sales charge is 5.75% and 4.25% of the amount invested, respectively. Class C, I, and W shares are not subject to front-end sales charges. The minimum initial investment for each share class is \$2,500, which may be reduced for certain investors. The Fund reserves the right at its sole discretion to waive the investment minimums. Shares are being offered through Goldman Sachs & Co. LLC (“GS&Co.” or the “Distributor”) at an offering price equal to the Fund’s then current NAV per Share plus any applicable sales charge. While Class I shares do not impose a front-end sales charge, if you purchase Class I shares through certain financial intermediaries, they may directly charge you transaction or other fees in such amount as they may determine. Please consult your financial intermediary for additional information.

**Tax Matters.** The Fund has elected to be treated, and intends to qualify annually, as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). As a RIC, the Fund generally will not be required to pay corporate-level U.S. federal income taxes on any net ordinary income or capital gains that the Fund timely distributes to its shareholders as dividends if the Fund meets certain source of income, distribution and asset diversification requirements. The Fund intends to timely distribute to its shareholders substantially all of its annual taxable income for each year, except that the Fund may retain certain net capital gains for reinvestment and, depending upon the level of taxable income earned in a year, the Fund may choose to carry forward taxable income for distribution in the following year and pay any applicable U.S.

federal excise tax. In addition, the distributions the Fund pays to its shareholders in a year may exceed the Fund's net ordinary income and capital gains for that year and, accordingly, a portion of such distributions may constitute a return of capital for U.S. federal income tax purposes. See "Taxation."

**Leverage.** The Fund intends to use leverage to seek to achieve its investment objective. The Fund's use of leverage is subject to risks and will cause the Fund's NAV to be more volatile than if leverage was not used. There is no assurance that the Fund's leveraging strategies, if employed, will be successful. See "**Principal Risks of the Fund—Borrowing**" and "**Leverage**" below.

This prospectus sets forth concisely the information about the Fund that a prospective investor ought to know before investing. You should read it carefully before you invest, and keep it for future reference. The Fund has filed with the SEC a Statement of Additional Information ("SAI"), dated January 28, 2025, as may be amended, supplemented or restated from time to time, containing additional information about the Fund. The SAI is incorporated by reference into, and is legally considered part of, this prospectus. The Fund also will produce both annual and semi-annual reports that will contain important information about the Fund.

The Fund's SAI and the annual and semi-annual reports, as well as additional information about the Fund may be found on the Fund's websites at [dfinview.com/GoldmanSachs](http://dfinview.com/GoldmanSachs) and at [am.gs.com](http://am.gs.com) or by calling 1-800-526-7384. Information found on the Fund's websites is not incorporated by reference into this prospectus, and you should not consider that information to be a part of this prospectus.

**The Shares do not represent a deposit or an obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.**

**The Goldman Sachs Group, Inc. (or any successor to its business), together with Goldman Sachs & Co. LLC, GSAM, the Asset Management Division of The Goldman Sachs Group, Inc. and their respective subsidiaries and affiliates are referred to collectively herein as "Goldman Sachs."**

Information about the Fund is available on the EDGAR Database on the SEC's internet site at <http://www.sec.gov>. You may obtain copies of this information, after paying a duplicating fee, by electronic request at the following email address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

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## PROSPECTUS SUMMARY

*The following is only a summary of certain information relevant to an investment in the Fund. This summary does not contain all of the information that you should consider before investing in the Fund. You should review the more detailed information contained in this prospectus and in the accompanying Statement of Additional Information (“SAI”), especially the information set forth in this prospectus under the heading “Principal Risks of the Fund.”*

The Fund .....	Goldman Sachs Real Estate Diversified Income Fund, a Delaware statutory trust (the “Fund”), is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a diversified, closed-end management investment company. The Fund is the successor to the Resource Real Estate Diversified Income Fund (the “Predecessor Fund”), a Delaware statutory trust, as a result of the reorganization of the Predecessor Fund into the Fund (the “Reorganization”). The Fund’s investment objective and strategies are similar to those of the Predecessor Fund.
Board .....	The Fund is managed by a board of trustees (the “Board,” and each person who serves on the Board, a “Trustee”), a majority of which are individuals who are independent of Goldman Sachs.
Investment Adviser .....	The investment adviser of the Fund is Goldman Sachs Asset Management, L.P. (“GSAM” or the “Investment Adviser”), which is an indirect wholly-owned subsidiary of The Goldman Sachs Group, Inc.
Listing .....	The Shares are not listed on any securities exchange.
Investment Objective and Strategies .....	<p>The Fund’s investment objective is to seek to produce income and achieve capital appreciation with low to moderate volatility and low to moderate correlation to the broader equity markets.</p> <p>The Fund pursues its investment objective by investing, under normal circumstances, at least 80% of its Managed Assets (measured at the time of purchase) in a portfolio of equity and debt investments in issuers that are primarily engaged in or related to the real estate industry (“real estate industry companies”). An issuer is primarily engaged in or related to the real estate industry if it derives at least 50% of its gross revenues or net profits from the ownership, development, construction, financing,</p>

management or sale of commercial, industrial or residential real estate or interests therein. Real estate industry companies include (but are not limited to) publicly traded real estate investment trusts and their foreign equivalents (“Public REITs”); real estate operating companies (“REOCs”); private real estate investment funds that invest in real estate equity (“Private Real Estate Equity Funds”) and private real estate investment funds that invest in real estate credit (“Private Real Estate Credit Funds”) managed by unaffiliated institutional asset managers (collectively, “Private Real Estate Investment Funds”); non-traded publicly registered real estate investment trusts (“Non-Traded REITs”); affiliated or unaffiliated SEC-registered investment companies that invest principally in real estate industry companies, including exchange-traded funds (“ETFs”), mutual funds (including index funds and actively-managed funds), and closed-end funds (collectively, “Public Investment Funds,” and together with Private Real Estate Investment Funds, “Underlying Funds”); and commercial mortgage-backed securities (“CMBS”).

Real estate investment trusts (“REITs”) are pooled investment vehicles that invest primarily in income-producing real estate or real estate-related loans or interests; and REOCs are companies that invest in real estate and whose shares may trade on public exchanges. The Fund may invest up to 35% of its Managed Assets in CMBS. CMBS are a type of mortgage-backed security that is secured by a single commercial mortgage loan or a pool of commercial real estate loans.

The Fund defines “low to moderate volatility” to mean investment returns having a level of volatility equal to or lower than the broader equity markets as reflected in the S&P 500 Index, a broad-based measure of the U.S. stock market. “Volatility” is a statistical measure of the variability of returns for a given security or market index, and “correlation” is a statistical measure of how a given security or index moves in relation to another security or index.

The Investment Adviser employs a fundamental investment process that for the selection of public securities may integrate environmental,

social and governance (“ESG”) factors alongside traditional fundamental factors. No one factor or consideration is determinative in the fundamental investment process.

The Fund may also invest in derivatives, including (but not limited to) forwards, interest rate futures, interest rate swaps, call and put options, and credit default swaps, which are used primarily to hedge the Fund’s portfolio risks, manage the Fund’s duration and/or gain exposure to certain securities or indices. In addition, the Fund may seek to generate additional cash flow and reduce volatility by the sale of call options on certain securities in which it may invest. The Fund may write such options on securities that are listed on national domestic securities exchanges or foreign securities exchanges or traded in the over-the-counter market. The Fund expects that, under normal circumstances, the Fund will sell call options in an amount that is between 0% and 30% of the value of the Fund’s portfolio.

The Fund will opportunistically seek short exposures to equity and credit related instruments through the use of derivatives or synthetic instruments, including, but not limited to, credit default swaps (including credit default swaps on market indices). The Fund intends to implement short positions for hedging purposes or to seek to enhance absolute return, and may do so by using swaps or futures, or through short sales of any instrument that the Fund may purchase for investment.

Although the Fund invests (directly or indirectly) principally in securities of U.S. issuers, the Fund may invest up to 30% of its Managed Assets in securities of foreign issuers, including securities quoted in foreign currencies.

The Fund concentrates investments in the real estate industry, meaning that, under normal circumstances, it invests 25% or more of its Managed Assets in securities of issuers in the real estate industry. This policy is fundamental and may not be changed without shareholder approval. The Fund’s SAI contains a list of all of the fundamental and non-fundamental investment policies of the Fund, under the heading “Investment Objective and Policies.”

The Fund invests without restriction as to issuer capitalization. The Fund may invest in debt

securities of any quality, duration or maturity, including up to 60% of its Managed Assets in debt securities that, at the time of purchase, are non-investment grade (commonly referred to as “junk bonds”). Non-investment grade securities are securities rated BB+, Ba1 or below by a nationally recognized statistical rating organization (“NRSRO”), or, if unrated, determined by the Investment Adviser to be of comparable credit quality. The Fund expects that investments in debt securities typically will have a dollar weighted average maturity of approximately two (2) to ten (10) years. The Fund may employ leverage, including borrowing from banks, in an amount of up to 33 and 1/3% (or in the case of the issuance of Preferred Shares, 50%) of the Fund’s total assets minus liabilities and indebtedness not represented by “senior securities” within the meaning of the 1940 Act, as determined immediately after borrowing. The Fund is authorized to borrow money in connection with its investment activities, to satisfy repurchase requests from Fund shareholders, and to otherwise provide the Fund with temporary liquidity. The Fund may also invest in other investment vehicles that use leverage, including Private Real Estate Investment Funds, which may use leverage without limit. In addition, the Fund may use leverage generated by reverse repurchase agreements. See “Investment Objective and Strategies” below.

The Fund seeks to invest in a portfolio of real estate industry companies in the following categories: public equity; private equity; and credit. Real estate industry companies include both U.S. and non-U.S. issuers.

**Public Equity.** The Investment Adviser seeks to invest in a portfolio of Public REITs, REOCs and Public Investment Funds. The Fund may also seek to obtain exposure to real estate industry companies through investments in Public Investment Funds for which the Investment Adviser or an affiliate act as investment adviser or principal underwriter as well as unaffiliated Public Investment Funds, without considering or canvassing the universe of unaffiliated funds available. The Fund intends to invest in the equity securities of Public REITs

and REOCs principally to generate current income and substantial liquidity for the Fund.

**Private Equity.** The Investment Adviser seeks to invest in a portfolio of Private Real Estate Equity Funds. Interests in the Private Real Estate Equity Funds included in the Fund's portfolio may be purchased or sold on the secondary market and may also be purchased directly from the issuer of the security.

**Credit.** The Fund intends to invest in a portfolio of CMBS, the preferred stock issued by REITs, other convertible or non-convertible secured or unsecured real estate debt securities ("Real Estate Credit Securities") and Private Real Estate Credit Funds to generate current income with low to moderate volatility and low to moderate correlation to the broader equity markets.

When selecting investments in underlying investment vehicles, the Investment Adviser will evaluate asset managers by reviewing their experience, track record, current portfolios, and ability to weather real estate cycles by employing effective risk management and mitigation strategies. The Investment Adviser will also assess the likely risks and returns of the investment strategies utilized by the asset managers, and evaluate the potential correlation among the investment strategies under consideration. The Investment Adviser generally will seek to invest in investment vehicles whose expected risk-adjusted returns are determined to fit the Fund's investment objective and likely to have low correlations among each other or with the broad equity and fixed-income markets. The Investment Adviser will seek to allocate the Fund's assets so that the Fund may benefit from the performance record of various investment vehicles, and from having access to new and existing investment vehicles that are often available only at substantial minimum investments.

The investment vehicles in which the Fund invests may employ a wide variety of investment strategies that invest in (i) equity, equity-related and other securities of companies across some or all real estate related sectors of the market, (ii) debt securities of companies across some or all real estate related sectors of the market, and (iii) mortgage-backed securities. In addition, the

Fund may invest in investment vehicles that use derivatives, including (but not limited to) forwards, futures contracts, options, warrants, and interest rate swaps, in connection with managing their investment in real estate.

In addition, when selecting CMBS for the Fund's portfolio, the Fund will seek to select CMBS that, in the judgment of the Investment Adviser, represent an undervalued investment opportunity with favorable total return potential. This evaluation is based upon multiple factors, including analysis of: the credit performance of the mortgage loan portfolios underlying the CMBS; security structure characteristics such as the priority of payment, credit enhancement and default patterns of underlying loans; and the relative financial strength of the mortgage loan servicer.

While the Investment Adviser anticipates that, under normal market conditions, the Fund's portfolio will invest in each of the categories described above, the Fund does not have predetermined asset allocations to any of these categories, other than the Fund's policy to invest 80% of its Managed Assets in equity and debt investments in real estate industry companies and the Fund's policy to invest 25% or more of its Managed Assets in securities of issuers in the real estate industry. Depending on its evaluation of market conditions, the Investment Adviser may allocate the Fund's assets among any, all or none of these categories, provided that the Fund complies with its 80% policy. There can be no assurance that the actual allocations will be effective in achieving the Fund's investment objective or delivering positive returns.

The Fund's 80% policy with respect to investment in real estate industry companies is not fundamental and may be changed by the Board without shareholder approval. Shareholders will be provided with sixty (60) days' notice in the manner prescribed by the U.S. Securities and Exchange Commission ("SEC") before any change in the Fund's policy to invest at least 80% of its Managed Assets in the particular type of investment suggested by its name. The Fund's investments in derivatives, other investment companies, including Underlying Funds, and other instruments are counted towards the Fund's 80% investment

policy to the extent they have economic characteristics similar to the investments included within that policy.

There can be no assurance that the Fund will achieve its investment objective or that its investment program will be successful.

Risk Factors .....

The following are the principal risks of investing in the Fund.

***Partial or Total Loss of the Fund's Capital.*** The Fund is intended for long-term investors who can accept the risks associated with investing in illiquid investments. There is no assurance that the Fund will achieve its investment or performance objectives, including the selection of suitable investment opportunities and the achievement of targeted rates of return. The possibility of partial or total loss of capital of the Fund exists, and prospective investors should not subscribe unless they can readily bear the consequences of a complete loss of their investment.

***Investment Risk.*** The value of the instruments in which the Fund invests may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions throughout the world due to increasingly interconnected global economies and financial markets. Price changes may be temporary or last for extended periods. The Fund's investments may be overweighted from time to time in one or more sub-industries or countries, which will increase the Fund's exposure to risk of loss from adverse developments affecting those sub-industries or countries. The Fund intends to use leverage, which will magnify the Fund's investment, market and certain other risks.

***Limitations on the Redemption.*** An investment in the Fund is not suitable for investors who need certainty about their ability to access all of the money they invest in the short term. Even though the Fund will make quarterly repurchase offers for its outstanding Shares (expected to be 5% per quarter, which is the minimum amount permitted), investors should consider Shares of the Fund to be an illiquid investment. In addition, there is no active secondary market for Shares. There is no guarantee that investors will be able to sell their Shares at any given time or in the quantity that they desire.

**Repurchase Offers Risk.** As described under “Periodic Repurchase Offers,” the Fund operates as an “interval fund,” and, in order to provide some liquidity to shareholders, will make quarterly offers to repurchase between 5% and 25% of its outstanding Shares at NAV, pursuant to Rule 23c-3 under the 1940 Act. The Fund currently expects that such quarterly repurchase offers will be for 5% of the Fund’s outstanding Shares at NAV, which is the minimum amount permitted. There is no guarantee that investors will be able to sell their Shares in the quantity that they desire. The repurchase of Shares by the Fund would decrease the assets of the Fund and, therefore, may have the effect of increasing the Fund’s expense ratio. Repurchase offers and the need to fund repurchase obligations may also affect the ability of the Fund to be fully invested or force the Fund to maintain a higher percentage of its assets in liquid investments, which may harm the Fund’s investment performance. In addition, the Fund may be required to sell portfolio securities (including at inopportune times) to satisfy repurchase requests, resulting in increased transaction costs that must be borne by the Fund and its shareholders. This may result in higher short-term capital gains for taxable shareholders. Furthermore, diminution in the size of the Fund may limit the ability of the Fund to participate in new investment opportunities. If the Fund uses leverage, repurchases of Shares may compound the adverse effects of leverage in a declining market. In addition, if the Fund borrows money to finance repurchases, interest on that borrowing will negatively affect shareholders who do not tender their Shares by increasing Fund expenses and reducing any net investment income. As discussed under “Leverage,” the Fund must maintain asset coverage of at least 300% of its indebtedness, including amounts borrowed and guaranteed, at the time it borrows money to finance repurchases.

If a repurchase offer is oversubscribed and the Fund determines not to repurchase additional Shares beyond the repurchase offer amount, or if shareholders tender an amount of Shares greater than that which the Fund is entitled to purchase, the Fund will repurchase the Shares tendered on a *pro rata* basis, and shareholders will have to wait until the next repurchase offer to make another repurchase request. Shareholders will be subject to the risk of NAV fluctuations

during that period. Thus, there is also a risk that some shareholders, in anticipation of proration, may tender more Shares than they wish to have repurchased in a particular quarter, thereby increasing the likelihood that proration will occur. The NAV of Shares tendered in a repurchase offer may fluctuate between the date a shareholder submits a repurchase request and the deadline for such repurchase request (“Repurchase Request Deadline”), and to the extent there is any delay between the Repurchase Request Deadline and the date in which Shares are priced for the repurchase request (“Repurchase Pricing Deadline”). Such fluctuations may be exacerbated by currency fluctuations (to the extent the Fund invests in foreign markets) and other market developments. The NAV on the Repurchase Request Deadline or the Repurchase Pricing Date may be higher or lower than on the date a shareholder submits a repurchase request. Under certain circumstances, the Fund’s repurchase offers may be suspended or postponed in accordance with regulatory requirements. See “Shareholder Guide—Suspension or Postponement of Repurchase Offers” for more information. In addition, the repurchase of Shares by the Fund will generally be a taxable event to Shareholders.

***Industry Concentration Risk.*** The Fund concentrates its investments in the real estate industry, which has historically experienced substantial price volatility. Concentrating Fund investments in a limited number of issuers conducting business in the same industry will subject the Fund to a greater risk of loss as a result of adverse economic, business, political, environmental or other developments than if their investments were diversified across different industries.

The value of companies engaged in the real estate industry is affected by (i) changes in general economic and market conditions; (ii) changes in the value of real estate properties; (iii) risks related to local economic conditions, overbuilding and increased competition; (iv) increases in property taxes and operating expenses; (v) changes in zoning laws; (vi) casualty and condemnation losses; (vii) variations in rental income, neighborhood

values or the appeal of property to tenants; (viii) the availability of financing and (ix) changes in interest rates and leverage. There are also special risks associated with particular sub-industries, or real estate operations generally, as described below:

- **Retail Properties.** Retail properties are affected by the overall health of the economy and may be adversely affected by, among other things, the growth of alternative forms of retailing, bankruptcy, departure or cessation of operations of a tenant, a shift in consumer demand due to demographic changes, changes in spending patterns and lease terminations.
- **Office Properties.** Office properties are affected by a downturn in the businesses operated by their tenants.
- **Multifamily Properties.** Multifamily properties are affected by adverse economic conditions in the locale, oversupply and rent control laws.
- **Hospitality Properties.** Hospitality or hotel properties are affected by declines in business and leisure travel.
- **Industrial Properties.** Industrial properties are affected by downturns in the manufacture, processing and shipping of goods.
- **Healthcare Properties.** Healthcare properties affected by potential federal, state and local laws governing licenses, certification, adequacy of care, pharmaceutical distribution, rates, equipment, personnel and other factors regarding operations and continued availability of revenue from government reimbursement programs.
- **Land.** Land may be affected by development risks including insufficient tenant demand to build or construction delays as well as adverse changes in local and national economic and market conditions.
- **Self-Storage Properties.** Self-storage properties are affected by changes to competing local properties and the ability of the management team.
- **Student Housing Properties.** Student housing properties are affected by fluctuations

in underlying demand, which is tied to student enrollments. Also, tuition costs and the ability for students to borrow in order to fund their studies will impact available income for student housing costs.

- **Data Center Properties.** Data center properties are subject to the risk of obsolescence given changing technology and the high investment cost of such assets.
- **Development Issues.** Real estate development companies are affected by construction delays and insufficient tenant demand to occupy newly developed properties.
- **Lack of Insurance.** Certain of the real estate companies may fail to carry comprehensive liability, fire, flood, earthquake extended coverage and rental loss insurance, or insurance in place may be subject to various policy specifications, limits and deductibles.
- **Dependence on Tenants.** Real estate properties and the ability of companies to make distributions to shareholders depend upon the ability of the tenants at their properties to generate enough income in excess of their operating expenses to make their lease payments.
- **Financial Leverage.** Real estate companies may be highly leveraged and financial covenants may affect the ability of real estate companies to operate effectively.
- **Environmental Issues.** Owners of properties that may contain hazardous or toxic substances may be responsible for removal or remediation costs.
- **Property Taxes.** Increases in property taxes may have an adverse impact on the real estate industry and, therefore, the value of the Fund's investments.
- **Real Estate Credit Risk.** As discussed above, the availability of attractive financing and refinancing typically plays a critical role in the success of real estate investments. As a result, such investments are subject to credit risk because borrowers may be delinquent in payment or default. Borrower delinquency and default rates may be significantly higher than

estimated. The Investment Adviser's assessment, or a rating agency's assessment, of borrower credit quality may prove to be overly optimistic.

***Private Real Estate Investment Funds***

***Risk.*** The Fund's performance depends in part upon the performance of the Private Real Estate Investment Fund managers and selected strategies, the adherence by such Private Real Estate Investment Fund managers to such selected strategies, the instruments used by such Private Real Estate Investment Fund managers and the Investment Adviser's ability to select Private Real Estate Investment Fund managers and strategies and effectively allocate Fund assets among them. Fund shareholders will bear two layers of fees and expenses: asset-based fees and expenses at the Fund level, and asset-based fees, incentive allocations or fees and expenses at the Private Real Estate Investment Fund level.

Private Real Estate Investment Funds are subject to risks associated with legal and regulatory changes applicable to financial institutions generally or to Private Real Estate Investment Funds in particular. The Fund may not be able to invest in certain Private Real Estate Investment Funds that are oversubscribed or closed, or the Fund may be able to allocate only a limited amount of assets to a Private Real Estate Investment Fund that has been identified as an attractive opportunity. The Fund's investments in certain Private Real Estate Investment Funds may be subject to lock-up periods, during which the Fund may not withdraw its investment. The Fund may invest indirectly a substantial portion of its assets in Private Real Estate Investment Funds that follow a particular type of investment strategy, which may expose the Fund to the risks of that strategy. Many of the Fund's assets will be priced in the absence of a readily available market and may be priced based on determinations of fair value, which may prove to be inaccurate. The Fund, upon its redemption of all or a portion of its interest in a Private Real Estate Investment Fund, may receive an in-kind distribution of securities that are illiquid or difficult to value and difficult to dispose of.

Private Real Estate Investment Fund returns may exhibit greater correlations among each other or with fixed-income or equity indices than anticipated by the Investment Adviser, particularly during times of general market turmoil. Private Real Estate Investment Funds may invest in securities of non-U.S. issuers, including those in emerging markets, and the Fund's assets may be invested in Private Real Estate Investment Funds that may be denominated in non-U.S. currencies, thereby exposing the Fund to various risks that may not be applicable to U.S. securities. Private Real Estate Investment Funds focus primarily on the real estate industry, which subjects the Private Real Estate Investment Funds, and thus the Fund, to greater risk and volatility than if investments had been made in issuers in a broader range of industries. A Private Real Estate Investment Fund may focus on a particular country or geographic region, which may subject Private Real Estate Investment Funds, and thus the Fund, to greater risk and volatility than if investments had been made in issuers in a broader range of geographic regions. A Private Real Estate Investment Fund may use derivatives for speculative or hedging purposes and non-hedging purposes (that is, to seek to increase total return). Private Real Estate Investment Funds may incur leverage for investment or other purposes, which may increase the volatility of the Private Real Estate Investment Funds. A Private Real Estate Investment Fund may sell short securities held by a Private Real Estate Investment Fund, which presents the risk of unlimited loss because of increases in the market price of the security sold short, and the risk that a Private Real Estate Investment Fund's short selling activities may be adversely affected by regulatory restrictions that may be imposed at any time. A Private Real Estate Investment Fund may change its investment strategies at any time (subject to any required notification and/or consent provisions set forth in the Private Real Estate Investment Fund's governing documents). Private Real Estate Investment Funds may invest without limitation in restricted and illiquid investments. Private Real Estate Investment Fund may invest in equity securities without limitation as to market

capitalization. Private Real Estate Investment Funds may invest in equity securities issued by smaller capitalization companies, including micro-cap companies, the prices of which may be subject to erratic market movements.

Private Real Estate Investment Funds are not publicly traded and therefore are not liquid investments. Please see “*Restricted and Illiquid Investments Risk*” for a description of risks associated with illiquid investments. As a result, the Fund may consider information provided by the asset manager to determine the value of the Fund’s investment in the Private Real Estate Investment Fund. The valuation provided by an asset manager as of a specific date may vary from the actual sale price that may be obtained if such investment were sold to a third party. The Investment Adviser will use reasonable due diligence to value securities and may also consider information provided by the Private Real Estate Investment Funds, including quarterly unaudited financial statements, which if inaccurate could adversely affect the Investment Adviser’s ability to value accurately the Fund’s shares. Private Real Estate Investment Funds that invest primarily in publicly traded securities are more easily valued.

In addition to valuation risk, investors in Private Real Estate Investment Funds (including the Fund) are not entitled to the protections of the 1940 Act. For example, Private Real Estate Investment Funds need not have independent boards, may not require shareholder approval of advisory contracts, may leverage to an unlimited extent, and may engage in joint transactions with affiliates. As a result, Private Real Estate Investment Funds may make significant use of leverage, which has the potential to magnify losses versus funds that do not employ leverage. See “*Borrowing*” and “*Leverage*” for a description of risks associated with the use of leverage. Additionally, Private Real Estate Investment Fund managers may have limited operating histories upon which to evaluate their performance, and some Private Real Estate Investment Fund managers may not be registered under the Investment Advisers Act, under state law, or other applicable law. Further, Private Real Estate Investment Fund may charge

investors (such as the Fund) asset-based fees and incentive allocations or fees of as much as 20% of a Private Real Estate Investment Fund's net profits (or more in certain limited circumstances), which may create incentives for Private Real Estate Investment Fund to make investments that are riskier or more speculative than in the absence of these fees. These characteristics present additional risks, including the risk of total loss, for shareholders.

The Fund may invest in Private Real Estate Investment Funds that are organized as unregistered REITs, commonly known as private REITs. Please see "*Private REIT Risk*" below for a description of risks associated with private REITs.

In connection with the consummation of the Reorganization, all of the Predecessor Fund's interests in Private Real Estate Investment Funds have been transferred to a wholly-owned subsidiary of the Predecessor Fund for administrative purposes. This transfer triggered certain provisions of the Private Real Estate Investment Fund limited partnership agreements, limited liability company operating agreements or other governing documents, which could have an adverse effect on the Fund and the value of its investment. For example, the potential consequences of transferring Private Real Estate Investment Fund interests include the following:

- Restart of Lock-Up Period. Interests in Private Real Estate Investment Funds may be subject to a lock-up period, during which time an investor is barred from withdrawing its investment. Upon the transfer of an interest, this lock-up period may be contractually required to restart with respect to the recipient of the transferred interest (the "transferee"), notwithstanding that the interest may have been subject to an already-tolled lock-up period prior to its transfer.
- Early Assessment of Incentive Fee or Allocation. Interests in Private Real Estate Investment Funds may be subject to the payment of an incentive allocation or fee that is calculated on a fund's net profits over a set performance period (typically, one

fiscal year). Upon the transfer of an interest, this incentive allocation or fee may be contractually required to be charged on a fund's net profits as accrued at the time of transfer, regardless of whether the time of transfer aligns with the end of a performance period.

- No Benefit from Prior High Watermark or Loss Carryforward Amounts. The payment of an incentive allocation or fee is frequently subject to so-called "high watermark" or "loss carryforward" protections, which generally prohibit the assessment of an incentive fee or allocation to the extent that the fund's net asset value has not, with respect to a particular investor, exceeded its highest prior level. Similarly, with respect to other Private Real Estate Investment Funds, the incentive fee may be subject to a cap, which decreases based on the Private Real Estate Investment Fund's cumulative realized capital losses and/or unrealized capital depreciation. Upon the transfer, these protections may be contractually required to be reset, such that a transferee will not benefit from the prior high watermark, loss carryforward amounts, or cumulative losses attributable to the interests prior to their transfer.

**Private REIT Risk.** In addition to the risks described in "Private Real Estate Investment Fund Risk" and "REIT Risk," Private REITs are typically smaller and financially less stable than Public REITs. Private REITs are unlisted, making them hard to value and trade. Moreover, private REITs generally are exempt from Securities Act registration and, as such, are not subject to the same disclosure requirements as Public REITs, which makes private REITs more difficult to evaluate from an investment perspective.

**REIT Risk.** Investing in REITs involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs whose underlying properties are concentrated in a particular industry or geographic region are also subject to risks affecting such industries and regions. The securities of REITs involve greater risks than those associated with larger, more established

companies and may be subject to more abrupt or erratic price movements because of interest rate changes, economic conditions and other factors. For example, the value of these securities may decline when interest rates rise and will also be affected by the real estate market and by the management or development of the underlying properties. The underlying properties may be subject to mortgage loans, which may also be subject to the risks of default. REITs may also fail to qualify for tax free pass-through of income or may fail to maintain their exemptions from investment company registration. Securities of such issuers may lack sufficient market liquidity to enable the Fund to effect sales at an advantageous time or without a substantial drop in price.

**Management Risk.** A strategy used by the Investment Adviser may fail to produce the intended results.

**Underlying Funds Invest Independently.** The Underlying Funds in which the Fund plans to invest generally invest wholly independently of one another and may at times hold economically offsetting positions. To the extent that these Underlying Funds do, in fact, hold such positions, the Underlying Funds in which the Fund invests, considered as a whole, may not achieve any gain or loss despite incurring fees and expenses in connection with such positions. In addition, the portfolio managers of certain Underlying Funds may be compensated based on the performance of their investments. Accordingly, there may often be times when certain portfolio managers may receive incentive compensation in respect of their investments for a period even though the Underlying Funds overall depreciated during such period.

**Dividend-Paying Investments Risk.** The Fund's investments in dividend-paying securities could cause the Fund to underperform other funds that invest in similar asset classes but employ a different investment style. Securities that pay dividends, as a group, can fall out of favor with the market, causing such securities to underperform securities that do not pay dividends. Depending upon market conditions and political and legislative responses to such conditions, dividend-paying securities that meet

the Fund's investment criteria may not be widely available and/or may be highly concentrated in only a few market sectors. The adoption of new legislation could further limit or restrict the ability of issuers to pay dividends. To the extent that dividend-paying securities are concentrated in only a few market sectors, the Fund may be subject to the risks of volatile economic cycles and/or conditions or developments that may be particular to a sector to a greater extent than if its investments were diversified across different sectors. In addition, issuers that have paid regular dividends or distributions to shareholders may not continue to do so at the same level or at all in the future. A sharp rise in interest rates or an economic downturn could cause an issuer to abruptly reduce or eliminate its dividend. This may limit the ability of the Fund to produce current income.

***Investments in Derivatives.*** The Fund's use of forwards, swaps, structured securities, call and put options, and other derivative instruments may result in losses. These instruments, which may pose risks in addition to and greater than those associated with investing directly in securities, currencies or other investments, may be illiquid or less liquid, volatile, difficult to price and leveraged so that small changes in the value of the underlying instruments may produce disproportionate losses to the Fund. Certain derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligations, liquidity risk, risks arising from margin requirements, which include the risk that the Fund will be required to pay additional margin or set aside additional collateral to maintain open derivative positions, and operational and legal risks, which include risks related to documentation issues, system failures, inadequate controls, human error and the risk that a party's obligations would be legally unenforceable. Derivatives may be used for hedging purposes and non-hedging purposes.

The use of derivatives is a highly specialized activity that involves investment techniques and risks different from those associated with investments in more traditional securities and instruments, and there is no guarantee that the

use of derivatives will achieve their intended result. If the Investment Adviser is incorrect in its expectation of the timing or level of fluctuation in securities prices, interest rates, currency prices or other variables, the use of derivatives could result in losses, which in some cases may be significant.

A lack of correlation between changes in the value of derivatives and the value of the portfolio investments (if any) being hedged could also result in losses. In addition, there is a risk that the performance of the derivatives or other instruments used by the Investment Adviser to replicate the performance of a particular asset class may not accurately track the performance of that asset class.

The Fund may use derivatives, including swaps, to implement short positions. Taking short positions involves leverage of the Fund's assets and presents various risks. If the value of the instrument or market in which the Fund has taken a short position increases, then the Fund will incur a loss equal to the increase in value from the time that the short position was entered into plus any premiums and interest paid to a counterparty. Therefore, taking short positions involves the risk that losses may be exaggerated, potentially losing more money than the actual cost of the investment.

***Options on Securities, Securities Indices and Foreign Currencies.*** A put option gives the purchaser of the option the right to sell, and the writer (seller) of the option the obligation to buy, the underlying instrument during the option period.

A call option gives the purchaser of the option the right to buy, and the writer (seller) of the option the obligation to sell, the underlying instrument during the option period.

The Fund may purchase call and put options, on any securities and other instruments in which it may invest or any index consisting of securities or other instruments in which it may invest. The Fund may also purchase put and call options on foreign currencies.

The purchase of options is a highly specialized activity which involves special investment risks. Options may be used for either hedging or cross-hedging purposes, or to seek to increase total

return (which presents additional risk). The successful use of options depends in part on the ability of the Investment Adviser to anticipate future price fluctuations and the degree of correlation between the options and securities (or currency) markets. If the Investment Adviser is incorrect in its expectation of changes in market prices or determination of the correlation between the instruments or indices on which options are purchased, the Fund may incur losses that it would not otherwise incur. The use of options can also increase the Fund's transaction costs. Options purchased by the Fund may be traded on either U.S. or foreign exchanges or over the counter. Foreign and over-the-counter options will present greater possibility of loss because of their greater illiquidity and credit risks.

**Option Writing Risk.** Writing (selling) call options limits the opportunity to profit from an increase in the market value of securities in exchange for up-front cash at the time of selling the call option. When the Fund writes (sells) call options on securities, it receives cash but limits its opportunity to profit from an increase in the market value of the applicable security beyond the exercise price (plus the premium received) of the option. In a rising market, the Fund could significantly underperform the market. Such underperformance may be more pronounced to the extent that the call option's underlying security sharply increases prior to the expiration of the option. The Fund's option strategies may not fully protect it against declines in the value of the market. Cash received from premiums will enhance return in declining markets, but the Fund will continue to bear the risk of a decline in the value of the securities held in its portfolio. The benefit from writing a call option is limited to the amount of premium received. In a period of a sharply falling equity market, the Fund will likely also experience sharp declines in its NAV.

**Short Position Risk.** The Fund may use derivatives, including options, futures and swaps, to implement short positions, and may engage in short selling. Taking short positions and short selling involve leverage of the Fund's assets and present various risks. If the value of the instrument or market in which the Fund has taken a short position increases, then the Fund will incur a loss

equal to the increase in value from the time that the short position was entered into plus any premium and interest paid to a third party. Therefore, taking short derivative positions involves the risk that losses may be exaggerated, potentially losing more money than the actual cost of the investment. Also, there is the risk that the counterparty to the short transaction may fail to honor its contract terms, causing a loss to the Fund.

In order to sell a financial instrument short, the Fund must first borrow the instrument from a lender, such as a broker or other institution. The Fund may not always be able to borrow the instrument at a particular time or at an acceptable price. Thus, there is risk that the Fund may be unable to implement its investment strategy due to the lack of available instruments or for other reasons.

After selling a borrowed financial instrument, the Fund is then obligated to “cover” the short sale by purchasing and returning the instrument to the lender on a later date. The Fund cannot guarantee that the financial instrument necessary to cover a short position will be available for purchase at the time the Fund wishes to close a short position or, if available, that the instrument will be available at an acceptable price. If the borrowed instrument has appreciated in value, the Fund will be required to pay more for the replacement instrument than the amount it received for selling the instrument short. Moreover, purchasing a financial instrument to cover a short position can itself cause the price of the instrument to rise further, thereby exacerbating the loss. The potential loss on a short sale may, with respect to certain instruments (e.g., equities, swap options), be unlimited because the loss increases as the price of the instrument sold short increases and the price may rise indefinitely. If the price of a borrowed financial instrument declines before the short position is covered, the Fund may realize a gain. The Fund's gain on a short sale, before transaction and other costs, is generally limited to the difference between the price at which it sold the borrowed instrument and the price it paid to purchase the instrument to return to the lender.

While the Fund has an open short position, it is subject to the risk that the financial instrument's lender will terminate the loan at a time when the Fund is unable to borrow the same instrument from another lender. If this happens, the Fund may be required to buy the replacement instrument immediately at the instrument's then current market price or "buy in" by paying the lender an amount equal to the cost of purchasing the instrument to close out the short position.

Short sales also involve other costs. The Fund must normally repay to the lender an amount equal to any dividends or interest that accrues while a loan is outstanding. In addition, to borrow a financial instrument, the Fund may be required to pay a premium. The Fund also will incur transaction costs in effecting short sales. The amount of any ultimate gain for the Fund resulting from a short sale will be decreased, and the amount of any ultimate loss will be increased, by the amount of premiums, dividends, interest or expenses the Fund may be required to pay in connection with the short sale.

Until the Fund replaces a borrowed instrument, the Fund may be required to maintain short sale proceeds with the lending broker as collateral. Moreover, the Fund may be required to make margin payments to the lender during the term of the borrowing if the value of the security it borrowed (and sold short) increases. Thus, short sales involve credit exposure to the broker that executes the short sales. In the event of the bankruptcy or other similar insolvency with respect to a broker with whom the Fund has an open short position, the Fund may be unable to recover, or delayed in recovering, any margin or other collateral held with or for the lending broker.

***Potential Loss from Currency***

***Fluctuations.*** The Fund may invest a portion of its capital outside the United States in non-U.S. dollar denominated securities. These investments involve special risks compared with investing exclusively in the United States. Because these investments may involve non-U.S. dollar currencies and because the Fund may hold funds in these currencies in bank deposits during the completion of the investment program, the Fund may be adversely affected by changes in currency

rates (including as a result of the devaluation of a foreign currency) and in exchange control regulations and may incur costs in connection with conversions between various currencies. In addition, the equivalent U.S. dollar obligations of the Fund's investments located outside of the United States may increase as a result of adverse changes in currency rates.

***Borrowing.*** The Fund may borrow funds or otherwise utilize leverage for a variety of purposes, subject to the limitations of the 1940 Act as part of the Fund's investment program, to meet other short-term liquidity needs, including payment of fees and expenses, and to facilitate the Fund's hedging activities. The terms of the indebtedness incurred by the Fund may require the Fund to maintain minimum average balances in connection with borrowings or to pay a commitment or other fee to maintain a line of credit. Either of these requirements would increase the cost of borrowing over the stated interest rate. In addition, the Fund may not be able to negotiate commercially reasonable terms for its indebtedness and may not be able to extend or renew the existing terms when the indebtedness comes due. If the Fund is unable to access additional credit or otherwise has insufficient resources to pay its obligations, it may be forced to sell investments at inopportune times, which may further depress returns. The Fund will be limited in its ability to borrow (or guarantee other obligations) to amounts such that the Fund's asset coverage ratio (as defined in the 1940 Act) would be less than 300%, calculated at the time of such incurrence (*i.e.*, the value of each of the Fund's total assets less liabilities other than the principal amount represented by indebtedness must be at least 300% of the principal amount represented by indebtedness at the time of incurrence). The Fund may also utilize indebtedness in excess of such limit for temporary purposes such as the settlement of transactions.

The use of leverage can create risks. Changes in the value of the Fund's portfolio, including securities bought with the proceeds of leverage, will be borne entirely by the shareholders. If there is a net decrease or increase in the value of the Fund's investment portfolio, leverage will decrease or increase, as the case may be, the

Fund's NAV to a greater extent than if the Fund did not utilize leverage. The Fund's leverage strategy may not be successful.

***The Fund May Make Commitments Representing a Substantial Portion of its Total Assets.*** To the extent permitted by applicable law, the Fund may make commitments to Private Real Estate Investment Funds in which it invests that represent a substantial portion of the total assets of the Fund, including through the use of leverage. As a result, in certain circumstances, the Fund may need to retain investment income, borrow funds or liquidate some or all of its investments prematurely at potentially significant discounts to market value if the Fund does not have sufficient liquid assets to meet these commitments; however, the Fund will not borrow in excess of applicable limitations under the 1940 Act.

***Risks Relating to the Potential Use of Pass-Through Entities.*** To the extent permitted by applicable law (including the 1940 Act), the Fund may make investments through one or more partnerships or other pass-through entities in which the sole beneficial interest holders are the Fund. These investment vehicles may incur leverage. To the extent permitted by applicable law including the 1940 Act, the Fund may guarantee the obligations of these investment vehicles and/or assign and pledge assets of the Fund to these investment vehicles in order to secure borrowings or other leverage. Failure by any member of such a pass-through entity to meet its obligations could have adverse effects on the Fund and the other members of any pass-through entity, including the acceleration of payment obligations under any leverage facility used by the vehicle.

***Dependence upon the Ability of the Investment Adviser.*** The Board has delegated to the Investment Adviser the authority to make investment, disposition, and related investment management decisions, including the authority to approve all investments and/or all dispositions made by the Fund and to make or provide reserves. In addition, the Board has delegated to the Investment Adviser the authority to manage many of the affairs of the Fund, including, among others, the right to enforce default remedies, responsibility for maintaining the Fund's books and records and producing the Fund's reports,

the right to calculate and cause the Fund to make distributions. Shareholders will have no right or power to participate in the management or control of the business of the Fund, and thus must depend solely upon the ability of the Investment Adviser with respect to the Fund's investments. In addition, shareholders will have no opportunity to evaluate the specific investments made by the Fund or the terms of any investment. Accordingly, the success and failure of the Fund will depend to a significant extent on the viability and performance of the Investment Adviser. In managing and directing the investment programs of the Fund, the Investment Adviser will rely heavily on certain key personnel of Goldman Sachs. Certain key personnel, including members of the Investment Adviser's investment team, may leave Goldman Sachs or rotate to another group within Goldman Sachs. The departure of any of such key personnel or their inability to fulfill certain duties may adversely affect the ability of the Investment Adviser to effectively implement the investment program of the Fund and may have an adverse impact on the Fund. Changes to the composition of the investment team may occur over time and without notice to the shareholders.

***Risk of Certain Events Related to Goldman Sachs.*** Although the Fund is a separate legal entity from Goldman Sachs, in the event that Goldman Sachs were to become insolvent and/or subject to liquidation, or if there were a change of control of Goldman Sachs, the Fund could nonetheless be adversely affected. In that regard, a bankruptcy or change of control of Goldman Sachs or the Investment Adviser could cause the Investment Adviser to have difficulty retaining personnel or otherwise adversely affect the Fund and its ability to achieve its investment objective.

***Investment Performance of the Fund and Other Investment Vehicles May Vary Significantly.*** Goldman Sachs (i) has established, and expects to continue to establish, additional companies, partnerships or other entities, pooled investment vehicles for multiple investors, funds, separate accounts, and other entities, and (ii) includes various business units or divisions, which, in either case, may have, in whole or in part, investment objectives and strategies that may be similar to or overlap with

those of the Fund (such entities, business units or divisions are referred to collectively as, "Other Investment Vehicles"). The Fund may at times compete with the Other Investment Vehicles for certain investments and the returns of each of the Other Investment Vehicles will likely differ materially from the returns of the Fund.

The results of the investment activities of the Fund may differ significantly from the results achieved by Goldman Sachs for its own benefit and from the results achieved by Other Investment Vehicles based on the investment strategies employed by such investors.

Subject to applicable law, including the 1940 Act, Other Investment Vehicles and other areas within Goldman Sachs may invest alongside the Fund. In allocating any investment opportunities, the Investment Adviser will take into account numerous factors, in its discretion. Any such investments made alongside the Fund may or may not be in proportion to the relevant commitments of the investing parties and may involve different terms and fee structures than those of the Fund. As a result, investment returns may vary materially among the Fund and Other Investment Vehicles and other areas of Goldman Sachs that invest alongside the Fund.

The 1940 Act imposes significant limits on co-investment with affiliates of the Fund, and the Fund generally will not be permitted to co-invest alongside its affiliates in privately negotiated transactions unless pursuant to an exemptive order from the SEC or the transaction is otherwise permitted under existing regulatory guidance, such as transactions where price is the only negotiated term, and will not participate in transactions where other terms are negotiated. This could reduce the amount of transactions in which the Fund can participate and makes it more difficult for the Fund to implement its investment objective.

**Market Volatility.** The value of any public securities in which the Fund may directly or indirectly invest varies in response to many factors. Factors specific to a company could result in a decrease in the value of the company's securities. Factors specific to the industry in which the company participates can have a similar effect. The value of a company's

securities can also be adversely affected by changes in financial markets generally that are unrelated to the company itself or its industry. Current economic conditions in some cases have produced downward pressure on security prices and credit availability for certain companies without regard to those companies' underlying financial strength. In addition, certain options and other equity-related instruments may be subject to additional risks, including liquidity risk, counterparty credit risk, legal risk and operations risk, may involve significant economic leverage and, in some cases, may be subject to significant risks of loss. These factors and others can cause significant fluctuations in the prices of the securities in which the Fund may directly or indirectly invest and can result in adverse effects on the Fund's returns.

***Effects of Economic Conditions on the Fund and Its Investments.***

The Fund and its investments may be adversely affected by the deterioration of and uncertainty in the financial markets and economic conditions throughout the world, some of which may magnify the risks described in this prospectus and have other adverse effects. These market conditions have resulted in volatility and illiquidity in the global equity, credit and debt markets generally. While these conditions may create increased investment opportunities for the Fund, certain securities may become less liquid, more difficult to value and thus harder to liquidate.

The duration and ultimate effect of market conditions cannot be forecast, nor is it known whether or the degree to which such conditions may improve or worsen. Although the deterioration of market conditions and uncertainty regarding economic markets generally could result in the Fund acquiring investments on more favorable terms, such conditions may also result in declines in the market values of the Fund's existing investments. Furthermore, the credit markets tend to be volatile and the availability of indebtedness may be difficult to ascertain. As a result, the Fund may be unable to borrow sufficiently. This may have an adverse effect on the Fund's ability to acquire and dispose of investments as well as on the returns associated with its investments.

**Foreign Risk.** When the Fund invests in foreign securities, it may be subject to risk of loss not typically associated with U.S. issuers. Loss may result because of more or less foreign government regulation; less public information; less stringent investor protections; less stringent accounting, corporate governance, financial reporting and disclosure standards; and less economic, political and social stability in the countries in which the Fund invests. Loss may also result from, among other things, deteriorating economic and business conditions in other countries, including the United States, regional and global conflicts, the imposition of exchange controls (including repatriation restrictions), sanctions, foreign taxes, confiscation of assets and property, trade restrictions (including tariffs), expropriations and other government restrictions by the United States or other governments, higher transaction costs, difficulty enforcing contractual obligations or from problems in share registration, settlement or custody. The type and severity of sanctions and other similar measures, including counter sanctions and other retaliatory actions, that may be imposed could vary broadly in scope, and their impact is impossible to predict. These types of measures may include, but are not limited to, banning a sanctioned country from global payment systems that facilitate cross-border payments, restricting the settlement of securities transactions by certain investors, and freezing the assets of particular countries, entities, or persons. The imposition of sanctions and other similar measures could, among other things, cause a decline in the value and/or liquidity of securities issued by the sanctioned country or companies located in or economically tied to the sanctioned country, downgrades in the credit ratings of the sanctioned country or companies located in or economically tied to the sanctioned country, devaluation of the sanctioned country's currency, and increased market volatility and disruption in the sanctioned country and throughout the world. Sanctions and other similar measures could limit or prevent the Fund from buying and selling securities (in the sanctioned country and other markets), significantly delay or prevent the settlement of securities transactions, and significantly impact the Fund's liquidity and

performance. The Fund or the Investment Adviser may determine not to invest in, or may limit its overall investment in, a particular issuer, country or geographic region due to, among other things, heightened risks regarding sanctions, repatriation restrictions, confiscation of assets and property, expropriation or nationalization. Geopolitical developments in certain countries in which the Fund may invest have caused, or may in the future cause, significant volatility in financial markets. The Fund will also be subject to the risk of negative foreign currency rate fluctuations, which may cause the value of securities denominated in such foreign currency (or other instruments through which the Fund has exposure to foreign currencies) to decline in value. Currency exchange rates may fluctuate significantly over short periods of time. Foreign risks will normally be greatest when the Fund invests in securities of issuers located in, or otherwise economically tied to, emerging countries.

**“Brexit” Risk.** The United Kingdom formally left the European Union (“EU”) on January 31, 2020 (commonly known as “Brexit”). Following withdrawal from the EU, the United Kingdom entered into a transition period, during which EU law continued to apply in the United Kingdom. The transition period ended on December 31, 2020. However, many aspects of the United Kingdom-EU trade relationship remain subject to further negotiation.

Since Brexit, global financial markets have experienced significant volatility due to the uncertainty around Brexit. There will likely continue to be considerable uncertainty as to the United Kingdom’s post-withdrawal and post-transition framework, in particular as to the arrangements which will apply to its relationships with the EU and with other countries. This process and/or the uncertainty associated with it may adversely affect the return on investments economically tied to the United Kingdom or EU (and consequently the Fund). This may be due to, among other things: (i) increased uncertainty and volatility in United Kingdom, EU and other financial markets; (ii) fluctuations in asset values; (iii) fluctuations in exchange rates; (iv) increased illiquidity of investments located, listed or traded

within the United Kingdom, the EU or elsewhere; (v) changes in the willingness or ability of financial and other counterparties to enter into transactions, or the price at which and terms on which they are prepared to transact; and/or (vi) changes in legal and regulatory regimes to which the Fund's investments are or become subject.

**Emerging Markets.** The Fund may invest in securities of issuers located in, or otherwise economically tied to, emerging countries. The securities markets of emerging countries are generally less liquid, developed and efficient, are subject to greater price volatility, and have smaller market capitalizations than the securities markets of the United States and developed non-U.S. markets. Emerging countries are generally located in Africa, Asia, the Middle East, Eastern Europe and Central and South America. Emerging markets may have more or less government regulation and generally do not impose as extensive and frequent accounting, auditing, financial and other reporting requirements as the securities markets of more developed countries. As a result, there could be less information available about issuers in emerging countries, which could negatively affect the Investment Adviser's ability to evaluate local companies or their potential impact on the Fund's performance. Further, investments in securities of issuers located in certain emerging countries involve the risk of loss resulting from problems in share registration, settlement or custody, substantial economic, political and social disruptions and the imposition of exchange controls (including repatriation restrictions). There also may be a lower level of monitoring and regulation of securities markets in emerging market countries and the activities of investors in such markets and enforcement of existing regulations has been extremely limited. The legal remedies for investors in emerging markets may be more limited than the remedies available in the U.S., and the ability of U.S. authorities (e.g., SEC and the U.S. Department of Justice) to bring actions against bad actors may be limited. Many emerging countries have experienced substantial rates of inflation for many years. Inflation and rapid fluctuations in

inflation rates may continue to have very negative effects on the economies and securities markets of certain emerging countries. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by protectionist measures imposed or negotiated by the countries with which they trade. The economies of countries with emerging markets may also be predominantly based on only a few industries or dependent on revenues from particular commodities. In many cases, governments of emerging countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, may affect the capacity of issuers of emerging country debt instruments to make payments on their debt obligations, regardless of their financial condition. There can be no assurance that adverse political changes will not cause a loss of any or all of any such investment and, in the case of fixed-income securities, interest thereon.

***Lack of Financial Reporting Related to Non-U.S. Investments; Adverse Non-U.S. Taxes or Other Conditions.*** The Fund may invest in non-U.S. entities. Because non-U.S. entities are not subject to uniform reporting standards, practices and disclosure comparable with those applicable to U.S. companies, there may be different types of, and lower quality, information available about non-U.S. companies. In particular, the assets and profits appearing on the financial statements of a company may not reflect its financial position or results of operation in the way they would be reflected had such financial statements been prepared in accordance with the U.S. generally accepted accounting principles. This limitation may be particularly true for private equity investments, where there may be little or no publicly available information about private companies. In addition, financial data related to non-U.S. investments may be affected by both inflation and local accounting standards, and may not accurately reflect the real condition of companies and securities markets. Moreover, the Fund may be subject to tax, reporting and other filing obligations in non-U.S. jurisdictions in which

non-U.S. companies reside or operate. In addition, non-U.S. securities markets, particularly in developing countries, may be substantially less liquid and have greater volatility than U.S. securities markets.

***Geographic Risk.*** If the Fund focuses its investments in securities of issuers located in a particular country or region the Fund may be subjected to a greater extent than if investments were less focused, to the risks of volatile economic cycles and/or conditions and developments that may be particular to that country or region, such as: adverse securities markets; adverse exchange rates; adverse social, political, regulatory, economic, business, environmental or other developments; or natural disasters.

***Market Disruption Risk and Terrorism Risk.*** The military operations of the United States and its allies, the instability in various parts of the world and the prevalence of terrorist attacks throughout the world could have significant adverse effects on the global economy. In addition, certain illnesses have the potential to significantly affect the global economy. Terrorist attacks may also exacerbate some of the foregoing risk factors. A terrorist attack involving, or in the vicinity of, a Fund investment, directly or indirectly, may result in a liability far in excess of available insurance coverage. The Investment Adviser cannot predict the likelihood of these types of events occurring in the future nor how such events may affect the Fund.

***Investment and Repatriation Restrictions.*** Foreign investment in securities of companies in certain of the countries in which the Fund may invest is restricted or controlled to varying degrees. Certain countries have laws and regulations that currently limit or preclude direct foreign investment in the securities of their companies. Even where permitted, direct investments in certain companies may require significant government approvals under corporate, securities, foreign investment and other similar laws and may require financing and structuring alternatives that differ significantly from those customarily used in countries in other regions. These restrictions or controls may at times limit or preclude foreign investment above certain ownership levels or in certain sectors of the

country's economy and increase the costs and expenses of the Fund. The Fund could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital interests and dividends paid on securities held by the Fund, and income on such securities or gains from the disposition of such securities may be subject to withholding taxes imposed by certain countries or other jurisdictions.

***Hedging Instruments May Adversely Affect Overall Performance.*** The Fund's use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities or more traditional investments of the Fund, depending upon the characteristics of the particular derivative and the Fund's portfolio as a whole. Engaging in derivative transactions may entail investment exposures that are greater than their cost would suggest, and involves a risk of loss that could materially adversely affect the overall performance of the Fund. Please see "*Borrowing*" above.

Hedging strategies could involve a variety of derivative transactions, including futures, forward, swap, and option contracts or other financial instruments with similar characteristics, including forward foreign exchange contracts, interest rate swaps, credit default swaps and total return swaps, exchanges, caps and options (collectively "Hedging Instruments"). While hedging transactions may reduce the risks associated with an investment by the Fund, the transactions themselves entail risks that are different than those of the investments of the Fund. The risks posed by these transactions include interest rate risk, market risk, the risk that these complex instruments and techniques will not be successfully evaluated, monitored or priced, the risk that counterparties will default on their obligations, liquidity risk and leverage risk. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for derivatives. Thus, while the Fund may benefit from the use of Hedging Instruments, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Fund than if they had not used those Hedging Instruments.

The success of hedging transactions will be subject to the ability to correctly predict movements in and the direction of currency exchange rates, interest rates and public security prices. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged may vary.

Currency Hedging Instruments may not be available for certain currencies or may not have a duration that matches the long-term nature of the underlying principal investment. The ability to trade in or exercise options may be restricted in the event that trading in the underlying securities becomes restricted.

The successful use of these hedging strategies depends upon the availability of a liquid market and appropriate Hedging Instruments, and there can be no assurance that the Fund will be able to close out a position when deemed advisable by the Investment Adviser. No assurance can be given that a liquid market will exist for any particular futures contract at any particular time. Hedging transactions also involve additional costs and expenses, which may adversely affect the overall performance of the Fund. There can be no assurance that the Fund's assets will engage in hedging transactions at any given time or from time to time, or that these transactions, if available, will be effective.

***Nature of Distressed Investments.*** The Fund may invest in the securities and obligations of companies experiencing financial and/or operational distress, including debt obligations that are in covenant or payment default. Such investments are considered high-risk and speculative. Defaulted obligations might not be repaid at all or might be repaid only after lengthy workout or bankruptcy proceedings, during which the issuer of those obligations might not make any interest or other payments.

***Bankruptcy.*** Given their financial situation, distressed companies also face increased risk that they may be involved in bankruptcy proceedings. There are a number of significant risks when investing in distressed companies that are or may be involved in bankruptcy proceedings, including adverse and permanent effects on a company, such as the loss of its

market position and key personnel, otherwise becoming incapable of restoring itself as a viable entity and, if converted to a liquidation, a possible liquidation value of the company that is less than the value that was believed to exist at the time of the investment. Bankruptcy proceedings are often lengthy and difficult to predict and could adversely impact a creditor's return on investment. The bankruptcy courts have extensive power and, under some circumstances, may alter contractual obligations of a bankrupt company. Shareholders, creditors and other interested parties are all entitled to participate in bankruptcy proceedings and will attempt to influence the outcome for their own benefit. Administrative costs relating to a bankruptcy proceeding will be paid out of the debtor's estate prior to any returns to creditors. In addition, creditors (such as the Fund) can lose their ranking and priority if they exercise "domination and control" over a debtor and other creditors can demonstrate that they have been harmed by these actions, especially in the case of investments made prior to the commencement of bankruptcy proceedings. Also, certain claims, such as for taxes, may have priority by law over the claims of certain creditors. The Fund also may seek representation on creditors' committees and, as a member of a creditors' committee, may owe certain obligations generally to all creditors similarly situated that the committee represents, and it may be subject to various trading or confidentiality restrictions. In addition, many events in a bankruptcy are the product of contested matters and adversary proceedings that are beyond the control of the creditors.

***Regulation and Treatment of the Fund as a Bank Holding Company Affiliate.*** Goldman Sachs is regulated as a "bank holding company" under the Bank Holding Company Act (the "BHCA"), which generally restricts bank holding companies from engaging in business activities other than the business of banking and certain closely related activities. Goldman Sachs has elected to become a financial holding company under the BHCA and, as such, may engage in a broader range of financial and related activities, as long as Goldman Sachs continues to meet certain eligibility requirements.

The Fund is managed under the direction of the Board comprised of individuals, a majority of whom are independent of Goldman Sachs, and that, as a result of this and other factors, the Fund will not be “controlled” by Goldman Sachs for BHCA purposes. If the Fund is not controlled by Goldman Sachs for BHCA purposes, the BHCA’s restrictions on Goldman Sachs’ activities and investments should not apply to the Fund.

However, if the Fund were deemed to be controlled by Goldman Sachs for bank regulatory purposes, the BHCA and other applicable banking laws, rules, regulations and guidelines, and their interpretation and administration by the appropriate regulatory agencies, may, among other things, restrict the transactions and relationships between the Investment Adviser, Goldman Sachs and their affiliates, on the one hand, and the Fund, on the other hand, and may restrict investments and transactions by, and the operations of, the Fund. In addition, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities.

***Speculative Position Limits.*** The U.S. Commodity Futures Trading Commission (the “CFTC”) and various exchanges have rules limiting the maximum net long or short positions which any person or group may own, hold or control in any given futures contract or option on such futures contract and a limited number of swaps. GSAM will need to consider whether the exposure created under these contracts might exceed the applicable limits in managing the Fund, and the limits may constrain the ability of the Fund to use such contracts.

***Error and Error Correction Policies.*** The Investment Adviser will report to the Board any material breaches of the Fund’s investment objective, policies or restrictions and any material errors in the calculation of the NAV of the Fund. Depending on the nature and size of an error, corrective action may or may not be required. Corrective action may involve a prospective correction of the NAV. The Investment Adviser’s error policy and the Fund’s NAV error correction policy limit or restrict when corrective action will be taken. As discussed in more detail under the section entitled “How Are Shares Priced?,” the

Fund's portfolio securities may be priced based on quotations for those securities provided by pricing services and Non-Traded Funds which may be priced on a delayed basis. There can be no guarantee that a quotation provided by a pricing service or Non-Traded Fund will be accurate. Each of the Investment Adviser and the Fund may at any time, in its discretion and without notice to shareholders, amend or supplement its error and NAV error correction policies.

***Potential Conflicts of Interest Risk.*** The Investment Adviser's investment team is often responsible for managing the Fund as well as one or more funds and other accounts, including proprietary accounts, separate accounts and other pooled investment vehicles, such as unregistered private funds. A portfolio manager may manage a separate account or other pooled investment vehicle which may have materially higher fee arrangements than the Fund and may also have a performance-based fee. The side-by-side management of these funds may raise potential conflicts of interest relating to cross trading, the allocation of investment opportunities and the aggregation and allocation of trades.

The Fund anticipates that it will engage in negotiated co-investment transactions in securities of private issuers pursuant to an SEC exemptive order. The order is subject to certain conditions, such as that co-investments be made in a manner consistent with the Fund's investment objectives, positions, policies, strategies and restrictions, as well as regulatory requirements, and are allocated fairly among participants. If the Fund is unable to rely on the exemptive relief for a particular opportunity, when the Investment Adviser identifies certain investments, it will be required to determine which funds or accounts should make the investment at the potential exclusion of other funds or accounts. In such circumstances, the Investment Adviser will adhere to its investment allocation policy in order to determine the fund or account to which to allocate the opportunity. The policy provides that the Investment Adviser allocate opportunities through a rotation system or in such other manner as the Investment Adviser determines to be equitable. Accordingly,

it is possible that the Fund may not be given the opportunity to participate in investments made by other funds or accounts.

The Investment Adviser has a fiduciary responsibility to manage all client accounts in a fair and equitable manner. The Investment Adviser seeks to provide best execution of all securities transactions and aggregate and then allocate securities to client accounts in a fair and timely manner. To this end, the Investment Adviser has developed policies and procedures designed to mitigate and manage the potential conflicts of interest that may arise from side-by-side management. In addition, the Investment Adviser and the Fund have adopted policies limiting the circumstances under which cross-trades may be effected between the Fund and another client account. The Investment Adviser conducts periodic reviews of trades for consistency with these policies.

***Legal, Tax and Other Regulatory***

***Risks.*** Legal, tax and regulatory changes could occur that may adversely affect the Fund and its investment results, and/or some or all of the shareholders. Recent economic events have given rise to a political climate that may result in the Investment Adviser and the Fund becoming subject to increased regulatory scrutiny and/or entirely new legal, tax or regulatory regimes both within the United States and in other countries in which the Fund may directly or indirectly invest. The Fund may be adversely affected as a result of new or revised legislation, or regulations imposed by the SEC, CFTC, IRS, Federal Reserve, other U.S. or non-U.S. tax or governmental regulatory authorities or self-regulatory organizations that supervise the financial markets.

The Fund and/or some or all of the shareholders also may be adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and self-regulatory organizations. It is not possible to determine the extent of the impact of any new or revised laws, regulations or initiatives that may be proposed, or whether any of the proposals will become law. Compliance with any new laws or regulations could be more difficult and expensive, and may have a material adverse effect on the Fund and/or some or all of the shareholders.

The regulation of alternative investment management companies and investment funds (including private equity funds and hedge funds) is evolving, and changes in the regulation of alternative investment management companies and investment funds may adversely affect the ability of the Fund to pursue its investment objective. In addition, from time to time the market for private equity transactions has been adversely affected by regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions. It is not possible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any of the proposals will become law and the consequences attendant therewith. Compliance with any new laws or regulations could be more difficult and expensive than compliance with existing regimes, and may affect the manner in which the Fund conducts business. New laws or regulations may also subject the Fund or some or all of its shareholders to increased taxes or other costs. In addition, the market for private equity transactions has been adversely affected by a decrease in the availability of financing for transactions.

Each prospective investor should be aware that tax laws and regulations are changing on an ongoing basis, and such laws and regulations may be changed with retroactive effect. Moreover, the interpretation and application of tax laws and regulations by certain tax authorities may not be clear, consistent or transparent. Uncertainty in the tax law may require the Fund to accrue potential tax liabilities even in situations where the Fund and/or the shareholders do not expect to be ultimately subject to such tax liabilities. In that regard, accounting standards and/or related tax reporting obligations may change, giving rise to additional accrual and/or other obligations. Each prospective investor should also be aware that other developments in the tax laws of the United States or other jurisdictions where the Fund invests could have a material effect on the tax consequences to the shareholders, the Fund and/or the Fund's direct and indirect subsidiaries discussed in this prospectus and that shareholders may be required to provide certain

additional information to the Fund (which may be provided to the IRS or other taxing authorities) or may be subject to other adverse consequences as a result of such change in tax laws. In the event of any such change in law, each shareholder is urged to consult its own tax advisors.

**Tax Risk.** Although the Fund has elected to be treated, and intends to qualify annually, as a RIC under Subchapter M of the Code, the Fund cannot assure shareholders that the Fund will be able to maintain RIC status. To obtain and maintain RIC status and be relieved of U.S. federal income taxes on income and gains distributed to its shareholders, the Fund must meet the annual distribution, source-of-income and asset diversification requirements described below.

- The annual distribution requirement for a RIC will be satisfied if the Fund distributes to its shareholders on an annual basis at least 90% of its investment company taxable income for each taxable year. Because the Fund expects to use debt financing, the Fund expects to be subject to an asset coverage ratio requirement under the 1940 Act, and the Fund expects to be subject to certain financial covenants contained in its credit agreements and other debt financing agreements. This asset coverage ratio requirement and these financial covenants could, under certain circumstances, restrict the Fund from making distributions to its shareholders that are necessary for the Fund to satisfy the distribution requirement. If the Fund is unable to obtain cash from other sources, and thus is unable to make sufficient distributions to its shareholders, the Fund could fail to maintain its status for RIC tax treatment and thus become subject to corporate-level U.S. federal income tax (and any applicable U.S. state and local taxes).
- The source-of-income requirement will be satisfied if at least 90% of the Fund's gross income for each year is derived from dividends, interest, gains from the sale of stock or securities or similar sources.
- The asset diversification requirement will be satisfied if, at the end of each quarter of the

Fund's taxable year, at least 50% of the value of the Fund's assets consists of cash, cash equivalents, U.S. government securities, securities of other RICs and other acceptable securities, and no more than 25% of the value of the Fund's assets is invested in the securities (other than U.S. government securities or securities of other RICs) of one issuer, of two or more issuers that are controlled, as determined under applicable Code rules, by the Fund and that are engaged in the same or similar or related trades or businesses or of certain "qualified publicly traded partnerships." Failure to meet these requirements may result in the Fund's having to dispose of certain investments quickly in order to prevent the loss of the Fund's RIC status.

- If the Fund fails to maintain its RIC status for any reason, and does not qualify for certain relief provisions under the Code, the Fund would be subject to corporate-level U.S. federal income tax (and any applicable U.S. state and local taxes). In this event, the resulting taxes could substantially reduce the Fund's Net Assets, the amount of the Fund's income available for distribution and the amount of the Fund's distributions to its shareholders, which would have a material adverse effect on the Fund's financial performance. For additional discussion regarding the tax implications of a RIC, see "Taxation."

**Uncertain Tax Treatment.** The Fund will, from time to time, invest a portion of its net assets in below investment grade instruments. Investments in these types of instruments may present special tax issues for the Fund. U.S. federal income tax rules are not entirely clear about issues such as when the Fund will cease to accrue interest, original issue discount ("OID") or market discount, when and to what extent deductions may be taken for bad debts or worthless instruments, how payments received on obligations in default should be allocated between principal and income and whether exchanges of debt obligations in a bankruptcy or workout context are taxable. These and other issues will be addressed by the Fund to the extent necessary in order to seek to ensure that

it distributes sufficient income to ensure that it does not become subject to U.S. federal income or excise tax.

***RIC-Related Risks of Investments Generating Non-Cash Taxable Income.*** Certain of the Fund's investments will require the Fund to recognize taxable income in a taxable year in excess of the cash generated on those investments during that year. In particular, the Fund invests in loans and other debt obligations that will be treated as having "market discount" and/or OID for U.S. federal income tax purposes. Because the Fund will, from time to time, be required to recognize income in respect of these investments before, or without receiving, cash representing such income, the Fund will have difficulty satisfying the annual distribution requirements applicable to RICs and avoiding Fund-level U.S. federal income and/or excise taxes in such circumstances. Accordingly, the Fund will, from time to time, be required to sell assets, including at potentially disadvantageous times or prices, borrow, raise additional equity capital, make taxable distributions of its Shares or debt securities, or reduce new investments, to obtain the cash needed to make these income distributions. If the Fund liquidates assets to raise cash, the Fund will, from time to time, realize gain or loss on such liquidations; in the event the Fund realizes net capital gains from such liquidation transactions, its Shareholders may receive larger capital gain distributions than they would in the absence of such transactions. The required recognition of such non-cash investments may also have a negative impact on the Fund's liquidity.

***Other Regulatory.*** The Fund is registered as an investment company under the 1940 Act. The Investment Adviser is registered as an investment adviser under the Investment Advisers Act of 1940, as amended. The Fund may use derivatives that are subject to regulation by the CFTC. Because of this exposure to CFTC-regulated derivatives, the Investment Adviser could become subject to regulation as a "commodity pool operator" under the Commodity Exchange Act, as amended (the "CEA"), and the CFTC's rules and regulations with respect to the operations of the Fund. However, The

Investment Adviser has claimed an exclusion with respect to the Fund from the definition of the term “commodity pool operator” under the CEA and, therefore, is not currently subject to registration or regulation as a pool operator under that CEA with respect to the Fund. If the Fund were to be subject to registration or regulation as a commodity pool operator under the CEA, the Fund may incur compliance and other expenses or otherwise disadvantage the Fund.

**Market Risk.** The value of the securities in which the Fund invests may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions throughout the world. Price changes may be temporary or last for extended periods. The Fund’s investments may be overweighted from time to time in one or more sub-industries or countries, which will increase the Fund’s exposure to risk of loss from adverse developments affecting those sub-industries or countries.

Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market. Furthermore, local, regional and global events such as war, military conflict, acts of terrorism, social unrest, natural disasters, recessions, inflation, rapid interest rate changes, supply chain disruptions, sanctions, the spread of infectious illness or other public health threats could also adversely impact issuers, markets and economies, including in ways that cannot necessarily be foreseen. The Fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, governmental and quasi-governmental organizations have taken a number of unprecedented actions designed to support the markets. Such conditions, events and actions may result in greater market risk.

**Counterparty Risk.** Many of the protections afforded to cleared transactions, such as the security afforded by transacting through a clearing house, might not be available in

connection with certain over-the-counter transactions. Therefore, in those instances in which the Fund enters into certain over-the-counter transactions, the Fund will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Fund will sustain losses. However, recent regulatory developments require margin on certain uncleared over-the-counter transactions which may reduce, but not eliminate, this risk.

***Special Situation Investments Risk.*** The Fund may make investments in event-driven situations such as recapitalizations, financings, corporate and financial restructurings, acquisitions, divestitures, reorganizations or other situations in public or private companies that may provide the Fund with an opportunity to provide debt and/or equity financing, typically on a negotiated basis. The Investment Adviser will seek special situation investment opportunities with limited downside risk relative to their potential upside. These investments are complicated and an incorrect assessment of the downside risk associated with an investment could result in significant losses to the Fund.

***Private Company Investments Risk.*** Private companies are not subject to SEC reporting requirements, are not required to maintain their accounting records in accordance with generally accepted accounting principles, and are not required to maintain effective internal controls over financial reporting. As a result, the Investment Adviser may not have timely or accurate information about the business, financial condition and results of operations of the private companies in which the Fund invests. There is risk that the Fund may invest on the basis of incomplete or inaccurate information, which may adversely affect the Fund's investment performance. Private companies in which the Fund may invest may have limited financial resources, shorter operating histories, more asset concentration risk, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. These companies generally have less predictable

operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position. These companies may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness upon maturity. In addition, the Fund's investment also may be structured as pay-in-kind securities with minimal or no cash interest or dividends until the company meets certain growth and liquidity objectives. The securities of private portfolio companies are illiquid, making it difficult for the Fund to sell such investments.

**Valuation Risk.** Market prices may not be readily available for some of the Fund's investments. The value of such securities is determined by fair valuations determined by the Board's valuation designee pursuant to procedures governing the valuation of portfolio securities adopted by the Board. Proper valuation of such securities may require more reliance on the judgment of the Investment Adviser than for valuation of securities for which an active trading market exists.

**Unsecured Debt, including Mezzanine Debt.** The Fund's unsecured debt investments, including mezzanine debt investments, generally will be subordinated to senior debt in the event of an insolvency. This may result in an above average amount of risk and loss of principal.

**Non-Investment Grade Fixed Income Securities Risk.** Non-investment grade fixed income securities and unrated securities of comparable credit quality (commonly known as "junk bonds") are considered speculative and are subject to the increased risk of an issuer's inability to meet principal and interest payment obligations. These securities may be subject to greater price volatility due to such factors as specific corporate or municipal developments, interest rate sensitivity, negative perceptions of the junk bond markets generally and less liquidity. The Fund may purchase the securities or obligations of issuers that are in default.

**Structured Securities.** The Fund may invest in structured securities. Structured securities are securities whose value is determined by reference to changes in the value of specific currencies, securities, interest rates, commodities, indices or other financial indicators (the "Reference") or the relative change in two or more References. Investments in structured securities may provide exposure to certain securities or markets in situations where regulatory or other restrictions prevent direct investments in such issuers or markets.

The interest rate or the principal amount payable upon maturity or redemption may be increased or decreased depending upon changes in the applicable Reference. Structured securities may be positively or negatively indexed, so that appreciation of the Reference may produce an increase or decrease in the interest rate or value of the security at maturity. In addition, changes in the interest rates or the value of the security at maturity may be a multiple of changes in the value of the Reference, effectively leveraging the Fund's investments so that small changes in the value of the Reference may result in disproportionate gains or losses to the Fund. Consequently, structured securities may present a greater degree of market risk than many types of securities and maybe more volatile, less liquid and more difficult to price accurately than less complex securities. Structured securities are also subject to the risk that the issuer of the structured securities may fail to perform its contractual obligations. Certain issuers of structured products may be deemed to be investment companies as defined in the 1940 Act. As a result, the Fund's investments in structured securities may be subject to the limits applicable to investments in other investment companies.

Structured securities are considered hybrid instruments because they are derivative instruments the value of which depends on, or is derived from or linked to, the value of an underlying asset, interest rate index or commodity. Commodity-linked notes are hybrid instruments because the principal and/or interest payments on those notes is linked to the value of the individual commodities, futures contracts or the performance of one or more commodity indices.

Structured securities include, but are not limited to, equity linked notes. An equity linked note is a note whose performance is tied to a single stock, a stock index or a basket of stocks. Equity linked notes combine the principal protection normally associated with fixed income investments with the potential for capital appreciation normally associated with equity investments. Upon the maturity of the note, the holder generally receives a return of principal based on the capital appreciation of the linked securities. Depending on the terms of the note, equity linked notes may also have a “cap” or “floor” on the maximum principal amount to be repaid to holders, irrespective of the performance of the underlying linked securities. For example, a note may guarantee the repayment of the original principal amount invested (even if the underlying linked securities have negative performance during the note’s term), but may cap the maximum payment at maturity at a certain percentage of the issuance price or the return of the underlying linked securities. Alternatively, the note may not guarantee a full return on the original principal, but may offer a greater participation in any capital appreciation of the underlying linked securities. The terms of an equity linked note may also provide for periodic interest payments to holders at either a fixed or floating rate. The secondary market for equity linked notes may be limited, and the lack of liquidity in the secondary market may make these securities difficult to dispose of and to value. Equity linked notes will be considered equity securities for purposes of the Fund’s investment objective and policies.

**CMBS Risk.** Investing in CMBS entails various risks: credit risks, liquidity risks, interest rate risks, market risks, operations risks, structural risks, geographical concentration risks, basis risks and legal risks. Credit risk of CMBS arises primarily from the potential for losses due to delinquencies and defaults by the borrowers in payments on the underlying obligations and the risk that the servicer fails to perform. CMBS are subject to risks associated with their structure and execution, including the process by which principal and interest payments are allocated and distributed to investors, how credit losses affect the issuing vehicle and the return to investors in

such CMBS, whether the collateral represents a fixed set of specific assets or accounts, whether the underlying collateral assets are revolving or closed-end, under what terms (including maturity of the CMBS) any remaining balance in the accounts may revert to the issuing entity and the extent to which the entity that is the actual source of the collateral assets is obligated to provide support to the issuing vehicle or to the investors in such CMBS. In addition, concentrations of CMBS of a particular type, as well as concentrations of CMBS issued or guaranteed by affiliated obligors, serviced by the same servicer or backed by underlying collateral located in a specific geographic region, may subject the CMBS to additional risk.

CMBS are, generally, securities backed by obligations (including certificates of participation in obligations) that are principally secured by mortgages on real property or interests therein having a multifamily or commercial use, such as regional malls, other retail space, office buildings, industrial or warehouse properties, hotels, nursing homes and senior living centers. CMBS are subject to particular risks, including lack of standardized terms, shorter maturities than residential mortgage loans and payment of all or substantially all of the principal only at maturity rather than regular amortization of principal. Additional risks may be presented by the type and use of a particular commercial property. Special risks are presented by hospitals, nursing homes, hospitality properties and certain other property types. Commercial property values and net operating income are subject to volatility, which may result in net operating income becoming insufficient to cover debt service on the related mortgage loan. The repayment of loans secured by income-producing properties is typically dependent upon the successful operation of the related real estate project rather than upon the liquidation value of the underlying real estate. Furthermore, the net operating income from and value of any commercial property is subject to various risks, including changing interest rates and other developments impacting the commercial real estate market, such as changes in general or local economic conditions and/or specific

industry segments, declines in real estate values, increases in real estate tax rates and other operating expenses, population shifts and other demographic changes, increasing vacancies (potentially for extended periods), reduced demand for commercial and office space as well as maintenance or tenant improvement costs and costs to convert properties for other uses, changes in governmental rules, regulations and fiscal policies, acts of God, terrorist threats and attacks, and social unrest and civil disturbances. These developments could result from, among other things, changing tastes and preferences (such as for remote work arrangements) as well as cultural, technological, global or local economic and market developments. In addition, changing interest rate environments and associated changes in lending standards and higher refinancing rates may adversely affect the commercial real estate and CMBS markets. The occurrence of any of the foregoing developments would likely increase default risk for the properties and loans underlying these investments as well as impact the value of, and income generated by, these investments. These developments could also result in reduced liquidity for CMBS and other real estate-related investments. In addition, the repayment of loans secured by income producing properties typically is dependent upon the successful operation of the related real estate project and the cash flow generated therefrom.

Legislative, regulatory and enforcement actions seeking to prevent or restrict foreclosures or providing forbearance relief to borrowers of residential mortgage loans may adversely affect the value of CMBS (e.g., the Coronavirus Aid, Relief, and Economic Security (CARES) Act). Legislative or regulatory initiatives by federal, state or local legislative bodies or administrative agencies, if enacted or adopted, could delay foreclosure or the exercise of other remedies, provide new defenses to foreclosure, or otherwise impair the ability of the loan servicer to foreclose or realize on a defaulted residential mortgage loan included in a pool of residential mortgage loans backing such residential CMBS. While the nature or extent of limitations on foreclosure or exercise of other remedies that

may be enacted cannot be predicted, any such governmental actions that interfere with the foreclosure process or are designed to protect customers could increase the costs of such foreclosures or exercise of other remedies in respect of residential mortgage loans which collateralize CMBS held by the Fund, delay the timing or reduce the amount of recoveries on defaulted residential mortgage loans which collateralize CMBS held by the Fund, and consequently, could adversely impact the yields and distributions the Fund may receive in respect of its ownership of CMBS collateralized by residential mortgage loans.

***Other Investment Companies Risk.*** By investing in other investment companies (including ETFs) indirectly through the Fund, investors will incur a proportionate share of the expenses of the other investment companies held by the Fund (including operating costs and investment management fees) in addition to the fees and expenses regularly borne by the Fund. In addition, the Fund will be affected by the investment policies, practices and performance of such investment companies in direct proportion to the amount of assets the Fund invests therein.

***Restricted and Illiquid Investments Risk.*** The Fund may invest in illiquid investments, which are investments that the Fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. The Fund may purchase Rule 144A Securities for which there is a secondary market of qualified institutional buyers, as defined in Rule 144A promulgated under the Securities Act. Rule 144A provides an exemption from the registration requirements of the Securities Act for the resale of certain restricted securities to qualified institutional buyers. Investing in Rule 144A Securities may decrease the liquidity of the Fund's portfolio to the extent that qualified institutional buyers become for a time uninterested in purchasing these restricted securities. The purchase price and subsequent valuation of restricted and illiquid investments normally reflect a discount,

which may be significant, from the market price of comparable securities for which a liquid market exists.

Investments purchased by the Fund, particularly debt securities and over-the-counter traded instruments that are liquid at the time of purchase, may subsequently become illiquid due to events relating to the issuer of the securities, market events, economic conditions or investor perceptions. Domestic and foreign markets are becoming more and more complex and interrelated, so that events in one sector of the market or the economy, or in one geographical region, can reverberate and have negative consequences for other market, economic or regional sectors in a manner that may not be reasonably foreseen. With respect to over-the-counter traded securities, the continued viability of any over-the-counter secondary market depends on the continued willingness of dealers and other participants to purchase the instruments.

In cases where no clear indication of the value of the Fund's portfolio instruments is available, the portfolio instruments will be valued at their fair value according to the valuation procedures approved by the Board. These cases include, among others, situations where a security or other asset or liability does not have a price source.

**Stock Risk.** Stock prices have historically risen and fallen in periodic cycles. U.S. and foreign stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. Stock prices may fluctuate from time to time in response to the activities of individual companies and in response to general market and economic conditions. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response.

**Preferred Stock, Warrants and Stock Purchase Rights.** The Fund may invest in preferred stock, warrants and stock purchase rights (or "rights"). Preferred stocks are securities that represent an ownership interest providing the holder with

claims on the issuer's earnings and assets before common stock owners but after bond owners. Unlike debt securities, the obligations of an issuer of preferred stock, including dividend and other payment obligations, may not typically be accelerated by the holders of such preferred stock on the occurrence of an event of default or other non-compliance by the issuer of the preferred stock. Warrants and other rights are options to buy a stated number of shares of common stock at a specified price at any time during the life of the warrant or right. The holders of warrants and rights have no voting rights, receive no dividends and have no rights with respect to the assets of the issuer.

***Convertible Securities Risk.*** The market value of convertible securities tends to decline as interest rates increase and, conversely, tends to increase as interest rates decline. In addition, because of the conversion feature, the market value of convertible securities tends to vary with fluctuations in the market value of the underlying common stock or other security. A unique feature of convertible securities is that as the market price of the underlying security declines, convertible securities tend to trade increasingly on a yield basis, and so may not experience market value declines to the same extent as the underlying security. When the market price of the underlying security increases, the prices of the convertible securities tend to rise as a reflection of the value of the underlying security.

***Call/Prepayment Risk.*** An issuer could exercise its right to pay principal on an obligation held by the Fund (such as a mortgage-backed security) earlier than expected. This may happen when there is a decline in interest rates, when credit spreads change, or when an issuer's credit quality improves. Under these circumstances, the Fund may be unable to recoup all of its initial investment and will also suffer from having to reinvest in lower yielding securities.

***Credit/Default Risk.*** An issuer or guarantor of fixed income securities or instruments held by the Fund (which may have low credit ratings) may default on its obligation to pay interest and repay principal or default on any other obligation. The credit quality of the Fund's portfolio securities or instruments may meet the Fund's

credit quality requirements at the time of purchase but then deteriorate thereafter, and such a deterioration can occur rapidly. In certain instances, the downgrading or default of a single holding or guarantor of the Fund's holding may impair the Fund's liquidity and have the potential to cause significant deterioration in NAV. These risks are heightened in market environments where interest rates are rising as well as in connection with the Fund's investments in non-investment grade fixed income securities.

**Extension Risk.** An issuer could exercise its right to pay principal on an obligation held by the Fund (such as a mortgage-backed security) later than expected. This may happen when there is a rise in interest rates. Under these circumstances, the value of the obligation will decrease, and the Fund will also suffer from the inability to reinvest in higher yielding securities.

**Interest Rate Risk.** When interest rates increase, fixed income securities or instruments held by the Fund (which may include inflation protected securities) will generally decline in value. Long-term fixed income securities or instruments will normally have more price volatility because of this risk than short-term fixed income securities or instruments. A wide variety of market factors can cause interest rates to rise, including central bank monetary policy, rising inflation and changes in general economic conditions. Changing interest rates may have unpredictable effects on the markets, may result in heightened market volatility and may detract from Fund performance to the extent the Fund is exposed to such interest rates and/or volatility. In addition, changes in monetary policy may exacerbate the risks associated with changing interest rates. Funds with longer average portfolio durations will generally be more sensitive to changes in interest rates than funds with a shorter average portfolio duration. Fluctuations in interest rates may also affect the liquidity of fixed income securities and instruments held by the Fund.

It is difficult to predict the magnitude, timing or direction of interest rate changes and the impact these changes will have on the markets in which the Fund invests.

***LIBOR Risk.*** The Fund's investments, payment obligations and financing terms may be based on floating rates, such as Secured Overnight Financing Rate ("SOFR"), a term SOFR rate published by CME Group Benchmark Administration Limited (CBA) calculated using certain derivatives markets ("Term SOFR"), another rate determined using SOFR values, Euro Interbank Offered Rate ("EURIBOR") and other similar types of reference rates (each, a "Reference Rate"). All settings of London Interbank Offer Rate ("LIBOR") have ceased to be published and, the Fund has transitioned to successor or alternative reference rates as necessary. This transition and any additional regulatory or market changes may have an adverse impact on the Fund's investments, performance or financial condition.

***Mid-Cap and Small-Cap Risk.*** The securities of mid-capitalization and small-capitalization companies involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements. Securities of such issuers may lack sufficient market liquidity to enable the Fund to effect sales at an advantageous time or without a substantial drop in price. Both mid-capitalization and small-capitalization companies often have narrower markets and more limited managerial and financial resources than larger, more established companies. As a result, their performance can be more volatile and they face greater risk of business failure, which could increase the volatility of the Fund's portfolio. Generally, the smaller the company size, the greater these risks become.

***Initial Public Offerings ("IPOs") Risk.*** The market value of IPO shares will fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, the small number of shares available for trading and limited information about the issuer. The purchase of IPO shares may involve high transaction costs. IPO shares are subject to market risk and liquidity risk. When the Fund's asset base is small, a significant portion of the Fund's performance could be attributable to investments in IPOs, because such investments could have a magnified impact on the Fund. As

the Fund's assets grow, the effect of the Fund's investments in IPOs on the Fund's performance will likely decline, which could reduce the Fund's performance.

***Pre-IPO Investments Risk.*** Pre-IPO companies typically have limited operating histories, narrower, less established product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions, market conditions and consumer sentiment in respect of their products or services, as well as general economic downturns. Such companies may experience operating losses, which may be substantial, and there can be no assurance when or if such companies will operate at a profit. At the time of the Fund's investment, there is generally little publicly available information about these businesses since they are primarily privately owned and the Fund may only have access to the company's actual financial results as of and for the most recent quarter end or, in certain cases, the quarter end preceding the most recent quarter end. There can be no assurance that the information that the Fund does obtain with respect to any investment is reliable. Pre-IPO companies may have limited financial resources and may be unable to meet their obligations under their existing credit facilities (to the extent that such facilities exist), which may lead to equity financings, possibly at discounted valuations, in which the Fund could be substantially diluted if the Fund does not, or cannot, participate in such financings. Failing to meet such obligations may also lead to bankruptcy or liquidation and may result in a reduction in value or loss of the Fund's investment. Pre-IPO companies are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the company and, in turn, on the Fund. Continued global economic uncertainty could also result in investors becoming more risk-averse, which in turn could reduce the amount of growth capital available to the companies from both existing and new investors, could adversely affect their operating performance, and could delay liquidity paths (for

example, an IPO or strategic sale/merger) for the companies. It may be difficult for the Fund to sell these investments, subjecting the Fund to liquidity risk. The securities of private portfolio companies are illiquid, and the inability of these portfolio companies to complete an IPO within the targeted time frame will extend the holding period of the Fund's investments and may adversely affect the value of these investments.

***Global Financial Markets Risk.*** Global economies and financial markets are becoming increasingly interconnected and political and economic conditions (including recent instability and volatility) and events (including natural disasters) in one country, region or financial market may adversely impact issuers in a different country, region or financial market. As a result, issuers of securities held by the Fund may experience significant declines in the value of their assets and even cease operations. Such conditions and/or events may not have the same impact on all types of securities and may expose the Fund to greater market or liquidity risk or cause difficulty in valuing portfolio instruments held by the Fund. This could cause the Fund to underperform other types of investments.

The severity or duration of such conditions and/or events may be affected by policy changes made by governments or quasi-governmental organizations. Recent instability in the financial markets has led governments across the globe to take a number of unprecedented actions designed to support the financial markets. Future government regulation and/or intervention may also change the way in which the Fund is regulated and could limit or preclude the Fund's ability to achieve its investment objective. For example, one or more countries that have adopted the euro may abandon that currency and/or withdraw from the EU, which could disrupt markets and affect the liquidity and value of the Fund's investments, regardless of whether the Fund has significant exposure to European markets. In addition, governments or their agencies may acquire distressed assets from financial institutions and acquire ownership interests in those institutions, which may affect the Fund's investments in ways that are unforeseeable.

In addition, in the U.S., total public debt as a percentage of gross domestic product has grown

rapidly since the beginning of the financial downturn. High levels of national debt may raise concerns that the U.S. government will be unable to pay investors at maturity, may cause declines in currency valuations and may prevent the U.S. government from implementing effective fiscal policy.

**Swaps Risk.** The use of swaps is a highly specialized activity which involves investment techniques, risk analyses and tax planning different from those associated with ordinary portfolio securities transactions. The Fund's transactions in swaps may be significant. These transactions can result in sizeable realized and unrealized capital gains and losses relative to the gains and losses from the Fund's direct investments in securities and short sales.

Transactions in swaps can involve greater risks than if the Fund had invested in securities directly since, in addition to general market risks, swaps may be leveraged and subject to illiquidity risk, counterparty risk, credit risk, pricing risk, operational risk and legal risk. Regulators also may impose limits on an entity's or group of entities' positions in certain swaps. However, certain risks are reduced (but not eliminated) if the Fund invests in cleared swaps, which are transacted through a futures clearing merchant and cleared through a clearinghouse that serves as a central counterparty. Because uncleared bilateral swap agreements are two-party contracts and because they may have terms of greater than seven days, these swaps may be considered to be illiquid. Moreover, the Fund bears the risk of loss of the amount expected to be received under a swap (including any margin the Fund may have posted in connection with establishing the swap position) in the event of the default or bankruptcy of a swap counterparty. Many swaps are complex and valued subjectively. Swaps and other derivatives may also be subject to pricing or "basis" risk, which exists when the price of a particular derivative diverges from the price of corresponding cash market instruments. Under certain market conditions it may not be economically feasible to initiate a transaction or liquidate a position in time to avoid a loss or take advantage of an opportunity.

If a swap transaction is particularly large or if the relevant market is illiquid, it may not be possible

to initiate a transaction or liquidate a position at an advantageous time or price, which may result in significant losses.

The value of swaps can be very volatile, and a variance in the degree of volatility or in the direction of securities prices from the Investment Adviser's expectations may produce significant losses in the Fund's investments in swaps. In addition, a perfect correlation between a swap and a security position may be impossible to achieve. As a result, the Investment Adviser's use of swaps may not be effective in fulfilling the Investment Adviser's investment strategies and may contribute to losses that would not have been incurred otherwise.

***Futures Contracts and Options and Swaps on Futures Contracts.*** Futures contracts are standardized, exchange-traded contracts that provide for the sale or purchase of a specified financial instrument or currency at a future time at a specified price. An option on a futures contract gives the purchaser the right (and the writer of the option the obligation) to assume a position in a futures contract at a specified exercise price within a specified period of time. A swap on a futures contract provides an investor with the ability to gain economic exposure to a particular futures market; however, unlike a futures contract that is exchange-traded, a swap on a futures contract is an over-the-counter transaction. A futures contract may be based on particular securities, foreign currencies, securities indices and other financial instruments and indices. The Fund may engage in futures transactions on U.S. and foreign exchanges.

The Fund may, to the extent consistent with its investment policies, purchase and sell futures contracts, purchase and write call and put options on futures contracts and enter into swaps on futures contracts, in order to seek to increase total return or to hedge against changes in interest rates, securities prices or currency exchange rates, or to otherwise manage its term structure, sector selection and duration in accordance with its investment objective and policies. The Fund may also enter into closing purchase and sale transactions with respect to such contracts and options.

Futures contracts and related options and swaps present the following risks:

- While the Fund may benefit from the use of futures and options and swaps on futures, unanticipated changes in interest rates, securities prices or currency exchange rates may result in poorer overall performance than if the Fund had not entered into any futures contracts, options transactions or swaps.
- Because perfect correlation between a futures position and a portfolio position that is intended to be protected is impossible to achieve, the desired protection may not be obtained and the Fund may be exposed to additional risk of loss.
- The loss incurred by the Fund in entering into futures contracts and in writing call options and entering into swaps on futures is potentially unlimited and may exceed the amount of the premium received.
- Futures markets are highly volatile and the use of futures may increase the volatility of the Fund's NAV.
- As a result of the low margin deposits normally required in futures trading, a relatively small price movement in a futures contract may result in substantial losses to the Fund.
- Futures contracts and options and swaps on futures may be illiquid, and exchanges may limit fluctuations in futures contract prices during a single day.
- Foreign exchanges may not provide the same protection as U.S. exchanges.

***When-Issued Securities and Forward***

***Commitments.*** The Fund may purchase when-issued securities and make contracts to purchase or sell securities for a fixed price at a future date beyond customary settlement time. When-issued securities are securities that have been authorized, but not yet issued. When-issued securities are purchased in order to secure what is considered to be an advantageous price or yield to the Fund at the time of entering into the transaction. A forward commitment involves entering into a contract to purchase or sell securities for a fixed price at a future date beyond the customary settlement period.

The purchase of securities on a when-issued or forward commitment basis involves a risk of loss if the value of the security to be purchased declines before the settlement date. Conversely, the sale of securities on a forward commitment basis involves the risk that the value of the securities sold may increase before the settlement date. Although the Fund will generally purchase securities on a when-issued or forward commitment basis with the intention of acquiring the securities for its portfolio, the Fund may dispose of when-issued securities or forward commitments prior to settlement if the Investment Adviser deems it appropriate.

**Repurchase Agreements.** Repurchase agreements involve the purchase of securities subject to the seller's agreement to repurchase them at a mutually agreed upon date and price. The Fund may enter into repurchase agreements with eligible counterparties which furnish collateral at least equal in value or market price to the amount of their repurchase obligation. The collateral may consist of any type of security in which the Fund is eligible to invest directly. Repurchase agreements involving obligations other than U.S. Government Securities may be subject to special risks and may not have the benefit of certain protections in the event of the counterparty's insolvency.

If the other party or "seller" defaults, the Fund might suffer a loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Fund are less than the repurchase price and the Fund's costs associated with delay and enforcement of the repurchase agreement. In addition, in the event of bankruptcy of the seller, the Fund could suffer additional losses if a court determines that the Fund's interest in the collateral is not enforceable.

The Fund, together with other registered investment companies having advisory agreements with the Investment Adviser or any of its affiliates, may transfer uninvested cash balances into a single joint account, the daily aggregate balance of which will be invested in one or more repurchase agreements.

**Reverse Repurchase Agreements.** Reverse repurchase agreements involve the sale of

securities held by the Fund with an agreement by the Fund to repurchase the securities at a mutually agreed upon date and price (including interest). Reverse repurchase agreements may be entered into when the Investment Adviser expects that the return to be earned from the investment of the transaction proceeds will be greater than the related interest expense. Reverse repurchase agreements involve leveraging. If the securities held by the Fund decline in value while these transactions are outstanding, the NAV of the Fund's outstanding shares will decline in value proportionately more than the decline in value of the securities. In addition, reverse repurchase agreements involve the risk that the investment return earned by the Fund (from the investment of the proceeds) will be less than the interest expense of the transaction, that the market value of the securities sold by the Fund will decline below the price the Fund is obligated to pay to repurchase the securities, and that the securities may not be returned to the Fund.

Under SEC requirements, the Fund needs to aggregate the amount of indebtedness associated with its reverse repurchase agreements and similar financing transactions with the aggregate amount of any other senior securities representing indebtedness (e.g., borrowings, if applicable) when calculating the Fund's asset coverage ratio or treat all such transactions as derivatives transactions for purposes of Rule 18f-4 under the 1940 Act.

If the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, such buyer or its trustee or receiver may receive an extension of time to determine whether to enforce the Fund's obligation to repurchase the securities, and the Fund's use of the proceeds of the reverse repurchase agreement may effectively be restricted pending such decision. Also, the Fund would bear the risk of loss to the extent that the proceeds of the reverse repurchase agreement are less than the value of the securities subject to such agreement.

With respect to any reverse repurchase agreement or similar transaction, the Fund's Managed Assets shall include any proceeds from

	<p>the sale of an asset of the Fund to a counterparty in such a transaction, in addition to the value of the underlying asset as of the relevant measuring date.</p>
Management Fee .....	<p>In consideration of the advisory services provided by the Investment Adviser, the Investment Adviser is entitled to receive a monthly management fee (the “Management Fee”) at an annual rate equal to 1.25% of the average daily value of the Fund’s net assets. The Management Fee for any partial month will be appropriately prorated.</p>
Plan of Distribution .....	<p>Goldman Sachs &amp; Co. LLC (“GS&amp;Co.” or the “Distributor”), located at 200 West Street, New York, New York 10282, serves as the Fund’s principal underwriter and acts as the Distributor of the Fund’s Shares on a best efforts basis, subject to various conditions. The Fund’s Shares are offered for sale through the Distributor at NAV plus any applicable sales load. The Distributor also may enter into selling agreements with certain financial intermediaries, including banks, trust companies, brokers, registered investment advisers and other financial institutions (“Intermediaries”), for the sale and distribution of the Fund’s Shares. While Class I Shares do not impose a front-end sales charge, if you purchase Class I Shares through certain Intermediaries, they may directly charge you transaction or other fees in such amount as they may determine.</p> <p>The Distributor is not required to sell any specific number or dollar amount of the Fund’s Shares, but will use its best efforts to solicit orders for the sale of the Shares. Shares of the Fund will not be listed on any national securities exchange and the Distributor will not act as a market maker in Fund Shares.</p> <p>If you purchase the Fund through an Intermediary, the Fund and/or its related companies may pay the Intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the Intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your Intermediary’s website for more information.</p>

Distribution and Servicing Fee . . . . . Certain share classes of the Fund pay to the Distributor a distribution and/or service fee, payable monthly in arrears, based on a percentage of the Fund’s average daily net assets attributed to such share class as set forth below. As used throughout this prospectus, “Distribution and Servicing Fee” shall refer, collectively, to the fee for distribution-related services and the fee for shareholder services. The Distribution and Servicing Fee for any partial month will be appropriately prorated.

<u>Share Class</u>	<u>Distribution Services</u>	<u>Shareholder Services</u>	<u>Maximum Distribution-Related and Shareholder Services</u>
Class A . . . . .	0.25%	0.25%	0.25%
Class C . . . . .	0.75%	0.25%	1.00%
Class I . . . . .	N/A	N/A	N/A
Class L . . . . .	0.25%	0.25%	0.50%
Class W . . . . .	0.25%	0.25%	0.25%

The Distributor may pay various Intermediaries substantially all of the Distribution and Servicing Fee, which they will use to compensate their representatives for sales and/or support services.

The Distributor, or its affiliates, may directly place certain classes of Shares in the Fund, and for such directly-placed shares, will retain all or a portion of the Distribution and Servicing Fee (as applicable).

Distributions; Timing of Distributions . . . . . Subject to the terms of any financing arrangements or other obligations or Preferred Shares (defined below), the Fund, in its sole discretion, generally intends to make quarterly distributions to shareholders at rates that reflect the past and projected net income of the Fund. In addition, the Fund may occasionally make a distribution at a time when it is not normally made. Subject to applicable law, the Fund may fund a portion of its distributions with gains from the sale of portfolio securities and other sources. The dividend rate that the Fund pays on its Shares may vary as portfolio and market conditions change, and will depend on a number of factors, including without limitation the amount of the Fund’s undistributed net investment income and net short-and long-term capital gains, as well as the costs of any leverage obtained by the Fund (including interest expenses on any reverse repurchase agreements, dollar rolls and

borrowings and dividends payable on any Preferred Shares issued by the Fund). For a discussion of factors that may cause the Fund's income and capital gains (and therefore the dividend) to vary, see "Principal Risks of the Fund." The Fund intends to distribute each year all of its net investment income and net short-term capital gains. In addition, at least annually, the Fund intends to distribute net realized long-term capital gains not previously distributed, if any. The net investment income of the Fund consists of all income (other than net short-term and long-term capital gains) less all expenses of the Fund (after it pays accrued dividends on any outstanding Preferred Shares). The initial distribution will be declared on a date determined by the Board. To permit the Fund to maintain more stable distributions, the Fund's distribution rates will be based, in part, on projections as to annual cash available for distribution and, therefore, the distributions paid by the Fund for any particular quarter may be more or less than the amount of cash available to the Fund for distribution for that period.

The Fund reserves the right to change its distribution policy and the basis for establishing the rate of its quarterly distributions at any time and may do so without prior notice to common shareholders. Payment of future distributions is subject to approval by the Board, as well as meeting the covenants under any credit facilities and the asset coverage requirements of the 1940 Act. See "Additional Information About the Fund—Distributions."

Dividend Reinvestment Plan ..... Common shareholders will automatically have all dividends and distributions reinvested in Shares of the Fund in accordance with the Fund's dividend reinvestment plan (the "Dividend Reinvestment Plan"), unless an election is made to receive cash by contacting the Plan Agent (as defined herein), at 1-800-526-7384. See "Additional Information about the Fund—Dividend Reinvestment Plan."

Periodic Repurchase Offers ..... The Fund operates as an "interval fund," a type of fund which, in order to provide some liquidity to shareholders, will make quarterly offers to repurchase between 5% and 25% of its outstanding Shares at NAV, pursuant to Rule 23c-3 under the 1940 Act. The Fund currently

expects that such quarterly repurchase offers will be for 5% of the Fund's outstanding Shares at NAV, which is the minimum amount permitted. The Fund's Shares are not listed on any securities exchange, and the Fund anticipates that no secondary market will develop for its Shares. Accordingly, you may not be able to sell Shares when and/or in the amount that you desire. Thus, the Shares are appropriate only as a long-term investment. In addition, to the extent that the Fund engages in repurchase offers, such offers may subject the Fund and shareholders to special risks. See "Principal Risks of the Fund—*Repurchase Offers Risk.*"

Preferred Shares .....

Although the Fund has no intention of issuing preferred Shares ("Preferred Shares") within one year of the date of this Prospectus, the Fund may offer Preferred Shares as a means of providing leverage to the Fund in an aggregate amount of up to 50% of the Fund's Managed Assets immediately after such issuance. Shareholders will not have any preemptive rights to purchase any Preferred Shares that may be issued.

Furthermore, while any Preferred Shares or debt securities are outstanding, the Fund may be prohibited from making distributions to shareholders unless it meets the applicable asset coverage ratio at the time of the distribution.

By way of clarification, Preferred Shares are not considered "Shares," as such term is used in this prospectus.

Expenses .....

The Fund shall bear all of its own expenses, including without limitation: the Management Fee; the Distribution and Servicing Fee, as applicable; expenses (including financing, due diligence, travel and other costs) related to the acquisition, holding, monitoring and disposition of the Fund's portfolio investments; accounting, audit and tax preparation fees and expenses; administrative expenses and fees; legal fees and expenses; transfer agency fees and expenses; custody fees and expenses; the costs of any errors and omissions/directors and officers liability insurance or any fidelity bond; all costs and charges for equipment or services used in communicating information regarding the Fund's transactions among the Investment Adviser and any custodian or other agent engaged by the

Fund; interest expenses; any extraordinary expenses; and such other expenses as may be approved from time to time by the Board.

With respect to each share class, the Investment Adviser has agreed to reduce or limit “Other Operating Expenses” (excluding acquired fund fees and expenses, transfer agency fees and expenses, distribution and service fees, as applicable, taxes, interest, credit facility commitment fees, brokerage fees, expenses of shareholder meetings, litigation and indemnification, and extraordinary expenses) to 0.354% of the Fund’s average daily net assets attributed to such class through at least January 28, 2026, and prior to such date, the Investment Adviser may not terminate the arrangement without the approval of the Board of Trustees. Other Operating Expenses are defined below under the “*Fee Table*.”

Except as set forth herein or in another agreement between the Fund and the Investment Adviser, the Investment Adviser will bear all of its costs incurred in providing services to the Fund.

Underlying Fund Fees and Expenses . . . . .

The Fund will indirectly bear, as applicable, the management fees and carried interest allocations (or equivalent) of the Underlying Funds and certain other portfolio investments; the expenses of the Underlying Funds and certain other portfolio investments, including without limitation, investment-related expenses, non-investment related interest expense, administrative expenses and fees and disbursements of attorneys and accountants engaged on behalf of the Underlying Funds and certain other portfolio investments, and other ordinary and extraordinary expenses.

Managers of Private Real Estate Investment Funds generally charge their Private Real Estate Investment Funds (a) a management fee of between 0.5% and 2% of capital committed or assets under management and (b) a performance allocation of between 10% and 50% of net profits after a preferred return or “hurdle rate” of between 6% and 10%. Managers of other portfolio investments may charge similar fees and allocations. These fees and performance allocations, as well as any other expenses incurred by the Private Real Estate

Leverage .....

Investment Funds and other portfolio investments, will be passed through to the Fund and thereby to Fund shareholders.

The Fund may borrow funds or otherwise utilize leverage for a variety of purposes, subject to the limitations of the 1940 Act, including as part of the Fund's investment program, to meet other short-term liquidity needs, including payment of fees and expenses, and to facilitate the Fund's hedging activities. The Fund will be limited in its ability to borrow (or guarantee other obligations) to amounts such that the Fund's asset coverage ratio (as defined in the 1940 Act) would be less than 300%, calculated at the time of such incurrence (*i.e.*, the value of the Fund's total assets less liabilities other than the principal amount represented by indebtedness must be at least 300% of the principal amount represented by indebtedness at the time of incurrence). Subject to the restrictions of the 1940 Act, the Fund may also engage in leverage through the use of one or more partnerships or other pass-through entities in which the sole beneficial interest holder is the Fund. To the extent permitted by applicable law including the 1940 Act, the Fund may guarantee the obligations of these investment vehicles and/or assign and pledge assets of the Fund to these investment vehicles in order to secure borrowings or other leverage. On or around June 23, 2020, the Fund entered into a margin loan agreement with The Bank of Nova Scotia that established a revolving credit facility with an initial commitment of up to \$35 million. On April 1, 2022 the commitment under the revolving credit facility was increased to \$75 million. Additionally, on January 8, 2021, the Fund entered into an agreement with JPMorgan Chase Bank that established a revolving credit facility with an initial commitment of up to \$20 million.

The Private Real Estate Investment Funds, in which the Fund invests may utilize leverage in their investment or operational activities. Such borrowings, however, are not subject to the aforementioned asset coverage ratio test. Accordingly, the Fund may be exposed to the risk of highly leveraged investment programs and strategies. See "Fund Fees and Expenses" and "Principal Risks of the Fund—*Borrowing*."

Risks and Potential Conflicts of Interest . . . . . An investment in the Fund involves a significant degree of risk, including the risk of a complete loss of capital, and shareholders should be aware that conflicts of interest may arise in connection with the operation of the Fund. Please see “Principal Risks of the Fund” beginning on page 115 and “*Potential Conflicts of Interest*” in the SAI. Prospective investors should consult with their independent legal counsel and other advisors before deciding whether to invest in the Fund.

Certain Tax Considerations . . . . . The Fund has elected to be treated, and intends to qualify annually, as a RIC under Subchapter M of the Code. As a RIC, the Fund generally will not be required to pay corporate-level U.S. federal income taxes on any net ordinary income or capital gains that the Fund timely distributes to its shareholders as dividends if the Fund meets certain source of income, distribution and asset diversification requirements. The Fund intends to timely distribute to its shareholders substantially all of its annual taxable income for each year, except that the Fund may retain certain net capital gains for reinvestment and, depending upon the level of taxable income earned in a year, the Fund may choose to carry forward taxable income for distribution in the following year and pay any applicable U.S. federal excise tax. In addition, the distributions the Fund pays to its shareholders in a year may exceed the Fund’s net ordinary income and capital gains for that year and, accordingly, a portion of such distributions may constitute a return of capital for U.S. federal income tax purposes. The portion of a distribution constituting a return of capital is not subject to taxation. It has the effect of reducing the amount of a shareholder’s tax basis in such shareholder’s Shares. When a shareholder sells Shares in the Fund, the amount, if any, by which the sales price exceeds the shareholder’s basis in the Fund’s Shares is gain subject to tax. To the extent that the amount of any return of capital distribution exceeds the shareholder’s basis in such shareholder’s Shares, the excess will be treated as gain from a sale or exchange of the Shares.

Each prospective investor is urged to consult its tax advisors with respect to the specific U.S. federal, state, local and non-U.S. tax and/or filing consequences of an investment in the Fund.

	Please see “Principal Risks of the Fund— <i>Tax Risks</i> ” above and the section entitled “ <i>Certain Tax Considerations and Risks</i> ” in the SAI.
Limitation on Liability of the Investment Adviser . . .	The Investment Management Agreement provides that the Investment Adviser shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Fund in connection with the matters to which the Investment Management Agreement relates, except a loss resulting from the Investment Adviser’s willful misfeasance, bad faith or gross negligence in the performance of its duties or from reckless disregard by the Investment Adviser of its obligations and duties under the Investment Management Agreement.
Fiscal and Tax Year End . . . . .	The Fund’s fiscal year for financial reporting purposes and taxable year are each the 12-month period ending on September 30.
Reports to Shareholders . . . . .	As soon as practicable after the end of each calendar year, a statement on Form 1099-DIV identifying the sources of the distributions paid by the Fund to shareholders for tax purposes will be furnished to shareholders subject to Internal Revenue Service (“IRS”) reporting. In addition, the Fund will prepare and transmit to shareholders an unaudited semi-annual and an audited annual report within 60 days after the close of the period for which the report is being made, or as otherwise required by the 1940 Act.
Auditors . . . . .	PricewaterhouseCoopers LLP is the independent registered public accounting firm for the Fund and will audit the Fund’s financial statements.
Transfer Agent, Custodian and Administrator . . . . .	GS&Co. serves as the transfer agent of the Fund (“Transfer Agent”). The Bank of New York Mellon (“BNYM”) serves as the Fund’s Custodian and Administrator.

## **FUND FEES AND EXPENSES**

### **General**

The Fund shall bear all of its own expenses, including without limitation: the Management Fee; the Distribution and Servicing Fee, as applicable; expenses (including financing, due diligence, travel and other costs) related to the acquisition, holding, valuation, monitoring and disposition of the Fund's portfolio investments; accounting, audit and tax preparation fees and expenses; administrative fees and expenses; legal fees and expenses; transfer agency fees and expenses; custody and escrow fees and expenses; the costs of any errors and omissions/directors and officers liability insurance or any fidelity bond; all costs and charges for equipment or services used in communicating information regarding the Fund's transactions among the Investment Adviser and any custodian or other agent engaged by the Fund; interest expenses; credit facility commitment fees; any extraordinary expenses; and such other expenses as may be approved from time to time by the Board.

The Fund will indirectly bear, as applicable, the management fees and carried interest allocations (or equivalent) of the Underlying Funds and certain other portfolio investments; the expenses of the Underlying Funds and certain other portfolio investments, including without limitation, investment-related expenses, non-investment related interest expense, administrative expenses and fees and disbursements of attorneys and accountants engaged on behalf of the Underlying Funds and certain other portfolio investments, and other ordinary and extraordinary expenses.

Managers of Private Real Estate Investment Funds generally charge their Private Real Estate Investment Funds (a) a management fee of between 0.5% and 2% of capital committed or assets under management and (b) a performance allocation of between 10% and 50% of net profits after a preferred return or "hurdle rate" of between 6% and 10%. Managers of other portfolio investments may charge similar fees and allocations. These fees and performance allocations, as well as any other expenses incurred by the Private Real Estate Investment Funds and other portfolio investments, will be passed through to the Fund and thereby to Fund shareholders.

The Investment Adviser has agreed to reduce or limit "Other Operating Expenses" (excluding acquired fund fees and expenses, transfer agency fees and expenses, distribution and service fees, as applicable, taxes, interest, credit facility commitment fees, brokerage fees, expenses of shareholder meetings, litigation and indemnification, and extraordinary expenses) to 0.354% of the Fund's average daily net assets attributed to such class through at least January 28, 2026, and prior to such date, the Investment Adviser may not terminate the arrangement without the approval of the Board of Trustees. Other Operating Expenses are defined below under the "Fee Table."

Except as set forth herein or in another agreement between the Fund and the Investment Adviser, the Investment Adviser will bear all of its costs incurred in providing services to the Fund.

### **Management Fee**

In consideration of the advisory services provided by the Investment Adviser, the Investment Adviser is entitled to receive a monthly management fee (the "Management Fee") at an annual rate equal to 1.25% of the average daily value of the Fund's net assets. The Management Fee for any partial month will be appropriately prorated.

### **Distribution and Servicing Fee and Other Payments**

Certain share classes of the Fund pay to the Distributor a distribution and/or service fee, payable monthly in arrears, based on a percentage of the Fund's average daily net assets attributed to such share class as set forth below. As used throughout this prospectus, "Distribution and Servicing

Fee” shall refer, collectively, to the fee for distribution-related services and the fee for shareholder services. The Distribution and Servicing Fee for any partial month will be appropriately prorated.

<u>Share Class</u>	<u>Distribution Services</u>	<u>Shareholder Services</u>	<u>Maximum Distribution-Related and Shareholder Services</u>
Class A .....	0.25%	0.25%	0.25%
Class C .....	0.75%	0.25%	1.00%
Class I .....	N/A	N/A	N/A
Class L .....	0.25%	0.25%	0.50%
Class W .....	0.25%	0.25%	0.25%

The Distributor may pay various Intermediaries substantially all of the Distribution and Servicing Fee, which they will use to compensate their representatives for sales and/or support services. The Distributor, or its affiliates, may directly place certain classes of Shares in the Fund, and for such directly-placed shares, will retain all or a portion of the Distribution and Servicing Fee (as applicable).

The Investment Adviser may pay additional compensation out of its own resources (*i.e.*, not Fund assets) to certain Intermediaries for sales and wholesaling support, and also for other services including due diligence support, account maintenance, provision of information and support services, including distribution and marketing support services.

### Fee Table

The following table shows estimated Fund expenses as a percentage of Net Assets attributable to each Class of Shares. The purpose of the following table and the example below is to help you understand the fees and expenses that you, as a shareholder, would bear directly or indirectly. Shareholders should understand that some of the percentages indicated in the tables below are estimates and may vary. See “Management of the Fund” and “Additional Information About the Fund—Dividend Reinvestment Plan.” The following table should not be considered a representation of the Fund’s future expenses. Actual expenses may be greater or less than shown.

<u>Shareholder Transaction Expenses (as a percentage of the offering price)</u>	<u>Class A</u>	<u>Class L</u>	<u>Class C</u>	<u>Class W</u>	<u>Class I</u>
Maximum Sales Charge (Load) Imposed on Purchases (as a percentage of offering price) <sup>(1)</sup> .....	5.75%	4.25%	None	None	None
Maximum Deferred Sales Charge (Load) on Shares Repurchased (as a percentage of the lower of original purchase price or sales proceeds) <sup>(2)</sup> .....	1.00%	None	1.00%	None	None
Dividend Reinvestment Plan Fees <sup>(3)</sup> .....	None	None	None	None	None
<b><i>Estimated Annual Expenses (as a percentage of average net assets assuming the use of leverage)</i></b>					
Management Fee <sup>(4)</sup> .....	1.25%	1.25%	1.25%	1.25%	1.25%
Interest Payments on Borrowed Funds <sup>(5)</sup> .....	0.10%	0.10%	0.10%	0.10%	0.10%
Total Other Expenses .....	0.78%	1.03%	1.53%	0.78%	0.53%
Distribution and/or Servicing Fee .....	0.25%	0.50%	1.00%	0.25%	None
Other Operating Expenses <sup>(6)</sup> .....	0.53%	0.53%	0.53%	0.53%	0.53%
Acquired Fund Fees and Expenses <sup>(7)</sup> .....	None	None	None	None	None
<b>Total Annual Expense Ratio</b> .....	<u>2.13%</u>	<u>2.38%</u>	<u>2.88%</u>	<u>2.13%</u>	<u>1.88%</u>
Expense Limitation <sup>(8)</sup> .....	(0.04)%	(0.04)%	(0.04)%	(0.04)%	(0.04)%
<b>Total Annual Expense Ratio After Expense Limitation</b> ..	2.09%	2.34%	2.84%	2.09%	1.84%

- (1) While Class I Shares do not impose a front-end sales charge, if you purchase Class I Shares through certain Intermediaries, they may directly charge you transaction or other fees in such amount as they may determine. Please consult your Intermediary for additional information. For a description of the sales load and of other compensation paid to the Distributor by the Fund, see “Shareholder Guide.”
- (2) Purchases of the Fund’s Class A Shares of \$1 million or more may be subject to a maximum deferred sales charge of 1.00% on shares tendered for repurchase within 18 months. Purchases of the Fund’s Class A Shares of less than \$1 million are not subject to a deferred sales charge.
- (3) The expenses of administering the Fund’s Dividend Reinvestment Plan are part of the transfer agency fee (which is included in “Other Operating Expenses”).
- (4) The Fund pays a management fee to the Investment Adviser in an annual amount equal to 1.25% of the Fund’s average daily net assets.
- (5) These expenses represent an estimate of interest payments the Fund expects to incur in connection with its credit facilities during its current fiscal year (and thus may change significantly over time) and includes undrawn commitment fees. The Fund currently borrows under margin loan agreements with JPMorgan Chase Bank and with The Bank of Nova Scotia. See “Principal Risks of the Fund—*Borrowing*” and “*Leverage*.”
- (6) The Other Operating Expenses for the Fund include all other expenses incurred by the Fund. The Other Operating Expenses are based on estimated amounts for the Fund’s current fiscal year.
- (7) “Acquired Fund Fees and Expenses” include the fees and expenses of underlying investment companies in which the Fund invests, including private investment companies traditionally referred to as hedge funds or private equity funds. Acquired Fund Fees and Expenses are based on estimated amounts for the current fiscal year and may change significantly over time. Fees and expenses associated with investments in structured finance vehicles or investment companies not traditionally referred to as “hedge funds” or “private equity funds”—including REITs, REOCs, and Private Real Estate Investment Funds—are not included in Acquired Fund Fees and Expenses above. Nevertheless, such fees and expenses are borne indirectly by the Fund and thus have the effect of reducing the Fund’s return. Acquired Fund Fees and Expenses reflect an underlying investment company’s operating expenses (i.e., management fees, performance-based fees or allocations, administration fees and professional and other direct, fixed fees and expenses). The indirect fees and expenses of the Private Real Estate Investment Funds typically range from 0.50% to 2.50% on an annual basis and include management fees, administration fees and professional and other direct, fixed fees and expenses of the Private Real Estate Investment Funds. Furthermore, certain Private Real Estate Investment Funds may charge investors (such as the Fund) incentive allocations or fees on performance exceeding a defined “hurdle rate.”
- (8) The Investment Adviser has agreed to reduce or limit “Other Operating Expenses” (excluding acquired fund fees and expenses, transfer agency fees and expenses, distribution and service fees, as applicable, taxes, interest, credit facility commitment fees, brokerage fees, expenses of shareholder meetings, litigation and indemnification, and extraordinary expenses) to 0.354% of the Fund’s average daily net assets attributed to such class through at least January 28, 2026, and prior to such date, the Investment Adviser may not terminate the arrangement without the approval of the Board of Trustees.

The purpose of the table above and the examples below is to assist prospective investors in understanding the various costs and expenses shareholders in the Fund will bear directly or indirectly.

### **Expense Example**

The following Example is intended to help you understand the various costs and expenses that you, as a holder of Shares, would bear. The Example assumes that you invest \$1,000 in Shares of the Fund for the time periods indicated. The Example also assumes that your investment has a 5% return each year, that all dividends and distributions are reinvested at NAV, and that the Fund’s operating expenses remain the same.

Although your actual costs may be higher or lower, based on these assumptions your costs would be<sup>(1)</sup>:

	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
Class A Shares . . . . .	\$77	\$120	\$165	\$289
Class L Shares . . . . .	\$65	\$113	\$164	\$302
Class C Shares . . . . .	\$29	\$ 89	\$151	\$320
Class W Shares . . . . .	\$21	\$ 66	\$114	\$246
Class I Shares . . . . .	\$19	\$ 59	\$101	\$220

If, at the end of each period, your Shares are repurchased in full, your costs would be<sup>(1)</sup>:

	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
Class A Shares . . . . .	\$77	\$120	\$165	\$289
Class L Shares . . . . .	\$65	\$113	\$164	\$302
Class C Shares . . . . .	\$39	\$ 89	\$151	\$320
Class W Shares . . . . .	\$21	\$ 66	\$114	\$246
Class I Shares . . . . .	\$19	\$ 59	\$101	\$220

- (1) The Example should not be considered a representation of future expenses. The example assumes that the estimated “Other Operating Expenses” set forth in the Estimated Annual Expenses table is accurate and that all dividends and distributions are reinvested at NAV. Actual expenses may be greater or less than those shown, and the Fund’s actual rate of return may be greater or less than the hypothetical 5% return assumed in the Example. In addition to the fees and expenses described above, you may also be required to pay transaction or other fees on the purchase of Class I shares, which are not reflected in the Example. The Example should not be considered a representation of future expenses, and actual expenses may be greater or less than those shown.

## FINANCIAL HIGHLIGHTS

The financial highlights tables are intended to help you understand the Fund's financial performance for the past ten years (or less if share class has been in operation for less than ten years). Certain information reflects financial results for a single Fund share. The total returns in the tables represent the rate that an investor would have earned or lost on an investment in the Fund (assuming reinvestment of all dividends and distributions).

The information for the fiscal years ended 2020, 2021, 2022, 2023 and 2024 have been audited by PricewaterhouseCoopers LLP ("PwC"). PwC's 2024 report, along with the Fund's financial statements, is included in the Fund's most recent annual report (available upon request).

The Fund, as the accounting successor of a reorganization, has adopted the operating history of its Predecessor Fund for financial reporting purposes. Therefore, the financial highlights shown below for the fiscal years ended 2019, 2018, 2017 and 2016, for the period ended September 30, 2015, and for the year and period ended February 28, 2015 (as applicable) are those of the Predecessor Fund. The information shown below for the fiscal years ended 2019, 2018, 2017 and 2016, for the period ended September 30, 2015, and for the year and period ended February 28, 2015 (as applicable) has been derived from the Predecessor Fund's financial statements and financial highlights, which have been audited by another independent registered public accounting firm.

	<b>Real Estate Diversified Income Fund</b>				
	<b>Class A Shares</b>				
	<b>Year Ended September 30,</b>				
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Per Share Data</b>					
Net asset value, beginning of year . . . . .	\$ 8.79	\$ 9.91	\$ 10.45	\$ 9.38	\$ 10.69
Net investment income(a) . . . . .	0.08	0.14	0.21	0.20	0.29
Net realized and unrealized gain (loss) . . . . .	0.09	(0.61)	(0.04)	1.47	(0.89)
Total from investment operations . . . . .	0.17	(0.47)	0.17	1.67	(0.60)
Distributions to shareholders from net investment income . . . . .	(0.01)	—	(0.19)	(0.34)	(0.23)
Distributions to shareholders from net realized gains . . . . .	—	(0.15)	(0.11)	(0.26)	(0.30)
Distributions to shareholders from return of capital . . . . .	(0.59)	(0.50)	(0.41)	—	(0.18)
Total distributions . . . . .	(0.60)	(0.65)	(0.71)	(0.60)	(0.71)
Net asset value, end of year . . . . .	\$ 8.36	\$ 8.79	\$ 9.91	\$ 10.45	\$ 9.38
<b>Total Return(b)</b> . . . . .	<b>1.97%</b>	<b>(5.05)%</b>	<b>1.43%</b>	<b>18.24%</b>	<b>(5.20)%</b>
Net assets, end of year (in 000's) . . . . .	\$61,073	\$69,953	\$80,263	\$83,054	\$87,520
Ratio of net expense to average net assets after interest expenses . . . . .	2.09%	2.17%	2.05%	2.10%	2.19%
Ratio of net investment income to average net assets . . . . .	0.89%	1.42%	1.97%	2.02%	2.88%
Ratio of net expense to average net assets before interest expenses . . . . .	1.99%	1.99%	1.98%	1.99%	1.99%
Ratio of total expense to average net assets after interest expenses . . . . .	2.13%	2.22%	2.06%	2.34%	2.28%
Portfolio turnover rate(c) . . . . .	17%	46%	56%	73%	53%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete repurchase of the investment at the NAV at the end of the year and no sales or repurchase charges (if any). Total returns would be reduced if a sales or repurchase charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the repurchase of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments and certain derivatives. If such transactions were included, the Fund's portfolio turnover rate may be higher.

	Year Ended September 30, 2019	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	For the Period Ended September 30, 2015(a)	Year Ended February 28, 2015
<b>NET ASSET VALUE, BEGINNING OF YEAR OR PERIOD</b> .....	\$ 10.47	\$ 10.19	\$ 10.26	\$ 9.81	\$ 10.52	\$ 9.75
<b>INCOME FROM INVESTMENT OPERATIONS</b>						
Net investment income(b)(c) .....	0.40	0.30	0.39	0.34	0.21	0.33
Net realized and unrealized gain/(loss) on investments .....	0.42	0.58	0.17	0.71	(0.47)	1.05
Total income/(loss) from investment operations .....	0.82	0.88	0.56	1.05	(0.26)	1.38
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>						
From net investment income .....	(0.26)	(0.24)	(0.31)	(0.32)	(0.17)	(0.48)
From net realized gain on investments .....	(0.21)	(0.15)	(0.12)	—	(0.03)	(0.05)
From return of capital .....	(0.13)	(0.21)	(0.20)	(0.28)	(0.25)	(0.08)
Total distributions .....	(0.60)	(0.60)	(0.63)	(0.60)	(0.45)	(0.61)
<b>INCREASE/DECREASE IN NET ASSET VALUE</b> .....	0.22	0.28	(0.07)	0.45	(0.71)	0.77
<b>NET ASSET VALUE, END OF YEAR OR PERIOD</b> .....	\$ 10.69	\$ 10.47	\$ 10.19	\$ 10.26	\$ 9.81	\$ 10.52
<b>TOTAL RETURN(d)(e)</b> .....	8.17%	9.00%	5.67%	11.09%	(2.50)%	14.70%
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets, end of year or period (in 000s) .....	\$96,114	\$86,965	\$84,231	\$61,470	\$37,399	\$27,830
<b>RATIOS TO AVERAGE NET ASSETS(f)</b>						
Including interest and dividend expense:						
Expenses, gross .....	2.90%	2.97%	2.90%	2.78%	3.30%(g)	4.81%
Expenses, net of fees waived/expenses reimbursed by investment adviser .....	2.83%	2.76%	2.69%	2.39%	2.24%(g)	2.29%
Excluding interest and dividend expense:						
Expenses, gross .....	2.06%	2.20%	2.20%	2.38%	3.05%(g)	4.51%
Expenses, net of fees waived/expenses reimbursed by investment adviser .....	1.99%	1.99%	1.99%	1.99%	1.99%(g)	1.99%
Net investment income(c) .....	3.83%	2.97%	3.81%	3.47%	3.57%(g)	3.21%
<b>PORTFOLIO TURNOVER RATE</b> .....	65%	78%	11%	21%	5%(h)	91%
<b>BORROWINGS AT END OF YEAR OR PERIOD</b>						
Aggregate amount outstanding (000s) .....	\$43,482	\$48,104	\$60,415	\$36,821	\$12,373	\$ 5,188
Asset coverage per \$1,000 (000s) ..	\$ 9,070	\$ 6,515	\$ 4,912	\$ 4,808	\$ 6,249	\$ 7,319

- (a) With the approval of the Board of Trustees, effective September 30, 2015, the Fund's fiscal year end was changed from February 28 to September 30.
- (b) Per share numbers have been calculated using the average shares method.
- (c) Recognition of net investment income is affected by timing and declaration of dividends by underlying REITs and private investment funds.
- (d) Total returns shown are historical in nature and assume changes in share price, reinvestment of dividends and capital gains distribution, if any. Had the Adviser not absorbed a portion of Fund expenses, total returns would have been lower. Total returns for periods less than one year are not annualized. Returns shown exclude applicable sales charges.
- (e) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and, as such, the net asset values for financial reporting purposes and the returns based upon those net asset values may differ from net asset values and returns for shareholder transactions.
- (f) Ratios do not include expenses of underlying investment companies and private investment funds in which the Fund invests.
- (g) Annualized.
- (h) Not annualized.

	<b>Real Estate Diversified Income Fund</b>				
	<b>Class C Shares</b>				
	<b>Year Ended September 30,</b>				
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Per Share Data</b>					
Net asset value, beginning of year . . . . .	\$ 8.79	\$ 9.91	\$ 10.45	\$ 9.38	\$ 10.68
Net investment income(a) . . . . .	0.01	0.06	0.12	0.13	0.20
Net realized and unrealized gain (loss) . . . . .	0.10	(0.60)	(0.03)	1.46	(0.87)
Total from investment operations . . . . .	0.11	(0.54)	0.09	1.59	(0.67)
Distributions to shareholders from net investment income . . . . .	(0.06)	—	(0.16)	(0.26)	(0.16)
Distributions to shareholders from net realized gains . . . . .	—	(0.16)	(0.11)	(0.26)	(0.29)
Distributions to shareholders from return of capital . . . . .	(0.48)	(0.42)	(0.36)	—	(0.18)
Total distributions . . . . .	(0.54)	(0.58)	(0.63)	(0.52)	(0.63)
Net asset value, end of year . . . . .	\$ 8.36	\$ 8.79	\$ 9.91	\$ 10.45	\$ 9.38
<b>Total Return(b)</b> . . . . .	<b>1.23%</b>	<b>(5.77)%</b>	<b>0.67%</b>	<b>17.37%</b>	<b>(5.94)%</b>
Net assets, end of year (in 000's) . . . . .	\$19,906	\$37,064	\$54,094	\$69,360	\$72,826
Ratio of net expense to average net assets after interest expenses . . . . .	2.83%	2.91%	2.81%	2.84%	2.94%
Ratio of net investment income to average net assets . . . . .	0.07%	0.63%	1.18%	1.27%	2.04%
Ratio of net expense to average net assets before interest expenses . . . . .	2.74%	2.73%	2.74%	2.74%	2.74%
Ratio of total expense to average net assets after interest expenses . . . . .	2.87%	2.95%	2.82%	3.09%	3.04%
Portfolio turnover rate(c) . . . . .	17%	46%	56%	73%	53%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete repurchase of the investment at the NAV at the end of the year and no sales or repurchase charges (if any). Total returns would be reduced if a sales or repurchase charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the repurchase of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments and certain derivatives. If such transactions were included, the Fund's portfolio turnover rate may be higher.

	Year Ended September 30, 2019	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	For the Period Ended September 30, 2015(a)	For the Period Ended February 28, 2015(b)
<b>NET ASSET VALUE, BEGINNING OF YEAR OR PERIOD</b> .....	\$ 10.47	\$ 10.19	\$ 10.25	\$ 9.81	\$ 10.50	\$10.06
<b>INCOME FROM INVESTMENT OPERATIONS</b>						
Net investment income(c)(d) .....	0.32	0.23	0.32	0.28	0.18	0.14
Net realized and unrealized gain/(loss) on investments .....	0.41	0.57	0.18	0.68	(0.48)	0.58
Total income/(loss) from investment operations .....	0.73	0.80	0.50	0.96	(0.30)	0.72
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>						
From net investment income .....	(0.22)	(0.20)	(0.27)	(0.27)	(0.14)	(0.20)
From net realized gain on investments .....	(0.18)	(0.14)	(0.12)	—	(0.03)	(0.05)
From return of capital .....	(0.12)	(0.18)	(0.17)	(0.25)	(0.22)	(0.03)
Total distributions .....	(0.52)	(0.52)	(0.56)	(0.52)	(0.39)	(0.28)
<b>INCREASE/DECREASE IN NET ASSET VALUE</b> .....	0.21	0.28	(0.06)	0.44	(0.69)	0.44
<b>NET ASSET VALUE, END OF YEAR OR PERIOD</b> .....	\$ 10.68	\$ 10.47	\$ 10.19	\$ 10.25	\$ 9.81	\$10.50
<b>TOTAL RETURN(e)(f)</b> .....	7.24%	8.17%	4.97%	10.15%	(2.86)%	7.33%
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets, end of year or period (in 000s) .....	\$74,609	\$62,367	\$57,559	\$33,114	\$13,436	\$3,732
<b>RATIOS TO AVERAGE NET ASSETS(g)</b>						
Including interest and dividend expense:						
Expenses, gross .....	3.64%	3.73%	3.71%	3.53%	4.04%(h)	6.37%(h)
Expenses, net of fees waived/ expenses reimbursed by investment adviser .....	3.58%	3.51%	3.47%	3.14%	2.99%(h)	3.04%(h)
Excluding interest and dividend expense:						
Expenses, gross .....	2.80%	2.96%	2.98%	3.13%	3.79%(h)	6.07%(h)
Expenses, net of fees waived/ expenses reimbursed by investment adviser .....	2.74%	2.74%	2.74%	2.74%	2.74%(h)	2.74%(h)
Net investment income(d) .....	3.08%	2.24%	3.11%	2.87%	2.97%(h)	2.34%(h)
<b>PORTFOLIO TURNOVER RATE</b> .....	65%	78%	11%	21%	5%(i)	91%
<b>BORROWINGS AT END OF YEAR OR PERIOD</b>						
Aggregate amount outstanding (000s) ...	\$43,482	\$48,104	\$60,415	\$36,821	\$12,373	\$5,188
Asset coverage per \$1,000 (000s) .....	\$ 9,070	\$ 6,515	\$ 4,912	\$ 4,808	\$ 6,249	\$7,319

- (a) *With the approval of the Board of Trustees, effective September 30, 2015, the Fund's fiscal year end was changed from February 28 to September 30.*
- (b) *The Fund's Class C commenced operations on August 1, 2014.*
- (c) *Per share numbers have been calculated using the average shares method.*
- (d) *Recognition of net investment income is affected by timing and declaration of dividends by underlying REITs and private investment funds.*
- (e) *Total returns shown are historical in nature and assume changes in share price, reinvestment of dividends and capital gains distribution, if any. Had the Adviser not absorbed a portion of Fund expenses, total returns would have been lower. Total returns for periods less than one year are not annualized.*
- (f) *Includes adjustments in accordance with accounting principles generally accepted in the United States of America and, as such, the net asset values for financial reporting purposes and the returns based upon those net asset values may differ from net asset values and returns for shareholder transactions.*
- (g) *Ratios do not include expenses of underlying investment companies and private investment funds in which the Fund invests.*
- (h) *Annualized.*

	<b>Real Estate Diversified Income Fund</b>				
	<b>Class I Shares</b>				
	<b>Year Ended September 30,</b>				
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Per Share Data</b>					
Net asset value, beginning of year	\$ 9.26	\$ 10.40	\$ 10.93	\$ 9.78	\$ 11.13
Net investment income(a)	0.10	0.17	0.26	0.24	0.33
Net realized and unrealized gain (loss)	0.10	(0.64)	(0.05)	1.54	(0.93)
Total from investment operations	0.20	(0.47)	0.21	1.78	(0.60)
Distributions to shareholders from net investment income	(0.02)	—	(0.19)	(0.37)	(0.26)
Distributions to shareholders from net realized gains	—	(0.16)	(0.11)	(0.26)	(0.31)
Distributions to shareholders from return of capital	(0.60)	(0.51)	(0.44)	—	(0.18)
Total distributions	(0.62)	(0.67)	(0.74)	(0.63)	(0.75)
Net asset value, end of year	\$ 8.84	\$ 9.26	\$ 10.40	\$ 10.93	\$ 9.78
<b>Total Return(b)</b>	<b>2.22%</b>	<b>(4.77)%</b>	<b>1.70%</b>	<b>18.59%</b>	<b>(5.05)%</b>
Net assets, end of year (in 000's)	\$93,750	\$114,738	\$145,519	\$98,018	\$74,220
Ratio of net expense to average net assets after interest expenses	1.84%	1.92%	1.76%	1.84%	1.94%
Ratio of net investment income to average net assets	1.13%	1.66%	2.31%	2.33%	3.16%
Ratio of net expense to average net assets before interest expenses	1.74%	1.74%	1.70%	1.74%	1.74%
Ratio of total expense to average net assets after interest expenses	1.88%	1.96%	1.77%	2.12%	2.03%
Portfolio turnover rate(c)	17%	46%	56%	73%	53%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete repurchase of the investment at the NAV at the end of the year and no sales or repurchase charges (if any). Total returns would be reduced if a sales or repurchase charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the repurchase of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments and certain derivatives. If such transactions were included, the Fund's portfolio turnover rate may be higher.

	Year Ended September 30, 2019	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	For the Period Ended September 30, 2015(a)	For the Period Ended February 28, 2015(b)
<b>NET ASSET VALUE, BEGINNING OF YEAR OR PERIOD</b> .....	\$ 10.91	\$ 10.62	\$ 10.74	\$ 10.36	\$ 10.79	\$10.06
<b>INCOME FROM INVESTMENT OPERATIONS</b>						
Net investment income(c)(d) .....	0.45	0.36	0.48	0.04	0.27	0.14
Net realized and unrealized gain/(loss) on investments .....	0.42	0.59	0.09	0.97	(0.54)	0.59
Total income/(loss) from investment operations .....	0.87	0.95	0.57	1.01	(0.27)	0.73
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>						
From net investment income .....	(0.27)	(0.26)	(0.34)	(0.33)	(0.04)	—
From net realized gain on investments .....	(0.23)	(0.16)	(0.12)	—	(0.03)	—
From return of capital .....	(0.15)	(0.24)	(0.23)	(0.30)	(0.09)	—
Total distributions .....	(0.65)	(0.66)	(0.69)	(0.63)	(0.16)	—
<b>INCREASE/DECREASE IN NET ASSET VALUE</b> .....	0.22	0.29	(0.12)	0.38	(0.43)	0.73
<b>NET ASSET VALUE, END OF YEAR OR PERIOD</b> .....	\$ 11.13	\$ 10.91	\$ 10.62	\$ 10.74	\$ 10.36	\$10.79
<b>TOTAL RETURN(e)(f)</b> .....	8.35%	9.25%	5.45%	10.12%	(2.51)%	7.26%
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets, end of year or period (in 000s) .....	\$55,138	\$22,273	\$ 8,385	\$ 0(g)	\$ 49	\$ 0(g)
<b>RATIOS TO AVERAGE NET ASSETS(h)</b>						
Including interest and dividend expense:						
Expenses, gross .....	2.68%	2.75%	3.23%	2.49%	2.96%(i)	3.94%(i)
Expenses, net of fees waived/ expenses reimbursed by investment adviser .....	2.63%	2.49%	2.56%	2.14%	1.99%(i)	2.08%(i)
Excluding interest and dividend expense:						
Expenses, gross .....	1.79%	2.00%	2.41%	2.09%	2.71%(i)	3.60%(i)
Expenses, net of fees waived/ expenses reimbursed by investment adviser .....	1.74%	1.74%	1.74%	1.74%	1.74%(i)	1.74%(i)
Net investment income(d) .....	4.10%	3.35%	4.48%	0.36%	4.46%(i)	2.36%(i)
<b>PORTFOLIO TURNOVER RATE</b> .....	65%	78%	11%	21%	5%(j)	91%
<b>BORROWINGS AT END OF YEAR OR PERIOD</b>						
Aggregate amount outstanding (000s) ...	\$43,482	\$48,104	\$60,415	\$36,821	\$12,373	\$5,188
Asset coverage per \$1,000 (000s) .....	\$ 9,070	\$ 6,515	\$ 4,912	\$ 4,808	\$ 6,249	\$7,319

- (a) With the approval of the Board of Trustees, effective September 30, 2015, the Fund's fiscal year end was changed from February 28 to September 30.
- (b) The Fund's Class I commenced operations on August 1, 2014.
- (c) Per share numbers have been calculated using the average shares method.
- (d) Recognition of net investment income is affected by timing and declaration of dividends by underlying REITs and private investment funds.
- (e) Total returns shown are historical in nature and assume changes in share price, reinvestment of dividends and capital gains distribution, if any. Had the Adviser not absorbed a portion of Fund expenses, total returns would have been lower. Total returns for periods less than one year are not annualized.
- (f) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and, as such, the net asset values for financial reporting purposes and the returns based upon those net asset values may differ from net asset values and returns for shareholder transactions.
- (g) Amount less than \$500.
- (h) Ratios do not include expenses of underlying investment companies and private investment funds in which the Fund invests.
- (i) Annualized.

	<b>Real Estate Diversified Income Fund</b>				
	<b>Class L Shares</b>				
	<b>Year Ended September 30,</b>				
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Per Share Data</b>					
Net asset value, beginning of year . . . . .	\$ 8.80	\$ 9.92	\$10.46	\$ 9.39	\$10.69
Net investment income(a) . . . . .	0.05	0.11	0.18	0.18	0.27
Net realized and unrealized gain (loss) . . . . .	0.10	(0.61)	(0.04)	1.46	(0.89)
Total from investment operations . . . . .	0.15	(0.50)	0.14	1.64	(0.62)
Distributions to shareholders from net investment income . . . . .	(0.02)	—	(0.18)	(0.31)	(0.20)
Distributions to shareholders from net realized gains . . . .	—	(0.15)	(0.11)	(0.26)	(0.30)
Distributions to shareholders from return of capital . . . . .	(0.56)	(0.47)	(0.39)	—	(0.18)
Total distributions . . . . .	(0.58)	(0.62)	(0.68)	(0.57)	(0.68)
Net asset value, end of year . . . . .	\$ 8.37	\$ 8.80	\$ 9.92	\$10.46	\$ 9.39
<b>Total Return(b)</b> . . . . .	<u>1.72%</u>	<u>(5.28)%</u>	<u>1.17%</u>	<u>17.93%</u>	<u>(5.46)%</u>
Net assets, end of year (in 000's) . . . . .	\$3,793	\$4,569	\$5,323	\$5,919	\$5,538
Ratio of net expense to average net assets after interest expenses . . . . .	2.34%	2.42%	2.30%	2.34%	2.44%
Ratio of net investment income to average net assets . . .	0.62%	1.15%	1.70%	1.76%	2.71%
Ratio of net expense to average net assets before interest expenses . . . . .	2.24%	2.24%	2.23%	2.24%	2.24%
Ratio of total expense to average net assets after interest expenses . . . . .	2.38%	2.46%	2.31%	2.59%	2.54%
Portfolio turnover rate(c) . . . . .	17%	46%	56%	73%	53%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete repurchase of the investment at the NAV at the end of the year and no sales or repurchase charges (if any). Total returns would be reduced if a sales or repurchase charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the repurchase of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments and certain derivatives. If such transactions were included, the Fund's portfolio turnover rate may be higher.

	For the Year Ended September 30, 2019	For the Year Ended September 30, 2018	For the Period Ended September 30, 2017(a)
<b>NET ASSET VALUE, BEGINNING OF YEAR OR PERIOD</b> .....	\$ 10.48	\$ 10.20	\$ 10.22
<b>INCOME/(LOSS) FROM INVESTMENT OPERATIONS</b>			
Net investment income(b)(c) .....	0.38	0.30	0.26
Net realized and unrealized gain/(loss) on investments .....	0.40	0.55	(0.14)(d)
Total income from investment operations .....	<u>0.78</u>	<u>0.85</u>	<u>0.12</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>			
From net investment income .....	(0.24)	(0.22)	(0.05)
From net realized gain on investments .....	(0.20)	(0.15)	(0.02)
From return of capital .....	(0.13)	(0.20)	(0.07)
Total distributions .....	<u>(0.57)</u>	<u>(0.57)</u>	<u>(0.14)</u>
<b>INCREASE/(DECREASE) IN NET ASSET VALUE</b> .....	0.21	0.28	(0.02)
<b>NET ASSET VALUE, END OF YEAR OR PERIOD</b> .....	<u>\$ 10.69</u>	<u>\$ 10.48</u>	<u>\$ 10.20</u>
<b>TOTAL RETURN(e)(f)</b> .....	7.79%	8.72%	1.22%
<b>RATIOS AND SUPPLEMENTAL DATA</b>			
Net assets, end of year or period (in 000s) .....	\$10,402	\$ 4,613	\$ 836
<b>RATIOS TO AVERAGE NET ASSETS(g)</b>			
Including interest and dividend expense:			
Expenses, gross .....	3.17%	3.22%	3.83%(h)
Expenses, net of fees waived/expenses reimbursed by investment advisor .....	3.13%	2.99%	3.07%(h)
Excluding interest and dividend expense:			
Expenses, gross .....	2.28%	2.47%	3.00%(h)
Expenses, net of fees waived/expenses reimbursed by investment advisor .....	2.24%	2.24%	2.24%(h)
Net investment income(c) .....	3.60%	2.91%	11.62%(h)
<b>PORTFOLIO TURNOVER RATE</b> .....	65%	78%	11%(i)
<b>BORROWINGS AT END OF YEAR OR PERIOD</b>			
Aggregate amount outstanding (000s) .....	\$43,482	\$48,104	\$60,415
Asset coverage per \$1,000 (000s) .....	\$ 9,070	\$ 6,515	\$ 4,912

- (a) The Fund's Class L commenced operations on July 10, 2017.
- (b) Per share numbers have been calculated using the average shares method.
- (c) Recognition of net investment income is affected by timing and declaration of dividends by underlying REITs and private investment funds.
- (d) Realized and unrealized losses per share do not correlate to the aggregate of the net realized and unrealized gains on the Statement of Operations for the period ended September 30, 2017, primarily due to the timing of sales and repurchases of the Fund's shares in relation to fluctuating market values for the Fund's portfolio.
- (e) Total returns shown are historical in nature and assume changes in share price, reinvestment of dividends and capital gains distribution, if any. Had the Adviser not absorbed a portion of Fund expenses, total returns would have been lower. Total returns for periods less than one year are not annualized. Returns shown exclude applicable sales charges.
- (f) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and, as such, the net asset values for financial reporting purposes and the returns based upon those net asset values may differ from net asset values and returns for shareholder transactions.
- (g) Ratios do not include expenses of underlying investment companies and private investment funds in which the Fund invests.
- (h) Annualized.
- (i) Portfolio turnover rate is calculated at the Fund level and represents the year ended September 30, 2017.

	<b>Real Estate Diversified Income Fund</b>				
	<b>Class W Shares</b>				
	<b>Year Ended September 30,</b>				
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Per Share Data</b>					
Net asset value, beginning of year . . . . .	\$ 8.96	\$ 10.08	\$ 10.62	\$ 9.52	\$ 10.85
Net investment income(a) . . . . .	0.08	0.14	0.21	0.21	0.31
Net realized and unrealized gain (loss) . . . . .	0.09	(0.61)	(0.04)	1.49	(0.92)
Total from investment operations . . . . .	0.17	(0.47)	0.17	1.70	(0.61)
Distributions to shareholders from net investment income . . . . .	(0.03)	—	(0.18)	(0.34)	(0.24)
Distributions to shareholders from net realized gains . . . . .	—	(0.16)	(0.11)	(0.26)	(0.30)
Distributions to shareholders from return of capital . . . . .	(0.57)	(0.49)	(0.42)	—	(0.18)
Total distributions . . . . .	(0.60)	(0.65)	(0.71)	(0.60)	(0.72)
Net asset value, end of year . . . . .	\$ 8.53	\$ 8.96	\$ 10.08	\$ 10.62	\$ 9.52
<b>Total Return(b)</b> . . . . .	<b>1.93%</b>	<b>(4.96)%</b>	<b>1.40%</b>	<b>18.28%</b>	<b>(5.31)%</b>
Net assets, end of year (in 000's) . . . . .	\$20,742	\$29,307	\$39,873	\$40,617	\$47,709
Ratio of net expense to average net assets after interest expenses . . . . .	2.08%	2.16%	2.04%	2.10%	2.19%
Ratio of net investment income to average net assets . . . . .	0.88%	1.42%	1.98%	2.02%	2.99%
Ratio of net expense to average net assets before interest expenses . . . . .	1.99%	1.98%	1.98%	1.99%	1.99%
Ratio of total expense to average net assets after interest expenses . . . . .	2.12%	2.20%	2.05%	2.33%	2.23%
Portfolio turnover rate(c) . . . . .	17%	46%	56%	73%	53%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete repurchase of the investment at the NAV at the end of the year and no sales or repurchase charges (if any). Total returns would be reduced if a sales or repurchase charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the repurchase of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments and certain derivatives. If such transactions were included, the Fund's portfolio turnover rate may be higher.

	Year Ended September 30, 2019	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	For the Period Ended September 30, 2015(a)	For the Period Ended February 28, 2015(b)
<b>NET ASSET VALUE, BEGINNING OF YEAR OR PERIOD</b>	\$ 10.63	\$ 10.35	\$ 10.41	\$ 9.96	\$ 10.67	\$10.18
<b>INCOME FROM INVESTMENT OPERATIONS</b>						
Net investment income(c)(d)	0.41	0.31	0.39	0.32	0.20	0.03
Net realized and unrealized gain/(loss) on investments	0.42	0.58	0.17	0.69	(0.49)	0.46
Total income/(loss) from investment operations	0.83	0.89	0.56	1.01	(0.29)	0.49
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>						
From net investment income	(0.26)	(0.23)	(0.30)	(0.30)	(0.15)	—
From net realized gain on investments	(0.21)	(0.16)	(0.12)	—	(0.03)	—
From return of capital	(0.14)	(0.22)	(0.20)	(0.26)	(0.24)	—
Total distributions	(0.61)	(0.61)	(0.62)	(0.56)	(0.42)	—
<b>INCREASE/DECREASE IN NET ASSET VALUE</b>	0.22	0.28	(0.06)	0.45	(0.71)	0.49
<b>NET ASSET VALUE, END OF YEAR OR PERIOD</b>	\$ 10.85	\$ 10.63	\$ 10.35	\$ 10.41	\$ 9.96	\$10.67
<b>TOTAL RETURN(e)(f)</b>	8.13%	8.95%	5.64%	10.46%	(2.79)%	4.81%
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets, end of year or period (in 000s)	\$92,006	\$69,400	\$56,427	\$31,076	\$11,421	\$1,211
<b>RATIOS TO AVERAGE NET ASSETS(g)</b>						
Including interest and dividend expense:						
Expenses, gross	2.88%	2.96%	3.06%	3.30%	3.78%(h)	11.30%(h)
Expenses, net of fees waived/expenses reimbursed by investment adviser	2.84%	2.76%	2.83%(i)	2.89%	2.74%(h)	2.79%(h)
Excluding interest and dividend expense:						
Expenses, gross	2.03%	2.19%	2.32%	2.90%	3.53%(h)	11.00%(h)
Expenses, net of fees waived/expenses reimbursed by investment adviser	1.99%	1.99%	2.09%(i)	2.49%	2.49%(h)	2.49%(h)
Net investment income(d)	3.85%	3.01%	3.79%	3.17%	3.28%(h)	1.31%(h)
<b>PORTFOLIO TURNOVER RATE</b>	65%	78%	11%	21%	5%(j)	91%
<b>BORROWINGS AT END OF YEAR OR PERIOD</b>						
Aggregate amount outstanding (000s)	\$43,482	\$48,104	\$60,415	\$36,821	\$12,373	\$5,188
Asset coverage per \$1,000 (000s)	\$ 9,070	\$ 6,515	\$ 4,912	\$ 4,808	\$ 6,249	\$7,319

- (a) With the approval of the Board of Trustees, effective September 30, 2015, the Fund's fiscal year end was changed from February 28 to September 30.
- (b) The Fund's Class W commenced operations on November 24, 2014.
- (c) Per share numbers have been calculated using the average shares method.
- (d) Recognition of net investment income is affected by timing and declaration of dividends by underlying REITs and private investment funds.
- (e) Total returns shown are historical in nature and assume changes in share price, reinvestment of dividends and capital gains distribution, if any. Had the Adviser not absorbed a portion of Fund expenses, total returns would have been lower. Total returns for periods less than one year are not annualized.
- (f) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and, as such, the net asset values for financial reporting purposes and the returns based upon those net asset values may differ from net asset values and returns for shareholder transactions.
- (g) Ratios do not include expenses of underlying investment companies and private investment funds in which the Fund invests.
- (h) Annualized.
- (i) Effective January 5, 2017, the annual expense limitation changed from 2.49% to 1.99%.

## **USE OF PROCEEDS**

The Fund will seek to invest promptly the net proceeds associated with the continuous offering of its shares (or, as applicable, make contractual commitments to invest such proceeds) in accordance with its investment objective and policies within three months after receipt thereof. Certain investments may be delayed if suitable opportunities are unavailable at the time or for other reasons, such as market volatility and lack of liquidity in the markets of suitable investments. Pending such investment, the Fund may hold uninvested capital in the form of cash and cash equivalents, including money market investments.

## **THE FUND**

The Fund is a diversified, closed-end management investment company registered under the 1940 Act. The Fund was organized as a Delaware statutory trust on December 2, 2019. The Fund's investment objective is a non-fundamental policy that may be changed by the Fund's Board without prior approval of shareholders. The Fund's principal office is located at 200 West Street, New York, New York 10282, and its telephone number is 212-902-1000. The Fund is the successor to the Resource Real Estate Diversified Income Fund, a Delaware statutory trust, as a result of the Reorganization. The Fund's investment objective and strategies are similar to those of the Predecessor Fund.

The Fund is managed under the direction of the Board, a majority of the members of which are individuals who are independent of Goldman Sachs. A description of the Board is set forth in the SAI.

## **GENERAL INVESTMENT MANAGEMENT APPROACH**

### **Goldman Sachs Asset Management**

Goldman Sachs Asset Management, L.P., part of Goldman Sachs' Asset Management Division, serves as the Fund's investment adviser, and GSAM's Fundamental Equity U.S. Equity Team is responsible for managing the Fund. The principal executive offices of GSAM are located at 200 West Street, New York, New York 10282. GSAM has been registered as an investment adviser with the SEC since 1990 and is a subsidiary of The Goldman Sachs Group, Inc., a bank holding company, and an affiliate of Goldman Sachs.

As of September 30, 2024, GSAM and its advisory affiliates acted as investment adviser in respect of approximately \$2.79 trillion in assets (including seed capital and assets under supervision).<sup>1</sup> GSAM is part of Goldman Sachs' Asset Management Division, which offers a full range of equity, fixed income and money market mutual funds, private investment funds and separately managed accounts, and currently serves a wide range of clients including private and public pension funds, endowments, foundations, banks, insurance companies, corporations, private investors and family groups. GSAM has broad experience investing client assets across global markets. Subject to internal information barriers and related limitations, the Fund's investment team has access to the research and perspectives of other GSAM personnel with specialized expertise in non-U.S. investments. Many of these individuals are based in the firm's offices outside of the U.S. and thus have local knowledge of markets and industries.

The Fund's overall asset allocation and listed security selection is managed by the Fundamental Equity team. The selection of private real estate managers is done by the External Investing Group ("XIG").

### **Fundamental Equity Team**

The Fundamental Equity team consists of 100+ investors that invest in publicly traded equities, that are listed on stock exchanges, across geographies and the market cap spectrum. We seek to generate better-than-market returns (otherwise known as alpha) by sourcing risk at the stock level, taking a long-term investment approach and actively engaging with management teams. Our teams seek to select companies that are priced fairly for their potential and are fundamentally sound. We believe in a bottom-up approach and precise decision making, thereby aiming to avoid risks of macro-investing and market-timing pitfalls.

### **External Investing Group**

The External Investing Group ("XIG") provides investors with investment and advisory solutions across leading hedge fund managers, private equity funds, real estate managers, public equity strategies, and fixed income strategies. XIG manages globally-diversified programs, targeted sector-specific strategies, customized portfolios, and a range of advisory services. Our investors access opportunities through new fund commitments, fund-of-fund investments, strategic partnerships, secondary market investments, co-investments, and seed capital investments. With over 300 professionals around the world, XIG provides manager diligence, portfolio construction, risk management, and liquidity solutions to investors, drawing on Goldman Sachs' market insights and risk management expertise. We extend these global capabilities to some of the world's leading sovereign wealth funds, pension plans, governments, financial institutions, endowments, foundations, and family

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<sup>1</sup> Assets under supervision includes assets under management and other client assets for which Goldman Sachs does not have full discretion.

offices, for which we invest or advise on over \$423 billion of alternative investments, public equity strategies, and fixed income strategies.

## **Investment Process**

### ***Asset Allocation***

A working group comprised of representatives from the Fundamental Equity team, XIG, and the Fixed Income team, is responsible for deciding the overall asset allocation of the Fund. In establishing the Fund's allocations, the team analyzes (among other factors) each asset class's expected returns, cash flow yields, downside risks and relative valuations across all segments of the real estate industry. In allocating Fund assets between equity-oriented real estate investments and debt-oriented real estate investments, the team also considers the current cycle in the broader economic and real estate markets. For listed securities, the Fundamental Equity Liquid Real Assets team is responsible for security selection. For Private Real Estate Investment Funds, XIG is responsible for external manager selection.

The working group meets as necessary (but no less frequently than monthly) to discuss portfolio asset allocation, performance, and risk metrics, and to evaluate new investment ideas.

### ***Selection of Public Securities***

The Fundamental Equity Liquid Real Assets team selects public securities based on (among other factors) the quality and location of the assets, the experience of the management team and the relative valuation of the security.

When analyzing investment ideas for inclusion to the portfolio, we view REITs as companies and not just collections of assets. The security research process comprises asset tours, management meetings, and extensive analysis of supply/demand dynamics. We place an emphasis on the improvement of cash flow and management quality.

The attributes we consider to generate our investment ideas include:

#### Real Estate Attributes

- *Quality of the Asset:* We visit properties that generate a significant portion of the company's revenue, or those with identifiable issues or opportunities for value-added activities. From our extensive asset tours and headquarter visits, we examine relative location within a sub-market, competitiveness with its peer set, maintenance and deferred capital items, and indications of tenant satisfaction, and then determine if an asset is being utilized to its highest and best use.
- *Markets (Demand and Supply):* We use a variety of research sources to understand the current and prospective supply and demand characteristics of major markets and property types. Our extensive real estate experience allows the team to draw meaningful conclusions from this research. We utilize this data for direct model inputs and for comparisons across markets. Importantly, we leverage the Fundamental Equity team for read-throughs into demand trends; a team comprised of 100+ investors covering all geographies and sectors and, consequently, the majority of tenants of the real estate companies we assess.

#### Company Attributes

- *Balance Sheet:* We dissect a company's financial situation using all publicly available information. This encompasses the review of income statements, capital expenses, operating metrics, balance sheets, and financial policies. This information, together with the market

assessment and the economic assessments, provides the majority of the inputs to arrive at a company's current condition. From this information we seek to gauge the company's overall leverage, complexion of its debt, and liquidity management. Moreover, we leverage the GSAM Fixed Income team for relevant read-throughs on the financing environment.

- *Management:* We look for quality management teams whose interests are aligned with shareholders' interests. We think the best way to judge management is to study how they have historically allocated capital. We also look for consistency of strategy articulated by management and operational efficiency.

### Multi-faceted Valuation Approach

We evaluate companies by rebuilding, analyzing and forecasting the financials, and testing our assumptions through meetings and discussions with competitors and third party providers. We believe that emphasizing different valuation metrics depending on the sector or stage of the market cycle is essential. In general, we look to take a multi-faceted valuation approach, considering earnings multiples, net asset values, implied cap rates and dividend yields, while placing an emphasis on long-term cash flows.

### Fundamental Equity Liquid Real Assets Team's Investment Philosophy:

When choosing public securities for the Fund, the Investment Adviser:

- Selects stocks based on quality and location of assets, experienced management and a sustainable competitive advantage.
- Seeks to buy securities at a discount to the intrinsic value of the business (assets and management).
- Seeks a team approach to decision making.

The Fundamental Equity team employs a fundamental investment process that considers a wide range of factors, and no one factor or consideration is determinative. Traditional fundamental factors that the Fundamental Equity team may consider include, but are not limited to, cash flows, balance sheet leverage, return on invested capital, industry dynamics, earnings quality and profitability. The Fundamental Equity team may integrate ESG factors alongside traditional fundamental factors as part of its fundamental research process to seek to assess overall business quality and valuation, as well as potential risks. ESG factors that the Fundamental Equity team may consider include, but are not limited to, carbon intensity and emissions profiles, community impact, governance practices and board structure. The identification of a risk related to an ESG factor will not necessarily exclude a particular security or sector that, in the Fundamental Equity team's view, is otherwise suitable and attractively priced for investment, and the Fundamental Equity team may invest in a security or sector without integrating ESG factors or considerations into its fundamental investment process. The relevance of specific traditional fundamental factors and ESG factors to the fundamental investment process varies across asset classes, sectors and strategies. The Fundamental Equity team may utilize data sources provided by third-party vendors and/or engage directly with issuers when assessing the above factors.

As a stakeholder, the Fund has a vested interest in helping the companies in which it invests unlock value by improving corporate practices and being thoughtful stewards of capital. As part of its focus on long-term, active ownership, the Investment Adviser may, in certain circumstances, use proxy voting and engagement as some of the tools available to encourage positive corporate decision making and productive change, where possible.

### ***Selection of Private Real Estate Investment Funds.***

XIG selects the Private Real Estate Investment Funds based on, among other factors, an evaluation of the portfolio manager of each Private Real Estate Investment Fund, including each portfolio manager's team, strategy, track record, and market reputation. XIG generally expects to identify established portfolio managers that are experienced investors.

Broadly speaking, XIG seeks to identify investment managers that are experienced, thoughtful, and aligned with their investors and that appear positioned to achieve risk/return objectives in an investment strategy that is optimal for the Fund's portfolio. Importantly, XIG's investment process is continually evolving, always informed by performance feedback. The key steps in the investment process are outlined below.

The Investment Adviser selects a dedicated diligence team for each potential portfolio investment that is responsible for an examination of a manager's strategy, historical risk/return profile and its future capabilities. As the dedicated diligence team begins to undertake its evaluation of the manager, the team is encouraged to seek the counsel of strategy experts from within XIG including those who may be focused on investments outside of private real estate investments, and from other parts of Goldman Sachs. In terms of investment approval, proposals from the Investment Adviser's due diligence team are reviewed and approved by different committees and/or working groups that focus on various aspects of manager diligence, including manager risk. These groups of professionals ultimately approve each investment and appropriate investment size in each manager's fund.

As part of XIG's due diligence of Private Real Estate Investment Fund managers, it may examine the risk factors associated with ESG elements and each manager's focus on these risks. XIG may consider how Private Real Estate Investment Fund managers identify and address ESG-related risks and opportunities within their portfolio. As part of the investment process, XIG considers a wide range of factors, and no one factor or consideration is determinative.

XIG's due diligence process consists of the same bottom-up evaluation process for each potential Private Real Estate Investment Fund, irrespective of whether XIG previously invested in another fund managed by that Private Real Estate Investment Fund's manager or whether it is a completely new fund offering in the market.

## **INVESTMENT OBJECTIVE AND STRATEGIES**

The Fund's investment objective is to seek to produce income and achieve capital appreciation with low to moderate volatility and low to moderate correlation to the broader equity markets. The Fund defines "low to moderate volatility" to mean investment returns having a level of volatility equal to or lower than the broader equity markets as reflected in the S&P 500 Index, a broad-based measure of the U.S. stock market. "Volatility" is a statistical measure of the variability of returns for a given security or market index, and "correlation" is a statistical measure of how a given security or index moves in relation to another security or index.

The Fund pursues its investment objective by investing, under normal circumstances, at least 80% of its Managed Assets (measured at the time of purchase) in a portfolio of equity and debt investments in issuers that are primarily engaged in or related to the real estate industry ("real estate industry companies"). An issuer is primarily engaged in or related to the real estate industry if it derives at least 50% of its gross revenues or net profits from the ownership, development, construction, financing, management or sale of commercial, industrial or residential real estate or interests therein. Real estate industry companies may include (but are not limited to) Public REITs; REOCs; Private Real Estate Investment Funds; Non-Traded REITs; Public Investment Funds; and CMBS. The Fund's 80% policy with respect to investment in real estate industry companies is not fundamental and may be changed by the Fund's Board without shareholder approval. Shareholders will be provided with sixty (60) days' notice in the manner prescribed by the SEC before any change in the Fund's policy to invest at least 80% of its Managed Assets in the particular type of investment suggested by its name. The Fund's investments in derivatives, other investment companies, including Underlying Funds, and other instruments are counted towards the Fund's 80% investment policy to the extent they have economic characteristics similar to the investments included within that policy.

The Fund may invest in common stock, convertible or non-convertible preferred stock, warrants, convertible or non-convertible secured or unsecured debt and partnership or membership interests issued by real estate industry companies.

The Fund may invest without limitation in any sub-industry of the real estate industry, including but not limited to retail, office, multifamily, hospitality, industrial, healthcare, land and self-storage. The Fund concentrates investments in the real estate industry, meaning that under normal circumstances, it invests more than 25% of its Managed Assets in securities of issuers in the real estate industry.

The Fund's SAI contains a list of the fundamental (those that may not be changed without shareholder approval) and non-fundamental (if any) investment policies of the Fund under the heading "Investment Restrictions."

### **The Investment Adviser's Strategy**

The Fund pursues its investment objective of producing income and achieving low to moderate volatility and low to moderate correlation to the broader equity markets by diversifying its investments over a broad range of property types and real estate asset classes and taking advantage of the expertise of different asset managers. For example, the Fund may invest in companies focused on a variety of real estate asset classes and different qualities of real estate assets. When selecting investment vehicles, the Investment Adviser will evaluate asset managers by reviewing their experience, track record, current portfolios, and ability to weather real estate cycles by employing effective risk management and mitigation strategies. The Investment Adviser will also assess the likely risks and returns of the investment strategies utilized by the management of the investment vehicles, and evaluate the potential correlation among the investment strategies under consideration. The Investment Adviser generally will seek to invest in investments and investment vehicles whose

expected risk-adjusted returns are determined to fit the Fund's investment objective and likely to have low correlations among each other or with the broad equity and fixed-income markets. The Investment Adviser will seek to allocate the Fund's assets so that the Fund may benefit from the performance of various investment vehicles, and from having access to new and existing investment vehicles that are often available only at substantial minimum investments.

The investment vehicles in which the Fund invests may employ a wide variety of investment strategies that invest in (i) equity, equity-related and other securities of companies across some or all real estate related sectors of the market, (ii) debt securities of companies across some or all real estate related sectors of the market and (iii) mortgage-backed securities. In addition, the Fund may invest in investment vehicles that use derivatives, including (but not limited to) forwards, futures contracts, options, warrants and interest rate swaps, in connection with managing their investments in real estate. In addition, the Fund may invest directly in CMBS, the preferred stock issued by REITs, and other convertible or non-convertible secured or unsecured real estate debt securities.

The Fund may also invest in derivatives, including (but not limited to) forwards, interest rate futures, interest rate swaps, call and put options, and credit default swaps, which are used primarily to hedge the Fund's portfolio risks, manage the Fund's duration and/or gain exposure to certain securities or indices. In addition, the Fund may seek to generate additional cash flow and reduce volatility by the sale of call options on certain securities in which it may invest. The Fund may write such options on securities that are listed on national domestic securities exchanges or foreign securities exchanges or traded in the over-the-counter market. The Fund expects that, under normal circumstances, the Fund will sell call options in an amount that is between 0% and 30% of the value of the Fund's portfolio.

The Fund will opportunistically seek short exposures to equity and credit related instruments through the use of derivatives or synthetic instruments, including, but not limited to, credit default swaps (including credit default swaps on market indices). The Fund intends to implement short positions for hedging purposes or to seek to enhance absolute return, and may do so by using swaps or futures, or through short sales of any instrument that the Fund may purchase for investment.

The Investment Adviser reserves cash inflows on a quarterly basis as appropriate to meet unfunded commitments to Private Real Estate Investment Funds in the Fund's portfolio. In addition, the Investment Adviser reserves capacity on the Fund's credit facilities to fund any shortfalls in expected inflows.

**Public REITs.** REITs are investment vehicles that invest primarily in income-producing real estate or mortgages and other real estate-related loans or interests. Public REITs are listed on global stock exchanges and invest directly in real estate, typically through either properties or mortgages. In most countries, the tax efficiency of REITs is more attractive than that of other stock-issuing corporations. The latter is ordinarily subject to tax on income before distribution, whereas most REITs are not. This translates to higher potential profits for REIT shareholders.

The Fund's investments in Public REITs are intended principally to generate current income, plus substantial liquidity for the Fund, and will seek to have low to moderate correlation to the broader equity markets. In addition, the Fund's investments in Public REITs are intended to provide diversification alongside Private Real Estate Investment Funds.

Under normal circumstances, the Fund's investments in Public REITs will not exceed 80% of the Fund's Managed Assets. The Fund invests in Public REITs by purchasing their common stock, preferred stock, debt and/or warrants. Investment criteria on a macro level will include relative attractiveness of Public REITs to the broader market, the impact of the debt capital markets on Public REIT equities, and upon the supply of and demand for commercial real estate overall and within real

estate sectors. On a micro level, the Investment Adviser will examine the attractiveness of each Public REIT's property type; quality and historic success of management; its common stock's relative price-earnings ratio as compared to other stocks within its sector; whether the common stock is trading at a premium or discount to its NAV; internal and external (acquisitions and development) growth prospects to drive earnings growth; expected stability of income; expected distribution yield and distribution coverage from operations; access to debt and equity financing; and target leverage levels.

**REOCs.** REOCs are companies that invest in real estate and whose shares may trade on a public exchange. A REOC is similar to a Public REIT, except that a REOC does not receive advantaged tax treatment because REOCs reinvest earnings rather than distribute dividends to unit holders. Additionally, REOCs are more flexible than REITs in terms of what types of real estate investments they can make.

Under normal circumstances, the Fund's investments in REOCs will not exceed 10% of the Fund's Managed Assets. The Fund's investments in REOCs are intended principally to generate current income and provide substantial liquidity for the Fund, and will seek to have low to moderate correlation to the broader equity markets. As with its investment in Public REITs, the Fund's investments in REOCs are intended to provide diversification alongside Private Real Estate Investment Funds. The Fund invests in REOCs by purchasing their common stock, preferred stock, debt and/or warrants. Investment criteria on a macro level will include relative attractiveness of REOCs to the broader market, and the supply of and demand for commercial real estate overall and within real estate sectors.

**Private Real Estate Investment Funds.** Private Real Estate Investment Funds may be organized as unregistered REITs, commonly known as private REITs. Interests in the Private Real Estate Investment Funds included in the Fund's portfolio may be purchased or sold on the secondary market and may also be purchased directly from the issuer of the security.

Under normal circumstances, the Fund's investments in Private Real Estate Investment Funds will not exceed 80% of the Fund's Managed Assets. The Private Real Estate Investment Funds in which the Fund intends to invest seek to generate a level of income and total return broadly consistent with Public REITs, but with a lower amount of volatility. In addition, the Fund's investments in Private Real Estate Investment Funds are intended to deliver returns which have a low to moderate correlation to the broader equity markets. Private Real Estate Investment Funds have less pressure to make quarterly distributions, can be more opportunistic and can have a longer investment term.

The Fund's typical investments in Private Real Estate Investment Funds will be made through the purchase of common stock or limited partnership or limited liability company membership interests in such funds. Investment criteria will include evaluating the strength of the sponsor and management; prior investment performance of the target fund as well as the performance of other funds managed by the sponsor; the attractiveness of the property sectors and geographical allocations of the fund; expected stability of income; expected capital appreciation; and target leverage levels.

The Fund will invest no more than 15% of its net assets in private investment funds that are commonly known as hedge funds, which (i) based on their investment activities, meet the definition of "investment company" found in Section 3(a)(1) of the 1940 Act; and (ii) do not qualify for any exemption from such definition other than that provided by Section 3(c)(1) or 3(c)(7) of the 1940 Act (measured at the time of investment). For the avoidance of doubt, the Fund does not consider a Private Real Estate Investment Fund to be a hedge fund or a private equity fund.

## **REITs Generally.**

**Distributions.** Distributions received by the Fund from REITs may consist of dividends, capital gains and/or return of capital. Because REITs are required by law to distribute 90% of their taxable income to shareholders each year in the form of dividends, REITs have historically paid a higher rate of dividends than most other non-real estate operating companies. Investors should always bear in mind, of course, that past performance is not necessarily indicative of future results. Dividends paid by REITs will generally not qualify for the reduced federal income tax rates applicable to qualified dividends under the Code, but may be considered to be “qualified REIT dividends” eligible for a 20% deduction for non-corporate taxpayers. See “Taxation.”

**REIT Preferred Stock.** The Fund may invest in preferred stocks issued by REITs. Preferred stocks are securities that pay dividends at a specified rate and have a preference over common stocks in the payment of dividends and the liquidation of assets. This means that an issuer must pay dividends on its preferred stock prior to paying dividends on its common stock. In addition, in the event a company is liquidated, preferred shareholders must be fully repaid on their investments before common shareholders can receive any money from the company. Preferred shareholders, however, usually have no right to vote for a company’s directors or on other corporate matters. Preferred stocks pay a fixed stream of income to investors, and this income stream is a primary source of the long-term investment return on preferred stocks. As a result, the market value of preferred stocks is generally more sensitive to changes in interest rates than the market value of common stocks. In this respect, preferred stocks share many investment characteristics with debt securities.

**REIT Convertible Securities.** Convertible bonds and convertible preferred stocks are generally obligations of a company that can be converted into a predetermined number of shares of common stock of the company issuing the security. Convertible securities generally offer both defensive characteristics (i.e., provide income during periods when the market price of the underlying common stock declines) and upside potential (i.e., may provide capital appreciation when the market price of the underlying common stock rises). The Fund may invest in securities that have been privately placed but are eligible for purchase and sale by certain qualified institutional buyers, such as the Fund, under Rule 144A under the Securities Act.

**Warrants.** Warrants entitle the holder to buy the underlying stock of the issuing company at a fixed exercise price until the expiry date. Warrants are issued and guaranteed by the company, and are ordinarily issued directly to existing common or preferred shareholders.

**REIT Bonds.** REIT bonds are a debt investment in which an investor loans money to the REIT for a defined period of time at a fixed interest rate. As a debt instrument, these bonds have priority over the equity issued by the REIT, including common stock and preferred stock. While these bonds can either be secured or unsecured, they are commonly unsecured. REIT bonds are generally issued in durations of 7 to 10 years.

## **Public Investment Funds.**

The Fund anticipates making investments in Public Investment Funds principally to temporarily invest the Fund’s capital pending its deployment into other potentially higher-returning investment opportunities, or for defensive purposes under adverse market conditions. Public Investment Funds consist of the following type of investment companies:

**Exchange-Traded Funds.** ETFs are typically managed by professionals and provide investors with diversification, cost and tax efficiency, and liquidity, are useful for hedging, have the ability to go long and short, and some provide quarterly dividends. “The “ability to go long” refers to the ability to

purchase a security or other instrument with the expectation that the asset will rise in value, and “the ability to go short” means the ability to sell a borrowed security or other instrument with the expectation that the asset will fall in value. An ETF typically holds a portfolio of securities or contracts designed to track a particular market segment or index. ETFs are listed on major stock exchanges and are traded like stocks.

**Index Funds.** An index fund is a mutual fund with an investment objective of seeking to replicate the performance of a specific securities index, such as the National Association of Real Estate Investment Trusts (NAREIT) Index or the MSCI US REIT Index. Index funds are not actively managed and generally provide broad market exposure, low operating expenses and low portfolio turnover.

**Closed-End Funds and Actively Managed Mutual Funds.** In addition to ETFs and index funds, and subject to the Fund’s investment restrictions, the Fund may invest in closed-end funds and actively managed mutual funds that invest primarily in what the Investment Adviser considers securities of real estate industry companies. Shares of closed-end funds are typically listed for trading on major stock exchanges and, in some cases, may be traded in other over-the-counter markets.

Under normal circumstances, the Fund’s investments in Public Investment Funds will not exceed 10% of the Fund’s Managed Assets. The Fund may also invest in options on Public Investment Funds to hedge against market declines.

**Certain Private Real Estate Investment Funds and Public Investment Funds.** The Fund may also invest up to 20% of its Managed Assets in Private Real Estate Investment Funds and Public Investment Funds that invest, under normal circumstances, less than 80% of their assets in securities of issuers in the real estate industry.

**CMBS.** The Fund may also invest up to 35% of the Fund’s Managed Assets in CMBS. CMBS are structured debt obligations collateralized by pools of commercial mortgages. When selecting CMBS for the Fund’s portfolio, the Fund will seek to select CMBS that, in the judgment of the Fund’s portfolio management team, represent an undervalued investment opportunity with favorable total return potential. This evaluation is based upon multiple factors, including analysis of the credit performance of the mortgage loan portfolios underlying the CMBS; security structure characteristics such as the priority of payment, credit enhancement and default patterns of underlying loans; and the relative financial strength of the mortgage loan servicer.

**Use of Leverage.** The Fund may employ leverage, including borrowing from banks, in an amount of up to 33 and 1/3% (or in the case of the issuance of Preferred Shares, 50%) of the Fund’s total assets minus liabilities and indebtedness not represented by “senior securities” within the meaning of the 1940 Act, as determined immediately after borrowing. The Fund is authorized to borrow money in connection with its investment activities, subject to the limits of the asset coverage requirement of the 1940 Act. The Fund also may borrow money to satisfy repurchase requests from Fund shareholders and to otherwise provide the Fund with temporary liquidity. The 1940 Act requires a registered investment company to satisfy an asset coverage requirement of 300% of its indebtedness, including amounts borrowed, measured at the time indebtedness occurs. This means that the value of the Fund’s total indebtedness may not exceed one-third of the value of its total assets, including the value of the assets purchased with the proceeds of its indebtedness. On or around June 23, 2020, the Fund entered into a margin loan agreement with The Bank of Nova Scotia that established a revolving credit facility with an initial commitment of up to \$35 million. On April 1, 2022 the commitment under the revolving credit facility was increased to \$75 million. Additionally, on January 8, 2021, the Fund entered into an agreement with JPMorgan Chase Bank that established a revolving credit facility with an initial commitment of up to \$20 million. Private Real Estate Investment Funds may utilize leverage in their investment activities. However, the Private Real Estate Investment Funds’ borrowings are not subject to the asset coverage requirement. Accordingly, the Fund, through its investments in Private Real Estate Investment Funds,

may be exposed to the risk of highly leveraged investment programs. In addition, the Fund may use leverage generated by reverse repurchase agreements.

**Fundamental Policies.** The Fund concentrates investments in the real estate industry, meaning that, under normal circumstances, it invests more than 25% of its Managed Assets in the securities of companies in the real estate industry. This policy is fundamental and may not be changed without shareholder approval.

The SAI contains a list of the fundamental (those that may not be changed without shareholder approval) and non-fundamental (if any) investment policies of the Fund under the heading “Investment Restrictions.”

### **Investment Strategy, Diversification and Criteria Used in Selecting Investments**

The Fund’s investment strategy focuses on identifying individual securities that have:

- an emphasis on income generation,
- attractive risk-adjusted returns,
- low to moderate volatility, and
- low to moderate correlation to the broader equity markets.

The Fund seeks diversification of its investments within the real estate industry through exposure to a broad range of asset classes and managers, and by investing across various levels and qualities of real estate. Further, the Fund will seek to diversify geographically both within and outside of the United States and by capital structure (investments in common stock, preferred stock, warrants, debt and convertible securities).

The Investment Adviser uses both quantitative and qualitative processes to select investments for the Fund. Analyzing relevant quantitative and qualitative criteria, the Investment Adviser identifies investments which it believes to be of high quality based on their potential for generating sustainable, positive, risk-adjusted returns under a wide variety of market conditions. The Investment Adviser selects securities from different real estate regions and sectors to create a portfolio it believes will deliver a relatively high risk-adjusted return.

Because of the lead/lag relationship between public REITs and private real estate investments, the Investment Adviser believes that an optimally blended portfolio can diversify market exposure. While the Investment Adviser may strategically rebalance the Fund’s diversification exposure based on changing market conditions, the Investment Adviser will seek to maintain a well-diversified portfolio that effectively manages real estate asset class and sector risk over time. The Investment Adviser manages the Fund’s investments over a long-term time horizon while being mindful of the historical context of the markets.

There can be no assurance that any or all of the Fund’s investment strategies will be successful.

### **Diversification of Asset Managers**

The Fund pursues its investment objective of maintaining low to moderate volatility and low to moderate correlation to the broader equity markets by identifying and investing with asset managers with expertise in managing portfolios of securities of issuers in the real estate industry. Using information generally available to investors, the Investment Adviser will evaluate asset managers based on their experience, track record, current portfolios, and ability to weather real estate cycles by employing effective risk management and mitigation strategies.

### ***Diversification by Asset Class***

The Fund pursues its investment objective of producing income, achieving capital appreciation, and maintaining low to moderate portfolio volatility by diversifying its investments across the many asset classes of the real estate industry, including, for example, retail, office, multifamily, hospitality, industrial, health care, land and self-storage sectors.

### ***Diversification by Type and Quality of Real Property***

The Fund pursues its investment objective of producing income, achieving capital appreciation, and maintaining low to moderate portfolio volatility by investing across various levels and qualities of real estate. The levels are often referred to as Core, Core Plus, Value Added, and Opportunistic or Distressed real estate.

***Core.*** The Fund's "core" investments target high-quality portfolios with real estate assets that provide relatively lower and more stable returns. Such investments are typically located in primary markets and in the conventional property types, which consist of office, retail, multifamily and hotels. Properties are stable, well-maintained, well-leased and often of the Class A variety (meaning among the best in terms of quality and location).

***Core Plus.*** The Fund's "core plus" investments are a moderate risk/moderate return strategy. These investments will generally be in core properties; however, some of these properties will require some form of enhancement or value-added element.

***Value Added.*** The Fund's "value added" strategy typically focuses on more aggressive active asset management and often employs more leverage. This is a medium-to-high risk/medium-to-high return strategy. It generally involves buying a property, improving it in some way, and selling it at an opportune time for a gain. Properties are considered value added when they exhibit management or operational problems, require physical improvement due to age, and/or suffer from capital constraints.

***Opportunistic or Distressed.*** The Fund's "opportunistic" or "distressed" investments typically focuses on the most aggressive and active asset management strategies, typically on growth and development oriented or centered properties, and/or on property repositioning or redevelopment strategies. Such investments typically offer the highest overall expected return potential, but also carry the highest risk. They frequently utilize high degrees of financial leverage and require substantial capital investment. Typically, a significant portion of the return on the underlying asset is achieved upon its sale or refinancing, with limited or no current income generation.

### **Other Information Regarding Investment Strategy**

The limitations disclosed in this prospectus that limit the amount of the Fund's investments in any particular asset class or asset type apply only to the Fund's direct investments without regard to the investments held by any investment companies or investment vehicles in which the Fund invests.

The Fund may, from time to time, take temporary defensive positions that are inconsistent with the Fund's principal investment strategies in attempting to respond to adverse market, political or other conditions. For temporary defensive purposes (and to the extent that it is permitted to invest in the following), the Fund may invest up to 100% of its total assets in securities issued or guaranteed by the U.S. government, its agencies, instrumentalities or sponsored enterprises ("U.S. Government Securities"), commercial paper rated at least A-2 by S&P Global Ratings, P-2 by Moody's Investors Service, Inc. ("Moody's") or having a comparable credit rating by another NRSRO (or if unrated, determined by the Investment Adviser to be of comparable credit quality), certificates of deposit,

bankers' acceptances, repurchase agreements, non-convertible preferred stocks and non-convertible corporate bonds with a remaining maturity of less than one year, ETFs and other investment companies and cash items. **When the Fund's assets are invested in such instruments, the Fund may not be achieving its investment objective.**

References in the Prospectus to market indices are for informational purposes only, and unless otherwise noted, are not necessarily an indication of how the Fund is managed.

The Fund has no intent to use leverage through issuing Preferred Shares during the next twelve months. However, the Fund may issue Preferred Shares in the future, subject to the asset coverage requirements of the 1940 Act, which generally require that the Fund have asset coverage of at least 200% of the issue size. The Fund may borrow for investment purposes, to fund distributions, for temporary liquidity, or to finance repurchases of its shares, as permitted under applicable law. In addition, the Fund may be deemed to incur economic leverage embedded in instruments in which it may invest, such as derivatives.

The frequency and amount of portfolio purchases and sales (known as the "portfolio turnover rate") will vary from year to year. The portfolio turnover rate is not expected to exceed 100%, but may vary greatly from year to year and will not be a limiting factor when the Investment Adviser deems portfolio changes appropriate. Although the Fund generally does not intend to trade for short-term profits, the Fund may engage in short-term trading strategies, and securities may be sold without regard to the length of time held when, in the opinion of the Investment Adviser, investment considerations warrant such action. These policies may have the effect of increasing the annual rate of portfolio turnover of the Fund. Short-term trading strategies would likely result in higher transaction costs and may generate short-term capital gains taxable as ordinary income. If securities are not held for the applicable holding periods, dividends paid on them will not qualify for the advantageous federal tax rates. See "Certain Tax Considerations and Risks" in the Fund's SAI.

There is no assurance what portion, if any, of the Fund's investments will qualify for the reduced federal income tax rates applicable to qualified dividends under the Code. As a result, there can be no assurance as to what portion of the Fund's distributions will be designated as qualified dividend income or qualified REIT dividends. See "Taxation."

The activities and opportunities of the Fund may be restricted or limited from time to time in certain circumstances, which could adversely affect the Fund's investment program. See "*Potential Conflicts of Interest*" in the SAI.

While the Investment Adviser anticipates that, under normal market conditions, the Fund's portfolio will invest in each of the categories described above, the Fund does not have predetermined asset allocations to any of these categories, other than the Fund's policy to invest 80% of its Managed Assets in equity and debt investments in real estate industry companies and the Fund's policy to invest 25% or more of its Managed Assets in securities of issuers in the real estate industry. Depending on its evaluation of market conditions, the Investment Adviser may allocate the Fund's assets among any, all or none of these categories, provided that the Fund complies with its 80% policy. There can be no assurance that the actual allocations will be effective in achieving the Fund's investment objective or delivering positive returns.

The Fund may lend its portfolio securities to brokers, dealers and other institutions, including GS&Co., to seek to increase its net investment income. The Fund may invest any cash collateral received in connection with lending its portfolio securities in registered and unregistered investment pools managed by the Investment Adviser or its affiliates.

There can be no assurance that the Fund will achieve its investment objective or that its investment program will be successful.

## PORTFOLIO SECURITIES AND TECHNIQUES

### Private Real Estate Investment Funds

The Fund may invest in Private Real Estate Investment Funds. Private Real Estate Investment Funds may be organized as unregistered REITs, commonly known as private REITs. Interests in the Private Real Estate Investment Funds included in the Fund's portfolio may be purchased or sold on the secondary market and may also be purchased directly from the issuer of the security. The Fund's investments in Private Real Estate Investment Funds are intended to generate higher absolute returns than are typically available from investing in Public REITs or Public Investment Funds, but also may entail a higher risk profile. In addition, the Fund's investments in Private Real Estate Investment Funds are intended to deliver returns which have a low to moderate correlation to the broader equity markets. Private Real Estate Investment Funds have less pressure to make quarterly distributions, can be more opportunistic and can have a longer investment term.

The Fund's typical investments in Private Real Estate Investment Funds will be made through the purchase of common stock or limited partnership or limited liability company membership interests in such funds. Investment criteria will include evaluating the strength of the sponsor and management; prior investment performance of the target fund as well as the performance of other funds managed by the sponsor; the attractiveness of the property sectors and geographical allocations of the fund; expected stability of income; expected capital appreciation; and target leverage levels. The Fund's performance depends in part upon the performance of the Private Real Estate Investment Fund managers and selected strategies, the adherence by such Private Real Estate Investment Fund managers to such selected strategies, the instruments used by such Private Real Estate Investment Fund managers and the Investment Adviser's ability to select Private Real Estate Investment Fund managers and strategies and effectively allocate Fund assets among them. Fund shareholders will bear two layers of fees and expenses: asset-based fees and expenses at the Fund level, and asset-based fees, incentive allocations or fees and expenses at the Private Real Estate Investment Fund level.

Private Real Estate Investment Funds may invest in securities of non-U.S. issuers, including those in emerging markets, and the Fund's assets may be invested in Private Real Estate Investment Funds that may be denominated in non-U.S. currencies, thereby exposing the Fund to various risks that may not be applicable to U.S. securities. Private Real Estate Investment Funds focus primarily on the real estate industry, which subjects the Private Real Estate Investment Funds, and thus the Fund, to greater risk and volatility than if investments had been made in issuers in a broader range of industries. A Private Real Estate Investment Fund may focus on a particular country or geographic region, which may subject Private Real Estate Investment Funds, and thus the Fund, to greater risk and volatility than if investments had been made in issuers in a broader range of geographic regions. A Private Real Estate Investment Fund may use derivatives for speculative or hedging purposes and non-hedging purposes (that is, to seek to increase total return). Private Real Estate Investment Funds may incur leverage for investment or other purposes, which may increase the volatility of the Private Real Estate Investment Funds. A Private Real Estate Investment Fund may sell short securities held by a Private Real Estate Investment Fund, which presents the risk of unlimited loss because of increases in the market price of the security sold short, and the risk that a Private Real Estate Investment Fund's short selling activities may be adversely affected by regulatory restrictions that may be imposed at any time. A Private Real Estate Investment Fund may change its investment strategies at any time (subject to any required notification and/or consent provisions set forth in the Private Real Estate Investment Fund's governing documents). Private Real Estate Investment Funds may invest without limitation in restricted and illiquid investments. Private Real Estate Investment Fund may invest in equity securities without limitation as to market capitalization. Private Real Estate Investment Funds may invest in equity securities issued by smaller capitalization companies, including micro-cap companies, the prices of which may be subject to erratic market movements.

## **Real Estate Investment Trusts**

The Fund may invest in REITs. REITs are pooled investment vehicles that invest primarily in either real estate or real estate related loans. The value of a REIT is affected by changes in the value of the properties owned by the REIT or securing mortgage loans held by the REIT. REITs are dependent upon the ability of the REITs' managers, and are subject to heavy cash flow dependency, default by borrowers and the qualification of the REITs under applicable regulatory requirements for favorable income tax treatment. REITs are also subject to risks generally associated with investments in real estate including possible declines in the value of (or income generated by) real estate, general and local economic conditions, fluctuations in occupancy levels and demand for properties or real estate-related services, changes in the availability or terms of mortgages and other financing that may render the sale or refinancing of properties difficult or unattractive, environmental problems and changes in interest rates. The securities of REITs involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements because of interest rate changes, economic conditions and other factors. For example, the value of these securities may decline when interest rates rise and will also be affected by the real estate market and by the management or development of the underlying properties. The underlying properties may be subject to mortgage loans, which may also be subject to the risks of default. To the extent that assets underlying a REIT are concentrated geographically, by property type or in certain other respects, these risks may be heightened. The Fund will indirectly bear its proportionate share of any expenses, including management fees, paid by a REIT in which it invests.

## **Real Estate Operating Companies**

The Fund will invest in REOCs. REOCs are companies that invest in real estate and whose shares may trade on public exchanges. The market value of REOC shares and the ability of REOCs to distribute income may be adversely affected by the same factors as those described above for REITs. However, REOCs differ from REITs in that dividends received by REOC shareholders are taxed similar to dividends of a standard corporation, REOCs have less investment limitations and investments can be funded with internally generated funds without penalty (i.e., forfeiting tax advantages), and REOCs do not need to hire outside management for certain assets such as hotels.

## **Equity Securities**

The Fund may invest in equity securities, including common or ordinary stocks, American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), European Depositary Receipts ("EDRs"), preferred stock, convertible securities, investment companies (including mutual funds, closed-end funds, and ETFs), and rights and warrants.

## **Preferred Stock, Warrants and Stock Purchase Rights**

The Fund may invest in preferred stock, warrants and stock purchase rights (or "rights"). Preferred stocks are securities that represent an ownership interest providing the holder with claims on the issuer's earnings and assets before common stock owners but after bond owners. Unlike debt securities, the obligations of an issuer of preferred stock, including dividend and other payment obligations, may not typically be accelerated by the holders of such preferred stock on the occurrence of an event of default or other non-compliance by the issuer of the preferred stock.

Warrants and other rights are options to buy a stated number of shares of common stock at a specified price at any time during the life of the warrant or right. The holders of warrants and rights have no voting rights, receive no dividends and have no rights with respect to the assets of the issuer.

## Foreign Securities

The Fund may invest in securities of foreign issuers, including securities quoted or denominated in a currency other than U.S. dollars. Investments in foreign securities may offer potential benefits not available from investments solely in U.S. dollar-denominated or quoted securities of domestic issuers. Such benefits may include the opportunity to invest in foreign issuers that appear, in the opinion of the Investment Adviser, to offer the potential for better long term growth of capital and income than investments in U.S. securities, the opportunity to invest in foreign countries with economic policies or business cycles different from those of the United States and the opportunity to reduce fluctuations in portfolio value by taking advantage of foreign securities markets that do not necessarily move in a manner parallel to U.S. markets. Investing in the securities of foreign issuers also involves, however, certain special risks, which are not typically associated with investing in U.S. dollar-denominated securities or quoted securities of U.S. issuers. Many of these risks are more pronounced for investments in emerging economies. See “Principal Risks of the Fund—*Foreign Risks*.”

With respect to investments in certain foreign countries, there exist certain economic, political and social risks, including the risk of adverse political developments, nationalization, military unrest, social instability, war and terrorism, confiscation without fair compensation, expropriation or confiscatory taxation, limitations on the movement of funds and other assets between different countries, or diplomatic developments, any of which could adversely affect the Fund's investments in those countries. Governments in certain foreign countries continue to participate to a significant degree, through ownership interest or regulation, in their respective economies. Action by these governments could have a significant effect on market prices of securities and dividend payments.

Many countries throughout the world are dependent on a healthy U.S. economy and are adversely affected when the U.S. economy weakens or its markets decline. Additionally, many foreign country economies are heavily dependent on international trade and are adversely affected by protective trade barriers and economic conditions of their trading partners. Protectionist trade legislation enacted by those trading partners could have a significant adverse effect on the securities markets of those countries. Individual foreign economies may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross national product, rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position.

Investments in foreign securities often involve currencies of foreign countries. Accordingly, the Fund may be affected favorably or unfavorably by changes in currency rates and in exchange control regulations and may incur costs in connection with conversions between various currencies. The Fund may be subject to currency exposure independent of its securities positions. To the extent that the Fund is invested in foreign securities while also maintaining net currency positions, it may be exposed to greater combined risk. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by the forces of supply and demand in the foreign exchange markets and the relative merits of investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates also can be affected unpredictably by intervention (or the failure to intervene) by U.S. or foreign governments or central banks or by currency controls or political developments in the United States or abroad.

Because foreign issuers generally are not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to U.S. companies, there may be less publicly available information about a foreign company than about a U.S. company. Volume and liquidity in most foreign securities markets are less than in the United States and securities of many foreign companies are less liquid and more volatile than securities of comparable U.S. companies. The securities of foreign issuers may be listed on foreign securities exchanges or traded in

foreign OTC markets. Fixed commissions on foreign securities exchanges are generally higher than negotiated commissions on U.S. exchanges, although the Fund endeavors to achieve the most favorable net results on its portfolio transactions. There is generally less government supervision and regulation of foreign securities exchanges, brokers, dealers and listed and unlisted companies than in the United States, and the legal remedies for investors may be more limited than the remedies available in the United States. For example, there may be no comparable provisions under certain foreign laws to insider trading and similar investor protections that apply with respect to securities transactions consummated in the United States.

Foreign markets also have different clearance and settlement procedures, and in certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Such delays in settlement could result in temporary periods when some of the Fund's assets are uninvested and no return is earned on such assets. The inability of the Fund to make intended security purchases due to settlement problems could cause the Fund to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to the Fund due to subsequent declines in value of the portfolio securities or, if the Fund has entered into a contract to sell the securities, in possible liability to the purchaser.

The Fund may invest in foreign securities which take the form of sponsored and unsponsored ADRs, GDRs, EDRs or other similar instruments representing securities of foreign issuers (together, "Depositary Receipts"). ADRs represent the right to receive securities of foreign issuers deposited in a domestic bank or a correspondent bank. ADRs are traded on domestic exchanges or in the U.S. OTC market and, generally, are in registered form. EDRs and GDRs are receipts evidencing an arrangement with a non-U.S. bank similar to that for ADRs and are designed for use in the non-U.S. securities markets. EDRs and GDRs are not necessarily quoted in the same currency as the underlying security. To the extent the Fund acquires Depositary Receipts through banks which do not have a contractual relationship with the foreign issuer of the security underlying the Depositary Receipts to issue and service such unsponsored Depositary Receipts, there is an increased possibility that the Fund will not become aware of and be able to respond to corporate actions such as stock splits or rights offerings involving the foreign issuer in a timely manner. In addition, the lack of information may result in inefficiencies in the valuation of such instruments. Investment in Depositary Receipts does not eliminate all the risks inherent in investing in securities of non-U.S. issuers. The market value of Depositary Receipts is dependent upon the market value of the underlying securities and fluctuations in the relative value of the currencies in which the Depositary Receipts and the underlying securities are quoted. In addition, the issuers of Depositary Receipts may discontinue issuing new Depositary Receipts and withdraw existing Depositary Receipts at any time, which may result in costs and delays in the distribution of the underlying assets to the Fund and may negatively impact the Fund's performance. However, by investing in Depositary Receipts, such as ADRs, which are quoted in U.S. dollars, the Fund may avoid currency risks during the settlement period for purchases and sales.

The Fund may invest in countries with emerging economies or securities markets. Political and economic structures in many of such countries may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristic of more developed countries. Certain of such countries have in the past failed to recognize private property rights and have at times nationalized or expropriated the assets of, or ignored internationally accepted standards of due process against, private companies. In addition, a country may take these and other retaliatory actions against a specific private company, including the Fund or the Investment Adviser. There may not be legal recourse against these actions, which could arise in connection with the commercial activities of Goldman Sachs or its affiliates or otherwise, and the Fund could be subject to substantial losses. In addition, the Fund or the Investment Adviser may determine not to invest in, or

may limit its overall investment in, a particular issuer, country or geographic region due to, among other things, heightened risks regarding sanctions, repatriation restrictions, confiscation of assets and property, expropriation or nationalization. See “Principal Risks of the Fund—*Emerging Markets*” below.

### **Other Investment Companies**

The Fund may invest in securities of other investment companies, including ETFs and money market funds, subject to statutory limitations prescribed by the 1940 Act or rules, regulations or exemptive relief thereunder. These statutory limitations include in certain circumstances a prohibition on the Fund acquiring more than 3% of the voting shares of any other investment company, and a prohibition on investing more than 5% of the Fund’s total assets in securities of any one investment company or more than 10% of total assets in securities of all investment companies.

Subject to applicable law and/or pursuant to an exemptive rule adopted by the SEC or an exemptive order obtained from the SEC, certain Underlying Funds may invest in other investment companies (including ETFs and money market funds) or business development companies beyond the statutory limits described above, provided that certain conditions are met. Rule 12d1-4 under the 1940 Act generally prohibits an Underlying Fund in a fund of funds arrangement relying on that rule from purchasing or otherwise acquiring the securities of an investment company or a private fund if, after such purchase or acquisition, the aggregate value of the Underlying Fund’s investments in such investment companies and private funds would exceed 10% of the value of its total assets, subject to limited exceptions (including for investments in money market funds). Some of those investment companies may be funds for which the Investment Adviser or any of its affiliates serves as investment adviser, administrator or distributor.

The use of ETFs is generally intended to help the Fund match the total return of the particular market segments or indices represented by those ETFs, although that may not be the result. Most ETFs are passively-managed investment companies whose shares are purchased and sold on a securities exchange. An ETF generally represents a portfolio of securities designed to track a particular market segment or index. An investment in an ETF generally presents the same primary risks as an investment in a conventional fund (*i.e.*, one that is not exchange-traded) that has the same investment objectives, strategies and policies. In addition, an ETF may fail to accurately track the market segment or index that underlies its investment objective. The price of an ETF can fluctuate, and the Fund could lose money investing in an ETF. Moreover, ETFs are subject to the following risks that do not apply to conventional open- end funds: (i) the market price of the ETF’s shares may trade at a premium or a discount to their NAV; (ii) an active trading market for an ETF’s shares may not develop or be maintained; and (iii) there is no assurance that the requirements of the exchange necessary to maintain the listing of an ETF will continue to be met or remain unchanged.

The Fund will indirectly bear its proportionate share of any management fees and other expenses paid by such other investment companies, in addition to the fees and expenses regularly borne by the Fund.

### **Debt Securities**

The Fund may invest in debt securities of other issuers, including debt securities rated below investment grade (that is, rated Ba or lower by Moody’s, BB+ or lower by S&P or comparably rated by another nationally recognized statistical rating organization (“NRSRO”), or, if unrated, determined by the Investment Adviser to be of comparable credit quality). These securities are commonly called “high yield” or “junk” bonds. The Fund may invest in debt securities without regard for their maturity.

## **Convertible Securities**

The Fund may invest in convertible securities. Convertible securities are preferred stock or debt obligations that are convertible into common stock or other securities. Convertible securities generally offer lower interest or dividend yields than non-convertible securities of similar quality. Convertible securities in which the Fund invests are subject to the same rating criteria as its other investments in fixed income securities. Convertible securities have both equity and fixed income risk characteristics. Like all fixed income securities, the value of convertible securities is susceptible to the risk of market losses attributable to changes in interest rates. Generally, the market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. However, when the market price of the common stock or other security underlying a convertible security exceeds the conversion price of the convertible security, the convertible security tends to reflect the market price of the underlying common stock or other security. As the market price of the underlying common stock or other security declines, the convertible security, like a fixed income security, tends to trade increasingly on a yield basis, and thus may not decline in price to the same extent as the underlying common stock or other security.

## **Structured Securities**

The Fund may invest in structured securities. Structured securities are securities whose value is determined by reference to changes in the value of specific currencies, securities, interest rates, commodities, indices or other financial indicators (the "Reference") or the relative change in two or more References. Investments in structured securities may provide exposure to certain securities or markets in situations where regulatory or other restrictions prevent direct investments in such issuers or markets.

The interest rate or the principal amount payable upon maturity or redemption may be increased or decreased depending upon changes in the applicable Reference. Structured securities may be positively or negatively indexed, so that appreciation of the Reference may produce an increase or decrease in the interest rate or value of the security at maturity. In addition, changes in the interest rates or the value of the security at maturity may be a multiple of changes in the value of the Reference, effectively leveraging the Fund's investments so that small changes in the value of the Reference may result in disproportionate gains or losses to the Fund. Consequently, structured securities may present a greater degree of market risk than many types of securities and may be more volatile, less liquid and more difficult to price accurately than less complex securities. Structured securities are also subject to the risk that the issuer of the structured securities may fail to perform its contractual obligations. Certain issuers of structured products may be deemed to be investment companies as defined in the 1940 Act. As a result, the Fund's investments in structured securities may be subject to the limits applicable to investments in other investment companies.

Structured securities include, but are not limited to, equity linked notes. An equity linked note is a note whose performance is tied to a single stock, a stock index or a basket of stocks. Equity linked notes combine the principal protection normally associated with fixed income investments with the potential for capital appreciation normally associated with equity investments. Upon the maturity of the note, the holder generally receives a return of principal based on the capital appreciation of the linked securities. Depending on the terms of the note, equity linked notes may also have a "cap" or "floor" on the maximum principal amount to be repaid to holders, irrespective of the performance of the underlying linked securities. For example, a note may guarantee the repayment of the original principal amount invested (even if the underlying linked securities have negative performance during the note's term), but may cap the maximum payment at maturity at a certain percentage of the issuance price or the return of the underlying linked securities. Alternatively, the note may not guarantee a full return on the original principal, but may offer a greater participation in any capital appreciation of the underlying

linked securities. The terms of an equity linked note may also provide for periodic interest payments to holders at either a fixed or floating rate. The secondary market for equity linked notes may be limited, and the lack of liquidity in the secondary market may make these securities difficult to dispose of and to value. Equity linked notes will be considered equity securities for purposes of the Fund's investment objective and policies.

### **Private Company Investments**

The Fund may invest a portion of its assets in investments in a limited number of private company investments that the Fund may need to hold for several years. The Fund may invest in equity securities or debt securities, including debt securities issued with warrants to purchase equity securities or that are convertible into equity securities, of private companies. The Fund's private company investments may include investments in entities formed to own and operate particular energy infrastructure assets.

### **Pre-IPO Investments**

The Fund may invest a portion of its assets in shares of companies that it believes are likely to issue securities in IPOs. Although there is a potential the pre-IPO securities that the Fund buys may increase in value if the company does issue securities in an IPO, IPOs are risky and volatile and may cause the value of the Fund's investments to decrease significantly. Also, because securities of pre-IPO companies are generally not freely or publicly tradeable, the Fund may not have access to purchase securities in these companies in the amounts or at the prices the Fund desires. Securities issued by these privately-held companies have no trading history, and information about such companies may be available for very limited periods. The companies that the Fund anticipates holding successful IPOs may not ever issues shares in an IPO and a liquid market for their securities may never develop, which may negatively affect the price at which the Fund can sell any such securities and make it more difficult to sell such securities, which could also adversely affect the Fund's liquidity.

### **Initial Public Offerings**

The Fund may invest a portion of its assets in shares of IPOs, if consistent with the Fund's investment objective and policies. IPOs may have a magnified impact on the performance of a fund with a small asset base. The impact of IPOs on a fund's performance likely will decrease as such fund's asset size increases, which could reduce such fund's returns. IPOs may not be consistently available to the Fund for investing. IPO shares frequently are volatile in price due to the absence of a prior public market, the small number of shares available for trading and limited information about the issuer. Therefore, the Fund may hold IPO shares for a very short period of time. This may increase turnover and may lead to increased expenses, such as commissions and transaction costs all of which will be borne indirectly by the common shareholder. In addition, IPO shares can experience an immediate drop in value if the demand for the securities does not continue to support the offering price.

### **When-Issued Securities and Forward Commitments**

The Fund may purchase when-issued securities and make contracts to purchase or sell securities for a fixed price at a future date beyond customary settlement time. When-issued securities are securities that have been authorized, but not yet issued. When-issued securities are purchased in order to secure what is considered to be an advantageous price or yield to the Fund at the time of entering into the transaction. A forward commitment involves entering into a contract to purchase or sell securities for a fixed price at a future date beyond the customary settlement period.

The purchase of securities on a when-issued or forward commitment basis involves a risk of loss if the value of the security to be purchased declines before the settlement date. Conversely, the sale of securities on a forward commitment basis involves the risk that the value of the securities sold may increase before the settlement date.

Although the Fund will generally purchase securities on a when-issued or forward commitment basis with the intention of acquiring the securities for its portfolio, the Fund may dispose of when-issued securities or forward commitments prior to settlement if the Investment Adviser deems it appropriate.

### **Repurchase Agreements**

Repurchase agreements involve the purchase of securities subject to the seller's agreement to repurchase them at a mutually agreed upon date and price. The Fund may enter into repurchase agreements with eligible counterparties which furnish collateral at least equal in value or market price to the amount of their repurchase obligation. The collateral may consist of any type of security in which the Fund is eligible to invest directly. Repurchase agreements involving obligations other than U.S. Government Securities may be subject to special risks and may not have the benefit of certain protections in the event of the counterparty's insolvency.

If the other party or "seller" defaults, the Fund might suffer a loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Fund are less than the repurchase price and the Fund's costs associated with delay and enforcement of the repurchase agreement. In addition, in the event of bankruptcy of the seller, the Fund could suffer additional losses if a court determines that the Fund's interest in the collateral is not enforceable.

The Fund, together with other registered investment companies having advisory agreements with the Investment Adviser or any of its affiliates, may transfer uninvested cash balances into a single joint account, the daily aggregate balance of which will be invested in one or more repurchase agreements.

### **Reverse Repurchase Agreements**

Reverse repurchase agreements involve the sale of securities held by the Fund with an agreement by the Fund to repurchase the securities at a mutually agreed upon date and price (including interest). Reverse repurchase agreements may be entered into when the Investment Adviser expects that the return to be earned from the investment of the transaction proceeds will be greater than the related interest expense. Reverse repurchase agreements involve leveraging. If the securities held by the Fund decline in value while these transactions are outstanding, the NAV of the Fund's outstanding shares will decline in value proportionately more than the decline in value of the securities. In addition, reverse repurchase agreements involve the risk that the investment return earned by the Fund (from the investment of the proceeds) will be less than the interest expense of the transaction, that the market value of the securities sold by the Fund will decline below the price the Fund is obligated to pay to repurchase the securities, and that the securities may not be returned to the Fund.

Under SEC requirements, the Fund needs to aggregate the amount of indebtedness associated with its reverse repurchase agreements and similar financing transactions with the aggregate amount of any other senior securities representing indebtedness (e.g., borrowings, if applicable) when calculating the Fund's asset coverage ratio or treat all such transactions as derivatives transactions for purposes of Rule 18f-4 under the 1940 Act.

If the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, such buyer or its trustee or receiver may receive an extension of time to determine whether

to enforce the Fund's obligation to repurchase the securities, and the Fund's use of the proceeds of the reverse repurchase agreement may effectively be restricted pending such decision. Also, the Fund would bear the risk of loss to the extent that the proceeds of the reverse repurchase agreement are less than the value of the securities subject to such agreement.

With respect to any reverse repurchase agreement or similar transaction, the Fund's Managed Assets shall include any proceeds from the sale of an asset of the Fund to a counterparty in such a transaction, in addition to the value of the underlying asset as of the relevant measuring date.

### **Derivatives**

Generally, derivatives are financial contracts whose value depends upon, or is derived from, the value of an underlying asset, reference rate or index, and may relate to individual debt or equity instruments, interest rates, currencies or currency exchange rates and related indexes. The Fund may invest in derivative instruments including without limitation, options, futures, options on futures, forwards, swaps, options on swaps, structured securities and other derivatives for hedging purposes and non-hedging purposes (that is, to seek to increase total return), although suitable derivative instruments may not always be available to the Investment Adviser for these purposes. See "Principal Risks of the Fund—*Investments in Derivatives.*"

### **Call Option Writing**

The Fund may seek to generate additional cash flow and reduce volatility by the sale of call options on certain securities in which it may invest. The Fund may write such options on securities that are listed on national domestic securities exchanges or foreign securities exchanges or traded in the over-the-counter market. The Fund expects that, under normal circumstances, the Fund will sell call options in an amount that is between 0% and 30% of the value of the Fund's portfolio. As the seller of the call options, the Fund will receive cash (the "premium") from the purchaser. Depending upon the type of call option, the purchaser of a call option either (i) has the right to any appreciation in the value of the security over a fixed price (the "exercise price") on a certain date in the future (the "expiration date") or (ii) has the right to any appreciation in the value of the security over the exercise price at any time prior to the expiration of the option. If the purchaser does not exercise the option, the Fund retains the premium and makes no payments to the purchaser. If the purchaser exercises the option, the Fund pays the purchaser the difference between the price of the security and the exercise price of the option. The premium, the exercise price and the market price of the security determine the gain or loss realized by the Fund as the seller of the call option. The Fund can also repurchase the call option prior to the expiration date, ending its obligation. In this case, the cost of entering into closing purchase transactions will determine the gain or loss realized by the Fund. During periods in which the markets are generally unchanged or falling, a diversified portfolio with a call option writing strategy may outperform the same portfolio without the options because of the premiums received from writing call options. Similarly, in a modestly rising market (where the income from premiums exceeds the aggregate appreciation of the underlying security over its exercise price) such a portfolio may outperform the same portfolio without the options. However, in other rising markets (where the aggregate appreciation of the underlying security over its exercise price exceeds the income from premiums), a portfolio with a call writing strategy could significantly underperform the same portfolio without the options. The returns from the options strategy will generally be characterized as short-term capital gains or losses. These will be aggregated with realized capital gains and losses from the remainder of the Fund's portfolio to determine the Fund's net capital gain or loss. The Fund generally will not make a distribution of capital gain unless it ends the year with an overall net capital gain. This means that it is possible the Fund will make no distribution of capital gains in some years even if the options strategy, by itself, generated a gain. If these gains were more than offset by losses from other

transactions, then the gain from the options strategy will remain in the Fund, and add to the Fund's NAV, but will not be distributed in that year. See "Taxation" below. The goal of the call writing strategy is to generate an amount of premium that, when annualized and added to the Fund's expected dividend yield, provides an attractive level of cash flow. Call writing, however, entails certain risks. For more information, see "Principal Risks of the Fund—*Option Writing Risk*." The Investment Adviser anticipates generally using call options with expirations of six months or less. Outstanding call options will be rolled forward upon expiration, so that there will generally be some options outstanding.

### **Short Sales**

The Fund may engage in short sales. Short sales are transactions in which the Fund sells a security it does not own in anticipation of a decline in the market value of that security. To complete such a transaction, the Fund must borrow the security to make delivery to the buyer. The Fund then is obligated to replace the security borrowed by purchasing it at the market price at the time of replacement. The price at such time may be more or less than the price at which the security was sold by the Fund. Until the security is replaced, the Fund is required to pay to the lender amounts equal to any dividend which accrues during the period of the loan. To borrow the security, the Fund also may be required to pay a premium, which would increase the cost of the security sold. There will also be other costs associated with short sales.

The Fund will incur a loss, which may be unlimited, as a result of the short sale if the price of the security increases between the date of the short sale and the date on which the Fund replaces the borrowed security. The Fund will realize a gain if the security declines in price between those dates. This result is the opposite of what one would expect from a cash purchase of a long position in a security. The amount of any gain will be decreased, and the amount of any loss increased, by the amount of any premium or amounts in lieu of interest the Fund may be required to pay in connection with a short sale, and will be also decreased by any transaction or other costs.

There is no guarantee that the Fund will be able to close out a short position at any particular time or at an acceptable price. During the time that the Fund is short a security, it is subject to the risk that the lender of the security will terminate the loan at a time when the Fund is unable to borrow the same security from another lender. If that occurs, the Fund may be "bought in" at the price required to purchase the security needed to close out the short position, which may be a disadvantageous price.

### **Short Sales Against the Box**

The Fund may engage in short sales against the box. As noted above, a short sale is made by selling a security the seller does not own. A short sale is "against the box" to the extent that the seller contemporaneously owns or has the right to obtain, at no added cost, securities identical to those sold short. The Fund may enter into a short sale against the box, for example, to lock in a sales price for a security the Fund does not wish to sell immediately. If the Fund sells securities short against the box, it may protect itself from loss if the price of the securities declines in the future, but will lose the opportunity to profit on such securities if the price rises. If the Fund effects a short sale of securities at a time when it has an unrealized gain on the securities, it may be required to recognize that gain as if it had actually sold the securities (as a "constructive sale") on the date it effects the short sale. However, such constructive sale treatment may not apply if the Fund closes out the short sale with securities other than the appreciated securities held at the time of the short sale and if certain other conditions are satisfied. Uncertainty regarding the tax consequences of effecting short sales may limit the extent to which the Fund may effect short sales.

## Mortgage-Backed Securities

The Fund may invest in mortgage-backed securities. Mortgage-backed securities represent direct or indirect participations in, or are collateralized by and payable from, mortgage loans secured by real property. Mortgage-backed securities can be backed by either fixed rate mortgage loans or adjustable rate mortgage loans, and may be issued by either a governmental or non-governmental entity. The value of some mortgage-backed securities may be particularly sensitive to changes in prevailing interest rates and may become more volatile in certain interest rate environments. The value of these securities may also fluctuate in response to the market's perception of the creditworthiness of the issuers. Early repayment of principal on mortgage- or asset-backed securities may expose the Fund to the risk of earning a lower rate of return upon reinvestment of principal.

The Fund may invest in privately-issued mortgage pass-through securities that represent interests in pools of mortgage loans that are issued by trusts formed by originators of and institutional investors in mortgage loans (or represent interests in custodial arrangements administered by such institutions). These originators and institutions include commercial banks, savings and loans associations, credit unions, savings banks, mortgage bankers, insurance companies, investment banks or special purpose subsidiaries of the foregoing. The pools underlying privately-issued mortgage pass-through securities consist of mortgage loans secured by mortgages or deeds of trust creating a first lien on commercial, residential, residential multi-family and mixed residential/commercial properties. These mortgage-backed securities typically do not have the same credit standing as U.S. government guaranteed mortgage-backed securities.

Privately-issued mortgage pass-through securities generally offer a higher yield than similar securities issued by a government entity because of the absence of any direct or indirect government or agency payment guarantees. However, timely payment of interest and principal on mortgage loans in these pools may be supported by various other forms of insurance or guarantees, including individual loan, pool and hazard insurance, subordination and letters of credit. Such insurance and guarantees may be issued by private insurers, banks and mortgage poolers. There is no guarantee that private guarantors or insurers, if any, will meet their obligations. Mortgage-backed securities without insurance or guarantees may also be purchased by the Fund if they have the required rating from an NRSRO. Some mortgage-backed securities issued by private organizations may not be readily marketable, may be more difficult to value accurately and may be more volatile than similar securities issued by a government entity. Mortgage-backed securities may include multiple class securities, including collateralized mortgage obligations ("CMOs") and Real Estate Mortgage Investment Conduit ("REMIC") pass-through or participation certificates. A REMIC is a CMO that qualifies for special tax treatment and invests in certain mortgages principally secured by interests in real property and other permitted investments. CMOs provide an investor with a specified interest in the cash flow from a pool of underlying mortgages or of other mortgage-backed securities. CMOs are issued in multiple classes each with a specified fixed or floating interest rate and a final scheduled distribution rate. In many cases, payments of principal are applied to the CMO classes in the order of their respective stated maturities, so that no principal payments will be made on a CMO class until all other classes having an earlier stated maturity date are paid in full.

Sometimes, however, CMO classes are "parallel pay," *i.e.*, payments of principal are made to two or more classes concurrently. In some cases, CMOs may have the characteristics of a stripped mortgage-backed security whose price can be highly volatile. CMOs may exhibit more or less price volatility and interest rate risk than other types of mortgage-related obligations, and under certain interest rate and payment scenarios, the Fund may fail to recoup fully its investment in certain of these securities regardless of their credit quality.

Mortgage-backed securities also include stripped mortgage-backed securities ("SMBS"), which are derivative multiple class mortgage-backed securities. SMBS are usually structured with two

different classes: one that receives substantially all of the interest payments and the other that receives substantially all of the principal payments from a pool of mortgage loans. The market value of SMBS consisting entirely of principal payments generally is unusually volatile in response to changes in interest rates. The yields on SMBS that receive all or most of the interest from mortgage loans are generally higher than prevailing market yields on other mortgage-backed securities because their cash flow patterns are more volatile and there is a greater risk that the initial investment will not be fully recouped. Throughout 2008, the market for mortgage-backed securities began experiencing substantially, often dramatically, lower valuations and greatly reduced liquidity. Markets for other asset-backed securities have also been affected. These instruments are increasingly subject to liquidity constraints, price volatility, rising interest rates, credit downgrades and unexpected increases in default rates and, therefore, may be more difficult to value and more difficult to dispose of than previously. These events may have an adverse effect on the Fund to the extent they invest in mortgage-backed or other fixed income securities or instruments affected by the volatility in the fixed income markets.

### **Commercial Mortgage-Backed Securities**

CMBS are a type of mortgage pass-through securities that are primarily backed by a pool of commercial mortgage loans. The commercial mortgage loans are, in turn, generally secured by commercial mortgaged properties (such as office properties, retail properties, hospitality properties, industrial properties, healthcare related properties or other types of income producing real property). CMBS generally entitle the holders thereof to receive payments that depend primarily on the cash flow from a specified pool of commercial or multifamily mortgage loans. CMBS will be affected by payments, defaults, delinquencies and losses on the underlying mortgage loans. The underlying mortgage loans generally are secured by income producing properties such as office properties, retail properties, multifamily properties, manufactured housing, hospitality properties, industrial properties and self-storage properties. Because issuers of CMBS have no significant assets other than the underlying commercial real estate loans and because of the significant credit risks inherent in the underlying collateral, credit risk is a correspondingly important consideration with respect to the related CMBS. Certain of the mortgage loans underlying CMBS constituting part of the collateral interests may be delinquent, in default or in foreclosure.

Commercial real estate lending may expose a lender (and the related Mortgage-Backed Security) to a greater risk of loss than certain other forms of lending because it typically involves making larger loans to single borrowers or groups of related borrowers. In addition, in the case of certain commercial mortgage loans, repayment of loans secured by commercial and multifamily properties depends upon the ability of the related real estate project to generate income sufficient to pay debt service, operating expenses and leasing commissions and to make necessary repairs, tenant improvements and capital improvements, and in the case of loans that do not fully amortize over their terms, to retain sufficient value to permit the borrower to pay off the loan at maturity through a sale or refinancing of the mortgaged property. The net operating income from and value of any commercial property is subject to various risks, including changes in general or local economic conditions and/or specific industry segments; declines in real estate values; declines in rental or occupancy rates; increases in interest rates, real estate tax rates and other operating expenses; changes in governmental rules, regulations and fiscal policies; acts of God; terrorist threats and attacks; and social unrest and civil disturbances. In addition, certain of the mortgaged properties securing the pools of commercial mortgage loans underlying CMBS may have a higher degree of geographic concentration in a few states or regions. The values of, and income generated by, CMBS may be adversely affected by changing interest rates and other developments impacting the commercial real estate market, such as population shifts and other demographic changes, increasing vacancies (potentially for extended periods) and reduced demand for commercial and office space as well as maintenance or tenant improvement costs and costs to convert properties for other uses. These developments could result from, among other things,

changing tastes and preferences (such as for remote work arrangements) as well as cultural, technological, global or local economic and market developments. In addition, changing interest rate environments and associated changes in lending standards and higher refinancing rates may adversely affect the commercial real estate and CMBS markets. The occurrence of any of the foregoing developments would likely increase default risk for the properties and loans underlying these investments as well as impact the value of, and income generated by, these investments. Furthermore, any deterioration in the real estate market or economy, or adverse events in such states or regions, may increase the rate of delinquency and default experience (and as a consequence, losses) with respect to mortgage loans related to properties in such state or region. Pools of mortgaged properties securing the commercial mortgage loans underlying CMBS may also have a higher degree of concentration in certain types of commercial properties. Accordingly, such pools of mortgage loans represent higher exposure to risks particular to those types of commercial properties. Certain pools of commercial mortgage loans underlying CMBS consist of a fewer number of mortgage loans with outstanding balances that are larger than average. If a mortgage pool includes mortgage loans with larger than average balances, any realized losses on such mortgage loans could be more severe, relative to the size of the pool, than would be the case if the aggregate balance of the pool were distributed among a larger number of mortgage loans. Certain borrowers or affiliates thereof relating to certain of the commercial mortgage loans underlying CMBS may have had a history of bankruptcy. Certain mortgaged properties securing the commercial mortgage loans underlying CMBS may have been exposed to environmental conditions or circumstances. The ratings in respect of certain of the CMBS comprising the Mortgage-Backed Securities may have been withdrawn, reduced or placed on credit watch since issuance. In addition, losses and/or appraisal reductions may be allocated to certain of such CMBS and certain of the collateral or the assets underlying such collateral may be delinquent and/or may default from time to time. These developments could also result in reduced liquidity for CMBS and other real estate-related investments.

CMBS held by the Fund may be subordinated to one or more other classes of securities of the same series for purposes of, among other things, establishing payment priorities and offsetting losses and other shortfalls with respect to the related underlying mortgage loans. Realized losses in respect of the mortgage loans included in the CMBS pool and trust expenses generally will be allocated to the most subordinated class of securities of the related series. Accordingly, to the extent any CMBS is or becomes the most subordinated class of securities of the related series, any delinquency or default on any underlying mortgage loan may result in shortfalls, realized loss allocations or extensions of its weighted average life and will have a more immediate and disproportionate effect on the related CMBS than on a related more senior class of CMBS of the same series. Further, even if a class is not the most subordinate class of securities, there can be no assurance that the subordination offered to such class will be sufficient on any date to offset all losses or expenses incurred by the underlying trust. CMBS are typically not guaranteed or insured, and distributions on such CMBS generally will depend solely upon the amount and timing of payments and other collections on the related underlying commercial mortgage loans.

## **ETNs**

ETNs are a type of senior, unsecured, unsubordinated debt security issued by financial institutions that combines both aspects of bonds and ETFs. An ETN's returns are based on the performance of a market index minus fees and expenses. Similar to ETFs, ETNs are listed on an exchange and traded in the secondary market. However, unlike an ETF, an ETN can be held until the ETN's maturity, at which time the issuer is obligated to pay a return linked to the performance of the market index to which the ETN is linked minus certain fees. Unlike regular bonds, ETNs do not make periodic interest payments and principal is not protected. ETNs are subject to credit risk and the value of an ETN may drop due to a downgrade in the issuer's credit rating, despite the underlying market

benchmark or strategy remaining unchanged. The value of an ETN may also be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying assets, changes in applicable interest rates, changes in the issuer's credit rating, and economic, legal, political, or geographic events that affect the referenced underlying asset. When the Fund invests in ETNs it will bear its proportionate share of any fees and expenses borne by the ETN. The Fund's decision to sell its ETN holdings may be limited by the availability of a secondary market. In addition, although an ETN may be listed on an exchange, the issuer may not be required to maintain the listing and there can be no assurance that a secondary market will exist for an ETN.

### **Unseasoned Companies**

The Fund may invest in companies which (together with their predecessors) have operated less than three years. The securities of such companies may have limited liquidity, which can result in their being priced higher or lower than might otherwise be the case. In addition, investments in unseasoned companies are more speculative and entail greater risk than investments in companies with an established operating record.

### **U.S. Government Securities**

The Fund may invest in U.S. Government Securities. U.S. Government Securities include U.S. Treasury obligations and obligations issued or guaranteed by U.S. government agencies, instrumentalities or sponsored enterprises. U.S. Government Securities may be supported by (i) the full faith and credit of the U.S. Treasury; (ii) the right of the issuer to borrow from the U.S. Treasury; (iii) the discretionary authority of the U.S. government to purchase certain obligations of the issuer; or (iv) only the credit of the issuer. U.S. Government Securities also include Treasury receipts, zero coupon bonds and other stripped U.S. Government Securities, where the interest and principal components are traded independently. U.S. Government Securities may also include Treasury inflation-protected securities whose principal value is periodically adjusted according to the rate of inflation.

U.S. Government Securities are deemed to include (i) securities for which the payment of principal and interest is backed by an irrevocable letter of credit issued by the U.S. government, its agencies, authorities or instrumentalities; and (ii) participations in loans made to foreign governments or their agencies that are so guaranteed. Certain of these participations may be regarded as illiquid.

U.S. Treasury obligations have historically involved little risk of loss of principal if held to maturity. However, no assurance can be given that the U.S. government will be able or willing to repay the principal or interest when due, or provide financial support to U.S. government agencies, authorities, instrumentalities or sponsored enterprises that issue U.S. Government Securities if it is not obligated to do so by law.

The high and rising national debt may adversely impact the U.S. economy and securities in which the Fund may invest. Moreover, the total amount of debt the Treasury is authorized to incur is subject to a statutory limit. Once the Treasury reaches the debt limit, Congress must raise, extend or otherwise modify the limit to enable the Treasury to incur additional debt to pay the obligations of the U.S. government, including principal and interest payments on certain U.S. Government Securities (such as Treasury bills, notes and bonds). Failure to, or potential failure to, increase the statutory debt limit could: increase the risk that the U.S. government defaults on payments on certain U.S. Government Securities; cause the credit rating of the U.S. government to be downgraded or increase volatility in both stock and bond markets; result in higher debt servicing payments by the U.S. government; reduce prices of Treasury securities; and/or increase the costs of certain kinds of debt.

## **Custodial Receipts and Trust Certificates**

The Fund may invest in custodial receipts and trust certificates representing interests in securities held by a custodian or trustee. The securities so held may include U.S. Government Securities or other types of securities in which the Fund may invest. The custodial receipts or trust certificates may evidence ownership of future interest payments, principal payments or both on the underlying securities, or, in some cases, the payment obligation of a third party that has entered into an interest rate swap or other arrangement with the custodian or trustee. For certain securities laws purposes, custodial receipts and trust certificates may not be considered obligations of the U.S. government or other issuer of the securities held by the custodian or trustee. If for tax purposes the Fund is not considered to be the owner of the underlying securities held in the custodial or trust account, the Fund may suffer adverse tax consequences. As a holder of custodial receipts and trust certificates, the Fund will bear its proportionate share of the fees and expenses charged to the custodial account or trust. The Fund may also invest in separately issued interests in custodial receipts and trust certificates.

## **Non-Investment Grade Securities**

Non-investment grade securities and unrated securities of comparable credit quality (commonly referred to as “junk bonds”) are considered speculative. In some cases, these obligations may be highly speculative and have poor prospects for reaching investment grade standing. Non-investment grade securities are subject to the increased risk of an issuer’s inability to meet principal and interest obligations. These securities, also referred to as high yield securities, may be subject to greater price volatility due to such factors as specific corporate or municipal developments, interest rate sensitivity, negative perceptions of the junk bond markets generally and less secondary market liquidity.

Non-investment grade securities are often issued in connection with a corporate reorganization or restructuring or as part of a merger, acquisition, takeover or similar event. They are also issued by less established companies seeking to expand. Such issuers are often highly leveraged and generally less able than more established or less leveraged entities to make scheduled payments of principal and interest in the event of adverse developments or business conditions. Non-investment grade securities are also issued by governmental bodies that may have difficulty in making all scheduled interest and principal payments.

The market value of non-investment grade securities tends to reflect individual corporate or municipal developments to a greater extent than that of higher rated securities which react primarily to fluctuations in the general level of interest rates. As a result, the Fund’s ability to achieve its investment objective may depend to a greater extent on the Investment Adviser’s judgment concerning the creditworthiness of issuers than funds which invest in higher-rated securities. Issuers of non-investment grade securities may not be able to make use of more traditional methods of financing and their ability to service debt obligations may be affected more adversely than issuers of higher-rated securities by economic downturns, specific corporate or financial developments or the issuer’s inability to meet specific projected business forecasts. Negative publicity about the junk bond market and investor perceptions regarding lower rated securities, whether or not based on fundamental analysis, may depress the prices for such securities.

A holder’s risk of loss from default is significantly greater for non-investment grade securities than is the case for holders of other debt securities because such non-investment grade securities are generally unsecured and are often subordinated to the rights of other creditors of the issuers of such securities. Investment by the Fund in defaulted securities poses additional risk of loss should nonpayment of principal and interest continue in respect of such securities. Even if such securities are held to maturity, recovery by the Fund of its initial investment and any anticipated income or appreciation is uncertain.

The secondary market for non-investment grade securities is concentrated in relatively few market makers and is dominated by institutional investors, including mutual funds, insurance companies and other financial institutions. Accordingly, the secondary market for such securities is not as liquid as, and is more volatile than, the secondary market for higher-rated securities. In addition, market trading volume for high yield securities is generally lower and the secondary market for such securities could shrink or disappear suddenly and without warning as a result of adverse market or economic conditions, independent of any specific adverse changes in the condition of a particular issuer. The lack of sufficient market liquidity may cause the Fund to incur losses because it will be required to effect sales at a disadvantageous time and then only at a substantial drop in price. These factors may have an adverse effect on the market price and the Fund's ability to dispose of particular portfolio investments. A less liquid secondary market also may make it more difficult for the Fund to obtain precise valuations of the high yield securities in its portfolio.

Credit ratings issued by credit rating agencies are designed to evaluate the safety of principal and interest payments of rated securities. They do not, however, evaluate the market value risk of non-investment grade securities and, therefore, may not fully reflect the true risks of an investment. In addition, credit rating agencies may or may not make timely changes in a rating to reflect changes in the economy or in the conditions of the issuer that affect the market value of the security. Consequently, credit ratings are used only as a preliminary indicator of investment quality.

### **Restricted Securities**

The Fund may purchase securities and other financial instruments that are not registered or that are offered in an exempt non-public offering ("Restricted Securities") under the Securities Act, including securities eligible for resale to "qualified institutional buyers" pursuant to Rule 144A under the Securities Act.

The purchase price and subsequent valuation of Restricted Securities may reflect a discount from the price at which such securities trade when they are not restricted, because the restriction makes them less liquid. The amount of the discount from the prevailing market price is expected to vary depending upon the type of security, the character of the issuer, the party who will bear the expenses of registering the Restricted Securities and prevailing supply and demand conditions.

### **Lending of Portfolio Securities**

The Fund may engage in securities lending. Securities lending involves the lending of securities owned by the Fund to financial institutions such as certain broker-dealers including, as permitted by the SEC, GS&Co. The borrowers are required to secure their loan continuously with cash, cash equivalents, U.S. government securities or letters of credit in an amount at least equal to the market value of the securities loaned. Cash collateral may be invested by the Fund in short-term investments, including registered and unregistered investment pools managed by the Investment Adviser, its affiliates or the Fund's custodian and from which the Investment Adviser or its affiliates may receive fees. To the extent that cash collateral is so invested, such collateral will be subject to market depreciation or appreciation, and the Fund will be responsible for any loss that might result from its investment of the borrowers' collateral. Loan collateral (including any investment of the collateral) is not subject to the percentage limitations described elsewhere in the Prospectus regarding investments in fixed income securities and cash equivalents.

The Fund may lend its securities to increase its income. The Fund may, however, experience delay in the recovery of its securities or incur a loss if the institution with which it has engaged in a portfolio loan transaction breaches its agreement with the Fund or its agent or becomes insolvent.

## PRINCIPAL RISKS OF THE FUND

The following summarizes the principal risks that apply to the Fund and may result in a loss of a shareholder's entire investment. The Fund should not be relied upon as a complete investment program. There can be no assurance that the Fund will achieve its investment objective. In addition, as the Fund's investment program develops and changes over time, an investment in the Fund may be subject to additional and different risks or uncertainties.

The Fund's investment program is speculative and entails substantial risks. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Fund and additional risks or uncertainties may adversely affect the Fund or the value of an investment in the Fund. Prospective investors should read this prospectus and the subscription agreement carefully and consult with their own advisors before deciding whether to invest in the Fund.

### General

The risks of an investment in the Fund arise from, among other things, the risks associated with the Fund's investments and the risks attendant to the Fund's ability to achieve its investment objective. An investment in the Fund involves material risks, and each prospective investor should carefully consider these risks in determining whether an investment in the Fund is suitable for such prospective investor.

***Partial or Total Loss of the Fund's Capital.*** The Fund is intended for long-term investors who can accept the risks associated with investing in illiquid investments. There is no assurance that the Fund will achieve its investment or performance objectives, including the selection of suitable investment opportunities and the achievement of targeted rates of return. The possibility of partial or total loss of capital of the Fund exists, and prospective investors should not subscribe unless they can readily bear the consequences of a complete loss of their investment.

***Investment Risk.*** The value of the instruments in which the Fund invests may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions throughout the world due to increasingly interconnected global economies and financial markets. Price changes may be temporary or last for extended periods. The Fund's investments may be overweighted from time to time in one or more sub-industries or countries, which will increase the Fund's exposure to risk of loss from adverse developments affecting those sub-industries or countries. The Fund intends to use leverage, which will magnify the Fund's investment, market and certain other risks.

***Limitations on the Redemption.*** An investment in the Fund is not suitable for investors who need certainty about their ability to access all of the money they invest in the short term. Even though the Fund will make quarterly repurchase offers for its outstanding Shares (expected to be 5% per quarter, which is the minimum amount permitted), investors should consider Shares of the Fund to be an illiquid investment. In addition, there is no active secondary market for Shares. There is no guarantee that investors will be able to sell their Shares at any given time or in the quantity that they desire.

***Repurchase Offers Risk.*** As described under "Periodic Repurchase Offers," the Fund operates as an "interval fund," and, in order to provide some liquidity to shareholders, will make quarterly offers to repurchase between 5% and 25% of its outstanding Shares at NAV, pursuant to Rule 23c-3 under the 1940 Act. The Fund currently expects that such quarterly repurchase offers will be for 5% of the Fund's outstanding Shares at NAV, which is the minimum amount permitted. There is no guarantee that investors will be able to sell their Shares in the quantity that they desire. The repurchase of Shares

by the Fund would decrease the assets of the Fund and, therefore, may have the effect of increasing the Fund's expense ratio. Repurchase offers and the need to fund repurchase obligations may also affect the ability of the Fund to be fully invested or force the Fund to maintain a higher percentage of its assets in liquid investments, which may harm the Fund's investment performance. In addition, the Fund may be required to sell portfolio securities (including at inopportune times) to satisfy repurchase requests, resulting in increased transaction costs that must be borne by the Fund and its shareholders. This may result in higher short-term capital gains for taxable shareholders. Furthermore, diminution in the size of the Fund may limit the ability of the Fund to participate in new investment opportunities. If the Fund uses leverage, repurchases of Shares may compound the adverse effects of leverage in a declining market. In addition, if the Fund borrows money to finance repurchases, interest on that borrowing will negatively affect shareholders who do not tender their Shares by increasing Fund expenses and reducing any net investment income. As discussed under "Leverage," the Fund must maintain asset coverage of at least 300% of its indebtedness, including amounts borrowed and guaranteed, at the time it borrows money to finance repurchases.

If a repurchase offer is oversubscribed and the Fund determines not to repurchase additional Shares beyond the repurchase offer amount, or if shareholders tender an amount of Shares greater than that which the Fund is entitled to purchase, the Fund will repurchase the Shares tendered on a *pro rata* basis, and shareholders will have to wait until the next repurchase offer to make another repurchase request. Shareholders will be subject to the risk of NAV fluctuations during that period. Thus, there is also a risk that some shareholders, in anticipation of proration, may tender more Shares than they wish to have repurchased in a particular quarter, thereby increasing the likelihood that proration will occur. The NAV of Shares tendered in a repurchase offer may fluctuate between the date a shareholder submits a repurchase request and the deadline for such repurchase request ("Repurchase Request Deadline"), and to the extent there is any delay between the Repurchase Request Deadline and the date in which Shares are priced for the repurchase request ("Repurchase Pricing Deadline"). Such fluctuations may be exacerbated by currency fluctuations (to the extent the Fund invests in foreign markets) and other market developments. The NAV on the Repurchase Request Deadline or the Repurchase Pricing Date may be higher or lower than on the date a shareholder submits a repurchase request. Under certain circumstances, the Fund's repurchase offers may be suspended or postponed in accordance with regulatory requirements. See "Shareholder Guide—Suspension or Postponement of Repurchase Offers" for more information. In addition, the repurchase of Shares by the Fund will generally be a taxable event to Shareholders and may be a taxable event to those Shareholders that do not participate in the repurchase. See "Taxation" for a general summary of U.S. federal income tax considerations for U.S. Shareholders.

**Industry Concentration Risk.** The Fund concentrates its investments in the real estate industry, which has historically experienced substantial price volatility. Concentrating Fund investments in a limited number of issuers conducting business in the same industry will subject the Fund to a greater risk of loss as a result of adverse economic, business, political, environmental or other developments than if their investments were diversified across different industries. The value of companies engaged in the real estate industry is affected by (i) changes in general economic and market conditions; (ii) changes in the value of real estate properties; (iii) risks related to local economic conditions, overbuilding and increased competition; (iv) increases in property taxes and operating expenses; (v) changes in zoning laws; (vi) casualty and condemnation losses; (vii) variations in rental income, neighborhood values or the appeal of property to tenants; (viii) the availability of financing and (ix) changes in interest rates and leverage. There are also special risks associated with particular sub-industries, or real estate operations generally, as described below:

- **Retail Properties.** Retail properties are affected by the overall health of the economy and may be adversely affected by, among other things, the growth of alternative forms of retailing, bankruptcy, departure or cessation of operations of a tenant, a shift in consumer demand due to demographic changes, changes in spending patterns and lease terminations.

- **Office Properties.** Office properties are affected by a downturn in the businesses operated by their tenants.
- **Multifamily Properties.** Multifamily properties are affected by adverse economic conditions in the locale, oversupply and rent control laws.
- **Hospitality Properties.** Hospitality or hotel properties are affected by declines in business and leisure travel.
- **Industrial Properties.** Industrial properties are affected by downturns in the manufacture, processing and shipping of goods.
- **Healthcare Properties.** Healthcare properties affected by potential federal, state and local laws governing licenses, certification, adequacy of care, pharmaceutical distribution, rates, equipment, personnel and other factors regarding operations and continued availability of revenue from government reimbursement programs.
- **Land.** Land may be affected by development risks including insufficient tenant demand to build or construction delays as well as adverse changes in local and national economic and market conditions.
- **Self-Storage Properties.** Self-storage properties are affected by changes to competing local properties and the ability of the management team.
- **Student Housing Properties.** Student housing properties are affected by fluctuations in underlying demand, which is tied to student enrollments. Also, tuition costs and the ability for students to borrow in order to fund their studies will impact available income for student housing costs.
- **Data Center Properties.** Data center properties are subject to the risk of obsolescence given changing technology and the high investment cost of such assets.
- **Development Issues.** Real estate development companies are affected by construction delays and insufficient tenant demand to occupy newly developed properties.
- **Lack of Insurance.** Certain of the real estate companies may fail to carry comprehensive liability, fire, flood, earthquake extended coverage and rental loss insurance, or insurance in place may be subject to various policy specifications, limits and deductibles.
- **Dependence on Tenants.** Real estate properties and the ability of companies to make distributions to shareholders depend upon the ability of the tenants at their properties to generate enough income in excess of their operating expenses to make their lease payments.
- **Financial Leverage.** Real estate companies may be highly leveraged and financial covenants may affect the ability of real estate companies to operate effectively.
- **Environmental Issues.** Owners of properties that may contain hazardous or toxic substances may be responsible for removal or remediation costs.
- **Property Taxes.** Increases in property taxes may have an adverse impact on the real estate industry and, therefore, the value of the Fund's investments.
- **Real Estate Credit Risk.** As discussed above, the availability of attractive financing and refinancing typically plays a critical role in the success of real estate investments. As a result, such investments are subject to credit risk because borrowers may be delinquent in payment or default. Borrower delinquency and default rates may be significantly higher than estimated. The Investment Adviser's assessment, or a rating agency's assessment, of borrower credit quality may prove to be overly optimistic.

**Private Real Estate Investment Funds Risk.** The Fund's performance depends in part upon the performance of the Private Real Estate Investment Fund managers and selected strategies, the

adherence by such Private Real Estate Investment Fund managers to such selected strategies, the instruments used by such Private Real Estate Investment Fund managers and the Investment Adviser's ability to select Private Real Estate Investment Fund managers and strategies and effectively allocate Fund assets among them. Fund shareholders will bear two layers of fees and expenses: asset-based fees and expenses at the Fund level, and asset-based fees, incentive allocations or fees and expenses at the Private Real Estate Investment Fund level.

Private Real Estate Investment Funds are subject to risks associated with legal and regulatory changes applicable to financial institutions generally or to Private Real Estate Investment Funds in particular. The Fund may not be able to invest in certain Private Real Estate Investment Funds that are oversubscribed or closed, or the Fund may be able to allocate only a limited amount of assets to a Private Real Estate Investment Fund that has been identified as an attractive opportunity. The Fund's investments in certain Private Real Estate Investment Funds may be subject to lock-up periods, during which the Fund may not withdraw its investment. The Fund may invest indirectly a substantial portion of its assets in Private Real Estate Investment Funds that follow a particular type of investment strategy, which may expose the Fund to the risks of that strategy. Many of the Fund's assets will be priced in the absence of a readily available market and may be priced based on determinations of fair value, which may prove to be inaccurate. The Fund, upon its redemption of all or a portion of its interest in a Private Real Estate Investment Fund, may receive an in-kind distribution of securities that are illiquid or difficult to value and difficult to dispose of.

Private Real Estate Investment Fund returns may exhibit greater correlations among each other or with fixed-income or equity indices than anticipated by the Investment Adviser, particularly during times of general market turmoil. Private Real Estate Investment Funds may invest in securities of non-U.S. issuers, including those in emerging markets, and the Fund's assets may be invested in Private Real Estate Investment Funds that may be denominated in non-U.S. currencies, thereby exposing the Fund to various risks that may not be applicable to U.S. securities. Private Real Estate Investment Funds focus primarily on the real estate industry, which subjects the Private Real Estate Investment Funds, and thus the Fund, to greater risk and volatility than if investments had been made in issuers in a broader range of industries. A Private Real Estate Investment Fund may focus on a particular country or geographic region, which may subject Private Real Estate Investment Funds, and thus the Fund, to greater risk and volatility than if investments had been made in issuers in a broader range of geographic regions. A Private Real Estate Investment Fund may use derivatives for speculative or hedging purposes and non-hedging purposes (that is, to seek to increase total return). Private Real Estate Investment Funds may incur leverage for investment or other purposes, which may increase the volatility of the Private Real Estate Investment Funds. A Private Real Estate Investment Fund may sell short securities held by a Private Real Estate Investment Fund, which presents the risk of unlimited loss because of increases in the market price of the security sold short, and the risk that a Private Real Estate Investment Fund's short selling activities may be adversely affected by regulatory restrictions that may be imposed at any time. A Private Real Estate Investment Fund may change its investment strategies at any time (subject to any required notification and/or consent provisions set forth in the Private Real Estate Investment Fund's governing documents). Private Real Estate Investment Funds may invest without limitation in restricted and illiquid investments. Private Real Estate Investment Fund may invest in equity securities without limitation as to market capitalization. Private Real Estate Investment Funds may invest in equity securities issued by smaller capitalization companies, including micro-cap companies, the prices of which may be subject to erratic market movements.

Private Real Estate Investment Funds are not publicly traded and therefore are not liquid investments. Please see "Principal Risks of the Fund—*Restricted and Illiquid Investments Risk*" for a description of risks associated with illiquid investments. As a result, the Fund may consider information provided by the asset manager to determine the value of the Fund's investment in the Private Real Estate Investment Fund. The valuation provided by an asset manager as of a specific date may vary

from the actual sale price that may be obtained if such investment were sold to a third party. The Investment Adviser will use reasonable due diligence to value securities and may also consider information provided by the Private Real Estate Investment Funds, including quarterly unaudited financial statements, which if inaccurate could adversely affect the Investment Adviser's ability to value accurately the Fund's shares. Private Real Estate Investment Funds that invest primarily in publicly traded securities are more easily valued.

In addition to valuation risk, investors in Private Real Estate Investment Funds (including the Fund) are not entitled to the protections of the 1940 Act. For example, Private Real Estate Investment Funds need not have independent boards, may not require shareholder approval of advisory contracts, may leverage to an unlimited extent, and may engage in joint transactions with affiliates. As a result, Private Real Estate Investment Funds may make significant use of leverage, which has the potential to magnify losses versus funds that do not employ leverage. See "Principal Risks of the Fund—*Borrowing*" and "Leverage" for a description of risks associated with the use of leverage. Additionally, Private Real Estate Investment Fund managers may have limited operating histories upon which to evaluate their performance, and some Private Real Estate Investment Fund managers may not be registered under the Investment Advisers Act, under state law, or other applicable law. Further, Private Real Estate Investment Fund may charge investors (such as the Fund) asset-based fees and incentive allocations or fees of as much as 20% of a Private Real Estate Investment Fund's net profits (or more in certain limited circumstances), which may create incentives for Private Real Estate Investment Fund to make investments that are riskier or more speculative than in the absence of these fees. These characteristics present additional risks, including the risk of total loss, for shareholders.

The Fund may invest in Private Real Estate Investment Funds that are organized as unregistered REITs, commonly known as private REITs. Please see "Principal Risks of the Fund—*Private REIT Risk*" for a description of risks associated with private REITs.

In connection with the consummation of the Reorganization, all of the Predecessor Fund's interests in Private Real Estate Investment Funds have been transferred to a wholly-owned subsidiary of the Predecessor Fund for administrative purposes. This transfer triggered certain provisions of the Private Real Estate Investment Fund limited partnership agreements, limited liability company operating agreements or other governing documents, which could have an adverse effect on the Fund and the value of its investment. For example, the potential consequences of transferring Private Real Estate Investment Fund interests include the following:

- **Restart of Lock-Up Period.** Interests in Private Real Estate Investment Funds may be subject to a lock-up period, during which time an investor is barred from withdrawing its investment. Upon the transfer of an interest, this lock-up period may be contractually required to restart with respect to the recipient of the transferred interest (the "transferee"), notwithstanding that the interest may have been subject to an already-tolled lock-up period prior to its transfer.
- **Early Assessment of Incentive Fee or Allocation.** Interests in Private Real Estate Investment Funds may be subject to the payment of an incentive allocation or fee that is calculated on a fund's net profits over a set performance period (typically, one fiscal year). Upon the transfer of an interest, this incentive allocation or fee may be contractually required to be charged on a fund's net profits as accrued at the time of transfer, regardless of whether the time of transfer aligns with the end of a performance period.
- **No Benefit from Prior High Watermark or Loss Carryforward Amounts.** The payment of an incentive allocation or fee is frequently subject to so-called "high watermark" or "loss carryforward" protections, which generally prohibit the assessment of an incentive fee or allocation to the extent that the fund's net asset value has not, with respect to a particular investor, exceeded its highest prior level. Similarly, with respect to other Private Real Estate

Investment Funds, the incentive fee may be subject to a cap, which decreases based on the Private Real Estate Investment Fund's cumulative realized capital losses and/or unrealized capital depreciation. Upon the transfer, these protections may be contractually required to be reset, such that a transferee will not benefit from the prior high watermark, loss carryforward amounts, or cumulative losses attributable to the interests prior to their transfer.

**Private REIT Risk.** In addition to the risks described in "Private Real Estate Investment Fund Risk" and "REIT Risk," Private REITs are typically smaller and financially less stable than Public REITs. Private REITs are unlisted, making them hard to value and trade. Moreover, private REITs generally are exempt from Securities Act registration and, as such, are not subject to the same disclosure requirements as Public REITs, which makes private REITs more difficult to evaluate from an investment perspective.

**REIT Risk.** Investing in REITs involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs whose underlying properties are concentrated in a particular industry or geographic region are also subject to risks affecting such industries and regions. The securities of REITs involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements because of interest rate changes, economic conditions and other factors. For example, the value of these securities may decline when interest rates rise and will also be affected by the real estate market and by the management or development of the underlying properties. The underlying properties may be subject to mortgage loans, which may also be subject to the risks of default. REITs may also fail to qualify for tax free pass-through of income or may fail to maintain their exemptions from investment company registration. Securities of such issuers may lack sufficient market liquidity to enable the Fund to effect sales at an advantageous time or without a substantial drop in price.

**Management Risk.** A strategy used by the Investment Adviser may fail to produce the intended results.

**Underlying Funds Invest Independently.** The Underlying Funds in which the Fund plans to invest generally invest wholly independently of one another and may at times hold economically offsetting positions. To the extent that these Underlying Funds do, in fact, hold such positions, the Underlying Funds in which the Fund invests, considered as a whole, may not achieve any gain or loss despite incurring fees and expenses in connection with such positions. In addition, the portfolio managers of certain Underlying Funds may be compensated based on the performance of their investments. Accordingly, there may often be times when certain portfolio managers may receive incentive compensation in respect of their investments for a period even though the Underlying Funds overall depreciated during such period.

**Dividend-Paying Investments Risk.** The Fund's investments in dividend-paying securities could cause the Fund to underperform other funds that invest in similar asset classes but employ a different investment style. Securities that pay dividends, as a group, can fall out of favor with the market, causing such securities to underperform securities that do not pay dividends. Depending upon market conditions and political and legislative responses to such conditions, dividend-paying securities that meet the Fund's investment criteria may not be widely available and/or may be highly concentrated in only a few market sectors. The adoption of new legislation could further limit or restrict the ability of issuers to pay dividends. To the extent that dividend-paying securities are concentrated in only a few market sectors, the Fund may be subject to the risks of volatile economic cycles and/or conditions or developments that may be particular to a sector to a greater extent than if its investments were diversified across different sectors. In addition, issuers that have paid regular dividends or distributions to shareholders may not continue to do so at the same level or at all in the future. A sharp rise in interest rates or an economic downturn could cause an issuer to abruptly reduce or eliminate its dividend. This may limit the ability of the Fund to produce current income.

***Investments in Derivatives.*** The Fund's use of forwards, swaps, structured securities, call and put options, and other derivative instruments may result in losses. These instruments, which may pose risks in addition to and greater than those associated with investing directly in securities, currencies or other investments, may be illiquid or less liquid, volatile, difficult to price and leveraged so that small changes in the value of the underlying instruments may produce disproportionate losses to the Fund. Certain derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligations, liquidity risk, risks arising from margin requirements, which include the risk that the Fund will be required to pay additional margin or set aside additional collateral to maintain open derivative positions, and operational and legal risks, which include risks related to documentation issues, system failures, inadequate controls, human error and the risk that a party's obligations would be legally unenforceable. Derivatives may be used for hedging purposes and non-hedging purposes.

The use of derivatives is a highly specialized activity that involves investment techniques and risks different from those associated with investments in more traditional securities and instruments, and there is no guarantee that the use of derivatives will achieve their intended result. If the Investment Adviser is incorrect in its expectation of the timing or level of fluctuation in securities prices, interest rates, currency prices or other variables, the use of derivatives could result in losses, which in some cases may be significant.

A lack of correlation between changes in the value of derivatives and the value of the portfolio investments (if any) being hedged could also result in losses. In addition, there is a risk that the performance of the derivatives or other instruments used by the Investment Adviser to replicate the performance of a particular asset class may not accurately track the performance of that asset class.

The Fund may use derivatives, including swaps, to implement short positions. Taking short positions involves leverage of the Fund's assets and presents various risks. If the value of the instrument or market in which the Fund has taken a short position increases, then the Fund will incur a loss equal to the increase in value from the time that the short position was entered into plus any premiums and interest paid to a counterparty. Therefore, taking short positions involves the risk that losses may be exaggerated, potentially losing more money than the actual cost of the investment.

***Derivatives and Similar Instruments.*** The Fund may invest in derivatives and similar instruments discussed elsewhere in this Prospectus. The use of derivatives and similar instruments may pose risks in addition to and greater than those associated with investing directly in securities, currencies or other assets and instruments and may result in losses due to adverse market movements. Pursuant to Rule 18f-4 under the 1940 Act, the Fund's use of derivatives and other transactions that create future payment or delivery obligations is subject to a value-at-risk ("VaR") leverage limit and reporting and certain other requirements. The Fund has also adopted and implemented a derivatives risk management program (the "DRMP") to, among other things, manage the risks associated with the use of derivatives and these other transactions for a "full compliance fund" if the Fund does not qualify as a "limited derivatives user" under Rule 18f-4. The Board of Trustees has approved the designation of personnel from GSAM to administer the DRMP. With respect to the Fund, which qualifies as a "limited derivatives user" under Rule 18f-4, the Fund's Board of Trustees has adopted and implemented policies and procedures to manage a "limited derivatives user" fund's derivatives risks. A "limited derivatives user" fund is also subject to the derivatives exposure threshold set forth in Rule 18f-4.

Similar to borrowings, derivatives and similar instruments may result in leverage. Borrowing and the use of derivatives and similar instruments may magnify the potential for gains and losses in excess of the initial amount invested. The amount of indebtedness from borrowings may not exceed certain limitations. If the Fund uses reverse repurchase agreements or similar financing transactions, including

certain tender option bonds, the Fund must either aggregate the amount of indebtedness associated with the reverse repurchase agreements or similar financing transactions with the aggregate amount of indebtedness associated with any borrowings, if applicable, when calculating the Fund's asset coverage ratio or treat all such transactions as derivatives transactions subject to the leverage limits under Rule 18f-4.

In addition, under Rule 18f-4, the Fund is permitted to invest in a security on a when-issued or forward-settling basis, or with a non-standard settlement cycle, and the transaction will be deemed not to involve a "senior security," provided that (i) the Fund intends to physically settle the transaction and (ii) the transaction will settle within 35 days of its trade date). The Fund may otherwise engage in such transactions that do not meet these conditions so long as the Fund treats any such transaction as a "derivatives transaction" for purposes of compliance with Rule 18f-4. Furthermore, under Rule 18f-4, the Fund will be permitted to enter into an unfunded commitment agreement, and such unfunded commitment agreement will not be subject to the limits on borrowings as described above, if the Fund reasonably believes, at the time it enters into such agreement, that it will have sufficient cash and cash equivalents to meet its obligations with respect to all such agreements as they come due.

These requirements may limit the ability of the Fund to use derivatives, short sales, reverse repurchase agreements and similar financing transactions, delayed-settlement securities and unfunded commitment agreements as part of its investment strategies.

From time to time, the Fund may enter into derivatives or other similar transactions that require the Fund to pledge margin or collateral to a counterparty or clearing member through a margin/collateral account for and on behalf of the counterparty or clearing member. For operational, cost, regulatory or other reasons, when setting up these arrangements, the Fund may be required to use a margin/collateral account model or naming convention that may not be the most protective option available in the case of a default or bankruptcy by a counterparty or clearing member or that may delay or impair the Fund from fully exercising its rights under the arrangement. In the event of default or bankruptcy by a counterparty or clearing member, the margin or collateral may be subject to legal proceedings and the Fund may be delayed in taking possession of any margin or collateral to which the Fund is legally entitled.

***Options on Securities, Securities Indices and Foreign Currencies.*** A put option gives the purchaser of the option the right to sell, and the writer (seller) of the option the obligation to buy, the underlying instrument during the option period.

A call option gives the purchaser of the option the right to buy, and the writer (seller) of the option the obligation to sell, the underlying instrument during the option period.

The Fund may purchase call and put options, on any securities and other instruments in which it may invest or any index consisting of securities or other instruments in which it may invest. The Fund may also purchase put and call options on foreign currencies.

The purchase of options is a highly specialized activity which involves special investment risks. Options may be used for either hedging or cross-hedging purposes, or to seek to increase total return (which presents additional risk). The successful use of options depends in part on the ability of the Investment Adviser to anticipate future price fluctuations and the degree of correlation between the options and securities (or currency) markets. If the Investment Adviser is incorrect in its expectation of changes in market prices or determination of the correlation between the instruments or indices on which options are purchased, the Fund may incur losses that it would not otherwise incur. The use of options can also increase the Fund's transaction costs. Options purchased by the Fund may be traded on either U.S. or foreign exchanges or over the counter. Foreign and over-the-counter options will present greater possibility of loss because of their greater illiquidity and credit risks.

**Option Writing Risk.** Writing (selling) call options limits the opportunity to profit from an increase in the market value of securities in exchange for up-front cash at the time of selling the call option. When the Fund writes (sells) call options on securities, it receives cash but limits its opportunity to profit from an increase in the market value of the applicable security beyond the exercise price (plus the premium received) of the option. In a rising market, the Fund could significantly underperform the market. Such underperformance may be more pronounced to the extent that the call option's underlying security sharply increases prior to the expiration of the option. The Fund's option strategies may not fully protect it against declines in the value of the market. Cash received from premiums will enhance return in declining markets, but the Fund will continue to bear the risk of a decline in the value of the securities held in its portfolio. The benefit from writing a call option is limited to the amount of premium received. In a period of a sharply falling equity market, the Fund will likely also experience sharp declines in its NAV.

**Short Position Risk.** The Fund may use derivatives, including options, futures and swaps, to implement short positions, and may engage in short selling. Taking short positions and short selling involve leverage of the Fund's assets and present various risks. If the value of the instrument or market in which the Fund has taken a short position increases, then the Fund will incur a loss equal to the increase in value from the time that the short position was entered into plus any premium and interest paid to a third party. Therefore, taking short derivative positions involves the risk that losses may be exaggerated, potentially losing more money than the actual cost of the investment. Also, there is the risk that the counterparty to the short transaction may fail to honor its contract terms, causing a loss to the Fund.

In order to sell a financial instrument short, the Fund must first borrow the instrument from a lender, such as a broker or other institution. The Fund may not always be able to borrow the instrument at a particular time or at an acceptable price. Thus, there is risk that the Fund may be unable to implement its investment strategy due to the lack of available instruments or for other reasons.

After selling a borrowed financial instrument, the Fund is then obligated to "cover" the short sale by purchasing and returning the instrument to the lender on a later date. The Fund cannot guarantee that the financial instrument necessary to cover a short position will be available for purchase at the time the Fund wishes to close a short position or, if available, that the instrument will be available at an acceptable price. If the borrowed instrument has appreciated in value, the Fund will be required to pay more for the replacement instrument than the amount it received for selling the instrument short. Moreover, purchasing a financial instrument to cover a short position can itself cause the price of the instrument to rise further, thereby exacerbating the loss. The potential loss on a short sale may, with respect to certain instruments (e.g., equities, swap options), be unlimited because the loss increases as the price of the instrument sold short increases and the price may rise indefinitely. If the price of a borrowed financial instrument declines before the short position is covered, the Fund may realize a gain. The Fund's gain on a short sale, before transaction and other costs, is generally limited to the difference between the price at which it sold the borrowed instrument and the price it paid to purchase the instrument to return to the lender.

While the Fund has an open short position, it is subject to the risk that the financial instrument's lender will terminate the loan at a time when the Fund is unable to borrow the same instrument from another lender. If this happens, the Fund may be required to buy the replacement instrument immediately at the instrument's then current market price or "buy in" by paying the lender an amount equal to the cost of purchasing the instrument to close out the short position.

Short sales also involve other costs. The Fund must normally repay to the lender an amount equal to any dividends or interest that accrues while a loan is outstanding. In addition, to borrow a financial instrument, the Fund may be required to pay a premium. The Fund also will incur transaction costs in effecting short sales. The amount of any ultimate gain for the Fund resulting from a short sale

will be decreased, and the amount of any ultimate loss will be increased, by the amount of premiums, dividends, interest or expenses the Fund may be required to pay in connection with the short sale.

Until the Fund replaces a borrowed instrument, the Fund may be required to maintain short sale proceeds with the lending broker as collateral. Moreover, the Fund may be required to make margin payments to the lender during the term of the borrowing if the value of the security it borrowed (and sold short) increases. Thus, short sales involve credit exposure to the broker that executes the short sales. In the event of the bankruptcy or other similar insolvency with respect to a broker with whom the Fund has an open short position, the Fund may be unable to recover, or delayed in recovering, any margin or other collateral held with or for the lending broker.

**Potential Loss from Currency Fluctuations.** The Fund may invest a portion of its capital outside the United States in non-U.S. dollar denominated securities. These investments involve special risks compared with investing exclusively in the United States. Because these investments may involve non-U.S. dollar currencies and because the Fund may hold funds in these currencies in bank deposits during the completion of the investment program, the Fund may be adversely affected by changes in currency rates (including as a result of the devaluation of a foreign currency) and in exchange control regulations and may incur costs in connection with conversions between various currencies. In addition, the equivalent U.S. dollar obligations of the Fund's investments located outside of the United States may increase as a result of adverse changes in currency rates.

**Borrowing.** The Fund may borrow funds or otherwise utilize leverage for a variety of purposes, subject to the limitations of the 1940 Act as part of the Fund's investment program, to meet other short-term liquidity needs, including payment of fees and expenses, and to facilitate the Fund's hedging activities. The terms of the indebtedness incurred by the Fund may require the Fund to maintain minimum average balances in connection with borrowings or to pay a commitment or other fee to maintain a line of credit. Either of these requirements would increase the cost of borrowing over the stated interest rate. In addition, the Fund may not be able to negotiate commercially reasonable terms for its indebtedness and may not be able to extend or renew the existing terms when the indebtedness comes due. If the Fund is unable to access additional credit or otherwise has insufficient resources to pay its obligations, it may be forced to sell investments at inopportune times, which may further depress returns. The Fund will be limited in its ability to borrow (or guarantee other obligations) to amounts such that the Fund's asset coverage ratio (as defined in the 1940 Act) would be less than 300%, calculated at the time of such incurrence (*i.e.*, the value of each of the Fund's total assets less liabilities other than the principal amount represented by indebtedness must be at least 300% of the principal amount represented by indebtedness at the time of incurrence). The Fund may also utilize indebtedness in excess of such limit for temporary purposes such as the settlement of transactions.

The use of leverage can create risks. Changes in the value of the Fund's portfolio, including securities bought with the proceeds of leverage, will be borne entirely by the shareholders. If there is a net decrease or increase in the value of the Fund's investment portfolio, leverage will decrease or increase, as the case may be, the Fund's NAV to a greater extent than if the Fund did not utilize leverage. The Fund's leverage strategy may not be successful.

**The Fund May Make Commitments Representing a Substantial Portion of its Total Assets.** To the extent permitted by applicable law, the Fund may make commitments to Private Real Estate Investment Funds in which it invests that represent a substantial portion of the total assets of the Fund, including through the use of leverage. As a result, in certain circumstances, the Fund may need to retain investment income, borrow funds or liquidate some or all of its investments prematurely at potentially significant discounts to market value if the Fund does not have sufficient liquid assets to meet these commitments; however, the Fund will not borrow in excess of applicable limitations under the 1940 Act.

***Risks Relating to the Potential Use of Pass-Through Entities.*** To the extent permitted by applicable law (including the 1940 Act), the Fund may make investments through one or more partnerships or other pass-through entities in which the sole beneficial interest holders are the Fund. These investment vehicles may incur leverage. To the extent permitted by applicable law including the 1940 Act, the Fund may guarantee the obligations of these investment vehicles and/or assign and pledge assets of the Fund to these investment vehicles in order to secure borrowings or other leverage. Failure by any member of such a pass-through entity to meet its obligations could have adverse effects on the Fund and the other members of any pass-through entity, including the acceleration of payment obligations under any leverage facility used by the vehicle.

***Dependence upon the Ability of the Investment Adviser.*** The Board has delegated to the Investment Adviser the authority to make investment, disposition, and related investment management decisions, including the authority to approve all investments and/or all dispositions made by the Fund and to make or provide reserves. In addition, the Board has delegated to the Investment Adviser the authority to manage many of the affairs of the Fund, including, among others, the right to enforce default remedies, responsibility for maintaining the Fund's books and records and producing the Fund's reports, the right to calculate and cause the Fund to make distributions. Shareholders will have no right or power to participate in the management or control of the business of the Fund, and thus must depend solely upon the ability of the Investment Adviser with respect to the Fund's investments. In addition, shareholders will have no opportunity to evaluate the specific investments made by the Fund or the terms of any investment. Accordingly, the success and failure of the Fund will depend to a significant extent on the viability and performance of the Investment Adviser. In managing and directing the investment programs of the Fund, the Investment Adviser will rely heavily on certain key personnel of Goldman Sachs. Certain key personnel, including members of the Investment Adviser's investment team, may leave Goldman Sachs or rotate to another group within Goldman Sachs. The departure of any of such key personnel or their inability to fulfill certain duties may adversely affect the ability of the Investment Adviser to effectively implement the investment program of the Fund and may have an adverse impact on the Fund. Changes to the composition of the investment team may occur over time and without notice to the shareholders.

***Risk of Certain Events Related to Goldman Sachs.*** Although the Fund is a separate legal entity from Goldman Sachs, in the event that Goldman Sachs were to become insolvent and/or subject to liquidation, or if there were a change of control of Goldman Sachs, the Fund could nonetheless be adversely affected. In that regard, a bankruptcy or change of control of Goldman Sachs or the Investment Adviser could cause the Investment Adviser to have difficulty retaining personnel or otherwise adversely affect the Fund and its ability to achieve its investment objective.

***Investment Performance of the Fund and Other Investment Vehicles May Vary Significantly.*** Goldman Sachs (i) has established, and expects to continue to establish, additional companies, partnerships or other entities, pooled investment vehicles for multiple investors, funds, separate accounts, and other entities, and (ii) includes various business units or divisions, which, in either case, may have, in whole or in part, investment objectives and strategies that may be similar to or overlap with those of the Fund (such entities, business units or divisions are referred to collectively as, "Other Investment Vehicles"). The Fund may at times compete with the Other Investment Vehicles for certain investments and the returns of each of the Other Investment Vehicles will likely differ materially from the returns of the Fund.

The results of the investment activities of the Fund may differ significantly from the results achieved by Goldman Sachs for its own benefit and from the results achieved by Other Investment Vehicles based on the investment strategies employed by such investors.

Subject to applicable law, including the 1940 Act, Other Investment Vehicles and other areas within Goldman Sachs may invest alongside the Fund. In allocating any investment opportunities, the

Investment Adviser will take into account numerous factors, in its discretion. Any such investments made alongside the Fund may or may not be in proportion to the relevant commitments of the investing parties and may involve different terms and fee structures than those of the Fund. As a result, investment returns may vary materially among the Fund and Other Investment Vehicles and other areas of Goldman Sachs that invest alongside the Fund.

The 1940 Act imposes significant limits on co-investment with affiliates of the Fund, and the Fund generally will not be permitted to co-invest alongside its affiliates in privately negotiated transactions unless pursuant to an exemptive order from the SEC or the transaction is otherwise permitted under existing regulatory guidance, such as transactions where price is the only negotiated term, and will not participate in transactions where other terms are negotiated. This could reduce the amount of transactions in which the Fund can participate and makes it more difficult for the Fund to implement its investment objective.

**Market Volatility.** The value of any public securities in which the Fund may directly or indirectly invest varies in response to many factors. Factors specific to a company could result in a decrease in the value of the company's securities. Factors specific to the industry in which the company participates can have a similar effect. The value of a company's securities can also be adversely affected by changes in financial markets generally that are unrelated to the company itself or its industry. Current economic conditions in some cases have produced downward pressure on security prices and credit availability for certain companies without regard to those companies' underlying financial strength. In addition, certain options and other equity-related instruments may be subject to additional risks, including liquidity risk, counterparty credit risk, legal risk and operations risk, may involve significant economic leverage and, in some cases, may be subject to significant risks of loss. These factors and others can cause significant fluctuations in the prices of the securities in which the Fund may directly or indirectly invest and can result in adverse effects on the Fund's returns.

**Effects of Economic Conditions on the Fund and Its Investments.** The Fund and its investments may be adversely affected by the deterioration of and uncertainty in the financial markets and economic conditions throughout the world, some of which may magnify the risks described in this prospectus and have other adverse effects. These market conditions have resulted in volatility and illiquidity in the global equity, credit and debt markets generally. While these conditions may create increased investment opportunities for the Fund, certain securities may become less liquid, more difficult to value and thus harder to liquidate.

The duration and ultimate effect of market conditions cannot be forecast, nor is it known whether or the degree to which such conditions may improve or worsen. Although the deterioration of market conditions and uncertainty regarding economic markets generally could result in the Fund acquiring investments on more favorable terms, such conditions may also result in declines in the market values of the Fund's existing investments. Furthermore, the credit markets tend to be volatile and the availability of indebtedness may be difficult to ascertain. As a result, the Fund may be unable to borrow sufficiently. This may have an adverse effect on the Fund's ability to acquire and dispose of investments as well as on the returns associated with its investments.

**Foreign Risk.** When the Fund invests in foreign securities, it may be subject to risk of loss not typically associated with U.S. issuers. Loss may result because of more or less foreign government regulation; less public information; less stringent investor protections; less stringent accounting, corporate governance, financial reporting and disclosure standards; and less economic, political and social stability in the countries in which the Fund invests. Loss may also result from, among other things, deteriorating economic and business conditions in other countries, including the United States, regional and global conflicts, the imposition of exchange controls (including repatriation restrictions), sanctions, foreign taxes, confiscation of assets and property, trade restrictions (including tariffs),

expropriations and other government restrictions by the United States or other governments, higher transaction costs, difficulty enforcing contractual obligations or from problems in share registration, settlement or custody. The type and severity of sanctions and other similar measures, including counter sanctions and other retaliatory actions, that may be imposed could vary broadly in scope, and their impact is impossible to predict. These types of measures may include, but are not limited to, banning a sanctioned country from global payment systems that facilitate cross-border payments, restricting the settlement of securities transactions by certain investors, and freezing the assets of particular countries, entities, or persons. The imposition of sanctions and other similar measures could, among other things, cause a decline in the value and/or liquidity of securities issued by the sanctioned country or companies located in or economically tied to the sanctioned country, downgrades in the credit ratings of the sanctioned country or companies located in or economically tied to the sanctioned country, devaluation of the sanctioned country's currency, and increased market volatility and disruption in the sanctioned country and throughout the world. Sanctions and other similar measures could limit or prevent the Fund from buying and selling securities (in the sanctioned country and other markets), significantly delay or prevent the settlement of securities transactions, and significantly impact the Fund's liquidity and performance. The Fund or the Investment Adviser may determine not to invest in, or may limit its overall investment in, a particular issuer, country or geographic region due to, among other things, heightened risks regarding sanctions, repatriation restrictions, confiscation of assets and property, expropriation or nationalization. Geopolitical developments in certain countries in which the Fund may invest have caused, or may in the future cause, significant volatility in financial markets. The Fund will also be subject to the risk of negative foreign currency rate fluctuations, which may cause the value of securities denominated in such foreign currency (or other instruments through which the Fund has exposure to foreign currencies) to decline in value. Currency exchange rates may fluctuate significantly over short periods of time. Foreign risks will normally be greatest when the Fund invests in securities of issuers located in, or otherwise economically tied to, emerging countries.

**“Brexit” Risk.** The United Kingdom formally left the European Union (“EU”) on January 31, 2020 (commonly known as “Brexit”). Following withdrawal from the EU, the United Kingdom entered into a transition period, during which EU law continued to apply in the United Kingdom. The transition period ended on December 31, 2020. However, many aspects of the United Kingdom-EU trade relationship remain subject to further negotiation.

Since Brexit, global financial markets have experienced significant volatility due to the uncertainty around Brexit. There will likely continue to be considerable uncertainty as to the United Kingdom's post-withdrawal and post-transition framework, in particular as to the arrangements which will apply to its relationships with the EU and with other countries. This process and/or the uncertainty associated with it may adversely affect the return on investments economically tied to the United Kingdom or EU (and consequently the Fund). This may be due to, among other things: (i) increased uncertainty and volatility in United Kingdom, EU and other financial markets; (ii) fluctuations in asset values; (iii) fluctuations in exchange rates; (iv) increased illiquidity of investments located, listed or traded within the United Kingdom, the EU or elsewhere; (v) changes in the willingness or ability of financial and other counterparties to enter into transactions, or the price at which and terms on which they are prepared to transact; and/or (vi) changes in legal and regulatory regimes to which the Fund's investments are or become subject.

**Emerging Markets.** The Fund may invest in securities of issuers located in, or otherwise economically tied to, emerging countries. The securities markets of emerging countries are generally less liquid, developed and efficient, are subject to greater price volatility, and have smaller market capitalizations than the securities markets of the United States and developed non-U.S. markets. Emerging countries are generally located in Africa, Asia, the Middle East, Eastern Europe and Central and South America. Emerging markets may have more or less government regulation and generally do not impose as extensive and frequent accounting, auditing, financial and other reporting requirements

as the securities markets of more developed countries. As a result, there could be less information available about issuers in emerging countries, which could negatively affect the Investment Adviser's ability to evaluate local companies or their potential impact on the Fund's performance. Further, investments in securities of issuers located in certain emerging countries involve the risk of loss resulting from problems in share registration, settlement or custody, substantial economic, political and social disruptions and the imposition of exchange controls (including repatriation restrictions). There also may be a lower level of monitoring and regulation of securities markets in emerging market countries and the activities of investors in such markets and enforcement of existing regulations has been extremely limited. The legal remedies for investors in emerging markets may be more limited than the remedies available in the U.S., and the ability of U.S. authorities (*e.g.*, SEC and the U.S. Department of Justice) to bring actions against bad actors may be limited. Many emerging countries have experienced substantial rates of inflation for many years. Inflation and rapid fluctuations in inflation rates may continue to have very negative effects on the economies and securities markets of certain emerging countries. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by protectionist measures imposed or negotiated by the countries with which they trade. The economies of countries with emerging markets may also be predominantly based on only a few industries or dependent on revenues from particular commodities. In many cases, governments of emerging countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, may affect the capacity of issuers of emerging country debt instruments to make payments on their debt obligations, regardless of their financial condition. There can be no assurance that adverse political changes will not cause a loss of any or all of any such investment and, in the case of fixed-income securities, interest thereon.

***Lack of Financial Reporting Related to Non-U.S. Investments; Adverse Non-U.S. Taxes or Other Conditions.*** The Fund may invest in non-U.S. entities. Because non-U.S. entities are not subject to uniform reporting standards, practices and disclosure comparable with those applicable to U.S. companies, there may be different types of, and lower quality, information available about non-U.S. companies. In particular, the assets and profits appearing on the financial statements of a company may not reflect its financial position or results of operation in the way they would be reflected had such financial statements been prepared in accordance with the U.S. generally accepted accounting principles. This limitation may be particularly true for private equity investments, where there may be little or no publicly available information about private companies. In addition, financial data related to non-U.S. investments may be affected by both inflation and local accounting standards, and may not accurately reflect the real condition of companies and securities markets. Moreover, the Fund may be subject to tax, reporting and other filing obligations in non-U.S. jurisdictions in which non-U.S. companies reside or operate. In addition, non-U.S. securities markets, particularly in developing countries, may be substantially less liquid and have greater volatility than U.S. securities markets.

***Geographic Risk.*** If the Fund focuses its investments in securities of issuers located in a particular country or region the Fund may be subjected to a greater extent than if investments were less focused, to the risks of volatile economic cycles and/or conditions and developments that may be particular to that country or region, such as: adverse securities markets; adverse exchange rates; adverse social, political, regulatory, economic, business, environmental or other developments; or natural disasters.

***Market Disruption Risk and Terrorism Risk.*** The military operations of the United States and its allies, the instability in various parts of the world and the prevalence of terrorist attacks throughout the world could have significant adverse effects on the global economy. In addition, certain illnesses have the potential to significantly affect the global economy. Terrorist attacks may also exacerbate some of the foregoing risk factors. A terrorist attack involving, or in the vicinity of, a Fund investment, directly or indirectly, may result in a liability far in excess of available insurance coverage. The

Investment Adviser cannot predict the likelihood of these types of events occurring in the future nor how such events may affect the Fund.

***Investment and Repatriation Restrictions.*** Foreign investment in securities of companies in certain of the countries in which the Fund may invest is restricted or controlled to varying degrees. Certain countries have laws and regulations that currently limit or preclude direct foreign investment in the securities of their companies. Even where permitted, direct investments in certain companies may require significant government approvals under corporate, securities, foreign investment and other similar laws and may require financing and structuring alternatives that differ significantly from those customarily used in countries in other regions. These restrictions or controls may at times limit or preclude foreign investment above certain ownership levels or in certain sectors of the country's economy and increase the costs and expenses of the Fund. The Fund could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital interests and dividends paid on securities held by the Fund, and income on such securities or gains from the disposition of such securities may be subject to withholding taxes imposed by certain countries or other jurisdictions.

***Hedging Instruments May Adversely Affect Overall Performance.*** The Fund's use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities or more traditional investments of the Fund, depending upon the characteristics of the particular derivative and the Fund's portfolio as a whole. Engaging in derivative transactions may entail investment exposures that are greater than their cost would suggest, and involves a risk of loss that could materially adversely affect the overall performance of the Fund. Please see "*Borrowing*" above.

Hedging strategies could involve a variety of derivative transactions, including futures, forward, swap, and option contracts or other financial instruments with similar characteristics, including forward foreign exchange contracts, interest rate swaps, credit default swaps and total return swaps, exchanges, caps and options (collectively "Hedging Instruments"). While hedging transactions may reduce the risks associated with an investment by the Fund, the transactions themselves entail risks that are different than those of the investments of the Fund. The risks posed by these transactions include interest rate risk, market risk, the risk that these complex instruments and techniques will not be successfully evaluated, monitored or priced, the risk that counterparties will default on their obligations, liquidity risk and leverage risk. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for derivatives. Thus, while the Fund may benefit from the use of Hedging Instruments, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Fund than if they had not used those Hedging Instruments.

The success of hedging transactions will be subject to the ability to correctly predict movements in and the direction of currency exchange rates, interest rates and public security prices. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged may vary.

Currency Hedging Instruments may not be available for certain currencies or may not have a duration that matches the long-term nature of the underlying principal investment. The ability to trade in or exercise options may be restricted in the event that trading in the underlying securities becomes restricted.

The successful use of these hedging strategies depends upon the availability of a liquid market and appropriate Hedging Instruments, and there can be no assurance that the Fund will be able to close out a position when deemed advisable by the Investment Adviser. No assurance can be given

that a liquid market will exist for any particular futures contract at any particular time. Hedging transactions also involve additional costs and expenses, which may adversely affect the overall performance of the Fund. There can be no assurance that the Fund's assets will engage in hedging transactions at any given time or from time to time, or that these transactions, if available, will be effective.

***Nature of Distressed Investments.*** The Fund may invest in the securities and obligations of companies experiencing financial and/or operational distress, including debt obligations that are in covenant or payment default. Such investments are considered high-risk and speculative. Defaulted obligations might not be repaid at all or might be repaid only after lengthy workout or bankruptcy proceedings, during which the issuer of those obligations might not make any interest or other payments.

***Bankruptcy.*** Given their financial situation, distressed companies also face increased risk that they may be involved in bankruptcy proceedings. There are a number of significant risks when investing in distressed companies that are or may be involved in bankruptcy proceedings, including adverse and permanent effects on a company, such as the loss of its market position and key personnel, otherwise becoming incapable of restoring itself as a viable entity and, if converted to a liquidation, a possible liquidation value of the company that is less than the value that was believed to exist at the time of the investment. Bankruptcy proceedings are often lengthy and difficult to predict and could adversely impact a creditor's return on investment. The bankruptcy courts have extensive power and, under some circumstances, may alter contractual obligations of a bankrupt company. Shareholders, creditors and other interested parties are all entitled to participate in bankruptcy proceedings and will attempt to influence the outcome for their own benefit. Administrative costs relating to a bankruptcy proceeding will be paid out of the debtor's estate prior to any returns to creditors. In addition, creditors (such as the Fund) can lose their ranking and priority if they exercise "domination and control" over a debtor and other creditors can demonstrate that they have been harmed by these actions, especially in the case of investments made prior to the commencement of bankruptcy proceedings. Also, certain claims, such as for taxes, may have priority by law over the claims of certain creditors. The Fund also may seek representation on creditors' committees and, as a member of a creditors' committee, may owe certain obligations generally to all creditors similarly situated that the committee represents, and it may be subject to various trading or confidentiality restrictions. In addition, many events in a bankruptcy are the product of contested matters and adversary proceedings that are beyond the control of the creditors.

***Regulation and Treatment of the Fund as a Bank Holding Company Affiliate.*** Goldman Sachs is regulated as a "bank holding company" under the Bank Holding Company Act (the "BHCA"), which generally restricts bank holding companies from engaging in business activities other than the business of banking and certain closely related activities. Goldman Sachs has elected to become a financial holding company under the BHCA and, as such, may engage in a broader range of financial and related activities, as long as Goldman Sachs continues to meet certain eligibility requirements.

It is contemplated that the Fund is managed under the direction of the Board comprised of individuals, a majority of whom are independent of Goldman Sachs, and that, as a result of this and other factors, the Fund will not be "controlled" by Goldman Sachs for BHCA purposes. If the Fund is not controlled by Goldman Sachs for BHCA purposes, the BHCA's restrictions on Goldman Sachs' activities and investments should not apply to the Fund.

However, if the Fund were deemed to be controlled by Goldman Sachs for bank regulatory purposes, the BHCA and other applicable banking laws, rules, regulations and guidelines, and their interpretation and administration by the appropriate regulatory agencies, may, among other things, restrict the transactions and relationships between the Investment Adviser, Goldman Sachs and their

affiliates, on the one hand, and the Fund, on the other hand, and may restrict investments and transactions by, and the operations of, the Fund. In addition, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities.

***Speculative Position Limits.*** The U.S. Commodity Futures Trading Commission (the “CFTC”) and various exchanges have rules limiting the maximum net long or short positions which any person or group may own, hold or control in any given futures contract or option on such futures contract and a limited number of swaps. GSAM will need to consider whether the exposure created under these contracts might exceed the applicable limits in managing the Fund, and the limits may constrain the ability of the Fund to use such contracts.

***Error and Error Correction Policies.*** The Investment Adviser will report to the Board any material breaches of the Fund’s investment objective, policies or restrictions and any material errors in the calculation of the NAV of the Fund. Depending on the nature and size of an error, corrective action may or may not be required. Corrective action may involve a prospective correction of the NAV. The Investment Adviser’s error policy and the Fund’s NAV error correction policy limit or restrict when corrective action will be taken. As discussed in more detail under the section entitled “How Are Shares Priced?,” the Fund’s portfolio securities may be priced based on quotations for those securities provided by pricing services and Non-Traded Funds which may be priced on a delayed basis. There can be no guarantee that a quotation provided by a pricing service or Non-Traded Fund will be accurate. Each of the Investment Adviser and the Fund may at any time, in its discretion and without notice to shareholders, amend or supplement its error and NAV error correction policies.

***Potential Conflicts of Interest Risk.*** The Investment Adviser’s investment team is often responsible for managing the Fund as well as one or more funds and other accounts, including proprietary accounts, separate accounts and other pooled investment vehicles, such as unregistered private funds. A portfolio manager may manage a separate account or other pooled investment vehicle which may have materially higher fee arrangements than the Fund and may also have a performance-based fee. The side-by-side management of these funds may raise potential conflicts of interest relating to cross trading, the allocation of investment opportunities and the aggregation and allocation of trades.

The Fund anticipates that it will engage in negotiated co-investment transactions in securities of private issuers pursuant to an SEC exemptive order. The order is subject to certain conditions, such as that co-investments be made in a manner consistent with the Fund’s investment objectives, positions, policies, strategies and restrictions, as well as regulatory requirements, and are allocated fairly among participants. If the Fund is unable to rely on the exemptive relief for a particular opportunity, when the Investment Adviser identifies certain investments, it will be required to determine which funds or accounts should make the investment at the potential exclusion of other funds or accounts. In such circumstances, the Investment Adviser will adhere to its investment allocation policy in order to determine the fund or account to which to allocate the opportunity. The policy provides that the Investment Adviser allocate opportunities through a rotation system or in such other manner as the Investment Adviser determines to be equitable. Accordingly, it is possible that the Fund may not be given the opportunity to participate in investments made by other funds or accounts.

The Investment Adviser has a fiduciary responsibility to manage all client accounts in a fair and equitable manner. The Investment Adviser seeks to provide best execution of all securities transactions and aggregate and then allocate securities to client accounts in a fair and timely manner. To this end, the Investment Adviser has developed policies and procedures designed to mitigate and manage the potential conflicts of interest that may arise from side-by-side management. In addition, the Investment Adviser and the Fund have adopted policies limiting the circumstances under which cross-trades may be effected between the Fund and another client account. The Investment Adviser conducts periodic reviews of trades for consistency with these policies.

**Legal, Tax and Other Regulatory Risks.** Legal, tax and regulatory changes could occur that may adversely affect the Fund and its investment results, and/or some or all of the shareholders. Recent economic events have given rise to a political climate that may result in the Investment Adviser and the Fund becoming subject to increased regulatory scrutiny and/or entirely new legal, tax or regulatory regimes both within the United States and in other countries in which the Fund may directly or indirectly invest. The Fund may be adversely affected as a result of new or revised legislation, or regulations imposed by the SEC, CFTC, IRS, Federal Reserve, other U.S. or non-U.S. tax or governmental regulatory authorities or self-regulatory organizations that supervise the financial markets.

The Fund and/or some or all of the shareholders also may be adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and self-regulatory organizations. It is not possible to determine the extent of the impact of any new or revised laws, regulations or initiatives that may be proposed, or whether any of the proposals will become law. Compliance with any new laws or regulations could be more difficult and expensive, and may have a material adverse effect on the Fund and/or some or all of the shareholders.

The regulation of alternative investment management companies and investment funds (including private equity funds and hedge funds) is evolving, and changes in the regulation of alternative investment management companies and investment funds may adversely affect the ability of the Fund to pursue its investment objective. In addition, from time to time the market for private equity transactions has been adversely affected by regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions. It is not possible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any of the proposals will become law and the consequences attendant therewith. Compliance with any new laws or regulations could be more difficult and expensive than compliance with existing regimes, and may affect the manner in which the Fund conducts business. New laws or regulations may also subject the Fund or some or all of its shareholders to increased taxes or other costs. In addition, the market for private equity transactions has been adversely affected by a decrease in the availability of financing for transactions.

Each prospective investor should be aware that tax laws and regulations are changing on an ongoing basis, and such laws and regulations may be changed with retroactive effect. Moreover, the interpretation and application of tax laws and regulations by certain tax authorities may not be clear, consistent or transparent. Uncertainty in the tax law may require the Fund to accrue potential tax liabilities even in situations where the Fund and/or the shareholders do not expect to be ultimately subject to such tax liabilities. In that regard, accounting standards and/or related tax reporting obligations may change, giving rise to additional accrual and/or other obligations. Each prospective investor should also be aware that other developments in the tax laws of the United States or other jurisdictions where the Fund invests could have a material effect on the tax consequences to the shareholders, the Fund and/or the Fund's direct and indirect subsidiaries discussed in this prospectus and that shareholders may be required to provide certain additional information to the Fund (which may be provided to the IRS or other taxing authorities) or may be subject to other adverse consequences as a result of such change in tax laws. In the event of any such change in law, each shareholder is urged to consult its own tax advisors.

**Tax Risk.** Although the Fund has elected to be treated, and intends to qualify annually, as a RIC under Subchapter M of the Code, the Fund cannot assure shareholders that the Fund will be able to maintain RIC status. To obtain and maintain RIC status and be relieved of U.S. federal income taxes on income and gains distributed to its shareholders, the Fund must meet the annual distribution, source-of-income and asset diversification requirements described below.

- The annual distribution requirement for a RIC will be satisfied if the Fund distributes to its shareholders on an annual basis at least 90% of its investment company taxable income for

each taxable year. Because the Fund expects to use debt financing, the Fund expects to be subject to an asset coverage ratio requirement under the 1940 Act, and the Fund expects to be subject to certain financial covenants contained in its credit agreements and other debt financing agreements. This asset coverage ratio requirement and these financial covenants could, under certain circumstances, restrict the Fund from making distributions to its shareholders that are necessary for the Fund to satisfy the distribution requirement. If the Fund is unable to obtain cash from other sources, and thus is unable to make sufficient distributions to its shareholders, the Fund could fail to maintain its status for RIC tax treatment and thus become subject to corporate-level U.S. federal income tax (and any applicable U.S. state and local taxes).

- The source-of-income requirement will be satisfied if at least 90% of the Fund's gross income for each year is derived from dividends, interest, gains from the sale of stock or securities or similar sources.
- The asset diversification requirement will be satisfied if, at the end of each quarter of the Fund's taxable year, at least 50% of the value of the Fund's assets consists of cash, cash equivalents, U.S. government securities, securities of other RICs and other acceptable securities, and no more than 25% of the value of our assets is invested in the securities (other than U.S. government securities or securities of other RICs) of one issuer, of two or more issuers that are controlled, as determined under applicable Code rules, by the Fund and that are engaged in the same or similar or related trades or businesses or of certain "qualified publicly traded partnerships." Failure to meet these requirements may result in the Fund's having to dispose of certain investments quickly in order to prevent the loss of the Fund's RIC status.
- If the Fund fails to maintain its RIC status for any reason, and does not qualify for certain relief provisions under the Code, the Fund would be subject to corporate-level U.S. federal income tax (and any applicable U.S. state and local taxes). In this event, the resulting taxes could substantially reduce the Fund's Net Assets, the amount of the Fund's income available for distribution and the amount of the Fund's distributions to its shareholders, which would have a material adverse effect on the Fund's financial performance. For additional discussion regarding the tax implications of a RIC, see "Taxation."

***Uncertain Tax Treatment.*** The Fund will, from time to time, invest a portion of its net assets in below investment grade instruments. Investments in these types of instruments may present special tax issues for the Fund. U.S. federal income tax rules are not entirely clear about issues such as when the Fund will cease to accrue interest, original issue discount ("OID") or market discount, when and to what extent deductions may be taken for bad debts or worthless instruments, how payments received on obligations in default should be allocated between principal and income and whether exchanges of debt obligations in a bankruptcy or workout context are taxable. These and other issues will be addressed by the Fund to the extent necessary in order to seek to ensure that it distributes sufficient income to ensure that it does not become subject to U.S. federal income or excise tax.

***RIC-Related Risks of Investments Generating Non-Cash Taxable Income.*** Certain of the Fund's investments will require the Fund to recognize taxable income in a taxable year in excess of the cash generated on those investments during that year. In particular, the Fund invests in loans and other debt obligations that will be treated as having "market discount" and/or OID for U.S. federal income tax purposes. Because the Fund will, from time to time, be required to recognize income in respect of these investments before, or without receiving, cash representing such income, the Fund will have difficulty satisfying the annual distribution requirements applicable to RICs and avoiding Fund-level U.S. federal income and/or excise taxes in such circumstances. Accordingly, the Fund will, from time to time, be required to sell assets, including at potentially disadvantageous times or prices, borrow, raise additional equity capital, make taxable distributions of its Shares or debt securities, or

reduce new investments, to obtain the cash needed to make these income distributions. If the Fund liquidates assets to raise cash, the Fund will, from time to time, realize gain or loss on such liquidations; in the event the Fund realizes net capital gains from such liquidation transactions, its Shareholders may receive larger capital gain distributions than they would in the absence of such transactions. The required recognition of such non-cash investments may also have a negative impact on the Fund's liquidity.

**Other Regulatory.** The Fund is registered as an investment company under the 1940 Act. The Investment Adviser is registered as an investment adviser under the Investment Advisers Act of 1940, as amended. The Fund may use derivatives that are subject to regulation by the CFTC. Because of this exposure to CFTC-regulated derivatives, the Investment Adviser could become subject to regulation as a "commodity pool operator" under the Commodity Exchange Act, as amended (the "CEA"), and the CFTC's rules and regulations with respect to the operations of the Fund. However, The Investment Adviser has claimed an exclusion with respect to the Fund from the definition of the term "commodity pool operator" under the CEA and, therefore, is not currently subject to registration or regulation as a pool operator under that CEA with respect to the Fund. If the Fund were to be subject to registration or regulation as a commodity pool operator under the CEA, the Fund may incur compliance and other expenses or otherwise disadvantage the Fund.

**Market Risk.** The value of the securities in which the Fund invests may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions throughout the world. Price changes may be temporary or last for extended periods. The Fund's investments may be overweighted from time to time in one or more sub-industries or countries, which will increase the Fund's exposure to risk of loss from adverse developments affecting those sub-industries or countries.

Global economies and financial markets are becoming increasingly interconnected, and political, economic and other conditions and events (including, but not limited to, natural disasters, pandemics, epidemics, and social unrest) in one country, region, or financial market may adversely impact issuers in a different country, region or financial market. The Fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. Moreover, such negative political and economic conditions and events could disrupt the processes necessary for the Fund's operations. Furthermore, local, regional and global events such as war, military conflict, acts of terrorism, social unrest, natural disasters, recessions, inflation, rapid interest rate changes, supply chain disruptions, sanctions, the spread of infectious illness or other public health threats could also adversely impact issuers, markets and economies, including in ways that cannot necessarily be foreseen. The Fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, governmental and quasi-governmental organizations have taken a number of unprecedented actions designed to support the markets. Such conditions, events and actions may result in greater market risk.

**Counterparty Risk.** Many of the protections afforded to cleared transactions, such as the security afforded by transacting through a clearing house, might not be available in connection with certain over-the-counter transactions. Therefore, in those instances in which the Fund enters into certain over-the-counter transactions, the Fund will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Fund will sustain losses. However, recent regulatory developments require margin on certain uncleared over-the-counter transactions which may reduce, but not eliminate, this risk.

**Special Situation Investments Risk.** The Fund may make investments in event-driven situations such as recapitalizations, financings, corporate and financial restructurings, acquisitions,

divestitures, reorganizations or other situations in public or private companies that may provide the Fund with an opportunity to provide debt and/or equity financing, typically on a negotiated basis. The Investment Adviser will seek special situation investment opportunities with limited downside risk relative to their potential upside. These investments are complicated and an incorrect assessment of the downside risk associated with an investment could result in significant losses to the Fund.

***Private Company Investments Risk.*** Private companies are not subject to SEC reporting requirements, are not required to maintain their accounting records in accordance with generally accepted accounting principles, and are not required to maintain effective internal controls over financial reporting. As a result, the Investment Adviser may not have timely or accurate information about the business, financial condition and results of operations of the private companies in which the Fund invests. There is risk that the Fund may invest on the basis of incomplete or inaccurate information, which may adversely affect the Fund's investment performance. Private companies in which the Fund may invest may have limited financial resources, shorter operating histories, more asset concentration risk, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. These companies generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position. These companies may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness upon maturity. In addition, the Fund's investment also may be structured as pay-in-kind securities with minimal or no cash interest or dividends until the company meets certain growth and liquidity objectives. The securities of private portfolio companies are illiquid, making it difficult for the Fund to sell such investments.

***Valuation Risk.*** Market prices may not be readily available for some of the Fund's investments. The value of such securities is determined by fair valuations determined by the Board's valuation designee pursuant to procedures governing the valuation of portfolio securities adopted by the Board. Proper valuation of such securities may require more reliance on the judgment of the Investment Adviser than for valuation of securities for which an active trading market exists.

***Unsecured Debt, including Mezzanine Debt.*** The Fund's unsecured debt investments, including mezzanine debt investments, generally will be subordinated to senior debt in the event of an insolvency. This may result in an above average amount of risk and loss of principal.

***Non-Investment Grade Fixed Income Securities Risk.*** Non-investment grade fixed income securities and unrated securities of comparable credit quality (commonly known as "junk bonds") are considered speculative and are subject to the increased risk of an issuer's inability to meet principal and interest payment obligations. These securities may be subject to greater price volatility due to such factors as specific corporate or municipal developments, interest rate sensitivity, negative perceptions of the junk bond markets generally and less liquidity. The Fund may purchase the securities or obligations of issuers that are in default.

***Structured Securities.*** The Fund may invest in structured securities. Structured securities are securities whose value is determined by reference to changes in the value of specific currencies, securities, interest rates, commodities, indices or other financial indicators (the "Reference") or the relative change in two or more References. Investments in structured securities may provide exposure to certain securities or markets in situations where regulatory or other restrictions prevent direct investments in such issuers or markets.

The interest rate or the principal amount payable upon maturity or redemption may be increased or decreased depending upon changes in the applicable Reference. Structured securities may be

positively or negatively indexed, so that appreciation of the Reference may produce an increase or decrease in the interest rate or value of the security at maturity. In addition, changes in the interest rates or the value of the security at maturity may be a multiple of changes in the value of the Reference, effectively leveraging the Fund's investments so that small changes in the value of the Reference may result in disproportionate gains or losses to the Fund. Consequently, structured securities may present a greater degree of market risk than many types of securities and maybe more volatile, less liquid and more difficult to price accurately than less complex securities. Structured securities are also subject to the risk that the issuer of the structured securities may fail to perform its contractual obligations. Certain issuers of structured products may be deemed to be investment companies as defined in the 1940 Act. As a result, the Fund's investments in structured securities may be subject to the limits applicable to investments in other investment companies.

Structured securities are considered hybrid instruments because they are derivative instruments the value of which depends on, or is derived from or linked to, the value of an underlying asset, interest rate index or commodity. Commodity-linked notes are hybrid instruments because the principal and/or interest payments on those notes is linked to the value of the individual commodities, futures contracts or the performance of one or more commodity indices.

Structured securities include, but are not limited to, equity linked notes. An equity linked note is a note whose performance is tied to a single stock, a stock index or a basket of stocks. Equity linked notes combine the principal protection normally associated with fixed income investments with the potential for capital appreciation normally associated with equity investments. Upon the maturity of the note, the holder generally receives a return of principal based on the capital appreciation of the linked securities. Depending on the terms of the note, equity linked notes may also have a "cap" or "floor" on the maximum principal amount to be repaid to holders, irrespective of the performance of the underlying linked securities. For example, a note may guarantee the repayment of the original principal amount invested (even if the underlying linked securities have negative performance during the note's term), but may cap the maximum payment at maturity at a certain percentage of the issuance price or the return of the underlying linked securities. Alternatively, the note may not guarantee a full return on the original principal, but may offer a greater participation in any capital appreciation of the underlying linked securities. The terms of an equity linked note may also provide for periodic interest payments to holders at either a fixed or floating rate. The secondary market for equity linked notes may be limited, and the lack of liquidity in the secondary market may make these securities difficult to dispose of and to value. Equity linked notes will be considered equity securities for purposes of the Fund's investment objective and policies.

**CMBS Risk.** Investing in CMBS entails various risks: credit risks, liquidity risks, interest rate risks, market risks, operations risks, structural risks, geographical concentration risks, basis risks and legal risks. Credit risk of CMBS arises primarily from the potential for losses due to delinquencies and defaults by the borrowers in payments on the underlying obligations and the risk that the servicer fails to perform. CMBS are subject to risks associated with their structure and execution, including the process by which principal and interest payments are allocated and distributed to investors, how credit losses affect the issuing vehicle and the return to investors in such CMBS, whether the collateral represents a fixed set of specific assets or accounts, whether the underlying collateral assets are revolving or closed-end, under what terms (including maturity of the CMBS) any remaining balance in the accounts may revert to the issuing entity and the extent to which the entity that is the actual source of the collateral assets is obligated to provide support to the issuing vehicle or to the investors in such CMBS. In addition, concentrations of CMBS of a particular type, as well as concentrations of CMBS issued or guaranteed by affiliated obligors, serviced by the same servicer or backed by underlying collateral located in a specific geographic region, may subject the CMBS to additional risk. CMBS are, generally, securities backed by obligations (including certificates of participation in obligations) that are principally secured by mortgages on real property or interests therein having a multifamily or

commercial use, such as regional malls, other retail space, office buildings, industrial or warehouse properties, hotels, nursing homes and senior living centers. CMBS are subject to particular risks, including lack of standardized terms, shorter maturities than residential mortgage loans and payment of all or substantially all of the principal only at maturity rather than regular amortization of principal. Additional risks may be presented by the type and use of a particular commercial property. Special risks are presented by hospitals, nursing homes, hospitality properties and certain other property types. Commercial property values and net operating income are subject to volatility, which may result in net operating income becoming insufficient to cover debt service on the related mortgage loan. The repayment of loans secured by income-producing properties is typically dependent upon the successful operation of the related real estate project rather than upon the liquidation value of the underlying real estate. Furthermore, the net operating income from and value of any commercial property is subject to various risks, including changing interest rates and other developments impacting the commercial real estate market, such as changes in general or local economic conditions and/or specific industry segments, declines in real estate values, increases in real estate tax rates and other operating expenses, population shifts and other demographic changes, increasing vacancies (potentially for extended periods), reduced demand for commercial and office space as well as maintenance or tenant improvement costs and costs to convert properties for other uses, changes in governmental rules, regulations and fiscal policies, acts of God, terrorist threats and attacks, and social unrest and civil disturbances. These developments could result from, among other things, changing tastes and preferences (such as for remote work arrangements) as well as cultural, technological, global or local economic and market developments. In addition, changing interest rate environments and associated changes in lending standards and higher refinancing rates may adversely affect the commercial real estate and CMBS markets. The occurrence of any of the foregoing developments would likely increase default risk for the properties and loans underlying these investments as well as impact the value of, and income generated by, these investments. These developments could also result in reduced liquidity for CMBS and other real estate-related investments. In addition, the repayment of loans secured by income producing properties typically is dependent upon the successful operation of the related real estate project and the cash flow generated therefrom.

Legislative, regulatory and enforcement actions seeking to prevent or restrict foreclosures or providing forbearance relief to borrowers of residential mortgage loans may adversely affect the value of CMBS (e.g., the Coronavirus Aid, Relief, and Economic Security (CARES) Act). Legislative or regulatory initiatives by federal, state or local legislative bodies or administrative agencies, if enacted or adopted, could delay foreclosure or the exercise of other remedies, provide new defenses to foreclosure, or otherwise impair the ability of the loan servicer to foreclose or realize on a defaulted residential mortgage loan included in a pool of residential mortgage loans backing such residential CMBS. While the nature or extent of limitations on foreclosure or exercise of other remedies that may be enacted cannot be predicted, any such governmental actions that interfere with the foreclosure process or are designed to protect customers could increase the costs of such foreclosures or exercise of other remedies in respect of residential mortgage loans which collateralize CMBS held by the Fund, delay the timing or reduce the amount of recoveries on defaulted residential mortgage loans which collateralize CMBS held by the Fund, and consequently, could adversely impact the yields and distributions the Fund may receive in respect of its ownership of CMBS collateralized by residential mortgage loans.

***Other Investment Companies Risk.*** By investing in other investment companies (including ETFs) indirectly through the Fund, investors will incur a proportionate share of the expenses of the other investment companies held by the Fund (including operating costs and investment management fees) in addition to the fees and expenses regularly borne by the Fund. In addition, the Fund will be affected by the investment policies, practices and performance of such investment companies in direct proportion to the amount of assets the Fund invests therein.

**Restricted and Illiquid Investments Risk.** The Fund may invest in illiquid investments, which are investments that the Fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. The Fund may purchase Rule 144A Securities for which there is a secondary market of qualified institutional buyers, as defined in Rule 144A promulgated under the Securities Act. Rule 144A provides an exemption from the registration requirements of the Securities Act for the resale of certain restricted securities to qualified institutional buyers. Investing in Rule 144A Securities may decrease the liquidity of the Fund's portfolio to the extent that qualified institutional buyers become for a time uninterested in purchasing these restricted securities. The purchase price and subsequent valuation of restricted and illiquid investments normally reflect a discount, which may be significant, from the market price of comparable securities for which a liquid market exists.

Investments purchased by the Fund, particularly debt securities and over-the-counter traded instruments that are liquid at the time of purchase, may subsequently become illiquid due to events relating to the issuer of the securities, market events, economic conditions or investor perceptions. Domestic and foreign markets are becoming more and more complex and interrelated, so that events in one sector of the market or the economy, or in one geographical region, can reverberate and have negative consequences for other market, economic or regional sectors in a manner that may not be reasonably foreseen. With respect to over-the-counter traded securities, the continued viability of any over-the-counter secondary market depends on the continued willingness of dealers and other participants to purchase the instruments.

In cases where no clear indication of the value of the Fund's portfolio instruments is available, the portfolio instruments will be valued at their fair value according to the valuation procedures approved by the Board. These cases include, among others, situations where a security or other asset or liability does not have a price source.

**Stock Risk.** Stock prices have historically risen and fallen in periodic cycles. U.S. and foreign stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. Stock prices may fluctuate from time to time in response to the activities of individual companies and in response to general market and economic conditions. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response.

**Preferred Stock, Warrants and Stock Purchase Rights.** The Fund may invest in preferred stock, warrants and stock purchase rights (or "rights"). Preferred stocks are securities that represent an ownership interest providing the holder with claims on the issuer's earnings and assets before common stock owners but after bond owners. Unlike debt securities, the obligations of an issuer of preferred stock, including dividend and other payment obligations, may not typically be accelerated by the holders of such preferred stock on the occurrence of an event of default or other non-compliance by the issuer of the preferred stock. Warrants and other rights are options to buy a stated number of shares of common stock at a specified price at any time during the life of the warrant or right. The holders of warrants and rights have no voting rights, receive no dividends and have no rights with respect to the assets of the issuer.

**Convertible Securities Risk.** The market value of convertible securities tends to decline as interest rates increase and, conversely, tends to increase as interest rates decline. In addition, because of the conversion feature, the market value of convertible securities tends to vary with fluctuations in the market value of the underlying common stock or other security. A unique feature of convertible securities is that as the market price of the underlying security declines, convertible securities tend to trade increasingly on a yield basis, and so may not experience market value declines to the same extent as the underlying security. When the market price of the underlying security

increases, the prices of the convertible securities tend to rise as a reflection of the value of the underlying security.

**Call/Prepayment Risk.** An issuer could exercise its right to pay principal on an obligation held by the Fund (such as a mortgage-backed security) earlier than expected. This may happen when there is a decline in interest rates, when credit spreads change, or when an issuer's credit quality improves. Under these circumstances, the Fund may be unable to recoup all of its initial investment and will also suffer from having to reinvest in lower yielding securities.

**Credit/Default Risk.** An issuer or guarantor of fixed income securities or instruments held by the Fund (which may have low credit ratings) may default on its obligation to pay interest and repay principal or default on any other obligation. The credit quality of the Fund's portfolio securities or instruments may meet the Fund's credit quality requirements at the time of purchase but then deteriorate thereafter, and such a deterioration can occur rapidly. In certain instances, the downgrading or default of a single holding or guarantor of the Fund's holding may impair the Fund's liquidity and have the potential to cause significant deterioration in NAV. These risks are heightened in market environments where interest rates are rising as well as in connection with the Fund's investments in non-investment grade fixed income securities.

**Extension Risk.** An issuer could exercise its right to pay principal on an obligation held by the Fund (such as a mortgage-backed security) later than expected. This may happen when there is a rise in interest rates. Under these circumstances, the value of the obligation will decrease, and the Fund will also suffer from the inability to reinvest in higher yielding securities.

**Interest Rate Risk.** When interest rates increase, fixed income securities or instruments held by the Fund (which may include inflation protected securities) will generally decline in value. Long-term fixed income securities or instruments will normally have more price volatility because of this risk than short-term fixed income securities or instruments. A wide variety of market factors can cause interest rates to rise, including central bank monetary policy, rising inflation and changes in general economic conditions. Changing interest rates may have unpredictable effects on the markets, may result in heightened market volatility and may detract from Fund performance to the extent the Fund is exposed to such interest rates and/or volatility. In addition, changes in monetary policy may exacerbate the risks associated with changing interest rates. Funds with longer average portfolio durations will generally be more sensitive to changes in interest rates than funds with a shorter average portfolio duration. Fluctuations in interest rates may also affect the liquidity of fixed income securities and instruments held by the Fund.

It is difficult to predict the magnitude, timing or direction of interest rate changes and the impact these changes will have on the markets in which the Fund invests.

**LIBOR Risk.** The Fund's investments, payment obligations and financing terms may be based on floating rates, such as Secured Overnight Financing Rate ("SOFR"), a term SOFR rate published by CME Group Benchmark Administration Limited (CBA) calculated using certain derivatives markets ("Term SOFR"), another rate determined using SOFR values, Euro Interbank Offered Rate ("EURIBOR") and other similar types of reference rates (each, a "Reference Rate"). All settings of LIBOR have ceased to be published and, the Fund has transitioned to successor or alternative reference rates as necessary. The termination of LIBOR and any additional regulatory or market changes may have an adverse impact on the Fund's investments, performance or financial condition. To identify a successor rate for US dollar LIBOR, the Alternative Reference Rates Committee ("ARRC"), a U.S.-based group convened by the Federal Reserve Board and the Federal Reserve Bank of New York, was formed. The ARRC has identified SOFR as its preferred alternative rate for LIBOR. SOFR is a measure of the cost of borrowing cash overnight, collateralized by the U.S. Treasury

securities, and is based on directly observable U.S. Treasury-backed repurchase transactions. On July 29, 2021, the ARRC also formally recommended the use of forward-looking Term SOFR rates published by CME Group Benchmark Administration Limited (CBA). The Investment Adviser expects that a substantial portion of future floating rate investments will be linked to SOFR, Term SOFR or another rate determined using SOFR. At this time, it is not possible to predict the effect of the transition to any of these reference rates. This transition and any additional regulatory or market changes may have an adverse impact on the Fund's investments, performance or financial condition.

**Mid-Cap and Small-Cap Risk.** The securities of mid-capitalization and small-capitalization companies involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements. Securities of such issuers may lack sufficient market liquidity to enable the Fund to effect sales at an advantageous time or without a substantial drop in price. Both mid-capitalization and small-capitalization companies often have narrower markets and more limited managerial and financial resources than larger, more established companies. As a result, their performance can be more volatile and they face greater risk of business failure, which could increase the volatility of the Fund's portfolio. Generally, the smaller the company size, the greater these risks become.

**IPO Risk.** The market value of IPO shares will fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, the small number of shares available for trading and limited information about the issuer. The purchase of IPO shares may involve high transaction costs. IPO shares are subject to market risk and liquidity risk. When the Fund's asset base is small, a significant portion of the Fund's performance could be attributable to investments in IPOs, because such investments could have a magnified impact on the Fund. As the Fund's assets grow, the effect of the Fund's investments in IPOs on the Fund's performance will likely decline, which could reduce the Fund's performance.

**Pre-IPO Investments Risk.** Pre-IPO companies typically have limited operating histories, narrower, less established product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions, market conditions and consumer sentiment in respect of their products or services, as well as general economic downturns. Such companies may experience operating losses, which may be substantial, and there can be no assurance when or if such companies will operate at a profit. At the time of the Fund's investment, there is generally little publicly available information about these businesses since they are primarily privately owned and the Fund may only have access to the company's actual financial results as of and for the most recent quarter end or, in certain cases, the quarter end preceding the most recent quarter end. There can be no assurance that the information that the Fund does obtain with respect to any investment is reliable. Pre-IPO companies may have limited financial resources and may be unable to meet their obligations under their existing credit facilities (to the extent that such facilities exist), which may lead to equity financings, possibly at discounted valuations, in which the Fund could be substantially diluted if the Fund does not, or cannot, participate in such financings. Failing to meet such obligations may also lead to bankruptcy or liquidation and may result in a reduction in value or loss of the Fund's investment. Pre-IPO companies are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the company and, in turn, on the Fund. Continued global economic uncertainty could also result in investors becoming more risk-averse, which in turn could reduce the amount of growth capital available to the companies from both existing and new investors, could adversely affect their operating performance, and could delay liquidity paths (for example, an IPO or strategic sale/merger) for the companies. It may be difficult for the Fund to sell these investments, subjecting the Fund to liquidity risk. The securities of private portfolio companies are illiquid, and the inability of these portfolio companies to complete an IPO within the targeted time frame

will extend the holding period of the Fund's investments and may adversely affect the value of these investments.

**Global Financial Markets Risk.** Global economies and financial markets are becoming increasingly interconnected and political and economic conditions (including recent instability and volatility) and events (including natural disasters) in one country, region or financial market may adversely impact issuers in a different country, region or financial market. As a result, issuers of securities held by the Fund may experience significant declines in the value of their assets and even cease operations. Such conditions and/or events may not have the same impact on all types of securities and may expose the Fund to greater market or liquidity risk or cause difficulty in valuing portfolio instruments held by the Fund. This could cause the Fund to underperform other types of investments.

The severity or duration of such conditions and/or events may be affected by policy changes made by governments or quasi-governmental organizations. Recent instability in the financial markets has led governments across the globe to take a number of unprecedented actions designed to support the financial markets. Future government regulation and/or intervention may also change the way in which the Fund is regulated and could limit or preclude the Fund's ability to achieve its investment objective. For example, one or more countries that have adopted the euro may abandon that currency and/or withdraw from the EU, which could disrupt markets and affect the liquidity and value of the Fund's investments, regardless of whether the Fund has significant exposure to European markets. In addition, governments or their agencies may acquire distressed assets from financial institutions and acquire ownership interests in those institutions, which may affect the Fund's investments in ways that are unforeseeable.

In addition, in the U.S., total public debt as a percentage of gross domestic product has grown rapidly since the beginning of the financial downturn. High levels of national debt may raise concerns that the U.S. government will be unable to pay investors at maturity, may cause declines in currency valuations and may prevent the U.S. government from implementing effective fiscal policy.

**Swaps Risk.** The use of swaps is a highly specialized activity which involves investment techniques, risk analyses and tax planning different from those associated with ordinary portfolio securities transactions. The Fund's transactions in swaps may be significant. These transactions can result in sizeable realized and unrealized capital gains and losses relative to the gains and losses from the Fund's direct investments in securities and short sales.

Transactions in swaps can involve greater risks than if the Fund had invested in securities directly since, in addition to general market risks, swaps may be leveraged and subject to illiquidity risk, counterparty risk, credit risk, pricing risk, operational risk and legal risk. Regulators also may impose limits on an entity's or group of entities' positions in certain swaps. However, certain risks are reduced (but not eliminated) if the Fund invests in cleared swaps, which are transacted through a futures clearing merchant and cleared through a clearinghouse that serves as a central counterparty. Because uncleared bilateral swap agreements are two-party contracts and because they may have terms of greater than seven days, these swaps may be considered to be illiquid. Moreover, the Fund bears the risk of loss of the amount expected to be received under a swap (including any margin the Fund may have posted in connection with establishing the swap position) in the event of the default or bankruptcy of a swap counterparty. Many swaps are complex and valued subjectively. Swaps and other derivatives may also be subject to pricing or "basis" risk, which exists when the price of a particular derivative diverges from the price of corresponding cash market instruments. Under certain market conditions it may not be economically feasible to initiate a transaction or liquidate a position in time to avoid a loss or take advantage of an opportunity.

If a swap transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price, which may result in significant losses.

The value of swaps can be very volatile, and a variance in the degree of volatility or in the direction of securities prices from the Investment Adviser's expectations may produce significant losses in the Fund's investments in swaps. In addition, a perfect correlation between a swap and a security position may be impossible to achieve. As a result, the Investment Adviser's use of swaps may not be effective in fulfilling the Investment Adviser's investment strategies and may contribute to losses that would not have been incurred otherwise.

***Futures Contracts and Options and Swaps on Futures Contracts.*** Futures contracts are standardized, exchange-traded contracts that provide for the sale or purchase of a specified financial instrument or currency at a future time at a specified price. An option on a futures contract gives the purchaser the right (and the writer of the option the obligation) to assume a position in a futures contract at a specified exercise price within a specified period of time. A swap on a futures contract provides an investor with the ability to gain economic exposure to a particular futures market; however, unlike a futures contract that is exchange-traded, a swap on a futures contract is an over-the-counter transaction. A futures contract may be based on particular securities, foreign currencies, securities indices and other financial instruments and indices. The Fund may engage in futures transactions on U.S. and foreign exchanges.

The Fund may, to the extent consistent with its investment policies, purchase and sell futures contracts, purchase and write call and put options on futures contracts and enter into swaps on futures contracts, in order to seek to increase total return or to hedge against changes in interest rates, securities prices or currency exchange rates, or to otherwise manage its term structure, sector selection and duration in accordance with its investment objective and policies. The Fund may also enter into closing purchase and sale transactions with respect to such contracts and options.

Futures contracts and related options and swaps present the following risks:

- While the Fund may benefit from the use of futures and options and swaps on futures, unanticipated changes in interest rates, securities prices or currency exchange rates may result in poorer overall performance than if the Fund had not entered into any futures contracts, options transactions or swaps.
- Because perfect correlation between a futures position and a portfolio position that is intended to be protected is impossible to achieve, the desired protection may not be obtained and the Fund may be exposed to additional risk of loss.
- The loss incurred by the Fund in entering into futures contracts and in writing call options and entering into swaps on futures is potentially unlimited and may exceed the amount of the premium received.
- Futures markets are highly volatile and the use of futures may increase the volatility of the Fund's NAV.
- As a result of the low margin deposits normally required in futures trading, a relatively small price movement in a futures contract may result in substantial losses to the Fund.
- Futures contracts and options and swaps on futures may be illiquid, and exchanges may limit fluctuations in futures contract prices during a single day.
- Foreign exchanges may not provide the same protection as U.S. exchanges.

***When-Issued Securities and Forward Commitments.*** The Fund may purchase when-issued securities and make contracts to purchase or sell securities for a fixed price at a future date beyond

customary settlement time. When-issued securities are securities that have been authorized, but not yet issued. When-issued securities are purchased in order to secure what is considered to be an advantageous price or yield to the Fund at the time of entering into the transaction. A forward commitment involves entering into a contract to purchase or sell securities for a fixed price at a future date beyond the customary settlement period.

The purchase of securities on a when-issued or forward commitment basis involves a risk of loss if the value of the security to be purchased declines before the settlement date. Conversely, the sale of securities on a forward commitment basis involves the risk that the value of the securities sold may increase before the settlement date. Although the Fund will generally purchase securities on a when-issued or forward commitment basis with the intention of acquiring the securities for its portfolio, the Fund may dispose of when-issued securities or forward commitments prior to settlement if the Investment Adviser deems it appropriate.

**Repurchase Agreements.** Repurchase agreements involve the purchase of securities subject to the seller's agreement to repurchase them at a mutually agreed upon date and price. The Fund may enter into repurchase agreements with eligible counterparties which furnish collateral at least equal in value or market price to the amount of their repurchase obligation. The collateral may consist of any type of security in which the Fund is eligible to invest directly. Repurchase agreements involving obligations other than U.S. Government Securities may be subject to special risks and may not have the benefit of certain protections in the event of the counterparty's insolvency.

If the other party or "seller" defaults, the Fund might suffer a loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Fund are less than the repurchase price and the Fund's costs associated with delay and enforcement of the repurchase agreement. In addition, in the event of bankruptcy of the seller, the Fund could suffer additional losses if a court determines that the Fund's interest in the collateral is not enforceable.

The Fund, together with other registered investment companies having advisory agreements with the Investment Adviser or any of its affiliates, may transfer uninvested cash balances into a single joint account, the daily aggregate balance of which will be invested in one or more repurchase agreements.

**Reverse Repurchase Agreements.** Reverse repurchase agreements involve the sale of securities held by the Fund with an agreement by the Fund to repurchase the securities at a mutually agreed upon date and price (including interest). Reverse repurchase agreements may be entered into when the Investment Adviser expects that the return to be earned from the investment of the transaction proceeds will be greater than the related interest expense. Reverse repurchase agreements involve leveraging. If the securities held by the Fund decline in value while these transactions are outstanding, the NAV of the Fund's outstanding shares will decline in value proportionately more than the decline in value of the securities. In addition, reverse repurchase agreements involve the risk that the investment return earned by the Fund (from the investment of the proceeds) will be less than the interest expense of the transaction, that the market value of the securities sold by the Fund will decline below the price the Fund is obligated to pay to repurchase the securities, and that the securities may not be returned to the Fund.

Under SEC requirements, the Fund needs to aggregate the amount of indebtedness associated with its reverse repurchase agreements and similar financing transactions with the aggregate amount of any other senior securities representing indebtedness (e.g., borrowings, if applicable) when calculating the Fund's asset coverage ratio or treat all such transactions as derivatives transactions for purposes of Rule 18f-4 under the 1940 Act.

If the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, such buyer or its trustee or receiver may receive an extension of time to determine whether

to enforce the Fund's obligation to repurchase the securities, and the Fund's use of the proceeds of the reverse repurchase agreement may effectively be restricted pending such decision. Also, the Fund would bear the risk of loss to the extent that the proceeds of the reverse repurchase agreement are less than the value of the securities subject to such agreement.

With respect to any reverse repurchase agreement or similar transaction, the Fund's Managed Assets shall include any proceeds from the sale of an asset of the Fund to a counterparty in such a transaction, in addition to the value of the underlying asset as of the relevant measuring date.

**ESG Integration Risk.** The Investment Adviser employs a fundamental investment process that may integrate ESG factors with traditional fundamental factors. The relevance and weightings of specific ESG factors to or within the fundamental investment process varies across asset classes, sectors and strategies and no one factor or consideration is determinative. When integrating ESG factors into the investment process, the Investment Adviser may rely on third-party data that it believes to be reliable, but it does not guarantee the accuracy of such third-party data. ESG information from third-party data providers may be incomplete, inaccurate or unavailable, which may adversely impact the investment process. Moreover, ESG information, whether from an external and/or internal source, is, by nature and in many instances, based on a qualitative and subjective assessment. An element of subjectivity and discretion is therefore inherent to the interpretation and use of ESG data. The process for conducting ESG assessments and implementation of ESG views in client/fund portfolios, including the format and content of such analysis and the tools and/or data used to perform such analysis, may also vary among the Investment Adviser's portfolio management teams. While the Investment Adviser believes that the integration of material ESG factors into the Fund's investment process has the potential to identify financial risks and contribute to the Fund's long-term performance, ESG factors may not be considered for each and every investment decision, and there is no guarantee that the integration of ESG factors will result in better performance. Investors can differ in their views of what constitutes positive or negative ESG characteristics. Moreover, the current lack of common standards may result in different approaches to integrating ESG factors. As a result, the Fund may invest in companies that do not reflect the beliefs and values of any particular investor. The Investment Adviser's approach to ESG integration may evolve and develop over time, both due to a refinement of investment decision-making processes to address ESG factors and risks, and because of legal and regulatory developments.

**Cybersecurity Risk.** The Fund may be susceptible to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among others, stealing or corrupting confidential information and other data that is maintained online or digitally for financial gain, denial-of-service attacks on websites causing operational disruption, and the unauthorized release of confidential information and other data. Cyber-attacks have the ability to cause significant disruptions and impact business operations; to result in financial losses; to prevent shareholders from transacting business; to interfere with the Fund's calculation of NAV; and to lead to violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs and/or additional compliance costs. Cyber-attacks affecting the Fund or its Investment Adviser, custodian, Transfer Agent, or other third-party service providers may adversely impact the Fund and its shareholders.

**Banking Sector Risk.** U.S. and global markets recently have experienced increased volatility, including as a result of the recent failures of certain U.S. and non-U.S. banks, which could be harmful to the Fund and issuers in which it invests. For example, if a bank in which the Fund or issuer has an account fails, any cash or other assets in bank accounts may be temporarily inaccessible or permanently lost by the Fund or issuer. If a bank that provides a subscription line credit facility, asset-based facility, other credit facility and/or other services to the Fund or an issuer fails, the Fund or the issuer could be unable to draw funds under its credit facilities or obtain replacement credit facilities or

other services from other lending institutions with similar terms. Even if banks used by issuers in which the Fund invests remain solvent, continued volatility in the banking sector could cause or intensify an economic recession, increase the costs of banking services or result in the issuers being unable to obtain or refinance indebtedness at all or on as favorable terms as could otherwise have been obtained. Conditions in the banking sector are evolving, and the scope of any potential impacts to the Fund and issuers, both from market conditions and also potential legislative or regulatory responses, are uncertain. Continued market volatility and uncertainty and/or a downturn in market and economic and financial conditions, as a result of developments in the banking industry or otherwise (including as a result of delayed access to cash or credit facilities), could have an adverse impact on the Fund and issuers in which it invests.

***Securities Lending Risk.*** The Fund may engage in securities lending. The Fund may lose money because the borrower of the loaned securities fails to return the securities in a timely manner or at all. The Fund could also lose money in the event of a decline in the value of the collateral provided for loaned securities or a decline in the value of any investments made with cash collateral. These events could also trigger adverse tax consequences for the Fund.

**No guarantee or representation is made that the investment program of the Fund or any investment will be successful, that the various investments selected by the Fund will produce positive returns or that the Fund will achieve its investment objective.**

## MANAGEMENT OF THE FUND

The business and affairs of the Fund, including supervision of the duties performed by the Fund's Investment Adviser, are managed under the direction of its Board. The names and business addresses of the Trustees and officers of the Fund and their principal occupations and other affiliations during the past five years are set forth under "*Management of the Fund*" in the SAI. GSAM serves as the Fund's investment adviser. The principal executive offices of GSAM are at 200 West Street, New York, New York 10282. GSAM has been registered as an investment adviser with the SEC since 1990 and is a subsidiary of The Goldman Sachs Group, Inc., a bank holding company, and an affiliate of Goldman Sachs.

The Investment Adviser provides day-to-day advice regarding the Fund's portfolio transactions, manages the Fund's portfolio and is responsible for the Fund's business affairs and other administrative matters. The Investment Adviser makes the investment decisions for the Fund and places purchase and sale orders for the Fund's portfolio transactions in U.S. and foreign markets. As permitted by applicable law, these orders may be directed to any brokers, including Goldman Sachs and its affiliates. While the Investment Adviser is ultimately responsible for the management of the Fund, it is able to draw upon the research and expertise of its asset management affiliates for portfolio decisions and management with respect to certain portfolio investments. In addition, the Investment Adviser has access to the research and certain proprietary technical models developed by Goldman Sachs (subject to legal, internal, regulatory and Chinese Wall restrictions), and will apply quantitative and qualitative analysis in determining the appropriate allocations among categories of issuers and types of securities.

The Investment Adviser also performs the following additional services for the Fund:

- Supervises all non-advisory operations of the Fund;
- Provides personnel to perform necessary executive, administrative and clerical services to the Fund;
- Arranges for the preparation of all required tax returns, reports and notices to shareholders, prospectuses and statements of additional information and other reports filed with the SEC and other regulatory authorities;
- Maintains the records of the Fund; and
- Provides office space and all necessary office equipment and services.

The Investment Management Agreement provides that the Investment Adviser shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Fund in connection with the matters to which the Investment Management Agreement relates, except a loss resulting from the Investment Adviser's willful misfeasance, bad faith or gross negligence in the performance of its duties or from reckless disregard by the Investment Adviser of its obligations and duties under the Investment Management Agreement.

### Management Fee

In consideration of the advisory services provided by the Investment Adviser, the Investment Adviser is entitled to receive a monthly management fee at an annual rate equal to 1.25% of the average daily value of the Fund's net assets. The Management Fee for any partial month will be appropriately prorated.

A discussion regarding the Board’s basis for approving the Investment Management Agreement is available in the Fund’s annual report for the fiscal year ending September 30, 2024.

### Investment Team

The individuals jointly and primarily responsible for the day-to-day management of the Fund are listed below. The Fund’s portfolio managers’ individual responsibilities may differ and may include, among other things, security selection, asset allocation, risk budgeting and general oversight of the management of the Fund’s portfolio.

Name and Title	Fund Responsibility	Years Primarily Responsible	Five-Year Employment History
Sean Brennan Managing Director	Portfolio Manager— Goldman Sachs Real Estate Diversified Income Fund	Since 2020	Mr. Brennan joined the Investment Adviser in 2010. He is a member of XIG.
Kristin Kuney, CFA Managing Director	Portfolio Manager— Goldman Sachs Real Estate Diversified Income Fund	Since 2021	Ms. Kuney joined the Investment Adviser in 2000. She is a member of the Fundamental Equity and Real Estate Securities Teams.
John Papadoulis Vice President	Portfolio Manager— Goldman Sachs Real Estate Diversified Income Fund	Since 2022	Mr. Papadoulis joined the Investment Adviser in April 2019. Prior to joining the Investment Adviser, He was a partner at Rocaton Investment Advisors. Mr. Papadoulis is a member of XIG.
Abhinav Zutshi, CFA Vice President	Portfolio Manager— Goldman Sachs Real Estate Diversified Income Fund	Since 2022	Mr. Zutshi joined the Investment Adviser in April 2009. He is a member of the Fundamental Equity and Real Estate Securities Teams.

For information about portfolio manager compensation, other accounts managed by the portfolio managers and portfolio manager ownership of securities in the Fund, see “*Management of the Fund—Portfolio Managers’ Compensation*” in the SAI.

### Other Service Providers

#### **Auditors**

PricewaterhouseCoopers LLP, 101 Seaport Boulevard, Suite 500, Boston, MA 02210, is the Fund’s independent registered public accounting firm. The Fund’s independent registered public accounting firm may change from time to time.

### ***Custodian and Administrator***

The Bank of New York Mellon (“BNYM”), 240 Greenwich Street, New York, New York 10286, is the custodian of the Fund’s portfolio securities and cash. The custodian of the Fund may change from time to time. BNYM also maintains the Fund’s accounting records. BNYM may appoint domestic and foreign sub-custodians and use depositories from time to time to hold securities and other instruments purchased by the Fund in foreign countries and to hold cash and currencies for the Fund.

BNYM provides administrative services to the Fund pursuant to the Fund administration agreement with the Fund (the “Fund Administration and Accounting Agreement”) pursuant to which BNYM provides certain services, including, among others, (i) preparation of certain shareholder reports and communications; (ii) preparation of certain reports and filings with the SEC; (iii) certain net asset value (“NAV”) computation services; and (iv) such other services for the Fund as may be mutually agreed upon between the Fund and BNYM. For these and other services it provides to the Fund, BNYM is paid a monthly fee from the Fund at an annual rate ranging from 0.01% to 0.02% of the Fund’s Managed Assets. In addition, BNYM is reimbursed by the Fund for reasonable out-of-pocket expenses incurred in connection with its services.

### ***Transfer Agent***

GS&Co., 71 South Wacker Drive, Chicago, IL 60606, serves as the Fund’s transfer and dividend disbursing agent. Under its transfer agency agreement with the Fund, GS&Co. has undertaken with respect to the Fund to: (i) record the issuance, transfer and repurchase of shares; (ii) provide purchase and repurchase confirmations and quarterly statements, as well as certain other statements; (iii) provide certain information to the Fund’s custodian and the relevant subcustodian in connection with repurchases; (iv) provide dividend crediting and certain disbursing agent services; (v) maintain shareholder accounts; (vi) provide certain state Blue Sky and other information; (vii) provide shareholders and certain regulatory authorities with tax-related information; (viii) respond to shareholder inquiries; and (ix) render certain other miscellaneous services.

For its transfer agency and dividend disbursing services, GS&Co. is entitled to receive a transfer agency fee equal, on an annualized basis, to 0.14% of average daily net assets with respect to each class of Shares. GS&Co. may pay to certain intermediaries who perform transfer agent services to shareholders a networking or sub-transfer agent fee. These payments will be made from the transfer agency fees noted above and in the Fund’s Prospectus.

### ***Legal Counsel***

The Board has engaged Dechert LLP, located at 1095 Avenue of the Americas, New York, New York 10036, to serve as the Fund’s legal counsel.

### **Activities of Goldman Sachs and Its Affiliates and Other Accounts Managed by Goldman Sachs**

The involvement of the Investment Adviser, Goldman Sachs and their affiliates in the management of, or their interest in, other accounts and other activities of Goldman Sachs will present conflicts of interest with respect to the Fund and will, under certain circumstances, limit the Fund’s investment activities. Goldman Sachs is a worldwide, full service investment banking, broker dealer, asset management and financial services organization and a major participant in global financial markets that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals. As such, it acts as a broker-dealer, investment adviser, investment banker, underwriter, research provider, administrator, financier, adviser, market maker, trader, prime broker, derivatives dealer, clearing agent, lender, counterparty, agent,

principal, distributor, investor or in other commercial capacities for accounts or companies (including Fund portfolio companies) or affiliated or unaffiliated investment funds (including pooled investment vehicles and private funds) in which one or more accounts, including the Fund, invest. In those and other capacities, Goldman Sachs and its affiliates advise and deal with clients and third parties in all markets and transactions and purchase, sell, hold and recommend a broad array of investments, including securities, derivatives, loans, commodities, currencies, credit default swaps, indices, baskets and other financial instruments and products for their own accounts or for the accounts of their customers and have other direct and indirect interests in the global fixed income, currency, commodity, equities, bank loans and other markets and the securities and issuers in which the Fund directly and indirectly invests. Thus, it is expected that the Fund will have multiple business relationships with and will invest in, engage in transactions with, make voting decisions with respect to, or obtain services from entities for which Goldman Sachs and its affiliates perform or seek to perform investment banking or other services. The Investment Adviser and/or certain of its affiliates are the managers of the Goldman Sachs Funds. The Investment Adviser and its affiliates earn fees from this and other relationships with the Fund. Although management fees paid by the Fund to the Investment Adviser and certain other fees paid to the Investment Adviser's affiliates are based on asset levels, the fees are not directly contingent on Fund performance, and the Investment Adviser and its affiliates will still receive significant compensation from the Fund even if shareholders lose money. Goldman Sachs and its affiliates engage in proprietary trading and advise accounts and funds which have investment objectives similar to those of the Fund and/or which engage in and compete for transactions in the same types of securities, currencies and instruments as the Fund. Goldman Sachs and its affiliates will not have any obligation to make available any information regarding their proprietary activities or strategies, or the activities or strategies used for other accounts managed by them, for the benefit of the management of the Fund. The results of the Fund's investment activities, therefore, will likely differ from those of Goldman Sachs, its affiliates, and other accounts managed by Goldman Sachs, and it is possible that the Fund could sustain losses during periods in which Goldman Sachs and its affiliates and other accounts achieve significant profits on their trading for proprietary or other accounts. In addition, the Fund may enter into transactions in which Goldman Sachs and its affiliates or their other clients have an adverse interest. For example, the Fund may take a long position in a security at the same time that Goldman Sachs and its affiliates or other accounts managed by the Investment Adviser or its affiliates take a short position in the same security (or vice versa). These and other transactions undertaken by Goldman Sachs, its affiliates or Goldman Sachs-advised clients may, individually or in the aggregate, adversely impact the Fund. Transactions by one or more Goldman Sachs-advised clients or the Investment Adviser may have the effect of diluting or otherwise disadvantaging the values, prices or investment strategies of the Fund. The Fund's activities will, under certain circumstances, be limited because of regulatory restrictions applicable to Goldman Sachs and its affiliates, and/or their internal policies designed to comply with such restrictions. As a global financial services firm, Goldman Sachs and its affiliates also provide a wide range of investment banking and financial services to issuers of securities and investors in securities. Goldman Sachs, its affiliates and others associated with it are expected to create markets or specialize in, have positions in and/or effect transactions in, securities of issuers held by the Fund, and will likely also perform or seek to perform investment banking and financial services for one or more of those issuers. Goldman Sachs and its affiliates are expected to have business relationships with and purchase or distribute or sell services or products from or to distributors, consultants or others who recommend the Fund or who engage in transactions with or for the Fund. For more information about conflicts of interest, see the section entitled "*Potential Conflicts of Interest*" in the SAI.

The Fund will, from time to time, make brokerage and other payments to Goldman Sachs and its affiliates in connection with the Fund's portfolio investment transactions, in accordance with applicable law.

The Fund may retain an affiliate of the investment adviser to serve as a securities lending agent for the Fund. For these services, the lending agent would be entitled to receive a fee from the Fund, including a fee based on the returns earned on such Fund's investment of the cash received as

collateral for the loaned securities. The Board would periodically review reports on portfolio securities loan transactions for which an affiliated lending agent has acted as lending agent.

The Fund's investment objective and investment strategies are similar to those of other accounts managed or sponsored by Goldman Sachs ("Accounts"), and an investment appropriate for the Fund may also be appropriate for those Accounts. This creates potential conflicts in allocating investment opportunities among the Fund and such other Accounts, particularly in circumstances where the availability of such investment opportunities is limited, where the liquidity of such investment opportunities is limited or where co-investments by the Fund and other Accounts are not permitted under applicable law.

### **Control Persons**

A control person generally is a person who beneficially owns more than 25% of the voting securities of a company or has the power to exercise control over the management or policies of such company. As of December 31, 2024, there were no shareholders that held greater than 25% of the voting securities of the Fund.

The Fund is prohibited under the 1940 Act from participating in certain transactions with its affiliates without the prior approval of the Fund's independent Trustees and, in some cases, of the SEC. Any person that owns, directly or indirectly, five percent or more of the Fund's outstanding voting securities will be the Fund's affiliate for purposes of the 1940 Act, and the Fund is generally prohibited from buying or selling any assets from or to, or entering into certain "joint" transactions with such affiliates, without exemptive relief from the SEC. The Investment Adviser and its affiliates, including persons that control, or are under common control with, the Fund or the Investment Adviser, are also considered the Fund's affiliates under the 1940 Act, and the Fund is generally prohibited from buying or selling any assets from or to, or entering into "joint" transactions with, such affiliates without exemptive relief from the SEC.

Subject to applicable law, the Fund may invest alongside Goldman Sachs and its Accounts. In certain circumstances, negotiated co-investments by the Fund and other funds managed by the Investment Adviser may be made only pursuant to an order from the SEC permitting the Fund to do so. The Fund may rely on an exemptive order from the SEC that permits the Fund to participate in negotiated co-investment transactions with certain affiliated funds, whose investment adviser is GSAM, in a manner consistent with its investment objectives, positions, policies, strategies and restrictions, as well as regulatory requirements and pursuant to the conditions required by the exemptive relief. Pursuant to the exemptive relief, the Board may establish criteria, which may be amended, rescinded, suspended or qualified by the Board at any time, describing the characteristics of potential investments that would be within the Fund's then-current investment objectives and strategies that GSAM should consider as appropriate for co-investment for the Fund and other funds managed by the Investment Adviser. As a result of such order, there could be significant overlap in the Fund's investment portfolio and the investment portfolios of other funds managed by the Investment Adviser. Pursuant to the exemptive order, among other things the Fund's independent Trustees must not have any direct or indirect financial interest in the co-investment transaction. Such limitation may restrict the availability of investment opportunities due to the financial interests of the Fund's independent Trustees. For purposes of this limitation, the Fund does not view an independent Trustee's investment in an unaffiliated investment vehicle that invests in an investment held by the Fund as an indirect financial interest in a co-investment transaction.

The Fund may also invest alongside other Accounts advised by the Investment Adviser and its affiliates in certain circumstances where doing so is consistent with applicable law and SEC staff guidance and interpretations. For example, the Fund may invest alongside such Accounts consistent with guidance promulgated by the staff of the SEC permitting the Fund and such other Accounts to purchase interests in a single class of privately placed securities so long as certain conditions are met, including that the Investment Adviser, acting on the Fund's behalf and on behalf of its other clients, negotiates no term other than price. The Fund may also invest alongside the Investment Adviser's other clients as otherwise permissible under SEC staff guidance and interpretations, applicable regulations and the allocation policy of the Investment Adviser.

To address these potential conflicts, the Investment Adviser has developed allocation policies and procedures that provide that personnel of the Investment Adviser making portfolio decisions for Accounts will make purchase and sale decisions and allocate investment opportunities among Accounts consistent with its fiduciary obligations. To the extent permitted by applicable law, these policies and procedures may result in the pro rata allocation of limited opportunities across eligible Accounts managed by a particular portfolio management team, but in many other cases the allocations reflect numerous other factors as described below. There will be cases where certain Accounts receive an allocation of an investment opportunity when the Fund does not and vice versa.

Personnel of the Investment Adviser involved in decision-making for Accounts may make allocation related decisions for the Fund and other Accounts by reference to one or more factors, including: the Account's portfolio and its investment horizons, objectives, guidelines and restrictions (including legal and regulatory restrictions); strategic fit and other portfolio management considerations, including different desired levels of investment for different strategies; the expected future capacity of the applicable Accounts; cash and liquidity considerations; and the availability of other appropriate investment opportunities. Suitability considerations, reputational matters and other considerations may also be considered. The application of these considerations may cause differences in the performance of different Accounts that have similar strategies. In addition, in some cases the Investment Adviser may make investment recommendations to Accounts where the Accounts make the investment independently of the Investment Adviser, which may result in a reduction in the availability of the investment opportunity for other Accounts (including the Fund) irrespective of the Investment Adviser's policies regarding allocation of investments. Additional information about the Investment Adviser's allocation policies is set forth in Item 6 ("Performance-based Fees and Side-by-Side Management—Side-by-Side Management of Advisory Accounts; Allocation of Opportunities") of the Investment Adviser's Form ADV.

## LEVERAGE

The Fund may borrow funds or otherwise utilize leverage for a variety of purposes, subject to the limitations of the 1940 Act, as part of the Fund's investment program, to meet other short-term liquidity needs, including payment of fees and expenses, and to facilitate the Fund's hedging activities. The terms of the indebtedness incurred by the Fund may require the Fund to maintain minimum average balances in connection with borrowings or to pay a commitment or other fee to maintain a line of credit. Either of these requirements would increase the cost of borrowing over the stated interest rate. The 1940 Act requires a registered investment company to satisfy an asset coverage requirement of 300% of its indebtedness, including amounts borrowed and guaranteed, measured at the time the indebtedness is incurred. This means that the value of the Fund's total indebtedness may not exceed one-third of the value of its total assets, including the value of the assets purchased with the proceeds of its indebtedness measured at the time the indebtedness is incurred. The Fund may also utilize indebtedness in excess of such limit for temporary purposes such as the settlement of transactions.

The Fund may use leverage opportunistically, though not at all times, and may choose to increase or decrease its leverage, or use different types or combinations of leveraging instruments, based on the Investment Adviser's assessment of market conditions and the investment environment, and the costs that the Fund would incur as a result of such leverage. There is no assurance that the Fund will utilize any form or combination of leverage.

Lenders in respect of any indebtedness of the Fund would have the right to receive interest on and repayment of principal of any such indebtedness, which right will be senior to those of the shareholders. If the Fund utilizes indebtedness, the shareholders will bear the offering costs of the issuance of any indebtedness. In addition, the Fund's current credit facilities contains provisions limiting certain activities of the Fund, including payments to shareholders in certain circumstances, and requiring the Fund to pledge a portion of its assets as collateral. The Fund also expects that any additional credit facility that it enters into, or any notes that it issues, would contain similar provisions.

The use of leverage can create risks. Changes in the value of the Fund's portfolio, including securities bought with the proceeds of leverage, will be borne entirely by the shareholders. If there is a net decrease or increase in the value of the Fund's investment portfolio, leverage will decrease or increase, as the case may be, the NAV to a greater extent than if the Fund did not utilize leverage. A reduction in the Fund's NAV, market price and distributions may cause a reduction in the market price of its Shares. Certain types of leverage by the Fund may result in the Fund being subject to covenants relating to asset coverage and portfolio composition requirements.

In addition, the Fund may invest in derivatives, reverse repurchase agreements and economically similar transactions that have economic characteristics similar to leverage.

The Fund's willingness to utilize leverage, and the amount of leverage the Fund will assume, will depend on many factors, the most important of which are market conditions and interest rates. Successful use of a leveraging strategy may depend on the Fund's ability to predict correctly interest rates and market movements, and there is no assurance that a leveraging strategy will be successful during any period in which it is employed.

**Effects of Leverage.** Assuming that borrowings represent approximately 7.17% of the Fund's net assets, as of September 30, 2024, and that the Fund bears expenses relating to such borrowings at an annual effective interest rate of 6.30% (based on interest rates for such borrowings as of a recent date), the annual return that the Fund's portfolio must experience (net of expenses not related to borrowings) in order to cover the costs of such borrowings would be approximately 0.45%. These figures are estimates based on current market conditions, used for illustration purposes only. Actual

expenses associated with borrowings used by the Fund may vary frequently and may be significantly higher or lower than the rate used for the example above.

The following table is furnished in response to requirements of the SEC. It is designed to illustrate the effects of the Fund's leverage due to borrowings on corresponding Share total return, assuming investment portfolio total returns (consisting of income and changes in the value of investments held in the Fund's portfolio) of -10%, -5%, 0%, 5% and 10%. These assumed investment portfolio returns are hypothetical figures and are not necessarily indicative of the investment portfolio returns expected to be experienced by the Fund. The table further assumes that the Fund's borrowings represent approximately 7.17% of the Fund's net assets and an annual rate of interest of 6.30% (as discussed above). Your actual returns may be greater or less than those appearing below.

<u>Assumed Return on Portfolio (Net of Expenses not related to borrowings)</u>	<u>(10.00)%</u>	<u>(5.00)%</u>	<u>0.00%</u>	<u>5.00%</u>	<u>10.00%</u>
<b>Corresponding Share Total Return</b> .....	-10.27%	-4.91%	-0.45%	4.91%	10.27%

Corresponding Share total return is composed of two elements — the Share dividends paid by the Fund (the amount of which is largely determined by the net investment income of the Fund after paying interest expenses on the Fund's borrowings) and gains or losses on the value of the securities the Fund owns.

## ADDITIONAL INFORMATION ABOUT THE FUND

### Description of Shares

The Fund is an unincorporated statutory trust organized under the laws of Delaware pursuant to a Certificate of Trust and a Declaration of Trust, each dated as of December 2, 2019. The Fund's Declaration of Trust authorizes the issuance of an unlimited number of Shares of beneficial interest of each class. If and whenever Preferred Shares are outstanding, the holders of Shares will not be entitled to receive any distributions from the Fund unless all accrued dividends on Preferred Shares have been paid, unless asset coverage (as defined in the 1940 Act) with respect to Preferred Shares would be at least 200% after giving effect to the distributions and unless certain other requirements imposed by any rating agencies rating the Preferred Shares have been met. Subject to the rights of the holders of Preferred Shares, each Shares will be entitled to receive, according to its respective rights, a *pro rata* portion of the Fund's assets available for distribution for the applicable class. Shares have no conversion, preemptive or other subscription rights. Each whole Share will be entitled to one vote as to any matter on which it is entitled to vote and each fractional Share will be entitled to a proportionate fractional vote. However, to the extent required by the 1940 Act or otherwise determined by the Board, classes of the Fund will vote separately from each other. The Declaration of Trust provides that the Board shall have the power to repurchase Shares and provide shareholders with the right to exchange Shares of any class for Shares of one or more other classes in the manner and on the terms described herein.

The Board may classify or reclassify any issued or unissued Shares of the Fund into shares of any class by redesignating such Shares or by setting or changing in any one or more respects, from time to time, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms or conditions of repurchase of such Shares. Any such classification or reclassification will comply with the provisions of the Declaration of Trust and the 1940 Act. Any additional offerings of shares, including Preferred Shares, will require approval by the Fund's Board. Any additional offering of Shares will be subject to the requirements of the 1940 Act, which provides that shares may not be issued at a price below the then current NAV, exclusive of sales load, except in connection with an offering to existing holders of Shares or with the consent of a majority of the Fund's outstanding voting securities.

**Preferred Shares.** Although the Fund has no intention of issuing preferred Shares ("Preferred Shares") within one year of the date of this Prospectus, the Fund may offer Preferred Shares as a means of providing leverage to the Fund as a means of providing leverage to the Fund in an aggregate amount of up to 50% of the Fund's Managed Assets immediately after such issuance. Shareholders will not have any preemptive rights to purchase any Preferred Shares that may be issued.

Furthermore, while any Preferred Shares or debt securities are outstanding, the Fund may be prohibited from making distributions to shareholders unless it meets the applicable asset coverage ratio at the time of the distribution.

By way of clarification, Preferred Shares are not considered "Shares," as such term is used in this prospectus.

### Distributions

The Fund must distribute in each taxable year at least 90% of its net investment income (including net interest income and net short-term gain) to qualify for the special tax treatment available to RICs. The Fund is also required to distribute annually substantially all of its income and capital gain, if any, to avoid imposition of a 4% nondeductible federal excise tax. Prohibitions on dividends and other distributions on the Shares could impair the Fund's ability to qualify as a RIC under the Code.

If the Fund is precluded from making distributions on the Shares because of any applicable asset coverage requirements, the terms of the preferred shares (if any) may provide that any amounts so precluded from being distributed, but required to be distributed for the Fund to meet the distribution requirements for qualification as a RIC for U.S. federal income tax purposes, will be paid to the holders of the preferred shares as a special distribution. This distribution can be expected to decrease the amount that holders of preferred shares would be entitled to receive upon redemption or liquidation of the shares.

If the Fund failed to qualify as a RIC for U.S. federal income tax purposes or failed to satisfy the 90% distribution requirement in any taxable year, the Fund would be subject to U.S. federal income tax at regular corporate rates on its taxable income, including its net capital gain, even if such income were distributed to its Shareholders, and all distributions out of earnings and profits would be taxed to Shareholders as ordinary dividend income. Requalifying as a RIC could subject the Fund to significant tax costs. See “Certain Tax Considerations and Risks” in the SAI.

The Fund currently intends to make regular quarterly cash distributions of all or a portion of its net investment income to Shareholders. In addition, the Fund may occasionally make a distribution at a time when it is not normally made. The Fund will pay Shareholders at least annually all or substantially all of its net investment income after the payment of interest, fees or dividends, if any, owed with respect to any forms of leverage used by the Fund. The Fund intends to pay any capital gains distributions at least annually.

The U.S. federal income tax treatment and characterization of the Fund’s distributions may vary significantly from time to time because of the varied nature of the Fund’s investments. In light of the Fund’s investment policies, the Fund anticipates that the 1940 Act will require it to accompany each quarterly distribution with a statement setting forth the estimated source (as between net income, capital gains and return of capital) of the distribution made. The Fund will indicate the proportion of its capital gains distributions that constitute long-term and short-term gains annually. The ultimate U.S. federal income tax characterization of the Fund’s distributions made in a calendar or fiscal year cannot finally be determined until after the end of that taxable year. As a result, there is a possibility that the Fund may make total distributions during a calendar or taxable year in an amount that exceeds the Fund’s net investment company taxable income and net capital gains for the relevant taxable year. In such situations, if a distribution exceeds the Fund’s current and accumulated earnings and profits (as determined for U.S. federal income tax purposes), such distribution would generally be treated as a tax-free return of capital reducing the amount of a Shareholder’s tax basis in such Shareholder’s Shares. When you sell your Shares in the Fund, the amount, if any, by which your sales price exceeds your basis in the Fund’s Shares is gain subject to tax. Because a return of capital reduces your basis in the Shares, it will increase the amount of your gain or decrease the amount of your loss when you sell the Shares, all other things being equal. To the extent that the amount of any return of capital distribution exceeds the Shareholder’s basis in such Shareholder’s Shares, the excess will be treated as gain from a sale or exchange of the Shares. See “Certain Tax Considerations and Risks” in the SAI.

Various factors affect the level of the Fund’s income, including the asset mix, the average maturity of the Fund’s portfolio, the amount of leverage used by the Fund and the Fund’s use of hedging. To permit the Fund to maintain a more stable quarterly distribution, the Fund may from time to time distribute less than the entire amount of income earned in a particular period. The undistributed income would be available to supplement future distributions. As a result, the distributions paid by the Fund for any particular quarterly period may be more or less than the amount of income actually earned by the Fund during that period. Undistributed income will add to the Fund’s NAV (and indirectly benefit the Adviser by increasing its fees) and, correspondingly, distributions from undistributed income will reduce the Fund’s NAV.

Section 19(b) of the 1940 Act and Rule 19b-1 thereunder generally limit the Fund to one long-term capital gain distribution per year, subject to certain exceptions.

### **Dividend Reinvestment Plan**

Under the Dividend Reinvestment Plan for the Fund, dividends and/or distributions to a holder of a class of Shares will automatically be reinvested in additional Shares of the same class of the Fund. Each registered shareholder may elect to have dividends and distributions distributed in cash (*i.e.*, “opt-out”) rather than participate in the Dividend Reinvestment Plan. For any registered shareholder that does not so elect (each, a “Participant” and collectively, “Participants”), dividends and/or distributions on such shareholder’s Shares will be reinvested by GS&Co. (the “Plan Agent”), as agent for shareholders in administering the Dividend Reinvestment Plan, in additional Shares, as set forth below. Participation in the Dividend Reinvestment Plan is completely voluntary, and may be terminated or resumed at any time without penalty by Internet, telephone or written notice if received and processed by the Plan Agent prior to the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution. Participants who hold their shares through a broker or other nominee and who wish to elect to receive any dividends and distributions in cash must contact their broker or nominee.

The Plan Agent will open an account for each holder of a class of Shares under the Dividend Reinvestment Plan in the same name in which such holder of such Shares is registered. Whenever the Fund declares a dividend or other distribution (together, a “Dividend”) payable in cash, non-participants in the Dividend Reinvestment Plan will receive cash and Participants will receive the equivalent in Shares of the share class in which the Participant is invested.

The Plan Agent maintains all Participants’ accounts in the Dividend Reinvestment Plan and furnishes written confirmation of all transactions in the accounts, including information needed by Participants for tax records. Shares in the account of each Participant will be held by the Plan Agent on behalf of the Participant in book entry form in the Plan Agent’s name or the Plan Agent’s nominee. Each shareholder proxy will include those Shares purchased or received pursuant to the Dividend Reinvestment Plan. The Plan Agent will forward all proxy solicitation materials to Participants and vote proxies for Shares held under the Dividend Reinvestment Plan in accordance with the instructions of the Participants.

In the case of shareholders such as banks, brokers or nominees which hold Shares for others who are the beneficial owners, the Plan Agent will administer the Dividend Reinvestment Plan on the basis of the number of Shares certified from time to time by the record shareholder and held for the account of beneficial owners who participate in the Dividend Reinvestment Plan.

The number of Shares to be received when distributions are reinvested will be determined by dividing the amount of the distribution by the Fund’s NAV per Share. Any stock dividends or split of Shares distributed by the Fund on Shares held by the Plan Agent for Participants will be credited to their accounts.

The Plan Agent’s fees for the handling of the reinvestment of dividends and distributions will be paid by the Fund. Capital gains and income are realized even though cash is not received by the shareholder. As such, the automatic reinvestment of Dividends will not relieve Participants of any Federal, state or local income tax that may be payable (or required to be withheld) on such dividend.

Each Participant may terminate his or her account under the Dividend Reinvestment Plan by so notifying the Plan Agent by telephone, through the Internet or in writing prior to the dividend record date. Such termination will be effective immediately if received by the Plan Agent prior to any dividend

or distribution record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution. Upon any withdrawal or termination, the Plan Agent will cause to be delivered to each terminating Participant a statement of holdings for the appropriate number of the Fund's whole book-entry Shares and a check for the cash adjustment of any fractional share at the market value per Common Share as of the close of business on the day the termination is effective less any applicable fee.

The Fund reserves the right to amend or terminate the Dividend Reinvestment Plan upon notice in writing to each Participant at least 30 days prior to any record date for the payment of any dividend or distribution by the Fund. There is no direct service charge to Participants with regard to purchases in the Dividend Reinvestment Plan; however, the Fund reserves the right to amend the Dividend Reinvestment Plan to include a service charge payable by the Participants. Notice will be sent to Participants of any amendments as soon as practicable after such action by the Fund.

All correspondence from a registered owner of Shares concerning the Dividend Reinvestment Plan should be directed to the Plan Agent at 1-800-526-7384 or Goldman Sachs Funds, P.O. Box 219711, Kansas City, MO 64121. Participants who hold their Shares through a broker or other nominee should direct correspondence or questions concerning the Dividend Reinvestment Plan to their broker or nominee.

### **Conversion to Open-End Fund**

The Trustees may at any time propose conversion of the Fund to an open-end management investment company depending upon their judgment as to the advisability of such action in light of circumstances then prevailing. In considering whether to submit an open-ending proposal to shareholders, the Trustees might consider, among other factors, any differences in operating expenses between open-end and a closed-end fund like the Fund (due to the expenses of standing ready to effect redemptions), the potentially adverse tax consequences to non-redeeming shareholders once a fund is open-ended, the liquidity of the Fund's portfolio and the impact of open-ending on portfolio management policies. Approval of conversion of the Fund to an open-end investment company requires: either (a) approval by not less than seventy-five percent (75%) of Shares of each class outstanding, voting separately, or (b) approval by a majority of the Trustees, followed by approval by a majority of outstanding Shares. Such approval is in addition to any vote or consent of the shareholders otherwise required by law. Shareholders of an open-end investment company may require the company to redeem their shares at any time (except in certain circumstances as authorized by or under the 1940 Act) at their next computed NAV less any redemption charge as might be in effect at the time of redemption. If the Fund is converted to an open-end management investment company, it could be required to liquidate portfolio securities to meet requests for redemption. The Fund may have to limit its holdings of illiquid investments and the inflows and outflows of open-end fund shares may alter the options strategies that the Fund may use. If the Fund were to experience significant redemptions as an open-end fund, the decrease in total assets could result in a higher expense ratio and inefficiencies in portfolio management. In this regard, the Fund could reserve the right to effect redemptions in-kind with portfolio securities, which would subject redeeming shareholders to transaction costs in liquidating those securities. The Fund may also impose a redemption fee.

### **Unlisted Closed-End Interval Fund Structure**

The Fund is organized as a continuously offered, diversified closed-end management investment company. Closed-end funds differ from open-end funds in that the shareholders of closed-end funds do not have the right to redeem their shares on a daily basis. Unlike most closed-end funds, which typically list their shares on a securities exchange, the Fund does not currently intend to list the Shares

for trading on any securities exchange, and the Fund does not anticipate that any secondary market will develop for the Shares in the foreseeable future. Accordingly, an investment in the Fund, unlike an investment in a typical closed-end fund, should not be considered to be a liquid investment. In order to provide some liquidity to shareholders, the Fund is operated as an “interval fund” and will conduct quarterly repurchase offers for a limited amount of the Fund’s Shares (expected to be 5% per quarter, which is the minimum amount permitted).

The Fund believes that an unlisted closed-end structure is appropriate in light of the long-term nature of the Fund’s strategy and the characteristics of its portfolio because, among other things, certain features of open-end funds (such as daily redemptions, which can necessitate the premature sale of investments) could limit the Fund’s flexibility in implementing its investment strategy. Accordingly, an unlisted closed-end structure is expected to help the Fund achieve its investment objective. The Fund’s NAV per Share may be volatile. As the Shares are not traded, investors will not be able to dispose of their investment in the Fund regardless of the Fund’s performance.

## PLAN OF DISTRIBUTION

The Fund is offering an unlimited number of shares of beneficial interest. As discussed below in the “Shareholder Guide” section, certain classes of Shares are subject to initial sales loads and/or contingent deferred sales charges. The minimum initial investment for each class of Shares is also described in the “Shareholder Guide” section. Shares are being offered through Goldman Sachs & Co. LLC (“GS&Co.” or the “Distributor”) at an offering price equal to the Fund’s then current NAV per Share plus any applicable sales charge.

If you purchase the Fund through an Intermediary, the Fund and/or its related companies may pay the Intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the Intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your Intermediary’s website for more information.

The distribution agreement between the Fund and the Distributor contains provisions for the indemnification of the Distributor by the Fund against liabilities resulting from material misstatements in the Fund’s registration statement (except to the extent a misstatement is based upon information furnished to the Fund by the Distributor).

Each prospective investor in the Fund should obtain the advice of his, her or its own legal, accounting, tax and other advisers in reviewing documents pertaining to an investment in the Fund, including but not limited to, this prospectus, the SAI and the Fund’s form of subscription agreement before deciding to invest in the Fund.

The Fund’s form of subscription agreement is governed by the laws of the State of Delaware. The Delaware courts shall have exclusive jurisdiction in relation to the subscription agreement.

The Fund and the Distributor have the sole right to accept orders to purchase Shares and reserve the right to reject any purchase order in whole or in part. Shareholders will not have the right to redeem their Shares. No market currently exists for the Fund’s Shares. The Fund does not currently intend to list its Shares for trading on any securities exchange, and does not anticipate that a secondary market will develop for its Shares. The Fund operates as an “interval fund,” a type of fund which, in order to provide some liquidity to shareholders, will make quarterly offers to repurchase between 5% and 25% of its outstanding Shares at NAV, pursuant to Rule 23c-3 under the 1940 Act. The Fund currently expects that such quarterly repurchase offers will be for 5% of the Fund’s outstanding Shares at NAV, which is the minimum amount permitted. Accordingly, you may not be able to sell Shares when and/or in the amount that you desire. Thus, the Shares are appropriate only as a long-term investment. In addition, the Fund’s repurchase offers may subject the Fund and shareholders to special risks. See “Principal Risks of the Fund—*Repurchase Offers Risk*.”

The address of GS&Co. is 200 West Street, New York, New York 10282. GS&Co. also serves as the Fund’s transfer and dividend disbursing agent (as described above in “*Other Service Providers—Transfer Agent*”).

## SHAREHOLDER GUIDE

The following section will provide you with answers to some of the most frequently asked questions regarding buying and selling the Fund's Shares.

### How to Buy Shares

#### *Shares Offering*

Each class of Shares of the Fund is continuously offered through the Distributor. The Fund and the Distributor have the sole right to accept orders to purchase shares and reserve the right to reject any purchase order in whole or in part. No market currently exists for the Fund's Shares. The Fund does not currently intend to list its Shares for trading on any securities exchange, and does not anticipate that a secondary market will develop for its Shares. Neither the Investment Adviser, nor the Distributor, intends to make a market in the Fund's Shares.

The Fund offers Class A shares, Class C shares, Class I shares, Class L shares, and Class W shares through different prospectuses. **The decision as to which class to purchase depends on the amount you invest, the intended length of the investment and your personal situation. You should contact the Intermediary through whom you purchased your Shares to discuss which share class option is right for you. Note: Intermediaries may receive different compensation for selling different share classes.**

**Investors purchasing Shares through a retirement plan or employee benefit plan may obtain additional information regarding the plan from their plan sponsor.**

#### *How Can I Purchase Shares of the Fund?*

You may purchase shares of the Fund through certain intermediaries that have a relationship with GS&Co., including banks, trust companies, brokers, registered investment advisers and other financial institutions ("Intermediaries"). Certain Intermediaries have been authorized by the Fund to accept purchase or repurchase orders on behalf of the Fund for their customers ("Authorized Institutions"), and if approved by the Fund, may designate other financial intermediaries to accept such orders. You should contact your Intermediary to learn whether it is authorized to accept orders on behalf of the Fund (*i.e.*, an Authorized Institution). In order to make an initial investment in the Fund you must furnish to your Intermediary the information in the account application.

To open an account, contact your Intermediary. Customers of an Intermediary will normally give their order instructions to the Intermediary, and the Intermediary will, in turn, place the order with the Transfer Agent. Intermediaries are responsible for transmitting accepted orders and payments to the Transfer Agent within the time period agreed upon by them and will set times by which orders and payments must be received by them from their customers. The Fund, Transfer Agent, Investment Adviser and their affiliates will not be responsible for any loss in connection with orders that are not transmitted to the Transfer Agent by an Intermediary on a timely basis.

The Fund will be deemed to have received an order for purchase or repurchase of Fund Shares when the order is accepted in "proper form" by the Transfer Agent (or, if applicable, by an Authorized Institution) on a business day, and the order will be priced at the Fund's current NAV per share (adjusted for any applicable sales charge) next determined after acceptance by the Transfer Agent (or, if applicable, by an Authorized Institution). For shareholders that place trades directly with the Fund's Transfer Agent, proper form generally means that specific trade details and customer identifying information must be received by the Transfer Agent at the time an order is submitted. Intermediaries of

the Fund may have different requirements regarding what constitutes proper form for trade instructions. Please contact your Intermediary for more information.

For purchases by check, the Fund will not accept checks drawn on foreign banks, third party checks, temporary checks, cash or cash equivalents; *e.g.*, cashier’s checks, official bank checks, money orders, traveler’s cheques or credit card checks. In limited situations involving the transfer of retirement assets, the Fund may accept cashier’s checks or official bank checks.

**What is My Minimum Investment in the Fund?**

The following investment minimums must be met with respect to investments in each class of Shares (as applicable):

	<u>Initial</u>	<u>Additional</u>
Regular Accounts . . . . .	\$2,500	\$50
Retirement Plan Accounts . . . . .	1,000	50
Automatic Investment Plan Accounts . . . . .	250	50

The minimum investment requirement for each class may be waived for: (i) GS&Co. or its affiliates (including the Fund) or their respective Trustees, officers, partners, directors or employees (including retired employees and former partners), as well as certain individuals related to such investors, including spouses or domestic partners, minor children including those of their domestic partners, other family members residing in the same household, and/or financial dependents, provided that all of the above are designated as such with an Intermediary or the Fund’s Transfer Agent; (ii) advisory clients of Goldman Sachs Private Wealth Management and accounts for which The Goldman Sachs Trust Company, N.A. acts in a fiduciary capacity (i.e., as agent or trustee); (iii) certain “wrap” programs at the discretion of the Fund’s officers; and (iv) other investors at the discretion of the Fund’s officers. No minimum amount is required for additional investments in such accounts.

**What Should I Know When I Purchase Shares through an Intermediary?**

If shares of the Fund are held in an account maintained and serviced by your Intermediary, all recordkeeping, transaction processing and payments of distributions relating to your account will be performed by your Intermediary, and not by the Fund and its Transfer Agent. Since the Fund will have no record of your transactions, you should contact your Intermediary to purchase or repurchase shares, to make changes in or give instructions concerning your account or to obtain information about your account. The transfer of shares from an account with one Intermediary to an account with another Intermediary involves special procedures and may require you to obtain historical purchase information about the shares in the account from your Intermediary. If your Intermediary’s relationship with GS&Co. is terminated, and you do not transfer your account to another Intermediary, the Fund reserves the right to repurchase your shares. The Fund will not be responsible for any loss in an investor’s account or tax liability resulting from such a repurchase.

Intermediaries that invest in shares on behalf of their customers may charge brokerage commissions or other fees directly to their customer accounts in connection with their investments. You should contact your Intermediary for information regarding such charges, as these fees, if any, may affect the return such customers realize with respect to their investments.

The Investment Adviser, Distributor and/or their affiliates may make payments or provide services to Intermediaries and other persons to promote the sale, distribution and/or servicing of shares of the Fund and other funds managed by the Investment Adviser and/or certain of its advisory affiliates

(“Goldman Sachs Funds”). These payments are made out of the Investment Adviser’s, Distributor’s and/or their affiliates’ own assets, and are not an additional charge to the Fund. The payments are in addition to the distribution and service fees and sales charges described in the Prospectus. Such payments are intended to compensate Intermediaries and other persons for, among other things: marketing shares of the Fund and other Goldman Sachs Funds, which may consist of payments relating to the Fund’s inclusion on preferred or recommended fund lists or in certain sales programs sponsored by the recipients; access to the Intermediaries’ registered representatives or salespersons, including at conferences and other meetings; assistance in training and education of personnel; marketing support; the provision of analytical or other data to the Investment Adviser or its affiliates relating to sales of shares of the Fund and other Goldman Sachs Funds; the support or purchase of technology platforms/software; and/or other specified services intended to assist in the distribution and marketing of the Fund and other Goldman Sachs Funds, including provision of consultative services to the Investment Adviser or its affiliates relating to marketing and/or sale of shares of the Fund and other Goldman Sachs Funds. The payments may also, to the extent permitted by applicable regulations, sponsor various trainings and educational programs. The payments by the Investment Adviser, Distributor and/or their affiliates, which are in addition to the fees paid for these services by the Fund, may also compensate Intermediaries and other persons for sub-accounting, sub-transfer agency, administrative, shareholder processing and/or recordkeeping services. These additional payments may exceed amounts earned on these assets by the Investment Adviser, Distributor and/or their affiliates for the performance of these or similar services. The amount of these additional payments is normally not expected to exceed 0.50% (annualized) of the amount sold or invested through the recipients. In addition, certain Intermediaries may have access to certain services from the Investment Adviser, Distributor and/or their affiliates, including research reports, economic analysis, and portfolio analysis, portfolio construction and similar tools and software. In certain cases, the Intermediaries may not pay for these products or services or may only pay for a portion of the total cost of these products or services. Please refer to the “Payments to Others (Including Intermediaries)” section of the SAI for more information about these and similar payments and services.

The payments made by the Investment Adviser, Distributor and/or their affiliates and the services provided by an Intermediary or other person may differ for different Intermediaries and other persons. The presence of these and similar payments, receipt of these services and the basis on which an Intermediary compensates its registered representatives or salespersons may create an incentive for a particular Intermediary, registered representative, salesperson or other person to highlight, feature or recommend the Fund based, at least in part, on the level of compensation paid. You should contact your Intermediary, or any other person that provides services to you, for more information about the payments it receives and any potential conflicts of interest.

You may be required to pay a commission directly to a broker or financial intermediary for effecting transactions in Class I Shares. In addition to Class I Shares, the Fund also offers other classes of shares to investors. Not all Intermediaries offer all classes of shares. These other share classes are subject to different fees and expenses (which affect performance) and are entitled to different services than Class I Shares. Information regarding these other share classes is included in the Prospectus for the applicable share class and may also be obtained from your Intermediary (if your Intermediary offers more than one class of shares) or from GS&Co. by calling the number on the back cover of the Prospectus.

### ***What Else Should I Know about Share Purchases?***

The Fund reserves the right to:

- Refuse to open an account or require an Intermediary to refuse to open an account if you fail to (i) provide a taxpayer identification number, a Social Security Number or other government-issued

identification (e.g., for an individual, a driver's license or passport); or (ii) certify that such number or other information is correct (if required to do so under applicable law).

- Reject or restrict any purchase order by a particular purchaser (or group of related purchasers) for any reason in its discretion.
- Close the Fund to new investors from time to time and reopen the Fund whenever it is deemed appropriate by the Investment Adviser.
- Provide for, modify or waive the minimum investment requirements.
- Modify the manner in which shares are offered.
- Modify the sales charge rate applicable to future purchases of shares.

Shares of the Fund are only registered for sale in the United States and certain of its territories. Generally, shares of the Fund will only be offered or sold to "U.S. persons" and all offerings or other solicitation activities will be conducted within the United States, in accordance with the rules and regulations of the Securities Act of 1933, as amended ("Securities Act").

The Fund may allow you to purchase shares through an Intermediary with securities instead of cash if consistent with the Fund's investment policies and operations and approved by the Investment Adviser.

Notwithstanding the foregoing, the Fund and GS&Co. reserve the right to reject or restrict purchase requests from any investor. The Fund and GS&Co. will not be liable for any loss resulting from rejected purchase orders.

Please be advised that abandoned or unclaimed property laws for certain states (to which your account may be subject) require financial organizations to transfer (escheat) unclaimed property (including shares of the Fund) to the appropriate state if no activity occurs in an account for a period of time specified by state law. For IRA accounts escheated to a state under these abandoned property laws, the escheatment will generally be treated as a taxable distribution to you; federal and any applicable state income tax will be withheld. This may apply to your Roth IRA as well.

**Customer Identification Program.** Federal law requires the Fund to obtain, verify and record identifying information for certain investors, which will be reviewed solely for customer identification purposes, which may include the name, residential or business street address, date of birth (for an individual), Social Security Number or taxpayer identification number or other information for each investor who opens an account directly with the Fund. Applications without the required information may not be accepted by the Fund. Throughout the life of your account, the Fund may request updated identifying information in accordance with their Customer Identification Program. After accepting an application, to the extent permitted by applicable law or their Customer Identification Program, the Fund reserves the right to: (i) place limits on transactions in any account until the identity of the investor is verified; (ii) refuse an investment in the Fund; or (iii) involuntarily repurchase an investor's shares and close an account in the event that the Fund is unable to verify an investor's identity or are unable to obtain all required information. The Fund and its agents will not be responsible for any loss or tax liability in an investor's account resulting from the investor's delay in providing all required information or from closing an account and repurchasing an investor's shares pursuant to their Customer Identification Program.

### ***How are Shares Priced?***

The price you pay when you buy Shares is the Fund's next-determined NAV per share (as adjusted for any applicable sales charge) *after* the Transfer Agent (or, if applicable, an Authorized

Institution) has received and accepted your order in proper form. The price you receive when the Fund repurchases your Shares may be reduced by any applicable charges (e.g., CDSCs). The NAV per share of each class is generally calculated as follows:

$$\text{NAV per Share} = \frac{\begin{array}{l} \text{(Value of Assets of the Class)} \\ - \text{(Liabilities of the Class)} \end{array}}{\text{Number of Outstanding Shares of the Class}}$$

The Fund's investments for which market quotations are readily available are valued at market value on the basis of quotations provided by pricing sources. If accurate quotations are not readily available, if the Fund's fund accounting agent is unable for other reasons to facilitate pricing of individual securities or calculate the Fund's NAV, or if the Investment Adviser believes that such quotations do not accurately reflect fair value, the fair value of the Fund's investments may be determined in good faith under valuation procedures approved by the Board. Thus, such pricing may be based on subjective judgments and it is possible that the prices resulting from such valuation procedures may differ materially from the value realized on a sale. Cases where there is no clear indication of the value of the Fund's investments include, among others, situations where a security or other asset or liability does not have a price source or a price is unavailable.

Equity securities listed on an exchange are generally valued at the last available sale price on the exchange on which they are principally traded. To the extent the Fund invests in foreign equity securities, "fair value" prices will be provided by an independent third-party pricing (fair value) service in accordance with the fair value procedures approved by the Board. Fair value prices are used because many foreign markets operate at times that do not coincide with those of the major U.S. markets. Events that could affect the values of foreign portfolio holdings may occur between the close of the foreign market and the time of determining the NAV, and would not otherwise be reflected in the NAV.

Fixed income securities are generally valued on the basis of prices (including evaluated prices) and quotations provided by pricing sources. Pricing sources may use matrix pricing or valuation models, which utilize certain inputs and assumptions, including, but not limited to, yield or price with respect to comparable fixed income securities, to determine current value. Pricing sources generally value fixed income securities assuming orderly transactions of an institutional round lot size, but the Fund may hold or transact in such securities in smaller odd lot sizes. Odd lots may trade at lower prices than institutional round lots.

Investments in open-end registered investment companies (if any), excluding investments in ETFs, are valued based on the NAV of those open-end registered investment companies (which may use fair value pricing as discussed in their prospectuses). Investments in CEFs and ETFs will generally be valued at the last sale price or official closing price on the exchange on which they are principally traded.

The Board has designated the Investment Adviser as the valuation designee to perform fair valuations pursuant to Rule 2a-5 under the 1940 Act. If market quotations are not readily available (as is generally the case with respect to Private Real Estate Investment Funds, Non-Traded REITs and other investment vehicles for which no secondary market exists (collectively, "Non-Traded Funds")), investments are valued at fair value as determined by the Investment Adviser. As a general matter, fair value represents the amount that the Fund could reasonably expect to receive if the Fund's investment in the security were sold at the time of valuation, based on information reasonably available at the time the valuation is made and that the Investment Adviser believes to be reliable. Fair valuation involves subjective judgments, and it is possible that the fair value determined for a security may differ materially from the value that could be realized upon the sale of the security.

The Investment Adviser expects to estimate the fair value of the Fund's investment in each Non-Traded Fund using the NAV provided by the general partner or manager of the Non-Traded Fund, which is expected to be calculated in a manner consistent with the principles of Financial Accounting Standards Board, Topic 946. To determine the NAV of the Fund with respect to investments in Non-Traded Funds, the Investment Adviser relies on information that it receives from the Non-Traded Fund, adjusted on a daily basis, based on market movement of proxies. The Investment Adviser will consider whether any further adjustment is necessary based on available information, including additional information received from the Non-Traded Fund and any other information that the Investment Adviser deems pertinent.

The Board has approved procedures pursuant to which the Fund will value its investments and ensure that valuations of Non-Traded Fund interests meet the relevant criteria to rely on the practical expedient methodology. The Board has delegated to the Investment Adviser general responsibility for determining, in accordance with such procedures, the value of such investments. The Investment Adviser may rely upon any valuations provided to it by Non-Traded Funds, but is not obligated to do so. To the extent the Investment Adviser so relies, the Fund is subject to the risk that such valuations are inaccurate. In addition, if the Non-Traded Fund does not fully and completely accrue for any taxes expected to be borne by entities under its control, the Investment Adviser will not be able to reflect such taxes in the audited financial statements it provides to shareholders. In addition, the Investment Adviser may or may not value the Non-Traded Funds consistently with how the same or similar investments are valued by Goldman Sachs. The Investment Adviser shall also have discretion to assess the Non-Traded Funds and to assign values as it believes are reasonable, and to adjust valuations of the Non-Traded Funds based on hedging activities undertaken by the Fund. The Investment Adviser shall also have the discretion to use other valuation methods that it determines, in its discretion, are fair and reasonable. Since there is no established market for Non-Traded Funds, the valuation of Non-Traded Funds is difficult and not without uncertainty and may not necessarily reflect the valuation of their respective underlying assets.

The Investment Adviser's error policy and the Fund's NAV error correction policy limit or restrict when corrective action will be taken.

### ***Other Information Regarding Valuation***

In addition, the Investment Adviser, consistent with its procedures and applicable regulatory guidance, may (but need not) determine to make an adjustment to the previous closing prices of either domestic or foreign securities in light of significant events, to reflect what it believes to be the fair value of the securities at the time of determining the Fund's NAV. Significant events that could affect a large number of securities in a particular market may include, but are not limited to: situations relating to one or more single issuers in a market sector; significant fluctuations in U.S. or foreign markets; market dislocations; market disruptions or unscheduled market closings; equipment failures; natural or man-made disasters or acts of God; armed conflicts; governmental actions or other developments; as well as the same or similar events which may affect specific issuers or the securities markets even though not tied directly to the securities markets. Other significant events that could relate to a single issuer may include, but are not limited to: corporate actions such as reorganizations, mergers and buyouts; corporate announcements, including those relating to earnings, products and regulatory news; significant litigation; ratings downgrades; bankruptcies; and trading limits or suspensions.

One effect of using an independent third-party pricing (fair value) source and fair valuation may be to reduce stale pricing arbitrage opportunities presented by the pricing of Fund Shares. However, it involves the risk that the values used by the Fund to price its investments may be different from those used by other investment companies and investors to price the same investments.

Please note the following with respect to the price at which your transactions are processed:

- NAV per share of each share class is generally calculated by the Fund's fund accounting agent on each business day as of the close of regular trading on the New York Stock Exchange (normally 4:00 p.m. Eastern time) or such other times as the New York Stock Exchange or NASDAQ market may officially close. This occurs after the determination, if any, of the income to be declared as a dividend.
- The Fund reserves the right to reprocess purchase (including dividend reinvestments) and repurchase transactions that were processed at a NAV that is subsequently adjusted, and to recover amounts from (or distribute amounts to) shareholders accordingly based on the official closing NAV, as adjusted.
- The Fund reserves the right to advance the time by which purchase orders must be received for same business day credit as otherwise permitted by the SEC.

Consistent with industry practice, investment transactions not settling on the same day are recorded and factored into the Fund's NAV on the business day following trade date (T+1). The use of T+1 accounting generally does not, but may, result in a NAV that differs materially from the NAV that would result if all transactions were reflected on their trade dates.

***Note: The time at which transactions and Shares are priced and the time by which orders must be received may be changed in case of an emergency or if regular trading on the New York Stock Exchange and/or the bond markets is stopped at a time other than their regularly scheduled closing time. In the event the New York Stock Exchange and/or the bond markets do not open for business, the Fund may, but is not required to, open for purchase transactions if the Federal Reserve wire payment system is open. To learn whether the Fund is open for business during this situation, please call the appropriate phone number located on the back cover of the Prospectus.***

Foreign securities may trade in their local markets on days the Fund is closed. As a result, if the Fund holds foreign securities, its NAV may be impacted on days when investors may not purchase or tender for repurchase Fund Shares.

The Fund relies on various sources to calculate its NAV. The ability of the Fund's fund accounting agent to calculate the NAV per share of each share class of the Fund is subject to operational risks associated with processing or human errors, systems or technology failures, cyber attacks and errors caused by third party service providers, data sources, or trading counterparties. Such failures may result in delays in the calculation of the Fund's NAV and/or the inability to calculate NAV over extended time periods. The Fund may be unable to recover any losses associated with such failures. In addition, if the third party service providers and/or data sources upon which the Fund directly or indirectly relies to calculate its NAV or price individual securities are unavailable or otherwise unable to calculate the NAV correctly, it may be necessary for alternative procedures to be utilized to price the securities at the time of determining the Fund's NAV.

## **Common Questions Applicable to the Purchase of Class A and Class L Shares**

### ***What is the Offering Price of Class A and Class L Shares?***

***The offering price of each class of Shares of the Fund is the next determined NAV per share plus any applicable initial sales charge paid to GS&Co. at the time of purchase of shares.*** With respect to Class A and Class L Shares, the sales charge varies depending upon the amount you purchase. In some cases, described below, the initial sales charge may be eliminated altogether, and the offering price will be the NAV per share.

The current sales charges and commissions paid to Intermediaries are as follows:

### Class A

Amount of Purchase (including sales charge, if any)	Sales Charge as Percentage of Offering Price	Sales Charge as Percentage of Net Amount Invested	Maximum Dealer Allowance as Percentage of Offering Price*
Less than \$100,000 .....	5.75%	6.10%	5.50%
\$100,000 up to (but less than) \$250,000 .....	4.75	4.99	4.50
\$250,000 up to (but less than) \$500,000 .....	3.75	3.90	3.50
\$500,000 up to (but less than) \$1 million .....	2.50	2.56	2.25
\$1 million or more .....	0.00**	0.00**	0.00***

### Class L

Amount of Purchase (including sales charge, if any)	Sales Charge as Percentage of Offering Price	Sales Charge as Percentage of Net Amount Invested	Maximum Dealer Allowance as Percentage of Offering Price*
Less than \$250,000 .....	4.25%	4.44%	3.50%
\$250,000 up to (but less than) \$500,000 .....	3.25	3.36	2.50
\$500,000 up to (but less than) \$1 million .....	2.00	2.04	1.50
\$1 million or more .....	1.25	1.27	1.00

\* Dealer's allowance may be changed periodically. During special promotions, the entire sales charge may be reallocated to Intermediaries. Intermediaries to whom substantially the entire sales charge is reallocated may be deemed to be "underwriters" under the Securities Act.

\*\* No sales charge is payable at the time of purchase of Class A Shares of \$1,000,000 or more, but a CDSC of 1.00% may be imposed in the event of certain repurchases within 18 months. For more information about Class A Shares' CDSCs, please see "What Else Do I Need to Know About Class A Shares' CDSC?" below. Purchases of the Fund's Class A Shares of \$1 million or more prior to August 15, 2022 may be subject to a CDSC of 0.50% on shares tendered for repurchase within 12 months of purchase.

\*\*\* The Distributor may pay a one-time commission to Intermediaries who initiate or are responsible for purchases of \$1,000,000 or more of shares of the Fund equal to 1.00%. In instances where this one-time commission is not paid to a particular Intermediary (including Goldman Sachs' Private Wealth Management Unit), the CDSC on Class A Shares, generally, will be waived. The Distributor may also pay, with respect to all or a portion of the amount purchased, a commission in an amount equal to 1.00% to Intermediaries who initiate or are responsible for purchases by Employee Benefit Plans investing in the Fund which satisfy the criteria set forth below in "When Are Class A and Class L Shares Not Subject To A Sales Load?" or \$1,000,000 or more by certain "wrap" accounts. Purchases by such plans will be made at NAV with no initial sales charge, but if shares are repurchased within 18 months, a CDSC of 1.00% may be imposed upon the plan, the plan sponsor or the third-party administrator. In addition, Intermediaries will remit to the Distributor such payments received in connection with "wrap" accounts in the event that shares are repurchased within 18 months.

***Different Intermediaries may impose different sales charges. These variations are described in "Appendix A—Additional Information About Sales Charge Variations, Waivers and Discounts."***

You should note that the actual sales charge that appears in your fund transaction confirmation may differ slightly from the rate disclosed above in the Prospectus due to rounding calculations.

As indicated in the preceding chart, and as discussed further below and in the section titled “How Can The Sales Charge On Class A and Class L Shares Be Reduced?” and in “Appendix A—Additional Information About Sales Charge Variations, Waivers and Discounts,” you may, under certain circumstances, be entitled to pay reduced sales charges on your purchases of Class A or Class L Shares or have those charges waived entirely. To take advantage of these discounts, your Intermediary must notify the Fund’s Transfer Agent at the time of your purchase order that a discount may apply to your current purchases. You may also be required to provide appropriate documentation to receive these discounts, including:

- (i) Information or records regarding shares of the Fund or other Goldman Sachs Funds that operate as “interval funds” (“Goldman Sachs Interval Funds”) held in all accounts (*e.g.*, retirement accounts) of the shareholder at all Intermediaries; or
- (ii) Information or records regarding shares of the Fund or other Goldman Sachs Funds held at any Intermediary by related parties of the shareholder, such as members of the same family or household.

### ***What Else Do I Need to Know about Class A Shares’ CDSC?***

For Class A Shares of the Fund, if you tender shares for repurchase within 18 months after the beginning of the month in which the purchase was made, a CDSC of 1.00% may be imposed. The CDSC may not be imposed if your Intermediary agrees with the Distributor to return all or an applicable prorated portion of its commission to the Distributor. The CDSC is waived on repurchases in certain circumstances. See “In What Situations May The CDSC On Class A Shares Be Waived Or Reduced?” below and, if you hold shares through an Intermediary, see “Appendix A—Additional Information About Sales Charge Variations, Waivers and Discounts.”

### ***When are Class A and Class L Shares Not Subject to a Sales Load?***

Class A and Class L Shares of the Fund may be sold at NAV without payment of any sales charge to the following individuals and entities:

- GS&Co., its affiliates or their respective officers, partners, directors or employees (including retired employees and former partners), any partnership of which GS&Co. is a general partner, any Trustee or officer of the Fund and designated family members of any of these individuals;
- Qualified employee benefit plans of GS&Co.;
- Trustees or directors of investment companies for which GS&Co. or an affiliate acts as sponsor;
- Any employee or registered representative of any Intermediary (or such Intermediaries’ affiliates and subsidiaries) or their respective spouses or domestic partners, children and parents;
- Banks, trust companies or other types of depository institutions;
- Any state, county or city, or any instrumentality, department, authority or agency thereof, which is prohibited by applicable investment laws from paying a sales charge or commission in connection with the purchase of shares of the Fund;
- Employee Benefit Plans, other than Employee Benefit Plans that purchase Class A or Class L Shares through brokerage relationships in which sales charges are customarily imposed. Under such circumstances, Plans will be assessed sales charges as described further in “Shareholder Guide—Common Questions Applicable to the Purchase of Class A and Class L Shares”;

- Investors who purchase Class A or Class L Shares through an omnibus account sponsored by an Intermediary that has an agreement with the Distributor covering such investors to offer such class(es) without charging an initial sales charge;
- Insurance company separate accounts that make the Fund available as an underlying investment in certain group annuity contracts;
- “Wrap” accounts for the benefit of clients of broker-dealers, financial institutions or financial planners, provided they have entered into an agreement with GSAM specifying aggregate minimums and certain operating policies and standards;
- Investment advisers investing for accounts for which they receive asset-based fees;
- Accounts over which GSAM or its advisory affiliates have investment discretion;
- Shareholders who roll over distributions from any tax-qualified Employee Benefit Plan or tax-sheltered annuity to an IRA which invests in the Goldman Sachs Funds if the tax-qualified Employee Benefit Plan or tax-sheltered annuity receives administrative services provided by certain third party administrators that have entered into a special service arrangement with GS&Co. relating to such plan or annuity;
- State sponsored 529 college savings plans;
- Investors that purchase Class A or Class L Shares through the GS Retirement Plan Plus and Goldman Sachs 401(k) Programs;
- Former shareholders of certain funds (including the Predecessor Fund) who (i) received shares of the Fund in connection with a reorganization of an acquired fund the Fund, (ii) had previously qualified for purchases of Class A or Class L Shares (as applicable) of the acquired fund without the imposition of a sales load under the guidelines of the applicable acquired fund; or
- Investors who purchase Class A or Class L Shares in accounts that are no longer associated with an Intermediary and held direct at the Transfer Agent, including retirement accounts.

**You must certify eligibility for any of the above exemptions on your account application and notify your Intermediary and the Fund if you no longer are eligible for the exemption. You may be eligible for different or additional exemptions based on your Intermediary; see “Appendix A—Additional Information About Sales Charge Variations, Waivers and Discounts.”**

The Fund will grant you an exemption subject to confirmation of your eligibility by your Intermediary. You may be charged a fee by your Intermediary.

#### ***How Can the Sales Charge on Class A and Class L Shares be Reduced?***

- ***Right of Accumulation:*** When buying Class A or Class L Shares of the Fund, your current aggregate investment determines the initial sales load you pay. For purposes of determining whether you qualify for a reduced sales charge for Class A and/or L Shares of the Fund (as described under “What Is The Offering Price Of Class A and Class L Shares?”), Shares of Classes A and/or L of any of the Goldman Sachs Interval Funds may be combined under the Right of Accumulation. If the Fund’s Transfer Agent is properly notified, the “Amount of Purchase” in the chart in the section “What Is The Offering Price Of Class A and Class L Shares?” will be deemed to include all Class A or Class L Shares of the Goldman Sachs Interval Funds that were held at the time of purchase by any of the following persons: (i) you, your spouse or domestic partner, your parents and your children; and (ii) any trustee, guardian or other fiduciary of a single trust estate or a single fiduciary account. This includes, for example, any Class A or Class L Shares held at an Intermediary other than the one handling your current purchase. For purposes

of applying the Right of Accumulation, shares of the Fund and any other Goldman Sachs Interval Funds purchased by an existing client of Goldman Sachs Private Wealth Management or GS Ayco Holding LLC will be combined with Class A or Class L Shares and other assets held by all other Goldman Sachs Private Wealth Management accounts or accounts of GS Ayco Holding LLC, respectively. In addition, under some circumstances, Class A or Class L Shares of the Fund and any other Goldman Sachs Interval Fund purchased by partners, directors, officers or employees of certain organizations may be combined for the purpose of determining whether a purchase will qualify for the Right of Accumulation and, if qualifying, the applicable sales charge level. To qualify for a reduced sales load, you or your Intermediary must notify the Fund's Transfer Agent at the time of investment that a quantity discount is applicable. If you do not notify your Intermediary at the time of your current purchase or a future purchase that you qualify for a quantity discount, you may not receive the benefit of a reduced sales charge that might otherwise apply. Use of this option is subject to a check of appropriate records. For purposes of determining the "Amount of Purchase," all Class A or Class L Shares currently held will be valued at their current market value.

- **Statement of Intention:** You may obtain a reduced sales charge by means of a written Statement of Intention which expresses your non-binding commitment to invest (not counting reinvestments of dividends and distributions) in the aggregate \$100,000 or more within a period of 13 months in Class A Shares or \$250,000 or more within a period of 13 months in Class L Shares of one or more of the Goldman Sachs Interval Funds. Any investments you make during the period will receive the discounted sales load based on the full amount of your investment commitment. Purchases made during the previous 90 days may be included; however, capital appreciation does not apply toward these combined purchases. If the investment commitment of the Statement of Intention is not met prior to the expiration of the 13-month period, the entire amount will be subject to the higher applicable sales charge unless the failure to meet the investment commitment is due to the death of the investor. By selecting the Statement of Intention, you authorize the Transfer Agent to escrow and repurchase Class A or Class L Shares in your account to pay this additional charge, as of the next repurchase offer following the expiration of the 13-month period, if the Statement of Intention is not met. You must, however, inform the Transfer Agent (either directly or through your Intermediary) that the Statement of Intention is in effect each time shares are purchased. Each purchase will be made at the public offering price applicable to a single transaction of the dollar amount specified on the Statement of Intention.

**Different Intermediaries may have different policies regarding Rights of Accumulation and Statements of Intention. These variations are described in "Appendix A—Additional Information About Sales Charge Variations, Waivers and Discounts."**

### **Common Questions Applicable to the Purchase of Class C Shares**

#### ***What is the Offering Price of Class C Shares?***

**You may purchase Class C Shares of the Fund at the next determined NAV per share without paying an initial sales charge. However, if you tender for repurchase Class C Shares such that they will have been held less than twelve months after purchase (measured as of the time of repurchase), a CDSC of 1.00% will normally be deducted from the repurchase proceeds. In connection with purchases by Employee Benefit Plans, where Class C Shares are tendered for repurchase within 18 months of purchase, a CDSC of 1.00% may be imposed upon the plan sponsor or third party administrator.**

***Different Intermediaries may impose different sales charges. These variations are described in “Appendix A—Additional Information About Sales Charge Variations, Waivers and Discounts.”***

Proceeds from the CDSC are payable to the Distributor and may be used in whole or in part to defray the Distributor’s expenses related to providing distribution-related services to the Fund in connection with the sale of Class C Shares, including the payment of compensation to Intermediaries. A commission equal to 1.00% of the amount invested in Class C Shares is normally paid by the Distributor to Intermediaries.

### ***What Should I Know About the Automatic Conversion of Class C Shares?***

Class C Shares of the Fund will automatically convert into Class A Shares (which bear lower Distribution and Servicing Fees) of the Fund on or about the fifteenth day of the last month of the quarter that is eight years after the purchase date. No sales charges or other charges will apply in connection with any conversion.

If you acquire Class C Shares through reinvestment of distributions, your Class C Shares will convert into Class A Shares based on the date of the initial purchase of the shares on which the distribution was paid.

Shareholders will not recognize a gain or loss for federal income tax purposes upon the conversion of Class C Shares for Class A Shares of the Fund. The automatic conversion of Class C Shares to Class A Shares will not apply to shares held through group retirement plan recordkeeping platforms of certain Intermediaries who hold such shares in an omnibus account and do not track participant level share lot aging to facilitate such a conversion.

New employee benefit plans are not eligible to purchase Class C Shares.

If you purchased your shares through an Intermediary, it is the responsibility of your Intermediary to work with the Transfer Agent to effect the conversion and to ensure that Class C Shares are automatically converted after the appropriate period of time. In addition, if your shares are no longer subject to a CDSC, you may be able to exchange your Class C Shares for Class A Shares without the payment of a sales charge prior to the automatic conversion subject to the policies and procedures of the Intermediary through whom you have purchased your shares. Please contact your Intermediary with questions regarding your eligibility to exchange Class C Shares for Class A Shares.

## **Common Questions Regarding Contingent Deferred Sales Charges**

### ***What Else Do I Need to Know About CDSCs***

- The CDSC is based on the lesser of the NAV of the shares at the time of repurchase or the original offering price (which is the original NAV).
- No CDSC is charged on shares acquired from reinvested dividends or capital gains distributions.
- No CDSC is charged on the per share appreciation of your account over the initial purchase price.
- When counting the number of months since a purchase of Shares was made, all purchases made during a month will be combined and considered to have been made on the first day of that month.

- To keep your CDSC as low as possible, each time you place a request to sell shares, the Fund will first sell any shares in your account that do not carry a CDSC and then the shares in your account that have been held the longest.

### ***In What Situations May the CDSC be Waived or Reduced?***

The CDSC may be waived or reduced if such shares are tendered for repurchase in connection with:

- Mandatory retirement distributions or loans to participants or beneficiaries from Employee Benefit Plans;
- Hardship withdrawals by a participant or beneficiary in an Employee Benefit Plan;
- The separation from service by a participant or beneficiary in an Employee Benefit Plan;
- Excess contributions distributed from an Employee Benefit Plan;
- Distributions from a qualified Employee Benefit Plan invested in the Fund which are being rolled over to an IRA in the same share class of the Fund;
- The death or disability (as defined in Section 72(m)(7) of the Code) of a shareholder, participant or beneficiary in an Employee Benefit Plan;
- Satisfying the minimum distribution requirements of the Code;
- Establishing “substantially equal periodic payments” as described under Section 72(t)(2) of the Code;
- Repurchase proceeds which are to be reinvested in accounts or non-registered products over which GSAM or its advisory affiliates have investment discretion;
- Tenders for repurchase of Fund Shares held through an Employee Benefit Plan using the Fund as part of a qualified default investment alternative or “QDIA”; or
- Other repurchases, at the discretion of the Fund’s officers, relating to shares purchased through Employee Benefit Plans.

**You may be eligible for different or additional exemptions based on your Intermediary; see “Appendix A—Additional Information About Sales Charge Variations, Waivers and Discounts.”**

## **Common Questions Regarding Share Class Exchanges**

### ***What Should I Know about Share Class Exchanges?***

Upon request, the Fund may, in its discretion, permit a current Fund shareholder to exchange his or her shares to another class of Fund Shares in a non-taxable transaction; provided that such shareholder meets the requirements of the new share class.

## **How to Sell Shares**

### ***Periodic Repurchase Offers***

The Fund has adopted the following fundamental policies, which cannot be changed without the vote of a majority of Fund shareholders, in order to repurchase its Shares:

- On a quarterly basis, in the months of March, June, September and December, the Fund will make an offer to repurchase a designated percentage of the outstanding Shares from shareholders (a “Repurchase Offer”), pursuant to Rule 23c-3 under the 1940 Act, as it may be amended from time to time.

- The Fund will repurchase only Shares that are tendered by the Repurchase Request Deadline. The Board will establish the Repurchase Request Deadline for each Repurchase Offer, but such date may be revised by the Fund's officers, in their sole discretion, based on factors such as market conditions, the level of the Fund's assets and shareholder servicing considerations provided that the Board is notified of this change and the reasons for it.
- There will be a maximum 14 calendar day period (or the next business day if the 14th calendar day is not a business day) between the Repurchase Request Deadline and the Repurchase Pricing Date.

The Fund normally will repurchase Shares that are tendered by the Repurchase Request Deadline and accepted for repurchase at the NAV determined as of the Fund's close of business (which is generally the close of business of The New York Stock Exchange, normally 4:00 p.m. Eastern time) on the Repurchase Pricing Date (minus any applicable CDSC). The Fund anticipates that the Repurchase Pricing Date for a Repurchase Offer normally will be the same date as the Repurchase Request Deadline for that Repurchase Offer. The Fund may also make discretionary repurchase offers in addition to the quarterly Repurchase Offer period once every two years.

**Repurchase Offer Amounts.** Each quarter, the Fund, in its sole discretion, will determine the number of Shares that the Fund will offer to repurchase (the "Repurchase Offer Amount") for a particular Repurchase Offer. The Repurchase Offer Amount will be at least 5% but not more than 25% of the total number of Shares outstanding on the Repurchase Request Deadline. In connection with any given Repurchase Offer, the Fund may offer to repurchase only the minimum amount of 5% of its outstanding Shares on the Repurchase Request Deadline. If shareholders tender more than the Repurchase Offer Amount for a particular Repurchase Offer, the Board may determine to increase the Repurchase Offer Amount by up to an additional 2% of the Shares outstanding on the Repurchase Request Deadline.

The Fund may not be able to repurchase the entire amount of Shares a shareholder has tendered in a Repurchase Request for a particular Repurchase Offer if the aggregate tenders exceed the Repurchase Offer Amount and, when applicable, the additional up to 2% of Shares offered to be repurchased by the Fund.

Certain shareholders, including Goldman Sachs Private Wealth Management clients and other clients or affiliates of the Investment Adviser and/or other funds managed by the Investment Adviser, may from time to time own or control a significant percentage of the Fund's Shares. Repurchase requests by these shareholders of these Shares of the Fund may cause repurchases to be oversubscribed, with the result that shareholders may only be able to have a portion of their Shares repurchased in connection with any Repurchase Offer. See "Shareholder Guide—How to Sell Shares—Oversubscribed Repurchases Offers."

**Repurchase Offer Notices.** The Fund will send shareholders or Intermediaries a Repurchase Offer Notice. Intermediaries, in turn, are responsible for providing the Repurchase Offer Notice to their respective customers who are shareholders of the Fund. The Fund will send the Repurchase Offer Notice to shareholders or Intermediaries at least 21 calendar days but not more than 42 calendar days before the Repurchase Request Deadline for a Repurchase Offer. Shareholders who purchase Shares after the mailing of the Repurchase Offer Notice may not receive a hard copy of the Repurchase Offer Notice, but may access the Repurchase Offer Notice via the Fund's website at [am.gs.com](http://am.gs.com) and via the EDGAR Database on the SEC's Internet site at <http://www.sec.gov>. The Repurchase Offer Notice will include information about the Repurchase Offer, including:

- The percentage of the Fund's Shares to be repurchased.

- The Fund's NAV (computed no more than seven days before the date of the Repurchase Offer Notice) and means by which shareholders may ascertain a more recent statement of the Fund's NAV.
- How you may request the Fund to repurchase your Shares and your right to withdraw or modify your tender until the Repurchase Request Deadline.
- The Repurchase Request Deadline.
- The procedures under which the Fund may repurchase Shares on a pro rata basis.
- The Repurchase Pricing Date.
- The risk that the Fund's NAV will fluctuate between the Repurchase Request Deadline and the Repurchase Pricing Date (to the extent they are different).
- The Repurchase Payment Deadline, which is the date by which the Fund will send the payment to shareholders for Shares accepted for repurchase. The date will be not more than 7 calendar days after the Repurchase Pricing Date.
- The circumstances in which the Fund may suspend or postpone a Repurchase Offer.

**Repurchase Requests.** A shareholder may tender all or some of his or her Shares for repurchase. You may withdraw or change a repurchase request at any time up until the Repurchase Request Deadline for a particular Repurchase Offer, but not after that date. Shares properly withdrawn will not thereafter be deemed to be tendered for purposes of the Repurchase Offer. However, withdrawn Shares may be retendered by following the procedures described in this Prospectus prior to the Repurchase Request Deadline. **The Repurchase Request Deadline will be strictly observed.**

**Repurchase Pricing Date.** The repurchase price of the Shares for a particular Repurchase Offer will be the NAV determined as of the close of the New York Stock Exchange on the Repurchase Pricing Date for that Repurchase Offer (adjusted for any applicable CDSCs). The Fund anticipates that the Repurchase Pricing Date for a Repurchase Offer normally will be the same date as the Repurchase Request Deadline for that Repurchase Offer. In that case, the Fund will set the Repurchase Request Deadline for a time no later than the close of the New York Stock Exchange on that date. The Fund, however, may choose to make the Repurchase Pricing Date for a Repurchase Offer as many as 14 calendar days after the Repurchase Request Deadline for that Repurchase Offer. If that day is not a regular business day, then the Repurchase Pricing Date for that Repurchase Offer will be the following regular business day. The Fund's NAV may fluctuate between the date you submit your repurchase request and the Repurchase Request Deadline, and to the extent there is any delay between the Repurchase Request Deadline and the Repurchase Pricing Date. The NAV on the Repurchase Request Deadline and the Repurchase Pricing Date could be higher or lower than on the date you submit a repurchase request.

The Fund does not presently plan to deduct any repurchase fees from the repurchase proceeds. However, in the future the Board may determine to impose a repurchase fee payable to the Fund to help it defray its expenses of making Repurchase Offers. Any such fee will not exceed 2% of the proceeds of a Repurchase Offer.

**Repurchase Payment Deadline.** The Fund expects to distribute repurchase proceeds in cash to shareholders between one and three business days and will distribute such repurchase payments, but no later than seven calendar days after each Repurchase Pricing Date.

**Oversubscribed Repurchase Offers.** The Fund may not be able to repurchase the entire amount of Shares a shareholder has tendered in a repurchase request for a particular Repurchase Offer if the aggregate tenders exceed the Repurchase Offer Amount and, when applicable, the

additional up to 2% of Shares (described above) offered to be repurchased by the Fund. The aggregate tenders include Shares that the Fund determines to repurchase as described under “What Else Do I Need to Know About Repurchases?” If Fund shareholders tender more Shares than the Fund decides to repurchase, the Fund will repurchase the tendered Shares on a *pro rata* basis, rounded down to the nearest .001 of a Share. With respect to any required minimum distributions from an IRA or other qualified retirement plan, it is the obligation of the shareholder to determine the amount of any such required minimum distribution and to otherwise satisfy the required minimum. In the event that shareholders tender for repurchase more than the Repurchase Offer Amount for a given repurchase offer, the Fund will repurchase the shares on a *pro rata* basis which may result in the Fund not honoring the full amount of a required minimum distribution requested by a shareholder. The Fund may accept all shares tendered for repurchase by shareholders who own less than one hundred shares and who tender all of their shares, before prorating other amounts tendered. The Fund’s ability to accept all shares tendered for repurchase by shareholders who own less than one hundred shares and who tender all of their shares before prorating other amounts tendered may be restricted for shares held at certain financial intermediaries.

If a Repurchase Offer is oversubscribed, shareholders may be unable to liquidate some or all of their investment during that Repurchase Offer. In that case, the shareholder may have to wait until a later Repurchase Offer to tender Shares for repurchase and would be subject to the risk of NAV fluctuations during that period. Shareholders must submit a new repurchase request for that Repurchase Offer. Any subsequent Repurchase Offer may also be oversubscribed.

***Suspension or Postponement of Repurchase Offers.*** The Fund may postpone or suspend Repurchase Offers. A postponement or suspension may occur only if approved by a vote of a majority of the Board, including a majority of the independent Trustees. The Fund or your Intermediary will send you a notice if there is a suspension or postponement of a Repurchase Offer and if a Repurchase Offer is renewed after a suspension or postponement. A suspension or postponement may be done only in limited circumstances. These circumstances include the following:

- The repurchase of Shares would cause the Fund to lose its status as a regulated investment company under Subchapter M of the Code.
- During an emergency that makes it impractical for the Fund to dispose of securities it owns or to determine the NAV of the Fund’s Shares.
- During other periods that the SEC permits the suspension or postponement of offers by the Fund for the protection of its shareholders.
- If the Fund’s Shares were to be listed on a stock exchange or quoted on an inter-dealer quotation system of a national securities association (such as NASDAQ) and the repurchase would cause the Shares to lose that listing or quotation, or
- During any period in which the New York Stock Exchange or any other market on which the Fund’s portfolio securities are traded is closed (other than customary weekend or holiday closings) or trading in those markets is restricted.

***Repurchase Offers Liquidity Requirement.*** From the time the Fund or Intermediary sends a Repurchase Offer Notice to shareholders until the Repurchase Pricing Date, the Fund must maintain liquid assets at least equal to the Repurchase Offer Amount. For this purpose, “liquid assets” means assets that may be sold or otherwise disposed of in the ordinary course of business, at approximately the price at which they are valued by the Fund, within a period equal to the period between the Repurchase Request Deadline and the Repurchase Payment Date, or which mature by the Repurchase Payment Date.

You may submit a repurchase request either to the Fund directly or through your Intermediary. Customers of an Intermediary will normally give their repurchase instructions to the Intermediary, and

the Intermediary will, in turn, place repurchase orders with the Fund. The Fund may transfer repurchase proceeds to an account with your Intermediary. In the alternative, your Intermediary may request that repurchase proceeds be sent to you by check or wire (if the wire instructions are designated in the current records of the Transfer Agent).

### ***When Do I Need a Medallion Signature Guarantee?***

Generally, a repurchase request must be in writing and signed by an authorized person with a Medallion signature guarantee if:

- A repurchase request is made in writing to tender for repurchase Shares in an amount over \$50,000, the proceeds of which will be paid by check;
- You would like the repurchase proceeds sent to an address that is not your address of record; or
- You would like the repurchase proceeds sent to a domestic bank account that is not designated in the current records of the Transfer Agent.

A Medallion signature guarantee must be obtained from a bank, brokerage firm or other financial intermediary that is a member of an approved Medallion Guarantee Program or that is otherwise approved by the Fund. A notary public cannot provide a Medallion signature guarantee. The written request may be confirmed by telephone with both the requesting party and the designated Intermediary to verify instructions. Additional documentation may be required.

### ***What Do I Need to Know About Telephone Repurchase Requests?***

The Fund, the Distributor and the Transfer Agent will not be liable for any loss or tax liability you may incur in the event that the Fund accepts unauthorized telephone repurchase requests that the Fund reasonably believes to be genuine. The Fund may accept telephone repurchase instructions from any person identifying himself or herself as the owner of an account or the owner's registered representative where the owner has not declined in writing to use this service. Intermediaries may submit repurchase requests by telephone. Thus, you risk possible losses if telephone repurchase instructions are not authorized by you.

In an effort to prevent unauthorized or fraudulent repurchase requests by telephone, GS&Co. and SS&C Global Investor & Distribution Solutions, Inc. each employ reasonable procedures specified by the Fund to confirm that such instructions are genuine. The following general policies are currently in effect:

- Telephone requests are recorded.
- Proceeds of telephone repurchase requests will be sent to your address of record or authorized account designated in the current records of the Transfer Agent (unless you provide written instructions and a Medallion signature guarantee indicating another address or account).
- For the 30-day period following a change of address, telephone repurchases will only be filled by a wire transfer to the authorized account designated in the current records of the Transfer Agent (see immediately preceding bullet point). In order to receive the repurchase proceeds by check during this time period, a repurchase request must be in the form of a written letter with a Medallion signature guarantee.
- The telephone repurchase option does not apply to Shares held in an account maintained and serviced by your Intermediary. If your Shares are held in an account with an Intermediary, you should contact your registered representative of record, who may make telephone repurchase requests on your behalf.

- The telephone repurchase option may be modified or terminated at any time without prior notice.
- The Fund may repurchase via check up to \$50,000 in shares requested via telephone.

### ***How are Repurchase Proceeds Paid?***

***By Wire:*** You may arrange for your repurchase proceeds to be paid as federal funds to an account with your Intermediary or to a domestic bank account designated in the current records of the Transfer Agent. In addition, repurchase proceeds may be transmitted through an electronic trading platform to an account with your Intermediary. The following general policies govern wiring repurchase proceeds:

- Repurchase proceeds will normally be paid in federal funds, between one and two business days (or such other times in accordance with the requirements of your Intermediary) following receipt of a properly executed repurchase request. However, repurchase proceeds may be paid up to seven calendar days following the Repurchase Pricing Date.
- If you are tendering for repurchase Shares you recently paid for by check or purchased by Automated Clearing House (“ACH”), the Fund will pay you when your check or ACH has cleared, which may take up to 15 days.
- If the Federal Reserve Bank is closed on the day that the repurchase proceeds would ordinarily be wired, wiring the repurchase proceeds may be delayed until the Federal Reserve Bank reopens.
- To change the bank wiring instructions designated in the current records of the Transfer Agent, you must send written instructions, signed by an authorized person designated in the current records of the Transfer Agent. A Medallion signature guarantee may be required if you are requesting a repurchase in conjunction with the change.
- None of the Fund, the Investment Adviser or GS&Co. assumes any responsibility for the performance of your bank or Intermediary in the transfer process. If a problem with such performance arises, you should deal directly with your bank or Intermediary.

***By Check:*** You may elect to receive your repurchase proceeds by check. Repurchase proceeds paid by check will be paid to shareholders no later than seven days after the Repurchase Pricing Date. If you are tendering for repurchase Shares you recently paid for by check or ACH, the Fund will pay you when your check or ACH has cleared, which may take up to 15 days.

### ***What Else Do I Need to Know about Repurchases?***

The following generally applies to repurchase requests:

- Additional documentation may be required when deemed appropriate by the Transfer Agent. A repurchase request will not be in proper form until such additional documentation has been received.
- Intermediaries are responsible for the timely transmittal of repurchase requests by their customers to the Transfer Agent. In order to facilitate the timely transmittal of repurchase requests, Intermediaries may set times by which they must receive repurchase requests. Intermediaries may also require additional documentation from you.

The Fund reserves the right to:

- Repurchase your Shares in the event your Intermediary’s relationship with GS&Co. is terminated, and you do not transfer your account to another Intermediary, or in the event that the Fund is no longer an option in your Employee Benefit Plan or no longer available through your fee-based account with an Intermediary.

- Repurchase your Shares if your account balance is below the required Fund minimum. The Fund will not repurchase your Shares on this basis if the value of your account falls below the minimum account balance solely as a result of market conditions. The Fund will give you 60 days prior written notice to allow you to purchase sufficient additional Shares of the Fund in order to avoid such repurchase. Different rules may apply to investors who have established brokerage accounts with GS&Co. in accordance with the terms and conditions of their account agreements.
- Repurchase your shares in the case of actual or suspected threatening conduct or actual or suspected fraudulent, suspicious or illegal activity by you or any other individual associated with your account.
- Subject to applicable law, repurchase your Shares in other circumstances determined by the Board to be in the best interest of the Fund.
- Reinvest any amounts (e.g., dividends, distributions or repurchase proceeds) which you have elected to receive by check should your check remain uncashed for more than 180 days. No interest will accrue on amounts represented by uncashed checks. Your check will be reinvested in your account at the NAV on the day of the reinvestment. When reinvested, those amounts are subject to the risk of loss like any Fund investment. If you elect to receive distributions in cash and a check remains uncashed for more than 180 days, your cash election may be changed automatically to reinvest and your future dividend and capital gains distributions will be reinvested in the Fund at the NAV as of the date of payment of the distribution. This provision may not apply to certain retirement or qualified accounts, accounts with a non-U.S. address or closed accounts.
- Charge an additional fee in the event a repurchase is made via wire transfer.

The Fund's repurchases described above will be conducted as part of the Fund's periodic Repurchase Offers and be subject to the applicable Repurchase Pricing Date and Repurchase Payment Deadline. The Fund will provide the shareholder concerned an advance notice of the Fund's intention to repurchase the shareholder's Shares even if not voluntarily tendered.

None of the Fund, the Investment Adviser or GS&Co. will be responsible for any loss in an investor's account or tax liability resulting from an involuntary repurchase.

### ***Can I Arrange to have Automatic Investments Made on a Regular Basis?***

You may be able to make automatic investments in the Fund through your bank via ACH transfer or via bank draft or through your Intermediary each month. The minimum dollar amount for this service is \$250 for the initial investment and \$100 per month for additional investments. Forms for this option are available online at [am.gs.com](http://am.gs.com) and from your Intermediary, or you may check the appropriate box on the account application.

### ***What Types of Reports Will I be Sent Regarding My Investment?***

Intermediaries are responsible for providing any communication from the Fund to shareholders, including but not limited to, prospectuses, prospectus supplements, Repurchase Offer Notices, proxy materials and notices regarding the source of dividend payments under Section 19 of the 1940 Act. They may charge additional fees not described in the Prospectus to their customers for such services.

You will be provided with a printed confirmation of each transaction in your account and a quarterly account statement. If your account is held through your Intermediary you will receive this information from your Intermediary.

You will also receive an annual shareholder report containing audited financial statements and a semi-annual shareholder report. If you have consented to the delivery of a single copy of shareholder reports, prospectuses and other information to all shareholders who share the same mailing address with your account, you may revoke your consent at any time by contacting your Intermediary or the Fund at the appropriate phone number or address found on the back cover of the Prospectus. The Fund will begin sending individual copies to you within 30 days after receipt of your revocation. If your account is held through an Intermediary, please contact the Intermediary to revoke your consent.

## **Distribution and Service Fees**

### ***What are the Different Distribution and/or Service Fees Paid by the Fund's Shares?***

The Fund has adopted a distribution and service plan (the "Plan") under which certain Share classes (as set forth below) bear distribution and/or service fees paid to GS&Co., some of which GS&Co. may pay to Intermediaries. If the fees received by GS&Co. pursuant to the Plan exceeds its expenses, GS&Co. may realize a profit from this arrangement. GS&Co. generally receives and pays the distribution and service fees on a monthly basis. Because these fees are paid out of the Fund's assets on an ongoing basis, over time, these fees will increase the cost of your investment and may cost you more than paying other types of such charges.

#### Distribution Fees

Distribution fees are subject to the requirements of Rule 12b-1 under the 1940 Act, and may be used (among other things) for:

- Compensation paid to and expenses incurred by Intermediaries, GS&Co. and their respective officers, employees and sales representatives;
- Commissions paid to Intermediaries;
- Allocable overhead;
- Telephone and travel expenses;
- Interest and other costs associated with the financing of such compensation and expenses;
- Printing of prospectuses for prospective shareholders;
- Preparation and distribution of sales literature or advertising of any type; and
- All other expenses incurred in connection with activities primarily intended to result in the sale of Fund Shares.

#### Service Fees

Service fees may be used (among other things) for personal and account maintenance services, and may be used to make payments to GS&Co., Intermediaries and their officers, sales representatives and employees for responding to inquiries of, and furnishing assistance to, shareholders regarding ownership of their shares or their accounts or similar services not otherwise provided on behalf of the Fund. Service fees may also be used for certain shareholder support and administration services.

In connection with the sale of Class C Shares, GS&Co. normally begins paying distribution and/or service fees on an ongoing basis to Intermediaries after the shares have been held for one year. GS&Co. normally begins accruing distribution and/or service fee for Class A, Class L, and Class W Shares immediately.

***Distribution and/or Service Fee Schedule***

<u>Share Class</u>	<u>Distribution Services</u>	<u>Shareholder Services</u>	<u>Maximum Distribution-Related and Shareholder Services</u>
Class A .....	0.25%	0.25%	0.25%
Class C .....	0.75%	0.25%	1.00%
Class I .....	N/A	N/A	N/A
Class L .....	0.25%	0.25%	0.50%
Class W .....	0.25%	0.25%	0.25%

## TAXATION

**GOLDMAN SACHS DOES NOT PROVIDE LEGAL, TAX OR ACCOUNTING ADVICE. EACH PROSPECTIVE INVESTOR SHOULD OBTAIN INDEPENDENT TAX ADVICE BASED ON ITS PARTICULAR SITUATION.**

The discussion below and certain disclosure in the SAI provide general tax information related to an investment in Shares of the Fund. Because tax laws are complex and often change, Shareholders should consult their tax advisors about the tax consequences of an investment in the Fund. Unless otherwise noted, the following tax discussion applies only to U.S. Shareholders that hold the Shares as capital assets. A U.S. Shareholder is an individual who is a citizen or resident of the United States, a U.S. corporation, a trust if it (a) is subject to the primary supervision of a court in the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) has made a valid election to be treated as a U.S. person, or any estate the income of which is subject to U.S. federal income tax regardless of its source.

The Fund has elected to be treated, and intends to qualify each taxable year, as a RIC under Subchapter M of the Code. To qualify under Subchapter M for the favorable tax treatment accorded to RICs, the Fund must, among other things: (1) distribute to its Shareholders in each taxable year at least 90% of the sum of its investment company taxable income (as that term is defined in the Code, but without regard to the deduction for dividends paid) and its net tax-exempt income; (2) derive in each taxable year at least 90% of its gross income from (a) dividends, interest, payments with respect to certain securities loans, and gains from the sale or other disposition of stock, securities or foreign currencies, or other income (including but not limited to gain from options, futures and forward contracts) derived with respect to its business of investing in such stock, securities or foreign currencies; and (b) net income derived from interests in certain publicly traded partnerships that are treated as partnerships for U.S. federal income tax purposes and that derive less than 90% of their gross income from the items described in (a) above (each, a "Qualified Publicly Traded Partnership"); and (3) diversify its holdings so that, at the end of each quarter of each taxable year of the Fund (a) at least 50% of the value of the Fund's total assets is represented by cash, cash items, U.S. government securities and securities of other RICs, and other securities, with these other securities limited, with respect to any one issuer, to an amount not greater in value than 5% of the value of the Fund's total assets, and to not more than 10% of the outstanding voting securities of such issuer, and (b) not more than 25% of the value of the Fund's total assets is represented by the securities (other than U.S. government securities or securities of other RICs) of (I) any one issuer, (II) any two or more issuers that the Fund controls and that are determined to be engaged in the same or similar trades or businesses or related trades or businesses or (III) any one or more Qualified Publicly Traded Partnerships. As a RIC, the Fund generally will not be subject to U.S. federal income tax on its investment company taxable income and net capital gain (the excess of net long-term capital gain over net short-term capital loss), if any, that it distributes in each taxable year to its Shareholders. The Fund intends to distribute to its Shareholders, at least annually, substantially all of its investment company taxable income and net capital gain.

If the Fund failed to qualify for the favorable tax treatment accorded to RICs in any taxable year, the Fund would be subject to U.S. federal income tax at regular corporate rates on its taxable income (including distributions of net capital gain), even if such income were distributed to its Shareholders, and all distributions out of earnings and profits would be taxed to Shareholders as ordinary dividend income. Such distributions generally would be eligible (i) to be treated as "qualified dividend income" in the case of individual and other non-corporate Shareholders and (ii) for the dividends received deduction in the case of corporate Shareholders. In addition, the Fund could be required to recognize unrealized gains, pay taxes and make distributions (which could be subject to interest charges) before requalifying for taxation as a RIC.

A RIC that fails to distribute, by the close of each calendar year, an amount at least equal to the sum of 98% of its ordinary taxable income for such calendar year and 98.2% of its capital gain net income (adjusted for certain ordinary losses) for the one-year period ending on October 31 of such calendar year, plus any shortfalls from any prior year's required distribution, is liable for a 4% excise tax on the portion of the undistributed amounts of such income that are less than the required distributions. For these purposes, the Fund will be deemed to have distributed any income or gain on which it paid U.S. federal income tax.

Distributions to Shareholders by the Fund of ordinary income (including "market discount" realized by the Fund on the sale of debt securities), and of net short-term capital gains, if any, realized by the Fund will generally be taxable to Shareholders as ordinary income to the extent such distributions are paid out of the Fund's current or accumulated earnings and profits. Distributions, if any, of net capital gains properly reported as "capital gain dividends" will be taxable as long-term capital gains, regardless of the length of time the Shareholder has owned Shares of the Fund. A distribution of an amount in excess of the Fund's current and accumulated earnings and profits (as determined for U.S. federal income tax purposes) will be treated by a Shareholder as a return of capital which will be applied against and reduce the Shareholder's basis in his or her Shares. To the extent that the amount of any such distribution exceeds the Shareholder's basis in his or her Shares, the excess will be treated by the Shareholder as gain from a sale or exchange of the Shares. Distributions paid by the Fund generally will not be eligible for the dividends received deduction allowed to corporations or for the reduced rates applicable to certain qualified dividend income received by non-corporate Shareholders.

Under applicable treasury regulations, properly reported dividends paid by the Fund that are attributable to the Fund's "qualified REIT dividends" (generally, ordinary income dividends paid by a REIT, not including capital gain dividends or dividends treated as qualified dividend income) may be eligible for the 20% deduction described in Section 199A of the Code through 2025 in the case of non-corporate U.S. common shareholders, provided that certain holding period and other requirements are met by the shareholder and the Fund. There can be no assurance as to what portion of the Fund's distributions will qualify for such deduction.

Distributions will be treated in the manner described above regardless of whether such distributions are paid in cash or invested in additional Shares of the Fund pursuant to the Plan. Shareholders receiving distributions in the form of additional Shares of the Fund will be treated as receiving a distribution in the amount of cash that they would have received if they had elected to receive the distribution in cash, unless the Fund issues additional Shares with a fair market value equal to or greater than net asset value, in which case, such Shareholders will be treated as receiving a distribution in the amount of the fair market value of the distributed Shares. The additional Shares received by a Shareholder pursuant to the Plan will have a new holding period commencing on the day following the day on which the Shares were credited to the Shareholder's account.

Although dividends generally will be treated as distributed when paid, dividends declared in October, November or December, payable to Shareholders of record on a specified date in one of those months, and paid during the following January, will be treated as having been distributed by the Fund (and received by Shareholders) on December 31 of the year in which declared.

In general, the sale or other disposition of Shares (except pursuant to a repurchase by the Fund, as described below) will result in capital gain or loss to Shareholders. A holder's gain or loss generally will be a long-term capital gain or loss if the Shares have been held for more than one year. Present law taxes both long-and short-term capital gains of corporations at the rates applicable to ordinary income. For non-corporate taxpayers, however, long-term capital gains are currently eligible for reduced rates of taxation. Losses realized by a holder on the sale or exchange of Shares held for six

months or less are treated as long-term capital losses to the extent of any distribution of long-term capital gain received (or amounts designated as undistributed capital gains, as discussed under “Certain Tax Considerations and Risks” in the SAI) with respect to such Shares. In addition, no loss will be allowed on the sale or other disposition of Shares if the owner acquires (including pursuant to the Plan) or enters into a contract or option to acquire securities that are substantially identical to such Shares within 30 days before or after the disposition. In such case, the basis of the securities acquired will be adjusted to reflect the disallowed loss.

From time to time, the Fund may offer to repurchase its outstanding Shares. Shareholders who tender all Shares held, or considered to be held, by them will be treated as having sold their Shares and generally will realize a capital gain or loss. If a Shareholder tenders fewer than all of its Shares or fewer than all Shares tendered are repurchased, such Shareholder may be treated as having received a taxable dividend upon the tender of its Shares. In such a case, there is a risk that non-tendering Shareholders, and Shareholders who tender some but not all of their Shares or fewer than all of whose Shares are repurchased, in each case whose percentage interests in the Fund increase as a result of such tender, will be treated as having received a taxable distribution from the Fund. The extent of such risk will vary depending upon the particular circumstances of the tender offer, and in particular whether such offer is a single and isolated event or is part of a plan for periodically repurchasing Shares of the Fund.

The Fund may be required to withhold from all distributions and repurchase proceeds payable to U.S. Shareholders who fail to provide the Fund with their correct taxpayer identification numbers or to make required certifications, or who have been notified by the Internal Revenue Service that they are subject to backup withholding. Certain Shareholders specified in the Code generally are exempt from such backup withholding. This backup withholding is not an additional tax. Any amounts withheld may be refunded or credited against the Shareholder’s U.S. federal income tax liability, provided the required information is timely furnished to the Internal Revenue Service.

If a Shareholder (other than a partnership) is not a U.S. Shareholder (other than such a Shareholder whose ownership of Shares is effectively connected with a U.S. trade or business), certain dividends received by such Shareholder from the Fund may be subject to U.S. federal withholding tax. To the extent that Fund distributions consist of ordinary dividends that are subject to withholding, the applicable withholding agent will generally be required to withhold U.S. federal income tax at the rate of 30% (or such lower rate as may be determined in accordance with any applicable treaty). However, dividends paid by the Fund that are “interest-related dividends” or “short-term capital gain dividends” will generally be exempt from such withholding, in each case to the extent the Fund properly reports such dividends to Shareholders. For these purposes, interest-related dividends and short-term capital gain dividends generally represent distributions of interest or short-term capital gains that would not have been subject to U.S. federal withholding tax at the source if they had been received directly by a non-U.S. Shareholder, and that satisfy certain other requirements. It is expected that the Fund will generally report short-term gains, to the extent permitted, but the Fund does not intend to report any distributions attributable to interest income. Therefore, all distributions of interest income will be subject to withholding when paid to non-U.S. investors. Net capital gain dividends (that is, distributions of the excess of net long-term capital gain over net short-term capital loss) distributed by the Fund to a non-U.S. Shareholder will not be subject to U.S. federal withholding tax.

The Fund may be required to withhold from distributions to a non-U.S. Shareholder that are otherwise exempt from U.S. federal withholding tax (or taxable at a reduced treaty rate) unless the non-U.S. Shareholder certifies his or her foreign status under penalties of perjury or otherwise establishes an exemption.

Under Sections 1471 through 1474 of the Code (such Sections commonly referred to as “FATCA”), a 30% United States federal withholding tax may apply to any ordinary dividends and other distributions that the Fund pays to (i) a “foreign financial institution” (as specifically defined in the Code), whether such foreign financial institution is the beneficial owner or an intermediary, unless such foreign financial institution agrees to verify, report and disclose its United States “account” holders (as specifically defined in the Code) and meets certain other specified requirements or (ii) a non-financial foreign entity, whether such non-financial foreign entity is the beneficial owner or an intermediary, unless such entity provides a certification that the beneficial owner of the payment does not have any substantial United States owners or provides the name, address and taxpayer identification number of each such substantial United States owner and certain other specified requirements are met. In certain cases, the relevant foreign financial institution or non-financial foreign entity may qualify for an exemption from, or be deemed to be in compliance with, these rules. In addition, foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules. You should consult your own tax advisor regarding FATCA and whether it may be relevant to your ownership and disposition of Shares.

The foregoing tax discussion is for general information only. The provisions of the Code and regulations thereunder presently in effect as they directly govern the taxation of the Fund and its Shareholders are subject to change by legislative or administrative action, and any such change may be retroactive with respect to the Fund’s transactions. The foregoing does not represent a detailed description of the U.S. federal income tax considerations relevant to special classes of taxpayers including, without limitation, financial institutions, insurance companies, investors in pass-through entities, U.S. Shareholders whose “functional currency” is not the U.S. dollar, tax-exempt organizations, dealers in securities or currencies, traders in securities or commodities that elect mark to market treatment, or persons that will hold Shares as a position in a “straddle,” “hedge” or as part of a “constructive sale” for U.S. federal income tax purposes. In addition, this discussion does not address the application of the Medicare tax on net investment income or the U.S. federal alternative minimum tax. Additional information can be found in the section entitled “CERTAIN TAX CONSIDERATIONS AND RISKS” in the SAI.

Shareholders are advised to consult with their own tax advisors for more detailed information concerning federal income tax matters.

## **LEGAL MATTERS**

Certain legal matters in connection with the Shares will be passed upon for the Fund by Dechert LLP, New York, New York.

## APPENDIX A

### ADDITIONAL INFORMATION ABOUT SALES CHARGE VARIATIONS, WAIVERS AND DISCOUNTS

The availability of certain sales charge variations, waivers and discounts will depend on whether you purchase your shares directly from the Fund or through an Intermediary. Intermediaries may impose different sales charges and have unique policies and procedures regarding the availability of sales charge waivers and/or discounts (including based on account type), which differ from those described in the Prospectus and are disclosed below. All sales charges and sales charge variations, waivers and discounts available to investors, other than those set forth below, are described in the Prospectus. To the extent an Intermediary notifies the Investment Adviser or Distributor of its intention to impose sales charges or have sales charge waivers and/or discounts that differ from those described in the Prospectus, such information provided by that Intermediary will be disclosed in this Appendix.

**In all instances, it is your responsibility to notify your Intermediary at the time of purchase of any relationship or other facts qualifying you for sales charge waivers or discounts. Please contact your Intermediary with questions regarding your eligibility for applicable sales charge variations, waivers and discounts or for additional information regarding your Intermediary's policies for implementing particular sales charge variations, waivers and discounts. For waivers and discounts not available through a particular Intermediary, shareholders will have to purchase shares directly from the Fund or through another Intermediary to receive these waivers or discounts.**

The information provided below for a particular Intermediary is reproduced based on information provided by that Intermediary. An Intermediary's administration and implementation of its particular policies with respect to any variations, waivers and/or discounts is neither supervised nor verified by the Fund, the Investment Adviser or the Distributor.

This Appendix does not currently contain descriptions of any intermediary-specific sales charge variations, waivers or discounts.

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# Goldman Sachs Real Estate Diversified Income Fund

Shares

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## PROSPECTUS

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January 28, 2025

All dealers that effect transactions in the Fund's shares, whether or not participating in this offering, may be required to deliver a prospectus when acting on behalf of the Fund's Distributor.